



Paddocks

information | pack

This document details the **Advanced Sectional Title Scheme Management course** presented by Paddocks and the University of Cape Town.

Please note: The dates of the next presentation of this course are not confirmed. Please inform **Kate** on 021 685 4775 or **kate@paddocks.co.za** if you are interested in this course and you will be notified of the dates and further details when they are finalised.

The University of Cape Town, Faculty of Law's Professional Development Project, in conjunction with Paddocks, is pleased to offer the **Advanced Sectional Title Scheme Management course – topics 7 – 12**. The course meets the high and exacting standards expected of the University of Cape Town.

The advanced course on topics 1 – 6 will now be presented every second year and a further advanced course covering topics 7 – 12 will be presented in the alternating years. Students are not required to complete the courses in any particular order.

See below for further details on Topics 7 – 12. The course topics 1 – 6 will not be presented in 2010.

Need for the course:

The management of schemes under the Sectional Titles Act, 1986 ("the Act") is an increasingly complex task, requiring not only detailed knowledge of the Act and its regulations and an overall understanding of the South African legal system, but also an understanding of how these provisions are applied in practice.

Increasingly, **practical implementation expertise is required of portfolio managers** to manage sectional title bodies corporate on a day-to-day basis. The provision of an advanced level of service can also be a **significant competitive advantage** in the highly competitive property management industry.

About the course:

This four-week course, offered in English, is presented through a combination of three weeks of online distance learning and a three-day intensive MBA-style workshop. The course will immerse students in advanced legal aspects of scheme management. It will equip them with advanced paralegal skills in the management of schemes and assist them in becoming highly competitive in the property management industry. The course is compiled and presented by sectional title specialists Prof Graham Paddock and Anton Kelly.

Suitable for:

Anyone with a working knowledge of scheme management and particularly those who render high-level management services and legal advice to developers and schemes, including trustees, managing agents, attorneys, scheme auditors and accountants and dispute resolution service providers.

Entry requirements:

Students must have successfully completed the UCT Sectional Title Scheme Management course or be certified by Paddocks as having sufficient industry experience to participate meaningfully in the advanced program.

Students must have a current email account, ready access to a computer and the internet and a general familiarity with the internet and computers, including the ability to read documents in Adobe PDF (Portable Document Format).

Format of the course:

The course is run in two parts over a 4-week period:

Part 1: Self-study with expert support

During the first three weeks of the course, students research and discuss six advanced scheme management topics. These topics are presented through six modules that



include reading material (articles, extracts and case law) and an online discussion forum specific to each advanced topic. Students are required to participate actively in each module.

Topics covered during the course include:

Topic 1: Financial and maintenance obligations in mixed schemes

Some of the most complex problems in the context of sectional title come from mixed schemes. Mixed schemes are schemes that have components designed for different uses, such as retail and residential. An example of a mixed-use scheme is one with shops on the ground floor (retail) and apartments on the floors above that (residential). In schemes like this, there can be significant financial cross-subsidisation between the components, unless separate cost centres are created by using the provisions of section 32 of the Sectional Titles Act 95 of 1986 ("the Act"), which allows the developer to change the actual participation quotas in the scheme or their effect. This topic unpacks the provisions of section 32 of the Act and how to create financial harmony in mixed schemes.

Topic 2: Individual and en-masse extension of sections

This topic deals with the situation when one or more owners intend to extend the boundaries or floor areas of their sections and also when they have already done so informally. When several different owners wish to legally extend their sections at the same time, this is referred to as an *en-masse* extension of sections and the owners concerned can cooperate to reduce costs and overcome some of the practical difficulties involved.

Topic 3: Extension of schemes and fractionalising scheme extension rights

Developers often prefer to build and sell sectional units in phases, commonly known as a "phased development". This topic details the process of reserving scheme extension rights as well as the rights and duties of the holder of the rights. Either the developer or the body corporate of a scheme can apply for the right to extend the scheme. Scheme extension rights can also be fractionalised so that the rights to build particular parts are broken up and can be sold to different people.

Topic 4: Sectional title meeting law and procedures

This is a high-level overview of the principles taken from the Act, the prescribed management rules and the common law that govern trustee and owner meeting procedures. A much fuller treatment of this topic is given in the Paddocks Law of Sectional Title Meetings course.

Topic 5: Creating exclusive use rights and appropriate conditions

This topic deals with the two types of exclusive use rights in sectional title. We cover how to create these different types of rights and what conditions should be created at the same time.

Topic 6: Providing for and enforcing financial sanctions

Fines are not provided for in the Act or prescribed rules but, in some schemes, can be an effective way of enforcing the scheme rules. This topic takes students through the statutory and common law principles applicable to the creation and enforcement of such rules. It also explains the process of creating rules and bringing them into effect.

Part 2: Interactive workshops

After the three-week self-study period is complete, students attend a three-day interactive workshop. Each advanced topic is presented, discussed and debated during this workshop. Please contact us should you require assistance with accommodation for the workshop period.

Course delivery:

For the first three weeks, interaction with students will be through the **Paddocks Learning** website (www.paddocks.co.za/learning) and the reading material will be delivered to students in electronic format (PDF or MS Word).

Prof Graham Paddock and Anton Kelly are the Course Convenors who provide academic support during the self-study component as well as present the workshop component. Jill Pienaar is the Course Coordinator who provides administrative assistance by email and telephone. Together, they ensure that quality assistance is provided throughout the course.

Dates:

The course will run from 5 October 2009 to the end of October 2009. The compulsory three-day workshop will be presented in **Cape Town** only according to the following provisional schedule:

Day	Date	Time
Day 1	Monday, 26 October 2009	8:30am – 4:30pm
Day 2	Tuesday, 27 October 2009	8:30am – 4:30pm
Day 3	Wednesday, 28 October 2009	8:30am – 3:00pm

Award of the certificate:

The objective of the Advanced Sectional Title Scheme Management course is for students to be exposed to and involved in discussions around challenging scheme management topics, and for a high volume of knowledge transfer to take place between all participants. No exam is written and certificates are awarded to all students who:

- a) Complete their self study, and
- b) Attend the compulsory three-day workshop.

Students will receive a certificate of attendance issued by the University of Cape Town.

Course fee:

R7,000 (excl. VAT), which includes access to all courseware, lecture support and the three-day workshop.

Registration and enquiries:

Final date for registration and payment: **25th of September 2009**

Please contact Kate at Paddocks:

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