

If you are a developer who wishes to open a sectional title scheme on a property you own or are about to own here are the basic steps:

1. Purchase your piece of land. You don't have to have taken transfer of this land before getting things started, as long as you know you will at some stage as the costs to undertake a development can be substantial.
2. Please make sure the land you buy is **zoned** correctly to cater for the number of units you want to build;
3. Consult an Architect to draw the plans for the development. Before the units can be sold "off plan" the Architect needs to also provide a **floor plan** and **site plan**;
4. Draw up a **schedule of finishes** which we need to attach to your sale agreements (if you intend to sell the units before they have been built - transfer of the unit will obviously only take place when the unit is complete);
5. Consult a Land Surveyor who will have to draw up the **sectional title plans** once the building structure has been erected. The LS fees can be high so please consult this person at the beginning of your process. The LS will also guide you.
6. Sale of units - at any stage, once you have the Sale Agreement, your floor plan, site plan and schedule of finishes, you may launch this development and sell to end users. A conveyancer will need to draw up the Sale Agreement.
7. **Right of extension** - you may decide you want to phase the building of the development. If so, you will need to advise both your Conveyancer (so they can insert the relevant clause in the Agreement) and the Land Surveyor (who needs to cater for this in the sectional plan). You will need to have a concept diagram drawn for the future phases, you are not permitted to decide on what you will build at a later stage, your concept diagram will have to be submitted to the Deeds Office when you initially open the register, even though the structures may be built later.
8. **Body Corporate Rules** - you may decide to use the statutory rules which are contained in the Regulations of the Sectional Titles Schemes Management Act. If you want to customise your rules, the Conveyancers will need to draft these and these must be submitted to the Ombuds Council for approval BEFORE you are able to transfer the first units.
9. **Exclusive Use Areas** - these could be parkings, carports, gardens etc. You can either allocate exclusive use areas in terms of the body corporate rules or they can appear on the sectional plan. Please inform the Conveyancers if you wish to allocate them in terms of the rules and the LS if you wish to put them on the ST plan.
10. Once you have erected all the walls of the buildings (you don't need to have finished the entire development or even have the roof on), you may contact the LS to draft the Sectional Title Plans. Once the LS has drafted these, they will be submitted to the Surveyor General for approval. That can take between 6 - 12 weeks, depending on the turnaround time of the SG at the time of submission.
11. Once the plans have been released, the Conveyancers can prepare their documents in order to open the Sectional Title Register.
12. It is possible to open the register at the same time that the first transfer is registered. Please

Speak to the Conveyancer about this to discuss which would be best.

13. The Body Corporate is formed on the first transfer of a unit. You will then have 60 days to call a meeting with the owners who have just taken transfer and discuss levies etc. Should you fail to do this, it will be a criminal offence.

There are many more intricacies involved in Sectional Title Developments, and this is just a basic guideline. Please feel free to give us a call to discuss your development.