

SPLUMA results in 60% spike in demand for property inspections

According to Sheldon Jennings, principal architect and founder of property inspection firm ArchiCheck, the Spatial Planning and Land Use Management Act (SPLUMA) - set for implementation in October 2020 - has led to a 60% increase in the demand for property inspections over the past three months.



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This Act was initiated in 2013 to provide a more robust framework for land use management and to address past spatial and regulatory imbalances.

"Together with this 60% spike, there is also growing demand for drawings and approval of 'as-built' plans, as well as a remarkable interest in a comprehensive architectural and engineering report to check the structures and documentation. This is hopefully indicative of consumers beginning to insist on complete peace of mind."

Issuing of certificate prior to sale

Jennings explains that the Act requires the issuing of a SPLUMA certificate by the local authority to the National Deeds Office prior to the sale of a property. In order to attain this certificate, the seller of a property must submit an affidavit, signed under oath, to the municipality with an application wherein he / she states that the relevant plans pertaining to the property are in order, accurate, and have been filed with the local municipality.

"The looming implementation has also led to more demand for the assessment of SG diagrams and title deeds to examine whether any servitudes, rights of use, or restrictions apply, which might limit future renovations. It is very refreshing to see property practitioners caring for the interest of the purchaser to larger degrees and hopefully it indicates more education being done to inform first-time home buyers of their rights."

Inspection reports

“Another interesting trend is a marked spike in the sellers of properties requesting inspection reports, as opposed to the buyers as was previously the case. In addition to this, property practitioners, such as real estate agents are driving the referrals for these inspections. This is great news for first-time property buyers, as a thorough architectural report will usually compare the official plan with the as-built structure and flag any areas of non-compliance before the purchase takes place.”

Additional requirements demanded by the SPLUMA Act include confirmation that all rates and taxes, as well as other funds due in respect of the property, are paid to date; confirmation that building plans for all buildings – including outbuildings such as garages, swimming pools and lapas have been submitted to and approved by the local council; confirmation that the use of the property is in accordance with the municipal zoning and confirmation that there are no encroachments over the building lines and property boundaries.

Jennings says that this is a victory for SA home buyers who up until now have been grossly exposed due to a lack of protection in this regard.

“The SPLUMA certificate fills a longstanding void in a set-up where many properties used to be sold ‘voetstoots’, without the seller / buyer having cross-referenced the structure against the existing building plans to ensure that it has been approved by the local council.”

Complying with National Building Regulations, SANS guidelines

“In the worst-case scenario, when the structure does not comply with the National Building Regulations or SANS guidelines at all, the city reserves the right to demolish any part of the building that is not indicated on the approved ‘as-built’ plans. In less severe cases where the structure does comply with the building guidelines, but plans were not submitted for approval, the new homeowner will need to get the existing structure approved. The timeline for this process is typically six months, but it can exceed a year due to current backlogs at several city councils. On top of this, a penalty fee of up to 100% of the building cost can be charged for any unapproved structures. The relevant council’s scrutiny fees are also calculated according to the square meterage of the building.”

Jennings says that it is advised for sellers to get a copy of the approved house plans and compare it to the actual build before putting the property on the market. Once all is in order, an application for a SPLUMA certificate can be lodged in advance as the process of acquiring this certificate can hold up the transfer process.”

“If it does come to light that the plans are not a true representation of the structure, the seller will need to commission an architect to have new building plans drawn up for council approval prior to listing the property.”

“Ultimately, the implementation of SPLUMA is a great first step in making the real estate process more regulated and robust and bringing SA on par with international markets, where pre-sale inspections are considered an important industry norm,” concludes Jennings.

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