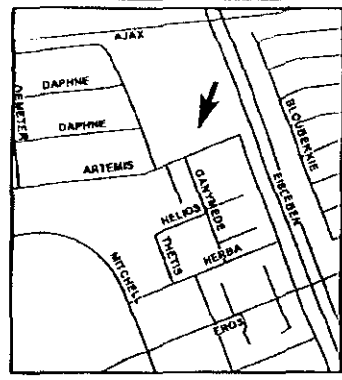


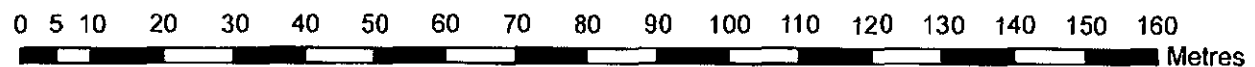
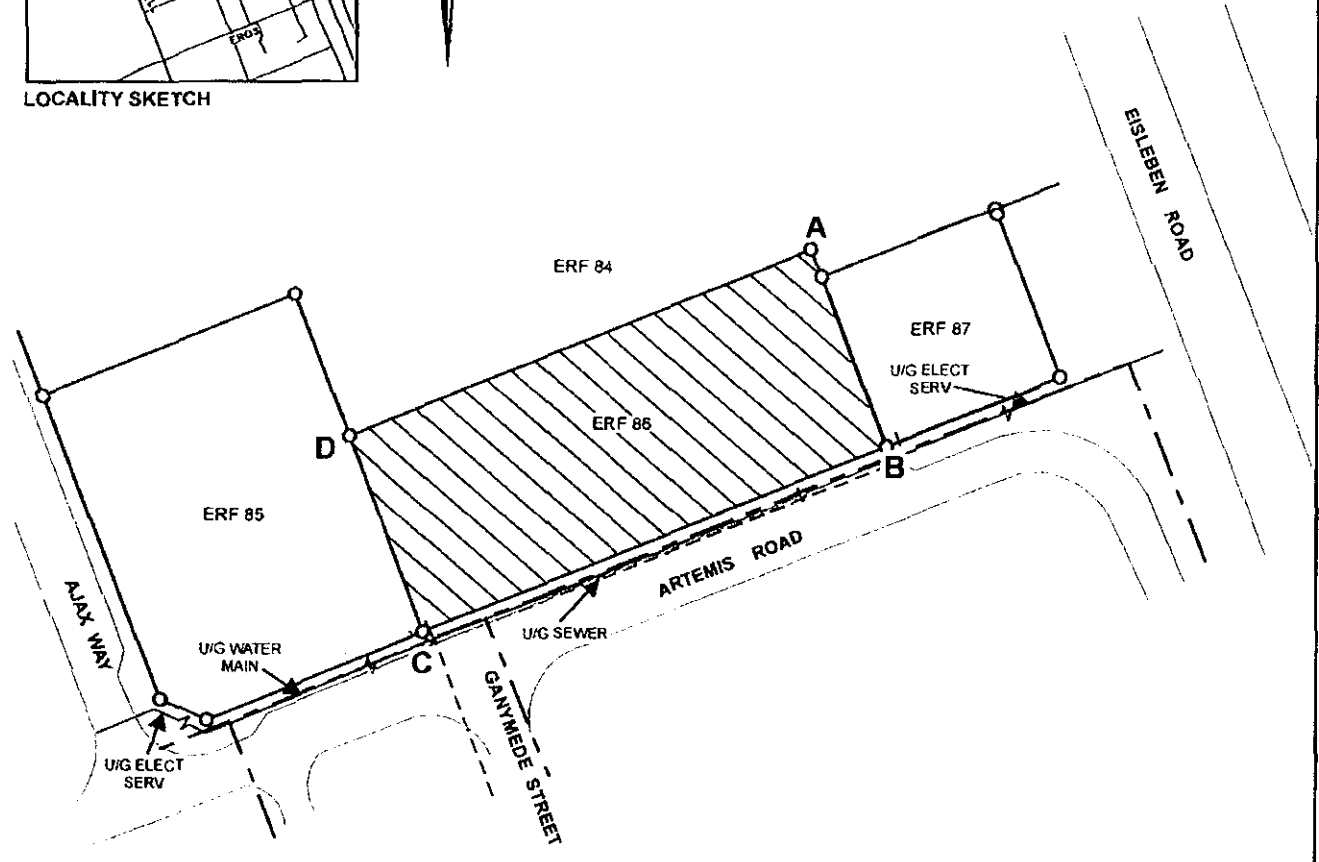
655  
CITY OF CAPE TOWN

**ANNEXURE TO ITEM  
C 63/03/15**

DC	70.00
CD	29.00
DA	70.00



LOCALITY SKETCH



SCALE 1:1 000

**DISPOSAL OF CITY LAND - ARTEMIS ROAD - WOODLANDS - MITCHELLS PLAIN**

FIGURE	ERF NO	AREA m <sup>2</sup>	ZONING (CORPORATE ISIS)	PROPOSED LAND USE	D/T AND DATE	OWNERSHIP
ABCD	Erf 86 Mitchells Plain	2 030	Community 1: Local	Community 1: Local	CRT 47693 dated 1981/11/03	City of Cape Town

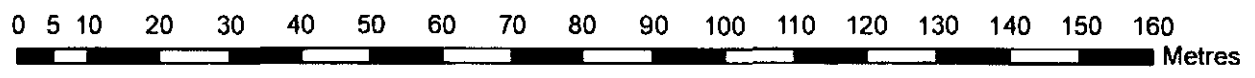
Note: 1. Erf 86 is an unregistered portion of Erf 2497 Mitchells Plain (Mitchells Plain Township).

WARD 75 SUBCOUNCIL 23

REFER TO	GP1631/1978; JOB 4238 ST10132/1
CASE NO.	
SOURCE	GIS/CORP ISIS
FILE/REC.	HO14/3/4/3/1069/A22 (23019)
MEMO	

*W. van der Merwe*  
18 Sept 2014  
CIVIC CENTRE

Page 1 of 2	
SURVEYOR	
GIS OPERATOR	L BRANOT (2014/09/16)
CHECKED	<i>[Signature]</i> MPA
<b>LIS 1201v0</b>	



SCALE 1:1 000

SOURCE	GIS/CORP ISIS	CIVIC CENTRE	Aerial Photograph 2011
FILE/REC.	HO14/3/4/3/1069/A22 (23019)		<b>LIS 1201v0</b>
CASE NO			



DATE	2014-08-25
TO	Head: Property Disposals
ATTENTION	Tania Lewis

## DESKTOP VALUATION REPORT

### DESKTOP VALUATION OF VARIOUS ERVEN IN MITCHELLS PLAIN, EARMARKED TO BE SOLD VIA 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 <sup>2</sup> )
1	3776	Erf 86 Mitchells Plain	2 030
2	3777	Erf 1770 Mitchells Plain	2 283
3	3778	Erf 555 Mitchells Plain	1 579
4	3779	Erf 46749 Mitchells Plain	220
5	3780	Erf 46750 Mitchells Plain	220
6	3858	Erven 34391 – 34416; 34418 - 34436 Mitchells Plain	11 892
7	3859	Erven 26460 - 26466 Mitchells Plain	1 457
8	3860	Erf 21187 Mitchells Plain	10 070
9	3861	Erf 22950 Mitchells Plain	3 064

#### 2. Date of Valuation

2014-08-31

#### 3. Date of Inspection

2014-08-25

#### 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 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 proved 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

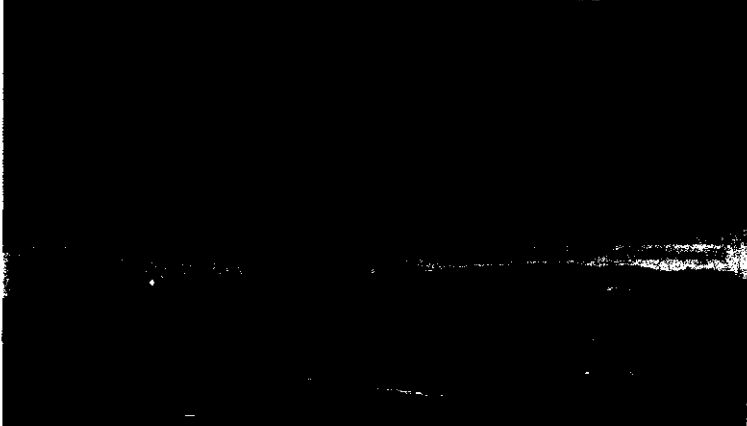
We used the *comparable sales method*, which method entails the following:


- 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 (if deemed necessary).
- 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

Our findings are as follows:

<b>1. Erf 86, Mitchells Plain</b>	
Job no.	3776
Land extent	2 030m <sup>2</sup>
Address	59 Artemis Road, Woodlands, Mitchells Plain
Current zoning	Community 1

<b>1. Erf 86, Mitchells Plain (continued)</b>	
Municipal valuation	R507 000
Description	The property is currently undeveloped, reasonably level stand with minimal vegetation.
Highest and best use	Land capable of residential development; hence it has been valued as such.
Market value	R650 000 ( $\pm$ R320/m <sup>2</sup> )
Comments	The property has a frontage (length) of $\pm$ 70metres and width of $\pm$ 29metres. The property could easily be subdivided into 5 smaller stands of $\pm$ 406m <sup>2</sup> (14m x 29m).
	

<b>2. Erf 1770, Mitchells Plain</b>	
Job no.	3777
Land extent	2 283m <sup>2</sup>
Address	11 Mahogany Close, Westridge, Mitchells Plain
Current zoning	General Residential 4
Municipal valuation	R981 630
Description	The property is currently undeveloped, reasonably level stand with minimal vegetation.
Highest and best use	Land capable of residential development and has been valued as such.
Market value	R1 000 000 ( $\pm$ R438/m <sup>2</sup> )
Comments	The property could easily be subdivided into 9 smaller stands of $\pm$ 250m <sup>2</sup> .
	

<b>3. Erf 555, Mitchells Plain</b>	
Job no.	3778
Land extent	1 579m <sup>2</sup>
Address	1 Koornhoop Road
Current zoning	Limited Use
Municipal valuation	R710 000
Description	The property is currently an undeveloped, reasonably level stand, with minimal vegetation.
Highest and best use	Land capable of residential development and has been valued as such.
Market value	R750 000 (±R475/m <sup>2</sup> )
Comments	The property could easily be subdivided into 12 smaller stands of ±135m <sup>2</sup> .
	


<b>4. Erf 46749, Mitchells Plain</b>	
Job no.	3779
Land extent	220m <sup>2</sup>
Address	142 Erica Way, Tafelsig
Current zoning	Single Residential 1
Municipal valuation	R36 787
Description	The property is currently undeveloped, reasonably level stand with minimal vegetation.
Highest and best use	Land capable of residential development and has been valued as such.
Market value	R45 000 (±R204/m <sup>2</sup> ) each
Comments	Property located in a less affluent area of the greater Mitchells Plain area.



<b>5. Erf 46750, Mitchells Plain</b>	
Job no.	3780
Land extent	220m <sup>2</sup>
Address	144 Erica Way, Tafelsig
Current zoning	Single Residential 1
Municipal valuation	R36 787
Description	The property is currently undeveloped, reasonably level stand with minimal vegetation.
Highest and best use	Land capable of residential development and has been valued as such.
Market value	R45 000 (±R204/m <sup>2</sup> ) each
Comments	Property located in a less affluent area of the greater Mitchells Plain area.

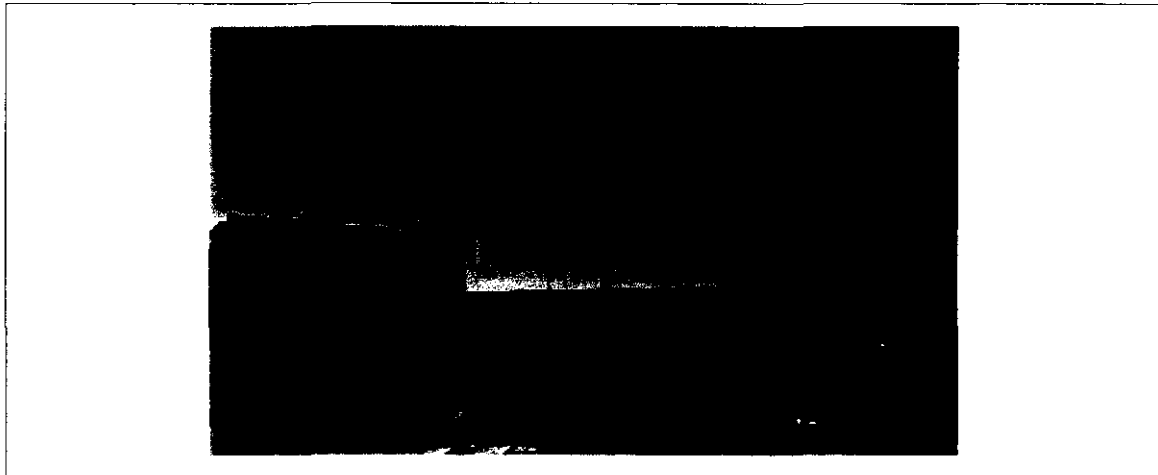


<b>6. Erven 34391 – 34416; 34418 - 34436 Mitchells Plain</b>	
Job no.	3858
Land extent	±11 892m <sup>2</sup> , comprising 45 erven (approximate extent and excludes roadway and POS)
Address	Corners of Alpine and Imperial Streets, Beacon Valley, Mitchells Plain

<b>6. Erven 34391 – 34416; 34418 - 34436 Mitchells Plain</b>	
Current zoning	Single Residential
Municipal valuation	R82 000 – R245 000
Description	The properties are currently undeveloped, reasonably level stand with minimal vegetation.
Highest and best use	Land capable of residential development and has been valued as such.
Market value	R1 700 000 ( $\pm$ R143/m <sup>2</sup> )
Comments	The property could be subdivided into 45 smaller stands varying in extent. It is likely that internal roads will be required to access individual erven, which decreases the price a developer would pay for the land had the property already been serviced. It is noted that the property cannot be sold as individual erven as roads etc. needs to be accommodated.
	

<b>7. Erven 26460 - 26466, Mitchells Plain</b>	
Job no.	3859
Land extent	1 457m <sup>2</sup> , comprising 7 erven
Address	Junkers Crescent, Rocklands
Current zoning	Single Residential
Municipal valuation	R135 938 each besides Erf 26466 valued at R163 470
Description	The properties are currently undeveloped, reasonably level stand with minimal vegetation.
Highest and best use	Land capable of residential development and has been valued as such.
Market value	R600 000 ( $\pm$ R412/m <sup>2</sup> ) as a development site
Comments	The property subdivided into 7 smaller stands of $\pm$ 200m <sup>2</sup> . As the properties are already subdivided, it would be in the City's interest to sell the erven as individual sites. This would maximise the return on the City's asset.






### 8. Erf 21187, Mitchells Plain

Job no.	3860
Land extent	10 070m <sup>2</sup>
Address	Park Avenue, Westridge
Current zoning	Community 2
Municipal valuation	R1 000 (nominal value)
Description	The property is currently undeveloped, reasonably level stand with minimal vegetation.
Highest and best use	Land capable of residential development and has been valued as such.
Market value	R1 900 000 (±R189/m <sup>2</sup> )
Comments	The property could be subdivided into 40 smaller stands of ±200m <sup>2</sup> . It is likely that access cannot be taken of Wespoort Drive or Park Avenue; therefore internal roads etc. will be required to access individual erven which decreases the price a developer would pay for the land had the property already been serviced.



### 9. Erf 22950, Mitchells Plain

Job no.	3861
Land extent	3 064m <sup>2</sup>
Address	4 Katjeepering Street, Lenteguer
Current zoning	General Residential 4
Municipal valuation	R1 550 000

<b>9. Erf 22950, Mitchells Plain (continued)</b>	
Description	The property is currently an undeveloped, reasonably level stand with minimal vegetation.
Highest and best use	Land capable of residential development and has been valued as such.
Market value	R1 200 000 (±R392/m <sup>2</sup> )
Comments	The property could be subdivided into 20 smaller stands of ±150m <sup>2</sup> . It is likely that internal roads will be required to access individual erven, which decreases the price a developer would pay for the land had the property already been serviced.
	

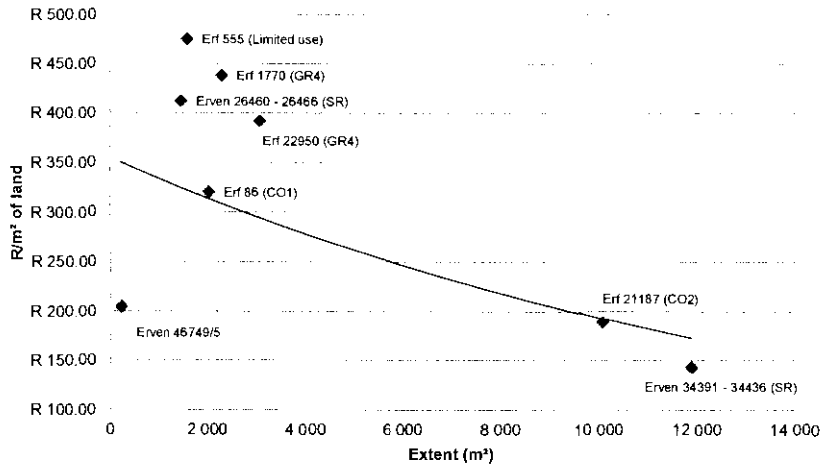
## 8. Conclusion

Based on the evidence, our desktop estimates of the market values of the subject properties, as at 2014-08-31, are in the order of:

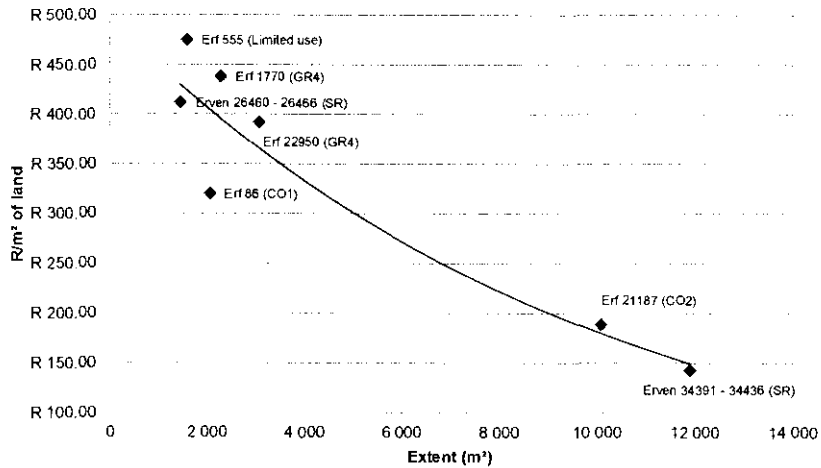
#	Job no.	Legal description	Market value (excluding VAT)
1	3776	Erf 86 Mitchells Plain	R 650 000
2	3777	Erf 1770 Mitchells Plain	R1 000 000
3	3778	Erf 555 Mitchells Plain	R 750 000
4	3779	Erf 46749 Mitchells Plain	R 45 000
5	3780	Erf 46750 Mitchells Plain	R 45 000
6	3858	Erven 34391 - 34436 Mitchells Plain	R1 700 000
7	3859	Erven 26460 - 26466 Mitchells Plain	R 600 000
8	3860	Erf 21187 Mitchells Plain	R1 900 000
9	3861	Erf 22950 Mitchells Plain	R1 200 000

Our desktop estimates are reflected graphically in the following graphs:

**Market values (R/m<sup>2</sup>) vs extent (m<sup>2</sup>)  
(all properties)**



**Market values (R/m<sup>2</sup>) vs extent (m<sup>2</sup>)  
(excluding two Tafelsig properties)**



*Siraaj Slamang*

**Siraaj Slamang**  
Professional Valuer  
Registration No. 7321/5

11

*Paul Pendlebury*

**Paul Pendlebury**  
Head: Market Valuations  
2014-08-03

**DELEGATED MATTERS/PLANNING MATTERS****23SUB21/01/15****PROPOSED GRANTING OF IN-PRINCIPLE APPROVAL FOR THE DISPOSAL BY PUBLIC COMPETITION OF ERF 86 MITCHELLS PLAIN, FOR COMMUNITY USE**Subcouncil **RESOLVED** that:

- a) In terms of section 14(2)(a) and (b) of the Local Government: Municipal Finance Management Act (MFMA), Act 56 of 2003, Erf 86 Mitchells Plain, situated at Artemis Road (2 030 m<sup>2</sup> in extent), be regarded as not required for the provision of the minimum level of basic municipal services and that the market value to be exchanged for the asset be fair for community purposes.
- b) In terms of regulation 591)(b) of the Municipal Asset Transfer Regulations (MATR), R878 promulgated on 22 August 2008, Council approve in principle of the disposal of Erf 86 Mitchells Plain, as described in (a)
- c) Erf 86 Mitchells Plain, be disposed of by public competition, subject to the conditions to be imposed by the Director: Property Management in the exercise of her delegated authority.
- d) Any gain or loss incurred by the municipality in respect of the transfer of an asset be included in the adjustment budget of the municipality (section 28 and 87 of the MFMA) if not budgeted for in the approved annual budget.
- e) It be confirmed that, in considering the alienation of the land at less than market value, as provided for in terms of section 15.3 of the Council's Policy on the Management of Certain of the City of Cape Town's Immovable Property, the contents of regulation 13(2) of the Municipal Asset Transfer Regulations have been duly taken into consideration.
- f) the Proposed Granting of In-Principle Approval for the Disposal by Public Competition of Erf 86 Mitchells Plain, for Community Use, **BE SUPPORTED.**

**Action: Refer to P Abdullah (author)**