

SUPREME COURT OF APPEAL OF SOUTH AFRICA

MEDIA SUMMARY – JUDGMENT DELIVERED IN THE SUPREME COURT OF APPEAL

FROM The Registrar, Supreme Court of Appeal

DATE 23 March 2018

STATUS Immediate

LOGGENBERG N O & OTHERS v MAREE (286/2017) [2018] ZASCA 24 (23 March 2018)

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

The SCA today set aside a decision by the Free State High Court which upheld an exception to particulars of claim on the ground that they did not disclose a cause of action.

In 2011, Mr Loggenberg, a farmer in financial difficulty, and Mr Maree, a local attorney, entered into an oral agreement that Mr Maree would purchase the Loggenberg's family farm, Weltevreden, at a sale in execution for the benefit of a trust that would be created to protect the Loggenberg family interests. The farm would be registered in Mr Maree's name until the trust could acquire ownership of it, against reimbursement of Mr Maree's costs in purchasing and holding the farm. Mr Maree bought the farm for R500 000. It was alleged that he reneged on the oral agreement and sold the farm to a third party for R5, 2 million. Mr Loggenberg obtained an interdict to prevent the transfer of the farm to the third party. He then sought to enforce the agreement but the high court held that the agreement to transfer the farm to the trust was a sale which fell foul of s 2 of the Alienation of Land Act 68 of 1981 because the agreement was not in writing. Mr Loggenberg appealed.

The SCA upheld the appeal and found that the particulars of claim disclosed a cause of action. Properly interpreted, the oral agreement did not constitute a sale of the farm. The case was remitted to the high court for trial.