



CITY OF CAPE TOWN
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ANNEXURE A

ANNEXURE TO ITEM
C 12/03/15

From: Elize Jacobs
Sent: 29 September 2014 10:27 AM
To: Kobus Coetzer; Trevor Isaac Meisenheimer
Cc: Johannes Brand; Debbi Nel; Yolande Louwrens
Subject: SUBCOUNCIL ITEMS 03SUB 16; 17; 18 & 19/03/2014

Good day Messers Meissenheimer and Coetzer

The Subcouncil, at its ordinary meeting on 18th September 2014 resolved as follows:

03SUB 16/09/14 PROPOSED LEASE OF CITY LAND, BEING ERF 6899, BELLVILLE: BOSTON PRIVATE SCHOOL (MEYER FAMILY EDUCATION TRUST)

Mr Trevor Meissenheimer (Property Management) was present for the report.

It was noted that the Ward Councillor, Councillor van der Merwe was in favour with the approval of the application.

UNANIMOUSLY RESOLVED

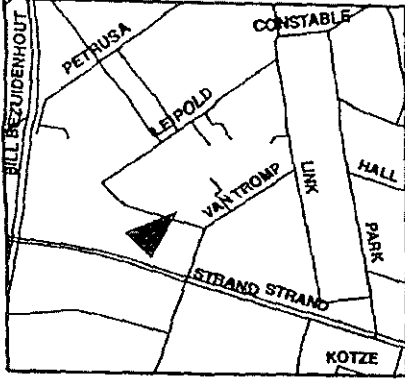
The Subcouncil unanimously resolved

- A) That the application be supported.
- B) Not delegated: for decision by Council

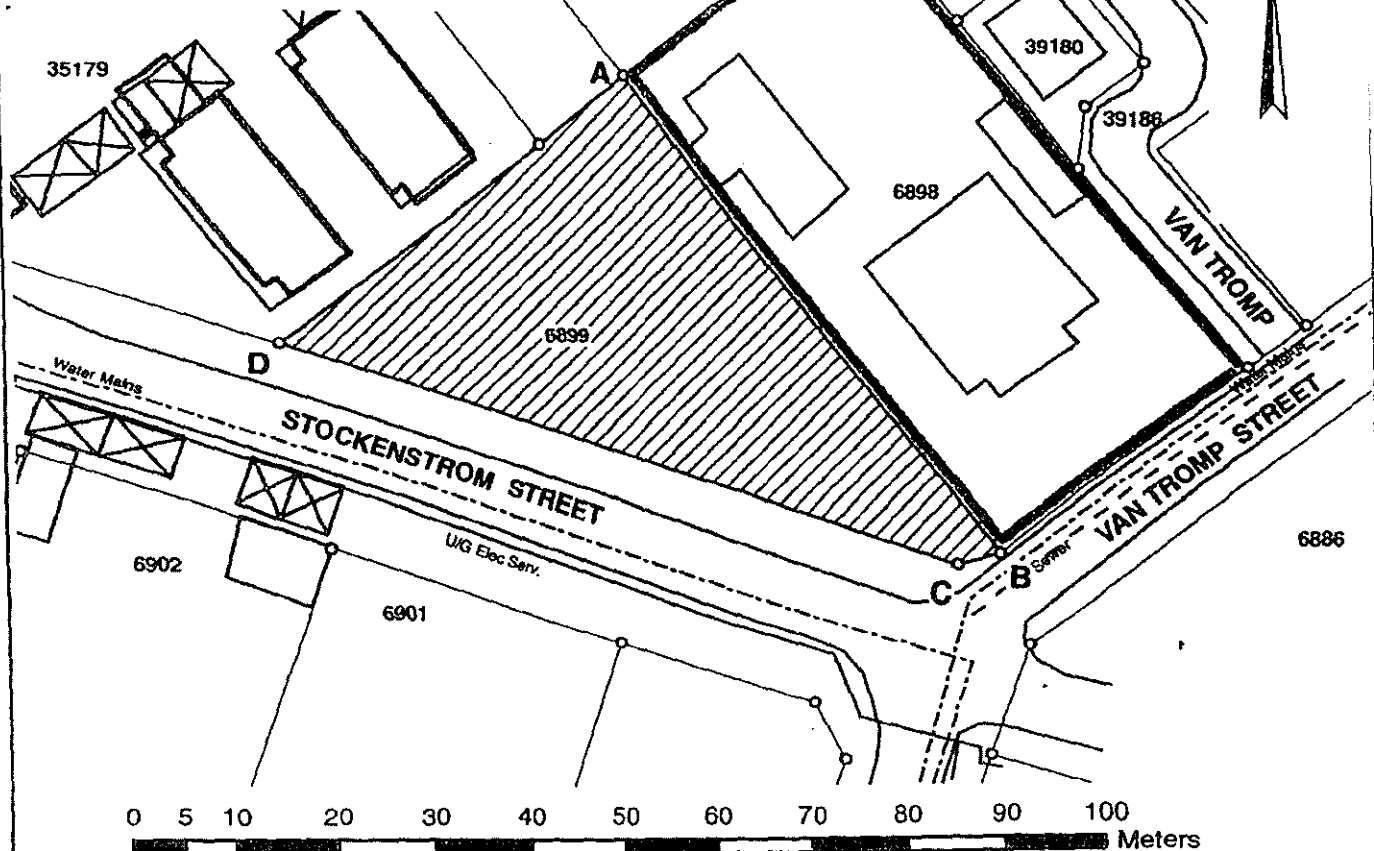
It is recommended that the lease of City land, being erf 6899, Bellville, situated at Stockenström Street, Bellville, shown hatched and lettered ABCD on the attached sketch TA227v0, marked annexure A, in extent approximately 2 254 m², to Boston Private School, owner of erf 6898, Bellville, or its successors in title, be approved subject inter alia to the following conditions that:

- A) A market-related rental of R4 650 per month excluding VAT of 14% where applicable, being R651 (in total R5 301) be payable;
- B) The lease will endure for a period of ten years, subject thereto that the rental be reviewed after five years;
- C) The rental will escalate at 8% per annum from 1 June 2014;
- D) The property be used for parking purposes only;

DIMENSIONS IN METRES	
AB	62.97
BC	6.62
CD	74.52
DA	68.34



LOCALITY SKETCH



SCALE 1:750
APPLICATION TO LEASE CITY LAND - STOCKENSTROM STREET - BELLVILLE

The figure ABCD shown hatched represents City Land (Erf 6899 Bellville) in extent 2254 square metres applied to lease by

MEYER FAMILY EDUCATION TRUST

Property of above (Erf 6898 Bellville) bordered grey and zoned: Single Residential D/T 9130 dated 26/02/2013

City Land (Erf 6899 Bellville) Zoned: Single Residential

- Note: 1. Erf 6899 Bellville is registered in the name of Municipality of Bellville by D/T 33410 dated 29/12/1977
 2. Services taken from ISIS Viewer.

WARD 3 SUBCOUNCIL 3

REFER TO	M 641	PROPERTY HOLDING TYGERBERG REGION	SURVEYOR	S. SJEQE
PRDP REF			GIS OPERATOR	J WESTENBERG 07/05/2013
FILE/REC.	TYG 14/3/6/1/2/6899 (-48-)		CHECKED	A de Goede 10/10/2013
MEMO	FINAL		TA 227v0	

VALUATION SYNOPSIS: PROPOSED LEASE OF ERF 6899 BELLVILLE TO MEYER FAMILY EDUCATIONAL TRUST

BRIEF AND BACKGROUND

Market Valuations has been tasked with determining the market rental of Erf 6899 Bellville (hereafter 'the subject property') as at 30 November 2013.

The background to the valuation is as follows:

The City was approached by the Meyer Family Educational Trust (hereafter 'the applicant') which intends to lease the subject property. The subject property, in extent approximately 2 254m², is shown lettered ABCD on the plan TA 227v0, is located in Bellville and is currently a large portion of land zoned Single Residential.

The applicant plans to enclose the subject property, beautify a large portion thereof and provide some secure parking to parents who drop off children at the special school for children with learning disabilities which is run from the applicant's property Erf 6898 Bellville.

VALUATION METHODOLOGY

The so-called *market approach* (also called the *comparable-sales method*) was used to value the subject property; this approach provides an indication of value by comparing the subject property with identical or similar assets for which recent sale's information is available.

More specifically, vacant residential land sales were investigated in order to determine the value of the subject property which is to be leased.

Market research on comparable land sales

#	Description	Extent	Purchase Price	Date of Purchase	Comments
1	Erf 6971 Petrusa St Bellville	1983m ²	R880 080 (R444/m ²)	2011/02/16	Dwelling demolished
2	Erf 6972 Petrusa St Bellville	1982m ²	R878 370 (R443/m ²)	2011/02/16	Dwelling demolished
3	Erf 6963 Petrusa St Bellville	1983m ²	R1 034 550 (R552/m ²)	2011/02/16	Dwelling demolished

All 3 the above developed properties were purchased by the same purchaser on the same date. All 3 dwellings have subsequently been demolished; the properties are currently still vacant.

C

CONCLUSION OF VALUE

Based on the above sales evidence and taking into account the location of the subject property (closer to the busy and noisy Voortrekker Road) as well as the slightly odd shape of the subject property it is considered that the value thereof is in the region of R700 000 (R310/m²).

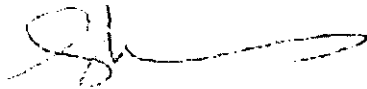
2 254m ² x R310/m ²	Say	R698 740.00
8% return		<u>R 55 899.00</u>
Monthly rental (rounded)		R 4 650.00

Recommendation

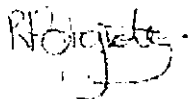
Based on the above the City's Professional Valuer has recommended a rental of **R4 650.00** per month exclusive of rates and VAT, escalating at 8% per annum is recommended for the lease of Erf 6899 Bellville Stockenström Street Bellville represented by the figure ABCD on the attached copy of plan TA 227v0 annexed as "A" and measuring in extent 2 254m², for a period of 5 years with an option for a further 5 year period, the rental to be reviewed after 5 years.

Please Note

The monthly rental is to be adjusted on the basis of 8% per annum compounded annually on a pro rata basis commencing 6 months from date of this valuation. Accordingly the above recommended rental is to be adjusted as from 2014/06/01



Graham Harms
Professional Associated Valuer



Rosanna Potgieter
Principal Professional Valuer

Date: 2013-11-26