



THE SUPREME COURT OF APPEAL OF SOUTH AFRICA

MEDIA SUMMARY OF JUDGMENT DELIVERED IN THE SUPREME COURT OF APPEAL

FROM The Registrar, Supreme Court of Appeal

DATE 1 April 2014

STATUS Immediate

Please note that the media summary is for the benefit of the media and does not form part of the judgment.

SPENMAC v TATRIM CC (216/2013) [2014] ZASCA 48 (1 APRIL 2014)

The SCA today dismissed an appeal by the seller, Spenmac (Pty) Ltd, of a sectional title unit, in Park Towers Port Elizabeth, against the judgment and order of the Eastern Cape High Court (Goosen J) which upheld the decision of the buyer, Tatrims CC to rescind from the agreement. The high Court had found that the buyer was induced into concluding an agreement by misrepresentation on the part of the seller's agent, Mr Spendley into believing that a sectional unit was being sold with a veto right in respect of the sub-division of another unit. The buyer's representative Mr Joseph Thompson, was led to believe that as owner of sectional title unit 1 that he was entitled to veto the sub-division of unit 2.

The evidence subsequently revealed that the seller had already signed a resolution approving sub-division unit. Therefore at the time unit 1 was purchased that right of veto was no longer extant. The high court ruled in

favour of the buyer and held that the buyer was entitled to avoid the contract. The SCA agreed and dismissed the appeal with costs.