

Why estate living isn't for everyone

While an increasing number of South Africans have been opting for sectional title property purchases over the last few years than ever before, and increasing development has provided many attractive sectional title opportunities, Tony Clarke, the MD of the Rawson Property Group, believes sectional title purchases aren't necessarily the right choice for everyone.



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“A lot of people assume that sectional title properties are the hassle-free choice for modern living,” says Clarke, “and while that can certainly be true, it’s important to acknowledge that there are downsides to community living as well. To figure out which type of ownership is better for you, you really need to compare the pros and cons of sectional title and freehold properties as they relate to your lifestyle and expectations.”

Here are a few of the aspects you’ll need to consider:

Cost

Sectional title

Sectional title properties are often more affordable to buy than their freehold counterparts, and have the added bonus of predictability when it comes to ongoing maintenance, repair and upgrade costs that come out of your monthly levies. Keep in mind, however, that levies only cover building insurance and the upkeep of communal property – you’ll still need to budget for your own home contents insurance, and maintenance on your section.

Freehold

Freehold properties can be pricier to buy than sectional title, and all the day-to-day insurance, rates, and maintenance costs will be for your own pocket. This doesn’t necessarily mean you’ll be paying more than if you were in a sectional title unit, however, as you’ll have the option of doing a lot of the general upkeep – like gardening or painting – yourself.

Responsibility

Sectional title

In sectional title estates, the responsibility for the general upkeep of the property is shared between all section owners, and managed by the body corporate with or without the help of a managing agent. Sharing this load across a committee lessens the responsibility of each individual, and allows the estate to benefit from a broad variety of members' knowledge and skills. It does not, however, mean you can safely leave all decisions in other people's hands. If you want to preserve and grow your investment's value, it's always a good idea to become an active member of your body corporate.

Freehold

As the sole owner of a freehold property, you'll be responsible for any and all maintenance, repairs and improvements that your property requires. This is one of the most time-consuming elements of freehold ownership, and can be daunting if you have little or no experience in home maintenance.

Risk

Sectional title

The problem with the shared responsibility and decision-making of sectional title estates is that not every decision is guaranteed to go your way, and you may well find yourself disagreeing with your body corporate on occasion. This isn't always a big deal, but if the majority does vote in favour of a major change that you feel is a bad idea, you won't be able to do much about it – even if it ends up having a negative effect on the value of your investment. This is also a risk in the event of an ineffective body corporate that neglects its responsibilities to the detriment of your property.

Freehold

You may have to take responsibility for all your property decisions when you buy freehold, but at least you have complete control over the choices that are made. You may or may not boost your property value, but you won't have to endure decisions that you don't agree with, or don't support your taste or lifestyle.

Freedom

Sectional title

Estate living is all about being part of a community, and that means obeying community rules. While you will have some measure of freedom within your section, you'll still have to comply with estate guidelines on things like architectural and décor choices, noise, guest behaviour, and the use of communal spaces. Thankfully, these are usually designed with the comfort of all residents in mind, and should keep both you and your neighbours happy.

Freehold

As long as you obey South African law and your city bylaws, nobody can tell you what you can or can't do on your own property. That freedom does come at the price of knowing it applies to your neighbours as well, which means you have somewhat less control of the overall look and feel of your street or neighbourhood than you would in a sectional title community.

Security

Sectional title

One of the major benefits of sectional title estates is the great security. Not only do most of them have better access control than typical freehold properties, but they also tend to encourage neighbourly behaviour, which means more people are looking out for you and your home.

Freehold

Freehold properties are as secure as you choose to make them, but seldom have the same sense of neighbourliness that you find in sectional title estates. That means you're less likely to have a neighbour notice if something goes wrong.

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