

SECTIONAL TITLE BODY CORPORATE RULES

An analysis of the various types of rules and a comparison with other types of regulation, leading to an examination of short-term letting rules.

1. REQUIREMENT FOR BODY CORPORATE RULES

The Sectional Titles Schemes Management Act, No. 8 of 2011 ("the STSM Act") requires that all schemes, as from the date of establishment of their bodies corporate, must be *regulated and managed* by means of rules.¹

2. FOUR TYPES OF RULES

The STSM Act allows a scheme developer or a body corporate to make:

- 2.1. management rules,
- 2.2. conduct rules,
- 2.3. exclusive use rules, and
- 2.4. rules that modify the variable effects of the participation quotas².

3. NATURE OF RULES

Historically there has been debate as to the nature of body corporate rules ("rules"). The STSM Act deals definitively with this issue. Its regulations provide that these rules must be considered to be laws made by and for the body corporate of a scheme, and require that they be interpreted as such³. It is now clear that rules are not agreements between the members of the body corporate and their application and enforceability is not dependent on member agreement.

4. STATUTORY REQUIREMENTS FOR RULES

Rules must:

- 4.1. be reasonable,
- 4.2. apply equally to all owners of units,⁴ and
- 4.3. be appropriate to the scheme⁵.

5. BINDING FORCE OF RULES

Rules bind the body corporate, the owners of sections and any person, such as a tenant, who occupies a section⁶, but they do not bind any other person. Members are obliged to take all reasonable steps to ensure that their employees, guests, visitors, and any family members who occupy or visit, comply with the body corporate's conduct rules⁷, but not with its management rules.

¹ Section 10 (1) of the STSM Act.

² Sections 10 (2) (a) and (b), 10 (7) and (8) and 11 (2) of the STSM Act.

³ Regulation 6 (1) under the STSM Act.

⁴ Section 10 (3) of the STSM Act.

⁵ Section 10 (5) (b) of the STSM Act.

⁶ Section 10 (4) of the STSM Act.

⁷ Prescribed management rule ("PMR") 3 (2).

6. BODY CORPORATE RESPONSIBILITIES IN REGARD TO RULES

The body corporate of a scheme is responsible for the enforcement of its rules, for the control, administration and management of the common property for the benefit of all owners⁸. It:

- 6.1. must perform the functions entrusted to it by or under its rules, and
- 6.2. may exercise the powers conferred upon it by or under its rules⁹.

7. IMPORTANCE OF RULES

Parliament has decided that a body corporate must:

- 7.1. keep a copy of all rules,
- 7.2. have the rules available for inspection at trustee and member meetings, and
- 7.3. deliver copies of the rules to all section owners and occupiers when they first arrive and when the rules are changed¹⁰,
- 7.4. compile and keep a complete set of all rules, including an index and a prominent reference to any rules that:
 - 7.4.1. confer exclusive use rights,
 - 7.4.2. vary the effects of the participation quotas in regard to the value of votes or the liability for contributions, or
 - 7.4.3. impose a financial or a maintenance obligation on members¹¹.

In addition, a prejudiced owner has the right to approach the High Court for relief when a body corporate fails to take steps to enforce its rules¹².

8. SCOPE OF THE POWER TO MAKE RULES

- 8.1. A body corporate is not entitled to widen the purpose and object of its legislative authority to make the four types of rules detailed in 2. This scope is detailed in sections 10 (2) (a) and (b), 10 (7) and (8) and 11 (2) of the STSM Act.
- 8.2. The power delegated by Parliament to a body corporate in terms of the STSM Act to make and amend rules does not allow it to extend the scope of that Act or that of the ST Act. The body corporate's authority is limited to making and amending subsidiary legislative provisions that give effect to and apply the principles established in the STSM and ST Acts.
- 8.3. The body corporate's primary function is to control, administer and manage the scheme's common property, for the benefit of all owners. This is clear from the repeated use of these terms in sections 2 (5), 3 (1) (t) and 4 (i) of the STSM Act. These provisions do not give the body corporate the jurisdiction, function or power to regulate behaviour in sections or dealings with units.

⁸ Section 2 (5) of the STSM Act.

⁹ Section 4 of the STSM Act.

¹⁰ Section 10 (6) of the STSM Act and PMR 18 (3) (c).

¹¹ PMR 27 (1) (b).

¹² Section 9 (1) (b) of the STSM Act.

- 8.4. While sections 2 (5), 3 (1) (t) and 4 (i) of STSM Act, which deal generally with the body corporate's jurisdiction, functions and powers, refer only to common property, section 10 (2) of that Act, which gives the body corporate the power to make management and conduct rules, refers to both sections and the common property. The wider scope of the latter provision is necessary because the conduct of persons in sections, and not only on the common property, can negatively affect others and may need to be regulated, as it is regulated in the STSM Act and in the prescribed conduct rules.
- 8.5. Section 10 (2) of the STSM Act in effect gives the body corporate incidental jurisdiction to regulate behaviour within sections, but only when this could be a nuisance to occupiers in other sections or on the common property. The STSM Act entitles the body corporate to access sections when this is necessary for an inspection, to do maintenance work on items the body corporate must maintain or to ensure that the provisions of that Act and the rules are being observed¹³.
- 8.6. The STSM Act does not include any provision that authorises the body corporate to regulate owners in their dealings with units, such as unit sales, transfers, mortgages or leases.

9. REGULATION MAY INCLUDE RESTRICTION, BUT NOT PROHIBITION

The interpretation of the word "*regulation*" used in section 10(2) of the STSM Act must not be extended to incorporate the concept of "*prohibition*" or to imply that rules can take away sectional owner's existing rights. "*Regulation*" means "*the action or process of regulating a thing or person*" while "*prohibition*" means "*the action or an act of forbidding a thing or person*"¹⁴.

10. RULES CANNOT RESTRICT UNIT DEALINGS OR SECTION USES

- 10.1. While a rule can regulate behaviour that is likely to give rise to a nuisance or other abuse of rights which is prohibited in terms of the STSM Act, a rule cannot add to the provisions in that Act or the Sectional Titles Act, No. 95 of 1986 ("the ST Act") that restrict dealings with units or prohibit the use of sections for particular purposes.
- 10.2. Where Parliament has decided that it is necessary to restrict an owner's right to deal with a unit or to limit the purposes for which a section can be used, it has done so expressly in the text of the STSM or the ST Act, for example by:
- 10.2.1. placing an embargo on the transfer of a unit without a body corporate clearance certificate¹⁵,

¹³ Section 13 (1) (a) of the STSM Act.

¹⁴ *Shorter Oxford English Dictionary*.

¹⁵ Section 15B (3) (a) (i) (aa) of the ST Act.

- 10.2.2. making sections subject and entitled to implied servitudes of lateral and subjacent support¹⁶;
 - 10.2.3. requiring the authority of a body corporate or trustee resolution to extend, subdivide or consolidate a section¹⁷,
 - 10.2.4. prohibiting the use of a section, exclusive use area or the unregulated common property so as to cause a nuisance or other interference with the rights of other owners or occupiers, and¹⁸
 - 10.2.5. prohibiting the use of a section or exclusive use area for an inappropriate purpose¹⁹.
- 10.3. There is no section in the STSM Act that gives a body corporate the power to:
- 10.3.1. further restrict an owner's right to deal with a unit, or
 - 10.3.2. further limit an owner's right to use a section.

11. DIFFERENCE BETWEEN MANAGEMENT AND CONDUCT RULES

- 11.1. The purpose of a body corporate's management and conduct rules is collectively described in the introduction to section 10 (2) of the STSM Act. These two sets of rules "*must provide for the regulation, management, administration, use and enjoyment of sections and common property*". This requirement refers to both common property and sections, but not to units. The scope initially appears to be wide, giving the body corporate the power to regulate its own operations and any aspect of the use of the common property and of sections. However, as a statutory provision that serves to limit the rights of individuals, this phrase must be interpreted narrowly and in the context of the STSM Act.
- 11.2. In the original Sectional Titles Act²⁰, body corporate rules were referred to as "*Schedule 1*" and "*Schedule 2*" rules²¹. In the ST and STSM Acts, Parliament distinguished between the body corporate's two sets of prescribed rules, describing them as "*management*" and "*conduct*" rules respectively. It has been argued that a developer or body corporate can include rules that deal with either management or conduct in either set of rules. However, there is a common law presumption that statutes do not contain purposeless provisions. The legislature's decision to apply different descriptions to each of these sets of rules, already distinct on the basis of how they can be amended, must be taken into account in determining what types of provision can be included in each set.
- 11.3. The word "*management*", used to qualify "*rules*" in section 10 (2) (a) of the STSM Act, means "*the actions and manner of managing*" or "*the administration of (a*

¹⁶ Section 28 of the ST Act.

¹⁷ Section 5 of the STSM Act.

¹⁸ Section 13 (d) and (e) of the STSM Act.

¹⁹ Section 13 (g) and (2) of the STSM Act.

²⁰ Sectional Titles Act, No. 66 of 1971.

²¹ Section 27 (2) of the repealed Sectional Titles Act, No. 66 of 1971.

*group within) an organization*²². Accordingly, a “*management rule*” must be a provision that controls or regulates the functions and powers of the body corporate.

- 11.4. The word “*conduct*”, used to qualify “*rules*” in section 10 (2) (b) of the STSM Act, means a “*manner of conducting oneself or behaviour*”²³. Accordingly, a “*conduct rule*” must be a provision by which the body corporate regulates, manages or administers the behaviour of owners and occupiers in their use and enjoyment of the common property, including exclusive use areas, and of sections.

12. REQUIREMENTS FOR MANAGEMENT RULES

- 12.1. The prescribed management rules regulate the operations of the body corporate and its members. They do not impose any behavioural obligations on persons in their capacities as owners or occupiers of units. They do deal indirectly with behavioural obligations, but only to the extent that they:
- 12.1.1. oblige members to take reasonable steps to ensure that their employees, tenants, guests, visitors and family members comply with the scheme’s conduct rules²⁴;
 - 12.1.2. impose obligations on the body corporate to ensure that members and other occupiers do not do specified things that would conflict with their statutory or common law obligations²⁵; and
 - 12.1.3. allow the body corporate to carry out section maintenance if an owner fails to do so and the work is necessary to protect the interests of other owners²⁶.
- 12.2. Any management rule made by a developer or the body corporate must and can only deal with the regulation, management and administration of the body corporate and the rights and obligations of its members. These rules must serve to expand on or fine-tune the “*management*” provisions of the STSM Act, being sections 2 to 9, 16 and 17 of that Act, for that particular body corporate.
- 12.3. Subject to the statutory requirements set out in 4, a management rule:
- 12.3.1. can regulate any issue relevant to how the body corporate is managed, including the appointment, functions and duties of its trustees and the rights and obligations of its members as such,
 - 12.3.2. can include positive and negative obligations on the body corporate, chairpersons, trustees and members, obliging or entitling them to do particular things and restricting their right to do other things,

²² *Shorter Oxford English Dictionary*.

²³ *Shorter Oxford English Dictionary*.

²⁴ PMR 3 (2).

²⁵ PMR 30.

²⁶ PMR 31.

- 12.3.3. can confer exclusive use rights²⁷ or impose either a financial or a maintenance obligation on an owner²⁸, but
- 12.3.4. must not conflict with any provision of the STSM or ST Acts, or of any other law, and
- 12.3.5. cannot validly impose rights or obligations on members in their use and enjoyment of sections, exclusive use areas and the common property, because such provisions can only be included in the conduct rules.

13. REQUIREMENTS FOR CONDUCT RULES

- 13.1. The prescribed conduct rules regulate the behaviour of owners and occupiers in their use of the common property, an exclusive use area and their sections. These rules expand on and are directly related to the “conduct” provisions of the STSM Act that restrict owners’ rights to use and enjoy their sections, exclusive use areas and the common property, namely sections 13 (1) (a), (d), (e) and (g) of that Act. These provisions oblige owners to use sections, exclusive use areas and common property without causing nuisance and to use the common property reasonably, without interfering with the rights of other owners and occupiers.
- 13.2. Any conduct rule made by a developer or the body corporate must and can only deal with the use of sections, exclusive use areas and common property by owners and occupiers.
- 13.3. Subject to the statutory requirements set out in 4, a conduct rule:
 - 13.3.1. must regulate and/or manage the behaviour of owners in their use and enjoyment of their sections, exclusive use areas or the common property²⁹,
 - 13.3.2. can include positive and negative obligations on owners and occupiers, obliging or entitling them to do particular things and restricting their right to do other things,
 - 13.3.3. must serve to support the body corporate’s right to enforce one or more of an owner’s obligations in terms of sections 13 (1) (a), (d), (e) and (g) of the STSM Act,
 - 13.3.4. must be in the best interests of the owners in the scheme, supporting the quality of life of occupiers and/or the value of the units³⁰,
 - 13.3.5. can confer exclusive use rights³¹ or impose either a financial or a maintenance obligation on an owner³²,
 - 13.3.6. must not conflict with any provision of the STSM or ST Acts, of any other law or of any provision in the prescribed management rules,³³

²⁷ Section 10 (7) of the STSM Act.

²⁸ See PMRs 27 (1) (b) (ii) and 31 (1).

²⁹ Section 10 (2) of the STSM Act.

³⁰ See section 2 (5) of the STSM Act.

³¹ Section 10 (7) of the STSM Act.

³² See prescribed management rules 27 (1) (b) (ii) and 31 (1).

³³ Proviso to section 10(2)(b) of the STSM Act.

- 13.3.7. must not be any wider in its scope than is necessary to address a mischief that has been experienced or is reasonably anticipated in that particular scheme,
- 13.3.8. must not limit any owner's right to use a section, an exclusive use area or the common property unless the limitation is contingent on and directly related to the owner's breach of one or more of his or her obligations in terms of the STSM Act and the provision is a rational and proportionate response to the harm that would be suffered by the body corporate, owners or occupiers as a result of the breach³⁴, and
- 13.3.9. cannot deal with a body corporate management issue, because such a provision can only be included in the management rules.

14. REQUIREMENTS FOR EXCLUSIVE USE RULES

- 14.1. An exclusive use rule, which may be either a management or a conduct rule, must and can only "*confer rights of exclusive use and enjoyment of parts of the common property upon members of the body corporate*"³⁵. This type of rule regulates the use of specified parts of the common property by conferring an exclusive right to use that part of the co-owned common property for a specified purpose; it thus excludes the rights of all other co-owners to use that area.
- 14.2. An exclusive use rule must:
 - 14.2.1. confer exclusive use rights on one or more members of the body corporate;
 - 14.2.2. specify a particular purpose for the use of each exclusive use area, and
 - 14.2.3. include a scale layout plan showing the location of each exclusive use area³⁶.
- 14.3. An exclusive use rule may include provisions:
 - 14.3.1. requiring the holder of the exclusive use rights to make additional contributions to defray the body corporate's costs incurred in insuring and maintaining the exclusive use area³⁷,
 - 14.3.2. regulating the body's corporate's and the member's respective roles in maintenance and repairs in the area, bearing in mind the body corporate's statutory obligation to maintain all the scheme's common property³⁸, and
 - 14.3.3. regulating any other aspect that arises directly from the use and enjoyment of the exclusive use area, for example the installation, servicing and maintenance of an item such as an air-conditioning unit, gas cylinders, a water tank or a solar panel, the trimming of tree branches and roots or the maintenance of a fence or wall between such exclusive use areas.

³⁴ Section 25 (1) of the Constitution of the Republic of South Africa Act, No. 108 of 1996.

³⁵ Section 10 (7) of the STSM Act.

³⁶ Section 10 (8) of the STSM Act.

³⁷ Proviso to section 3 (1) (c) of the STSM Act.

³⁸ Section 3 (1) (l) of the STSM Act.

15. REQUIREMENTS FOR RULES THAT MODIFY THE EFFECTS OF PARTICIPATION QUOTAS

A rule made in terms of section 11 (2) (a) of the STSM Act must and can only modify one or more of the variable effects of the participation quotas. The developer or body corporate may make rules that:

- 15.1. allocate a different value to a section owner's vote, and/or
- 15.2. modify the liability of the owner of any section to make contributions to common expenses³⁹ or the body corporate's unsatisfied judgment debts⁴⁰, and
- 15.3. include provisions regulating issues that arise from these modifications.

16. DISTINCTION BETWEEN RULES AND TITLE DEED CONDITIONS

- 16.1. Rules must be distinguished from registrable conditions of title, including servitudes and other real rights that are burdens imposed on sectional property and serve to restrict the rights of owners when they deal with their units. These conditions may operate in favour of specified persons or for the benefit of the other owners in the scheme from time to time. Before town planning legislation existed, developers and local authorities used restrictive title deed conditions to regulate land use. Registered title deed conditions are considered to have the same legal effect as servitudes.
- 16.2. The developer of a sectional title scheme may, on opening a sectional title register, impose any registrable title deed conditions⁴¹. The provisions in the ST Act that allow the developer to register further development rights and exclusive use rights require that details of these servitudes must be added to the existing title deed restrictions in the scheme's schedule of conditions⁴².
- 16.3. The provisions of a title deed condition can prohibit the owner of a property from doing something or entitle another person to do something on the owner's property, but they cannot impose an obligation on the owner to do something unless that obligation is directly linked to a registrable negative obligation⁴³. On the other hand, there is no such "passivity" requirement for body corporate rules. A management rule can impose a positive obligation on the trustees, on a chairperson or on a member of the body corporate. A conduct rule can impose a positive obligation on an owner or occupier of a sectional title unit.

³⁹ Section 3 (1) (a) of the STSM Act.

⁴⁰ Section 14 (1) of the STSM Act.

⁴¹ In terms of section 11 (2) and (3) (b) of the ST Act, the registrable conditions must be set out in a schedule, certified by a conveyancer and registered on opening of the sectional title register.

⁴² Sections 25 (1) and 27 (1) read with section 11 (2) of the ST Act.

⁴³ Section 63 of the Deeds Registries Act, No. 47 of 1937.

- 16.4. From 1983 to 1997 and in terms of the ST Act, registrars of deeds examined body corporate rules submitted by developers and bodies corporate prior to accepting them for filing. The chief registrar, to illustrate the distinction between legitimate body corporate rules and provisions that could only be imposed as title deed conditions, said:
- “Problems are encountered from time to time when bodies corporate change rules, where attempts are made to create servitudes by means of rules, for example, that the unit may not be sold or rented without the written consent of the trustees of the body corporate or the unit may not be occupied or owned by a certain number of persons.”⁴⁴*
- 16.5. The chief registrar confirmed the common law position that servitudes are classed as real rights and that a sectional title unit is considered to be land.⁴⁵ He also pointed out that the ST Act requires the registration of a notarial deed to record the imposition of any real right in the whole or any share in a unit, other than in the case of a registered sectional mortgage bond or lease, for which there are prescribed forms⁴⁶. His conclusion was that no provision that restricts the exercise of sectional ownership rights can be included in a sectional title rule; it must be included as a condition of title in the scheme’s schedule of conditions⁴⁷.
- 16.6. In accordance with the chief registrar’s ruling, any provision that:
- 16.6.1. prohibits or restricts the sale, transfer, mortgage or lease of a unit without the consent of the body corporate or any other person; or
 - 16.6.2. limits the number of persons who can own or occupy a section will only be binding if it is registered as a title condition, and may not be included in a body corporate rule.
- 16.7. Examples of provisions that detract from owners’ right to freely use and manage their property that can be included in the scheme’s schedule of title conditions include:
- 16.7.1. owners are not entitled to let their units except as part of a “letting pool” arrangement run by the body corporate or a third party and owners are not allowed to reside in their units for more than 3 months each year,
 - 16.7.2. a commercial hotel enterprise has the right to run its operations and the letting pool, to operate a reception and concierge service and to erect appropriate signage, and
 - 16.7.3. a commercial enterprise has the right to erect, access and maintain a cell-phone mast on the roof or signage on an outside wall.

⁴⁴ Chief Registrar’s Circular No. 3 of 1993.

⁴⁵ Section 3 (4) of the ST Act.

⁴⁶ Section 15B (1) (c) and (d) of the ST Act and section 65 of the Deeds Registries Act.

⁴⁷ Section 11 (3) (e) of the ST Act.

17. DISTINCTION BETWEEN RULES AND LAWS OF GENERAL APPLICATION

- 17.1. Rules are body corporate laws that operate in the context of more authoritative national, provincial and municipal legislation. One of the functions of the body corporate is to ensure compliance with any law relating to the common property or to any improvement of land comprised in the common property⁴⁸. No rule can include any provision that is inconsistent with a provision in the Constitution of the Republic of South Africa Act⁴⁹, the STSM and ST Acts or any other national, provincial or municipal legislation.
- 17.2. Municipal legislation includes land use controls and behavioural restrictions. It is almost certain that the relevant town planning, noise control and environmental health by-laws, for example, will deal with issues such as permitted building bulk and coverage, the enclosure of balconies, the acceptable volume of noise and the number of people who are entitled to occupy a section. A developer or body corporate that considers making or amending rules, must take into account the relevant municipal bylaws.
- 17.3. When a municipal by-law gives a sectional owner a qualified right, a rule cannot take away that right. So, for example, where an owner has the right to make an application to the municipality for an approval or consent and the municipality can authorise the owner to do a particular thing, body corporate rules cannot prohibit the owner from making that application or, with municipal consent, doing of that thing.
- 17.4. Where the STSM Act requires trustee or body corporate approval to authorise an owner to make a particular application, as in the case of a proposed subdivision, consolidation or extension of a section⁵⁰, the municipality is obliged to ensure that the required statutory approval has been obtained before it considers the owner's application. However, a body corporate is not entitled to make rules that prevent an owner making an application provided for in the STSM Act and the municipality is not entitled to require that the owner comply with a requirement under the rules before it considers an application made under the STSM Act.
- 17.5. Where a municipal by-law restricts an owner's rights, for example putting a limit on the number of people that can reside in a section or the amount of noise that may be audible from outside a section, a rule can only impose a more onerous restriction if this is reasonable in the context of the scheme because it is necessary to prevent the owner breaching a statutory obligation, i.e. causing a nuisance or otherwise interfering with the rights of other owners or occupiers⁵¹. So where a town planning scheme limits residential occupation to *"12 occupants per sanitary*

⁴⁸ Section 3 (1) (p) of the STSM Act.

⁴⁹ Act No. 108 of 1996.

⁵⁰ Sections 5 (1) (h) and 7 (2) (a) of the STSM Act.

⁵¹ Section 13 (d) and (e) of the STSM Act.

convenience”, a body corporate might be able to justify a more restrictive limitation of two adults per bedroom if there is good reason to expect that a higher occupancy rate will cause a nuisance. Such a rule would arguably be within the body corporate’s legislative competence because it is a reasonable reaction to a nuisance issue that the body corporate can regulate by way of a conduct rule.

18. SHORT-TERM LETTING RULES

- 18.1. A contentious example of overlapping municipal and body corporate jurisdiction is the issue of short-term letting. The provision of short-term accommodation supports tourism, which in turn supports job creation, economic prosperity and social stability. However, there are concerns that short-term sectional title tenants cause more nuisance than long-term occupiers.
- 18.2. Existing municipal by-laws, drafted before the Internet made booking services such as AirBnB available, do not address the problems that may arise from short-term letting in sectional title schemes. If municipalities wish to control short-term letting in terms of town planning schemes or other by-laws, they will have to make or amend provision to deal specifically with this issue.
- 18.3. When municipal laws do regulate short-term letting, the applicable provisions will take precedence over any body corporate rule. While a municipality may make specific provisions for short-term letting of sectional title units, it cannot require a sectional owner to obtain body corporate permission before making application for municipal consent.
- 18.4. Until municipal laws regulate short-term letting, bodies corporate can make conduct rules that are a reasonable reaction to nuisances actually experienced or reasonably anticipated as a result of people using units on a short-term basis.
- 18.5. A body corporate’s conduct rules cannot prohibit owners from letting their units or from inviting their family or friends to use them, whether or not the owners are present.
- 18.6. When there is a reasonable expectation that short-term occupiers are likely to interfere with the rights of the body corporate or other occupiers, a conduct rule can control the behaviour of owners who allow short-term tenants/occupiers to the extent that this is necessary to prevent a breach of the owner’s obligations in terms of the STSM Act. In practice such a provision may constitute a qualified restriction on an owners’ right to provide short-term accommodation.
- 18.7. Such a rule should:
 - 18.7.1. be clearly linked to the enforcement of owners’ and occupiers’ obligations under the STSM Act,

- 18.7.2. apply to all short-term occupiers, not only those who pay for their accommodation or those who use the unit when the owner is absent,
 - 18.7.3. apply irrespective of whether or not the landlord uses an online or other booking or management service;
 - 18.7.4. directly address the reasonably anticipated nuisance issues,
 - 18.7.5. not restrict or materially inconvenience any sectional landlord or occupier who has not created or allowed others to create a nuisance, and
 - 18.7.6. include a process designed to ensure that the rules of natural justice will be applied in the application of the rule.
- 18.8. In addition, such a rule can require any owner who has short-term occupiers to lodge with the body corporate a deposit as security for its costs incurred in:
- 18.8.1. dealing with the issues caused by short-term occupiers, such as the expense involved in replacing lost security/access control cards, and
 - 18.8.2. enforcing the provisions of the STSM Act and its conduct rules, including the body corporate's costs for obtaining the tenant information it is obliged to keep, providing a copy of the rules, reacting to complaints and repairing damage to common property.

Graham Paddock

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