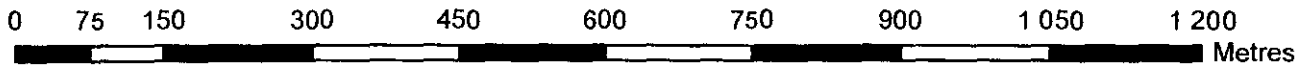


LOCALITY SKETCH

DIMENSIONS IN METRES	
AB	21.00
BC	503.52
CD	62.95
DE	62.95
EF	62.95
FG	62.95
GH	62.95
HJ	62.95
JK	62.95
KL	294.85
LM	55.88
MN	55.85
NP	19.77
PQ	216.27
QR	474.79
RS	156.26
ST	198.50
TU	70.09
UV	468.81
VW	7.40
WX	156.41
XY	4.86
YZ	50.06
ZA'	164.05
A'B'	7.85
B'C'	13.14
C'A	6.68



SCALE 1:7 500

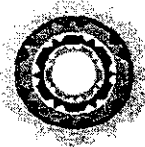
DISPOSAL OF PUBLIC OPEN SPACE - ERF 32511 CAPE TOWN - GUNNERS CIRCLE - EPPING I

FIGURE	ERF NO	AREA Ha	ZONING (CORPORATE ISIS)	FUTURE ZONING	D/T AND DATE	OWNERSHIP
ABCDEFGHIJKLMNPQR STUVWXYZA'B'C'	Erf 32511 Cape Town	±15.4	Open Space 2: Public Open Space		T3401 dated 2013/07/01	City of Cape Town

Note: Erf 32511 Cape Town is zoned Public Open Space and must be closed and rezoned before disposal.

WARD 53 SUBCOUNCIL 15

REFER TO	GP 742LD; JOB 4153	<i>W. Brandt</i> 24 Sept 2014 CIVIC CENTRE	Page 1 of 2	
CASE NO.			SURVEYOR	
SOURCE	GIS/CORP ISIS		GIS OPERATOR	L BRANDT (2014/09/15)
FILE/REC.	HO14/3/4/3/1072/A45		CHECKED	<i>J. de Klerk</i>
MEMO			LIS 1200v0	



MEMORANDUM

T: 021 400 4330
E: graham.harms@capetown.gov.za
Ref: Job 3837 Your Ref: 14/3/4/3/5/1072/A45

DATE	2014-09-08
To	Head: Disposals
ATTENTION	Mrs T Lewis

Valuation of Erf 32511 and portion of Erf 112629, Cape Town, located at Epping and earmarked for disposal by public tender

1. Brief and background

We were request to provide a first-estimate of the market value of the following properties (refer Table 1), for possible disposal by public tender.

Job no.	Legal description	Land extent (m ²)
3837	Erf 32511 and Portion of Erf 112629, Cape Town	22 000

2. Date of Valuation

2014-09-30

3. Date of Inspection

2014-09-04

4. Caveats

The reader should note the following:

- (i) The valuation is for internal requirements only and must not be made available to the public without prior written consent from the Acting Head: Market Valuations.
- (ii) All values in this report exclude VAT or transfer duty.
- (iii) This report has been prepared in conformity with recognized standard procedure regarding the sale of City land.
- (iv) This is a first-estimate or desktop valuation and, although the properties were inspected, we did not examine any title deeds, nor did we comprehensively investigate matters

relating to rezoning (in the case of development land). Hence, we reserve the right to alter the valuations upon conducting a formal valuation (i.e. should such matters prove to be deleterious to value).

- (v) The areas utilised are approximate as provided in the documents.

5. Approach to valuation

We have been tasked with determining the **market value** of the subject property, which, is defined by International Valuation Standards Committee (IVSC) as:

The estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties acted knowledgeably, prudently and without compulsion.

Implicit in the market value of a property is the notion of **highest and best use**, which the IVSC defines as:

The most probable use of a property which is physically possible, appropriately justified, legally permissible, financially feasible, and which results in the highest value of the property being valued.

Note that the *highest and best use* of a property need not be related to its current or planned use, but is that use that is physically possible, legally permissible (e.g. by way of rezoning), and which results in the most profitable use of the property.

6. Method of valuation

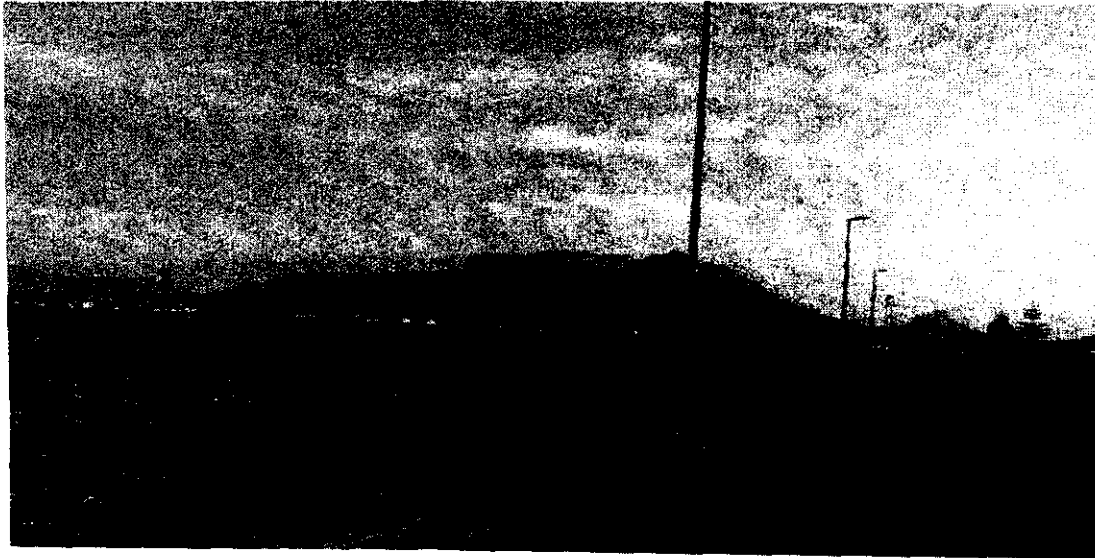
We used the *comparable sales method*, which method entails the following:

- Identifying *recent* sales transactions of similar properties in the same neighbourhood (or further afield if need be) for which information is available.
- Comparing the comparable properties' value-forming characteristics with those of the subject property, namely location, stand size; etc.
- Adjusting the sales price of the comparable properties for effluxion of time between their sales dates and valuation date.
- Deducing the market value of the subject property after taking due cognisance of all incomparable characteristics and their potential influence on the sales price.

7. Findings

Erf 32511 and portion of Erf 112629, Cape Town	
Job no.	3837
Land extent	22 000m ²
Address	Gunners Circle, Epping
Current zoning	Erf 32511, Cape Town : Open Space 2 Portion of Erf 112629, Cape Town : Limited Zone Use
Municipal valuation	Erf 32511, Cape Town : R8 700 000 Erf 112629, Cape Town : Unknown
Description	The subject properties are, for the most part, undeveloped; a

	portion thereof is occupied in terms of a lease; another section is o, whilst another portion is seemingly occupied by illegal traders rs. Portion occupied by Langa Station building Traversed by a number of municipal services.
Highest and best use	Land capable of industrial/mixed-use development. We valued it as land with General Industrial 1 (GI1) zoning.
Market value	R60 600 000
Comments	As per valuation done in September 2013 (Job 3142). (New cost estimates for services will be required to conduct a full valuation.)



Langa Station building with some traders occupying portion of the site

8. Conclusion

Based on the evidence, our desktop estimates of the market value of the subject properties as at 2014-09-30 is in the order of:

Market value of subject properties as at 30 September 2014		
Job no.	Legal description	Market value (excluding VAT)
3837	Erf 32511 and Ptn 112629, Cape Town	R60 600 000

For purposes of this desktop valuation the following is assumed:

1. This valuation does not take into account the cost of construction of the proposed new road.
2. That access off Gunners Circle to the developable portion of land of 1,1550 ha, situated between the proposed road widening, will be permitted.
3. That there is no Title Deed or other conditions that would impact on the development of the subject property.
4. That the costs provided (in 2013) for the deviation of the services is accurate (and still relevant) and that there are no additional costs. Any increase in the cost will impact the net value of the property.
5. The above value assumes that the City disposes of the property as individual serviced sites.

Note: Updated costs need to be provided before full valuation can be undertaken.



Graham Harms
Professional Associated Valuer



Garth Johnson
Acting Head: Market Valuations

Date: 2014-09-22