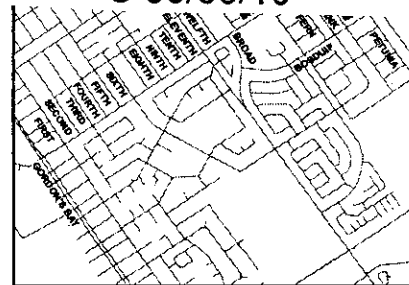


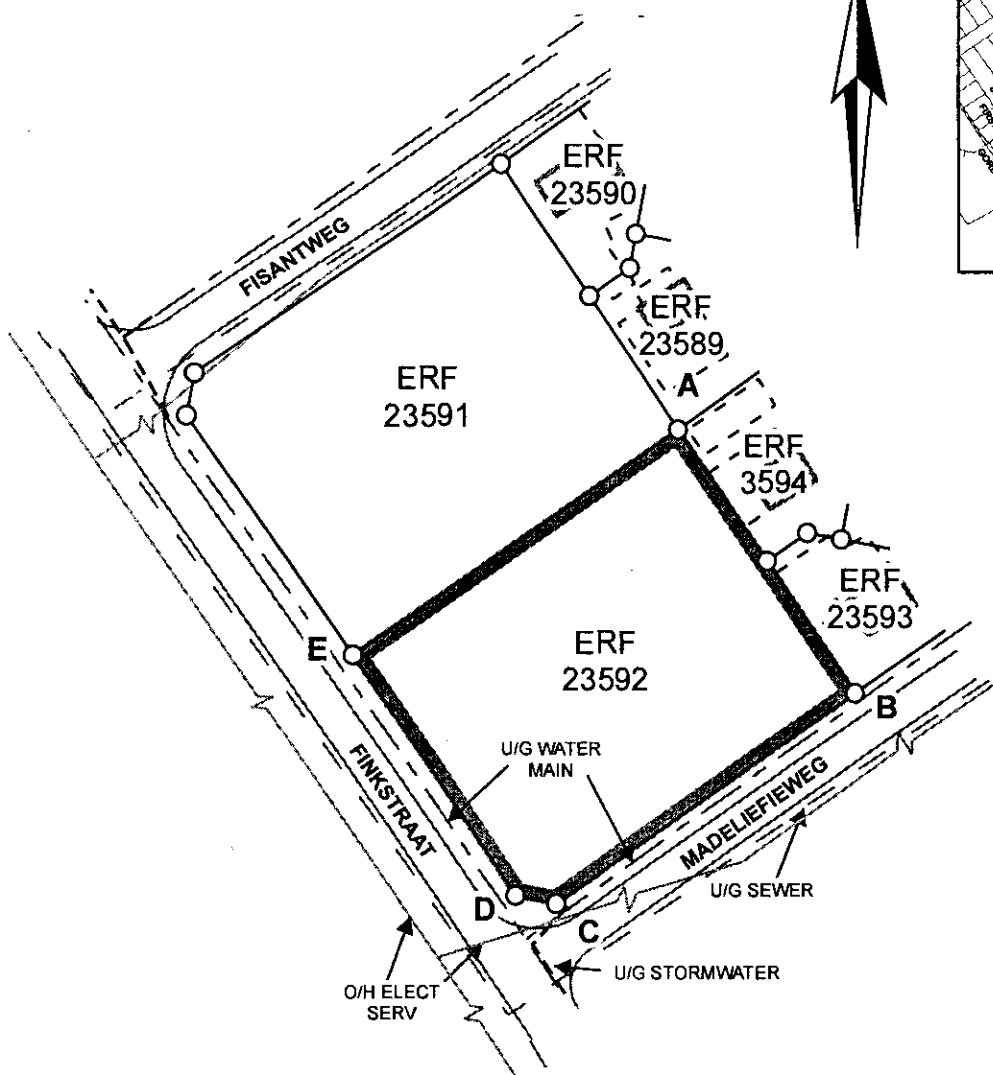
25
CITY OF CAPE TOWN

ANNEXURE TO ITEM
C 33/05/16

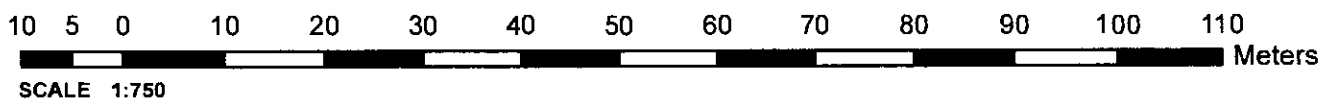
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LOCALITY SKETCH



DIMENSIONS IN METRES	
AB	32.00
BC	37.00
CD	4.24
DE	29.00
EA	40.00



DISPOSAL OF CITY LAND - ERF 23592 THE STRAND - CORNER OF FINKSTRAAT AND MADELIEFIEWEG - THE STRAND

FIGURE	ERF NO	AREA m ²	ZONING (CORPORATE ISIS)	D/T & DATE	OWNERSHIP
ABCDE (Bordered Grey)	23592 The Strand	1275.4	Single Residential 1 : Conventional Housing	T27316 dated 1971.10.13	City of Cape Town

WARD 100 SUBCOUNCIL 8

REFER TO	GP5861/1997; M3142; JOB NO.5336	 17/11/2015 CIVIC CENTRE	Page 1 of 2	
CASE NO.			SURVEYOR	
SOURCE	CORP.ISIS.		GIS OPERATOR	L BRANDT (2015/11/05)
FILE/REC.	H14/3/4/3/215 (31707)		CHECKED	<i>(Signature)</i> (2015/11/16)
MEMO			LIS 1443v0	




CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

Finance
PROPERTY MANAGEMENT
Aneesah Abrahams
Professional Associated Valuer
T: 021 400-2301 F: 021 419-5303
E: aneesah.abrahams@capetown.gov.za
Ref: Jab 4579

Date	2015-09-22
To	Head: Disposals
Attention	Tania Lewis

Desktop valuation report

1. Brief:	We were instructed to do a desktop valuation of Erf 23592, Strand (hereafter 'the subject property') for possible disposal by public tender.
2. Valuation date:	2015-09-30
3. Inspection date	2015-09-23
4. Description of of subject property:	<ul style="list-style-type: none"> - Legal description - Title deed no. - Registered owner - Land extent (m²) - Purchase date - Purchase price - Address - Zoning - Municipal valuation - Improvements - Other
	<p>Erf 23592, Strand T76730/2004 City of Cape Town 1 276m² unknown unknown Fink Street, Tarentaal Plaas Single Residential R 19 800 as at 2012-07-01 None Vacant, level, but unserviced stand with minimal vegetation; surrounding properties generally consists of low-cost/informal dwellings.</p>
5. Photos:	
6. Caveats	<p>The reader should note the following caveats and/or limiting conditions:</p> <ul style="list-style-type: none"> (i) This report is for internal requirements only and must not be made available to the applicant/public without prior written consent from the Head: Market Valuations. (ii) All amounts in this report are exclusive of VAT or transfer duty. (iii) This report has been prepared in conformity with recognized standard procedure regarding the disposal of City land (iv) As this is a desktop valuation we did not undertake a detailed study of the title deeds and the like, and hence we reserve the right to adjust our valuation upon conducting a full valuation in future.

7. Approach to valuation:	<p>We estimated the <i>market value</i>, which the International Valuation Council (IVC) defines as:</p> <p><i>"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"</i></p> <p>Implicit in market value is the notion of highest and best use, which the IVC defines as:</p> <p><i>"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."</i></p>
8. Valuation method:	<p>We used the <i>comparable sales method</i> in terms of which the market value of the subject property is derived from comparable sales transactions in the same or similar submarkets; of course, adjustments need to be made to take account of differences between the value-contributing attributes of the subject property and the comparable sales transactions.</p>
9. Highest and best use:	<p>Based on the fact that the property is zoned SR1 and is located in a residential hub, we deem its highest and best use to be as such.</p>

10. Findings:

10.1. Comparable sales evidence: serviced residential stands

#	Legal description	Extent (m ²)	Sale's date	Sale's price		Zoning	Comments
				R	R/m ²		
1	Erf 17731, Strand: 164 Sercor Drive, Casablanca	182m ²	2015-01-15	R 45 000	R 247	SR	Situated ± 740m from the subject property in Casablanca. Corner plot similar in extent.
2	Erf 14782, Strand: 21 Natasha Street, Casablanca	260m ²	2015-01-15	R 50 000	R 192	SR	Situated ± 670m from the subject property in Casablanca. Larger in extent.
3	Erf 24495, Strand: 462 Petunia Avenue, Tarentaal Plaas	173m ²	2011-08-01	R 40 000	R 231	SR	Property situated a road away from the subject property and has subsequently been developed. Similar in extent.
4	Erf 23649, Strand: 75 Bosduif Way, Tarentaal Plaas	158m ²	2011-01-10	R 40 000	R 253	SR	Property situated a road away from the subject property and has subsequently been developed. Similar in extent.

10.2. Comparable sales evidence: low-cost housing development land

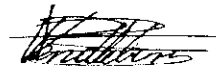
1	Erf 5540, Strand	9,0603ha	2013-05-01	R 6 500 000	R 72	Agricultural	GAP market site, much larger in extent. Price agreed between City (buyer) and Seller
2	Erf 2843, Hout Bay	7,2935ha	2012-03-01	R 5 007 540	R 69	Community 1	Larger erf extent; price agreed between YWAM and Province.
3	Erf 27265, Kraaifontein (Wallacedene)	2,0326ha	2012-05-01	R 1 325 000	R 65	Community 1	Larger erf extent. Low end of GAP housing (more RDP). Price agreed between City and Province.

10.2. Valuation calculation:	<p>The sales evidence in 10.1 suggest that serviced residential stands typically sell for around R40 000 to (i) R50 000 (or R200/m² - R250/m²). The latter sale's price range is less than the cost of servicing a stand, which could easily be as high as R75 000.</p> <p>Due to the conclusion in (i) we also considered what the City typically pays for low-cost/sub-sidised (ii) housing land. From 10.2 it will be noted that the City would typically buy/sell such land at around, say, R70/m². In contrast to the subject property, the latter figure represents much larger, unserviced stands.</p> <p>From (i) and (ii) we deduce that the market value of the subject property is probably somewhere in the (iii) region of R100/m², after taking profit and holding costs into account</p>
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11. Conclusion:	Market value: R 130 000 or R 102 /m ²
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Aneesah Abrahams
Professional Associated Valuer

2015-09-30


Paul Pendlebury
Head: Market Valuations

<p>7. Approach to valuation:</p>	<p>We estimated the <i>market value</i>, which the International valuation Council (IVC) defines as:</p> <p><i>"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"</i></p> <p>Implicit in market value is the notion of highest and best use, which the IVC defines as:</p> <p><i>"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."</i></p>
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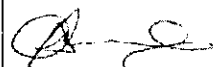
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Aneesah Abrahams
Professional Associated Valuer
2015-09-30



Paul Pendlebury
Head: Market Valuations

Jason Toay

From: Elrina Versfeld
Sent: 25 January 2016 12:10 PM
To: Jason Toay
Subject: Subcouncil resolved - 08SUB 9/1/2016

Good day,

The Subcouncil at its meeting of 21/01/2016 resolved as follows:

Report Subject	PROPOSED GRANTING ON IN-PRINCIPLE APPROVAL FOR THE SALE BY PUBLIC COMPETITION ON VACANT ERF 23592, STRAND FOR RESIDENTIAL PURPOSES
Date Sent	25/01/2016
Directorates	FINANCE
Author	Jason Toay
Author Contact No	021 4004981
Delegation Information	12(1)
Agenda Item No	OBSUB 9/1/2016
Preamble	Cllr Middleton reported that he is in support of the recommendation.
Resolution	Approved
Resolution Details	Not delegated: for decision by Council and noting by Subcouncil 8: that: (a) In terms of sections 14(2)(a) and (b) of the Municipal Finance Management Act (MFMA), Act 56 of 2003: (i) Council resolve that erf 23592, Strand, situated at Fink Road, Broadlands Park, in extent approximately 1 275 m ² , zoned Single Residential Zone 1: Conventional Housing (SR1), shown lettered ABCDE on Plan LIS 1443v0, not be required for the provision of the minimum level of basic municipal services; (ii) Council confirm that the fair market value of the asset described in (a)(i) and the economic and community value to be received in exchange for the asset described in (a)(i) have been considered; (b) In terms of Regulation 5(1)(b) of the Municipal Asset Transfer Regulations (MATR), R.878 promulgated on 22 August 2008, Council approve in principle the disposal of erf 23592, Strand, as described in (a)(i); (c) Erf 23592, Strand, BE DISPOSED of by public competition, subject to 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 the asset BE INCLUDED in the adjustment budget of the municipality (sections 28 and 87 of the MFMA), if not budgeted for in the approved annual budget.
How Resolved	Consensus

Regards,

Subcouncil 8