

Supreme Court of Appeal of South Africa

MEDIA SUMMARY – JUDGMENT DELIVERED IN SUPREME COURT  
OF APPEAL

From: The Registrar, Supreme Court of Appeal

Date: 28 November 2007

Status: Immediate

*Please note that the media summary is intended for the benefit of the media and does not form part of the judgment of the Supreme Court of Appeal*

BODY CORPORATE OF GREENACRES v GREENACRES UNIT 17 CC

1. The Supreme Court of Appeal today decided that all disputes between a body corporate of a sectional title scheme and an owner, and between owners amongst themselves, which arise out of the Sectional Titles Act, the management rules and the conduct rules, must be submitted to arbitration – unless the arbitrator is not competent to grant the relief sought (such as an interdict).

2. The body corporate brought arbitration proceedings against an owner for payment of arrear levies. The owner's defence was that he had paid for the completion of certain parts of the common property at request of the body corporate and that the amount owing to him in consequence exceeded the amount due to the body corporate.

3. The owner argued that the Act permitted the body corporate to recover unpaid levies in a court and that this is the procedure it should have followed. The SCA held that court procedure was apposite only where there was no dispute to be arbitrated upon, but where there was a dispute, an arbitrator had to be appointed to resolve it unless the relief sought could not be granted in arbitration proceedings.

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