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IN THE HIGH COURT OF SOUTH AFRICA, GAUTENG DIVISION, JOHANNESBURG

CASE NO: 44135/2018

REPORTABLE: NO OF INTEREST TO OTHER JUDGES: NO REVISED: NO

Applicant

In the matter between:

YELLOW RIVER PROPERTY INVESTMENTS

(PTY) LTD (Registration Number: [....])

And

VUYO MARCH

(ID Number: [....])

PASCALINAH MAMONARE

(ID Number: [....])

GEORGE BALOYI

(ID Number: [....])

ISAAC MAEYANE (ID Number: [....])

PATRICK RAMASEDI

First Respondent

Second Respondent

Third Respondent

Fourth Respondent

Fifth Respondent

(ID Number: [....])

BUSISWE DINGA (ID Number: [....]) Sixth Respondent **TUMISANG PEME** (ID Number: [....]) Seventh Respondent NTOMBIKAYISE MASUKU **Eighth Respondent** (ID Number: [....]) **NTOKOZO MASUKU** Ninth Respondent (ID Number: [....]) **MARIA SEGONA** (ID Number [....]) Tenth Respondent **ZODWA RAMASEDI** (ID Number: [....]) **Eleventh Respondent KGABOITSILE TLHALATSI** (ID Number: [....]) Twelfth Respondent **KOKETSO MATHIBE** (ID Number: [....]) **Thirteenth Respondent** THE CITY OF JOHANNESBURG **METROPOLITAN MUNICIPALITY** • Fourteenth Respondent THE UNLAWFUL OCCUPIERS OF THE OLD HAMBURG HOTEL Fifteen Respondent

JUDGMENT

ENGELBRECHT, AJ:

Introduction and background

1. This is an opposed application for residential eviction in terms of the Prevention of Illegal Eviction from and Unlawful Occupation of Land Act 19 of 1998 (PIE Act). The applicant (Yellow River) seeks to evict the first to thirteenth and fifteenth respondents (the Respondents) from the immovable property situate at 2625 Albertina Sisulu Road, Hamberg, Florida (the Property), which the Respondents oppose. The fourteenth respondent is the City of Johannesburg Metropolitan Municipality (the City). No relief is sought against it and the City has not filed opposing papers.

2. The matter first came before my sister Southwood AJ on 5 August 2019. In the judgment of 11 September 2019 that followed upon the initial hearing, the Court expressed the view that (i) the applicants had failed to establish due compliance with section 4(2) of the PIE Act for failure to provide proof of service on each of the individual respondents of the section 4(2) notice; and (ii) the description of the Property in the founding papers was inconsistent with the deeds of transfer attached to the papers. No order was made.

3. On 27 January 2021, the applicant served a supplementary affidavit to address the concerns expressed by her Ladyship Madam Acting Justice Southwood. The supplementary affidavit establishes that what is referred to as Erf [....], Hamberg Township previously consisted of Erfs [....], [....], and [....], Hamberg Township. These Erfs were consolidated to form Erf [....] on or about 24 February 2014.

4. Moreover, returns of service filed with this Court on 20 and 27 January 2021, respectively, provide proof of effective service on the unlawful occupiers of notice that this hearing was to proceed in the week of 1 March 2021.

5. The matter came before me on 3 March 2021, via electronic hearing, as is the norm during the Coronavirus pandemic. The applicant was represented by Ms. Matome of the Johannesburg Bar. The Respondents were unrepresented, and I heard submissions from the first respondent (Mr. March) and the fifth respondent (Mr. Ramasedi), who were assisted by certain of the remaining Respondents who were present with them at the Johannesburg High Court (where they were given access to facilities to enable the electronic hearing of this matter).

The PIE Act

6. The PIE Act, which came into operation on 5 June 1998, was promulgated to provide for the prohibition of unlawful occupation and to put in place fair procedures for the eviction of unlawful occupiers who occupy property without permission. No person may be evicted without a court order, which order may only be granted after consideration of all relevant circumstances.

7. Under section 4(1), the owner of a property is included as a party with the necessary *locus standi* to apply for eviction.

8. The procedural requirements are laid down in section 4(2), which provides for effective notice of the hearing on the unlawful occupier and the municipality having jurisdiction.

9. Eviction proceedings can only commence after a lease has been cancelled, and a notice of cancellation must be clear and unequivocal (*Morkel v Thornhill,* unreported case no A105/2009, judgment of Hancke J of 4 March 2010).

10. If all of the requirements have been met, and no valid defense is raised by an unlawful occupier, an order for eviction may be granted.

This Court's approach to the proceedings

11. In a PIE application such as this, the Court is required to engage upon a factfinding mission to ensure that a just and equitable order is ultimately made, as I shall discuss more fully below in the consideration of the merits of this application. The obligation to ensure fairness, and a just and equitable outcome, weighs even more heavily on the Court in a case where the respondents in a PIE application are unrepresented. In my view, it is wholly inappropriate in such circumstances to insist on formalities and for the Court to become shackled by technicalities.

12. In the present case, the applicant raised an objection to the form of the notice of opposition, because it failed to set out a service address as required under Uniform Rule 6(5)(d)(i). Further, as my sister Southwood AJ pointed out in her aforementioned judgment (at para 18), the document purporting to be the answering affidavit was signed by an unidentified person, with the document itself suggesting that all Respondents had been deponents to the document. Additional facts were set out in a document purporting to be heads of argument but which once more was presented in *quasi*-affidavit form. Moreover, as indicated above, the applicant filed a supplementary affidavit without specifically requesting leave to do so. In argument, counsel for the applicant made reference to an email of Mr. March (which was sent to my Registrar), and Mr. March offered to email proof of the fact that he had suffered loss of employment.

13. In ordinary circumstances, all of this would be deemed highly irregular. But, in *PPE International Inc (BVI) and others v Industrial Development Corporation of South Africa Limited* 2013 (1) BCLR 55 (CC), the Constitutional Court emphasized that "*rules are made for courts to facilitate the adjudication of cases*", and that the Superior Courts "*enjoy the power to regulate their processes, taking into account the interests of justice*" (at para 30), recognizing that in "*some cases the mechanical application of a particular rule may lead to an injustice*", which must be avoided (at para 31). In *South African Broadcasting Corporation SOC Ltd v South African Broadcasting Corporation Pension Fund and Others* 2019 (4) SA 279 (CC) the Constitutional Court pointed out that Courts have always been inclined to adopt a pragmatic approach in dealing with formalistic and technical objections (at para 37).

14. In these circumstances, all forms of non-compliance with the Uniform Rules and applicable practices are condoned. This Court is interested in the appropriate resolution of the disputes between the parties, not a formalistic approach that would prevent it from bringing relevant information into account.

15. Against that backdrop, I now turn to a discussion of the available facts.

Relevant facts

16. Yellow River is the registered owner of the Property, colloquially known as the Old Hamburg Hotel. It is in the business of letting and hiring of rental accommodation in residential buildings owned by it, including the Property.

17. The Property comprises 52 dwelling units, and it would seem that, by February 2014, when Yellow River took transfer of the Property, the first to thirteenth respondents (the Original Respondents) already in occupation of the units, under rental agreements with the previous owner, Richmond Hotel Investments (Pty) Ltd. Indeed, the Original Respondents are said to have resided on the Property since 2012. Yellow Property became the lessor by operation of law, with effect from February 2014. Renovations of the Property and upgrading of "most of the dwelling units" is said to have occurred at this time.

18. Yellow Property does not have copies of the lease agreements available, but it is asserted that the lease agreements provided that the Original Respondents rented the various dwelling units on a month-to-month basis, with the obligation to pay rent on the first day of every month, as well as that they would pay for all electricity, water and sanitation charges in regard to the services supplied and/or consumed by them at the Property. (The Respondents assert that the additional charges were included in the rental amount, but that dispute need not be resolved for present purposes.)

19. It is common cause that, prior to November 2017, the Original Respondents were tenants in good standing living at the Property. They paid rent in the amount of between R1 700 and R2 600 per month, depending on the size of the unit.

20. Then, in November 2017 a dispute arose between Yellow River and the City concerning the charges levied for the supply of water and electricity to the Property and/or applicable rates and taxes. In essence that dispute concerns the fact that Yellow River is being charged at the business tariff, whereas the Property is used for residential purposes. It is alleged that the tariff charges applied to the

consumption of municipal services at the Property resulted in Yellow River "*not* being able to recover enough to pay its local municipality for use of municipal services". On account of its invoices for the supply of services to the Property, the City terminated the supply of all services to the Property. In particular, this resulted in the Property having its electricity and water supply disconnected by the City. (The dispute with the City is currently the subject of proceedings under case number 1398/2019.)

21. According to the Respondents, "There was no services at the Property for over a month, leaving the tenants suffering from exposure of the lack of basic services for their basic needs", and despite their efforts to engage with Yellow River, there was no meaningful response. The Respondents cite "extensive fruitless attempts to engage with the Applicant" and assert that this, "along with the costs of sourcing alternative resources for our basic services, had resulted in intolerable circumstances for all of us. As much as we all needed roofs over our heads, we could not afford to still continue paying rent whilst sourcing alternative power and water". On the Respondents' version, they then started to divert their rental money to an account used to obtain legal representation. The Respondents therefore accept that they had engaged upon a rent boycott.

22. In a letter of 18 January 2018 (incorrectly dated as 18 January 2017), Yellow River directed a letter to the then tenants residing at the Property:

"Please note that we have been engaged in a long battle with City of Johannesburg over municipal charges for this property.

The current water and electricity charges exceed the monthly rent collected.

The issue lies in COJ charging us a commercial tariff for water and electricity. The water alone comes out extremely high. It is also possible there is underground leaks.

Our advice to tenants is to find an alternate place for accommodation as it seems we are in for a long legal battle with City of Johannesburg before they will provide us with water and electricity again. We have decided to appoint attorneys to help assist in getting the tariff changed. If tenants wish to come back once we are up and running again, they should please leave their number with the caretaker and we will let them know when we can rent out units again".

23. Just over a month later, the approach became more heavy-handed: the attorneys for Yellow River asserted that the tenants had "*failed, neglected and/or refused to vacate the Property*", and provided the tenants with "*one final opportunity*" to vacate the Property. In terms of the letter, which was served by Sheriff as a "*Notice to Vacate*":

"Our client instructs us to inform you of its intention to cancel the Agreement and give notice for you and all occupants within your unit to find alternative accommodation and vacate the Property by no later than 31 March 2018, failing which our client will have no option but to approach the Roodepoort Magistrates Court to obtain an order for your eviction".

24. On the version of Yellow River, the Respondents have (i) vandalized the Property; (ii) permitted and/or facilitated and/or solicited the occupation of vacant dwelling units at the Property by third parties without Yellow River's consent and against its will; and (iii) are receiving money or other consideration for having permitted and/or facilitated and/or solicited the occupation of vacant dwelling units at the Property by third parties. This version is supported by an affidavit of the caretaker of the Property. The Respondents deny these allegations, saying that it was Yellow River that removed geysers and sinks from the Property. This is consistent with a letter of 18 May 2018 in which Yellow River's attorneys explained to the then attorney for the Respondents that the geysers and sinks were to be removed to secure them, although the letter asserts that removed items were then stolen. The letter also asserts that at least two of the units were allegedly being rented out by the Respondents. That letter was never responded to. Five months later, in October 2018, Yellow River's attorneys wrote once more to the Respondents' erstwhile attorney, complaining that the Original Respondents had hijacked the building and therefore that they had acted in a manner demonstrating that they did not consider themselves bound by the terms of their lease agreements. This was characterized as a repudiation, which was accepted. On behalf of Yellow Property, a demand was made to vacate the Property *"forthwith"*. An intention to embark upon eviction proceedings was then signaled.

25. In November 2018, this application was launched, seeking an order that the Original Respondents vacate the Property, and ancillary relief to give effect to that order, together with costs.

26. The June 2019 Section 4(2) Notice informed the Respondents of the institution of proceedings. The Section 4(2) Notice informed the Respondents that the aspects to be dealt with by the Court in exercising its discretion would include the Respondents personal circumstances (including whether the Property is occupied by elderly persons, children or disabled persons or is a household headed by women) and whether the Respondents would be rendered homeless should an order for their eviction be granted.

27. By order of 22 January 2020, the fifteenth respondent was joined. The fifteenth respondent is, for present purposes, the Unlawful Occupiers of the Property.

28. In response to the application, the Respondents essentially asserted that the situation in which they found themselves was the consequence of Yellow River's failure to pay its dues to the City. The invoked *inter alia* the right to access to adequate housing, asserting that a "*common ground*" was all that they were seeking. The response did not include any evidence on the personal circumstances of the Respondents, and included no discussion of whether the Respondents (or any of them) would be rendered homeless as a result of the eviction.

29. In heads of argument filed by the Respondents, some information was provided, to the effect that:

29.1. "Finding alternative accommodation then had also not been a feasible alternative for any of us as the families that were residing on the subject-

site could not find any other alternatively feasible means to access their place of work and schooling" (para 4);

29.2. the actions of Yellow River would render the families homeless (para 11);

29.3. some of the Respondents would not be able to afford the alternative accommodation that had been identified by Yellow River, due to job losses and retirement in some cases; and

29.4. the fourth respondent (Mr. Maeyane) had been forced to take early retirement due to a medical condition (loss of eyesight), and he lives on the Property with a son that is dependent on him, whilst their only income is a grant Mr. Maeyane receives (para 13).

30. Moreover, in submissions made to me during the hearing included reference to the effect of the Coronavirus pandemic, which has included persons living on the Property losing their jobs. This included Mr. March, one of the spokespeople.

The case for relief

31. Yellow River contends that eviction would be just and equitable, because it established that:

31.1. there were other properties for rent in the area at more or less the same price point;

31.2. Yellow River has suffered substantial damages, because its investment has been sterilized as a result of the rent boycott;

31.3. the Original Respondents had usurped the role of Yellow River by leasing unoccupied units to third parties; and

31.4. the Property was under the effective control of a voluntary association comprised of the Original Respondents.

The duty of this Court

32. My duty in adjudicating upon this application has its starting point in the Constitution of the Republic of South Africa Act No 108 of 1996 (Constitution): section 26(3) of the Constitution provides that no one may be evicted from their home without an order of court made after considering all relevant circumstances, and so I have to consider such relevant circumstances.

33. The PIE Act gives effect to section 26(3) in that it enjoins a court to grant an eviction order only if it is "*just and equitable to do so*", after considering all of the relevant circumstances as contemplated in sections 4(6) and (7) and section 6(1). The Constitutional Court in *Port Elizabeth Municipality v Various Occupiers* 2005 (1) SA 217 (CC) at para 36 emphasized that the court must take an active role , that it is "*called upon to go beyond its normal functions and to engage in active judicial management according to equitable principles*" and that "*in addition to lawfulness of the occupation the court must have regard to the interests and circumstances of the occupier and pay due regard to broader considerations of fairness and other constitutional values, so as to produce a just and equitable result". The active role includes that the court must "probe and investigate the surrounding circumstances", as explained in <i>Pitje v Shibambo* 2016 (4) BCLR 460 (CC) at para 19.

34. Those observations appear to contrast with the judgment of the Supreme Court of Appeal in Ndlovu v Ngcobo; Bekker and Another v Jika 2003 (1) SA 113 (SCA) at para 19 that "Unless the occupier opposes and discloses circumstances relevant to the eviction order, the owner, in principle, will be entitled to an order for eviction. Relevant circumstances are nearly without fail facts within the exclusive knowledge of the occupier and it cannot be expected of an owner to negative in advance facts not known to him and not an issue between the parties." But this sentiment appears to have met with approval of the Constitutional Court, as Willis J explains in Johannesburg Housing Corporation (Pty) Ltd v Unlawful Occupiers, Newtown Urban Village 2013 (1) SA 583 (GSJ) (Johannesburg Housing Corporation) at paras 70 to 71. Does this mean that the court is absolved from the obligation to interrogate matters more actively where the party seeking to avoid eviction has made bald, vague or laconic assertions, as the Court considered in Johannesburg Housing Corporation at para 122? I think not.

35. In the case of *City of Johannesburg v Changing Tides 74 (Pty) Ltd and others* 2012 (6) SA 294 (SCA) (*Changing Tides*) the nature of an enquiry under the PIE Act was examined and it was held that the enquiry cannot be concluded "*until the court is satisfied that it is in possession of all the information necessary to make both findings based on justice and equity*" (*Changing Tides* at para 25). That proposition was reiterated in *Occupiers, Berea v De Wet N.O. and another* 2017 (5) SA 346 (CC) at paras 46 and 48, where the Constitutional Court held that, where the relevant information is not before the court, the enquiry cannot be concluded and "*no order may be granted*" and that the court can only grant an eviction order where "*it has all the information about the occupiers to enable it to decide whether the eviction is just and equitable*". In paragraph 51, the Constitutional Court stated in no uncertain terms that "where only inadequate information is available, the court must decline to make an eviction order. The absence of information is an irrefutable confirmation of the fact that the court is not in a position to exercise this important jurisdiction".

Discussion

36. This Court has a great deal of sympathy for the position of Yellow River: it has not been able to collect rental for an inordinate amount of time; and that inability to collect rental is closely associated with its ongoing dispute with the City. But even accepting that to be the position, the case precedent makes clear that the Court has to play an active role in finding out all relevant facts if they are not available; without access to all of the relevant facts, I cannot grant an order for eviction, according to the jurisprudence of the highest Court in the land. And even counsel for Yellow River was constrained to submit that all the facts are not before this Court. 37. This leaves this court in a difficult position. On the traditional grounds for avoiding eviction, the Respondents have given me very little to go by. If the affidavits were to be measured on the principles ordinarily applying in applications, there would be no basis for me to decline granting the relief sought by Yellow River. But in light of the aforesaid Constitutional Court guidance on the matter, I am bound to seek further information concerning the situation of the persons residing on the Property. I am further bound to seek information to establish whether the Respondents will be rendered homeless by an order of eviction. On the basis of the papers before me, I cannot conclude with certainty that the eviction will not result in homelessness for at least some of the Respondents and/or adversely affect minor children and elderly persons. Notably, when I asked information of the Respondents' representatives during the hearing, it was asserted that there are any number of children residing at the Property and that they are enrolled in schools in the vicinity of the Property. It was also asserted that there were elderly persons residing on the Property, and that a number of the persons there residing had lost their jobs due to the pandemic. Upon being directly asked what would happen if the Court evicted them, the Respondents' representative asserted that they would be left to live on the street. Upon being prompted on what that meant, he confirmed that they would be rendered homeless.

38. In all of these circumstances, I am compelled to ensure that the circumstances of all of the persons residing on the Property are placed before this Court.

39. Furthermore, it is absolutely essential for a Court considering this matter to have the benefit of the City's position available to it. Municipalities play a central, increasingly complex role in facilitating the determination of whether or not the courts will grant an eviction order. Both the Constitutional Court and the Supreme Court of Appeal have expressed the view that a municipality's obligations extend, at the very least, to providing a Court with all of the information necessary to establish when an eviction would be just and equitable. Consequently, that input must not only be comprehensive but must also be meaningful and specific, to assist the court to come to a just decision in a particular case. This would include information on the interests of female-headed families, children, the elderly and disabled, if land may be made available, and if alternative accommodation is in fact available. 40. The only entity that can provide the necessary information is the municipality in question. Meaningful information regarding the existence of housing available for the homeless is critical.

41. The failure by municipalities to discharge the role implicitly envisaged for them by statute, that is, to report to the Court in respect of any of the factors affecting land and accommodation availability and the basic health and amenities consequences of an eviction, especially on the most vulnerable such as children, the disabled and the elderly, not only renders the service of the notice a superfluous and unnecessarily costly exercise for applicants, but more importantly, it frustrates an important objective of the legislation. It hampers the Court's ability to make decisions which are truly just and equitable.

42. The City needs to fulfil its role in the present case. The circumstances of the case which are so closely associated with the City's alleged charging practices demands that the City cannot adopt a supine approach in this matter.

Conclusion

43. Each eviction has its own history, its own dynamics, its own intractable elements that must be lived with and its own creative possibilities that must be explored as far as is reasonably possible. The circumstances of unlawful occupiers either as individuals or as a group are also unique. Since each eviction case is different each must be treated differently. Courts have a duty to seek concrete case-specific solutions in cases of unlawful occupation, keeping all of the relevant factors in mind. A one-size-fits-all solution in eviction cases is, therefore, not only unworkable but also unacceptable. As Sachs J said in the *Various Occupiers* case the "...managerial role of the courts may need to find expression in innovative ways".

44. The order that I make seeks to give expression to this directive. Ideally, this matter should be resolved through meaningful engagement between the City, Yellow River and the occupiers of the Property, to come to a practical solution. But

that is not something I can order. This Court can also not allow the situation to drag on indefinitely. I am therefore placing the parties under strict time limits to collate further information that will enable this Court to perform its duties as aforesaid.

45. In the circumstances, I make the following order:

45.1. the applicant is directed to serve a copy of this judgment and order on the City of Johannesburg, within 5 days of this order.

45.2. the Respondents are directed to serve on the applicant's attorneys and file with this court, within 15 days of this order, affidavits deposed to separately by at least one person per unit -

45.2.1. identifying the unit of the Property in which the person resides;

45.2.2. confirming whether the persons residing in the unit commenced occupation prior to or after November 2017;

45.2.3. confirming whether occupation of the unit was in consequence of a rental agreement concluded with the erstwhile owner of the Property and, if not, what the basis for occupation of the unit is;

45.2.4. setting out the names and ages of all persons residing in the particular unit on the Property;

45.2.5. in the case of any minor children residing in the unit on the Property, providing details of such children's enrolment in school (including the school/s where the minor children are enrolled and the grades in which they are enrolled);

45.2.6. in the case of any occupant of a unit suffering from any disability, setting out in full the nature of the disability(supported by documentation);

45.2.7. in the case of elderly persons occupying a unit, asserting that fact (identifying the age of the occupant/s that are said to be elderly);

45.2.8. providing details of permanent and/or temporary employment, if any, of all occupants of the unit on the Property that are not of schoolgoing age over the past 12 months (including identity of the employer and income received);

45.2.9. providing details of any income and/or monies received by any person residing on the Property other than as a consequence of temporary or permanent employment (for example, grants); and

45.2.10. setting out in full what alternatives to accommodation, if any, are or may be available to the occupants of the Property in the event that an order for eviction is granted, including (i) with family members or (ii) taking into account properties available for rental in the vicinity of the Property at rates similar to the rental rates applicable at the Property prior to the cancellation, taking into account inflationary increases.

45.3. The Respondents are directed to attach to the affidavit to be filed:

45.3.1. copies of the birth certificates of all minor children residing on the Property;

45.3.2. copies of the identity documents of all other persons residing on the Property;

45.3.3. any documents proving enrolment of the minor children at school, including the date of enrolment and the period of such enrolment; and

45.3.4. any documents that the Respondents may wish to rely on to illustrate the financial position of those residing on the Property.

45.4. If any of the documents are not provided, the affidavit must contain an explanation as to why the documents cannot be so provided.

45.5. The applicant's attorneys shall ensure service of the Respondents' affidavits on the City, within 5 days of receipt of the affidavits from the Respondents.

45.6. The City of Johannesburg is directed to file a report with this court, confirmed on affidavit, within 25 days of receipt of the affidavits on what steps it has taken and what steps it intends or is able to take in order to provide alternative land or emergency accommodation to the Respondents in the event of them being evicted, and when alternative land or accommodation can be provided.

45.7. The applicant and the Respondents may, within 15 days of delivery of the City of Johannesburg's report, file affidavits in response.

45.8. The applicant may, in the affidavit contemplated in the preceding paragraph, also respond to the affidavits of the Respondents.

45.9. Immediately upon issue of this order, the applicant's attorney shall approach the Registrar for a set-down of this matter in the week of 21 June 2021, or so soon thereafter as the Registrar is able to provide a date for hearing on the opposed roll.

45.10. There is no order as to costs.

MJ ENGELBRECHT ACTING JUDGE OF THE HIGH COURT GAUTENG LOCAL DIVISION, JOHANNESBURG

Electronically submitted therefore unsigned

Delivered: This judgement was prepared and authored by the Judge whose name is reflected and is handed down electronically by circulation to the Parties/their legal representatives by email and by uploading it to the electronic file of this matter on CaseLines. The date for hand-down is deemed to be 12 MARCH 2021.

Date of hearing:	3 March 2021
Date of judgment:	12 March 2021

Appearances

For the applicants:	Adv. M. Matome
Instructed by:	Schindlers Attorneys
For the respondents:	Unrepresented