# CITY OF CAPE TOWN

## SUMMARY OF LONG – TERM BORROWING CONTRACT

In terms of Section 75(1)(f) of the Local Government: Municipal Finance Management Act (No. 56 of 2003), information on the following long-term borrowing contract is hereby given:

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|---|---|
| Lender | Nedbank Limited |
| Loan number | CITY OF CAPE TOWN_R3.5BN_062024<br>Tranche 1: 191040451900001 |
| Date of signing of contract | 18 June 2024 |
| Capital Amount of debt | R3 500 000 000 |
| Term of debt | 15 years ending 30 June 2039 |
| Interest rate | 10.342 % pa Variable |
| Appraisal Fee | R17,500,000 ex VAT due and payable prior to disbursement |
| Purpose of debt | Supporting the City of Cape Town's Building-for-Jobs budget per the approved 2024/25 Medium Term Revenue and Expenditure Framework (MTREF) |
| Repayment of debt | In semi-annual instalments calculated on the straight line method in respect of capital, and interest on the reducing balance of the loan.<br>The semi-annual repayment dates are 21 December and 21 June annually over the life of the debt. |
| Detail of drawdown of funds | The loan of R3,5 billion is to be drawn down in three tranches as follows:<br>First tranche – R1 billion – 21 June 2024<br>Second tranche – R1 billion – 21 August 2024<br>Third tranche – R1,5 billion – 21 December 2024 |