

Costs to consider before altering your sectional title unit

Before altering their units, sectional title owners need to spend a considerable amount of time and money securing the approval of different stakeholders and ensuring the registration of a new sectional plan at the Deeds Office. This is according to Andrew Schaefer, MD of property management company Trafalgar.



Source: Vincent Yim© [123RF.com](https://www.123RF.com)

Popular alterations include the conversion of carports to garages or storage rooms, the roofing of drying yards to make them into laundries, and the closure of balconies or patios to create extra living space – all of which clearly increase the outside boundaries of a ST unit, he notes.

However, in terms of the Sectional Title Schemes Management Act (STSMA), even adding a loft room inside the unit constitutes an extension in that it increases the floor area, and before any building work can begin, the owner will need to do the following, all at their own cost:

- Obtain the approval of the body corporate, authorised by a special resolution of its members, as provided in Section 5 of STSMA. This requires a 75% vote in favour (in number and value) by the members of the body corporate present, or represented by proxy, at a meeting at which a quorum is present and of which at least 30 days' notice has been given. Value will be determined by each member's participation quota (PQ).
- Hire an architect or land surveyor to draft a new sectional plan for the scheme including their proposed extension and get this approved by the Surveyor General, as provided in Section 24(3) of the Sectional Titles Act, as amended by the STSMA.
- Obtain a certificate from the architect or land surveyor stating that there will not be a deviation of more than 10% in the PQ of the relevant section as a result of the extension. If there is a bigger deviation, every bondholder with an interest in the scheme will also need to be informed of the proposed alteration or extension, which will only be able to proceed if they do not object.
- Ensure that the new sectional plan is registered at the Deeds Office and that all unit title deeds are amended by the Registrar. The effect of an extension is that the relevant section will have a bigger floor area and thus bigger PQ and

that the PQs of all the other sections will decrease. This will necessitate a recalculation of levies once the new plan is registered.

- Obtain the approval of the relevant local authority for the building work proposed, which can only be done after the changes to the sectional plan have been approved and registered. In some instances, an area the owner wants to enclose will be too small to be deemed a room and the change will not be approved by council. In other instances, the proposed enclosure might be refused because it would cause the floor area ratio or allowable bulk of the scheme to be exceeded.



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Consequently, says Schaefer, owners who are keen to extend their sections could find that it would actually be more costly to do so than just to sell and move to a bigger home, especially when one considers the increased monthly levy payable on an altered unit.

“On the other hand, making an unauthorised change should not even be considered, as it could make the unit very difficult to sell in future. Prospective buyers might not be able to secure a home loan to purchase a unit that has been improperly altered.”

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