



ConCourt ruling positive for new homeowners

Updated Aug. 30, 2017, 4:25 p.m. | By **Steve Bhengu**

The CEO of one of the leading real estate companies in South Africa says the ConCourt ruling on historical municipal debt is a positive move that will protect new homeowners from unwarranted financial burdens.



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The Constitutional Court yesterday upheld a high court ruling that new homeowners cannot be held liable for the unsettled municipal debt of previous owners.

Several homeowners launched the high court bid - which was challenged by the Tshwane and Ekurhuleni municipalities.

Richard Gray of Harcourts says it was too easy for municipalities to pass the debt onto new owners.

"I think it was a very convenient way of municipalities collecting funds when they were failing to do so themselves. It was quite easy because they could just make it the next persons problem. I am sure a lot of businesses out there would love to be able to do that, but it just doesn't work. It was really just a convenient way and maybe a bit of a low blow to the consumer to think that they could collect money on behalf of the municipality," he said.

<https://www.ecr.co.za/news/news/concourt-ruling-positive-new-homeowners/>