

Life Rights, Share Blocks & Sectional Titles

What is a **Sectional Title?**

A sectional title describes the purchase of a unit within a complex or development where the **purchaser obtains ownership** by means of a title deed registered with the Deeds Registry.



What is a **Share Block?**

A Share Block involves buying shares in a Share Block Company which owns the property. The share certificate entitles the share-owner to occupy a portion of the property but they **do not own the exclusive title.**



What is a **Life Right?**

A Life Right is a type of transaction where the purchaser obtains the right to live in a specific dwelling for the duration of their life time. Ownership of the unit is **retained by the development** and is not transferred to the individual.



Sectional Title vs Share Block vs Life Right **Differences?**

Transfer Duty

Sectional Title

7-8% on purchase price

Share Block

No

Life Right

None

Sectional Title vs Share Block vs Life Right **Differences?**

Conveyancing Fee

Sectional Title

Yes

Share Block

No

Life Right

No

Sectional Title vs Share Block vs Life Right Differences?

VAT

Sectional Title

14% if no transfer
duty

Share Block

Yes, if bought from
developer

Life Right

No

Sectional Title vs Share Block vs Life Right **Differences?**

Special Levies

Sectional Title

Possible

Share Block

Possible

Life Right

No

Sectional Title vs Share Block vs Life Right **Differences?**

Flexible Pricing

Sectional Title

No

Share Block

Possible

Life Right

Possible

Sectional Title vs Share Block vs Life Right **Differences?**

Village Ownership

Sectional Title

Often commercial
developer

Share Block

Commercial
developer

Life Right

Commercial
developer or non-
profit

Sectional Title vs Share Block vs Life Right **Differences?**

Care Centre Availability

Sectional Title

Not always

Share Block

No

Life Right

Possible

Sectional Title vs Share Block vs Life Right **Differences?**

Planning Stability (levies etc.)

Sectional Title

No

Share Block

No

Life Right

Yes – 2 years

Sectional Title vs Share Block vs Life Right **Differences?**

Risk

Sectional Title

Owner carries risk

Share Block

Managing Company
carries risk

Life Right

No direct risk

Sectional Title vs Share Block vs Life Right **Differences?**

Maintenance & Upkeep

Sectional Title

Owner

Share Block

Managing Company

Life Right

Developer