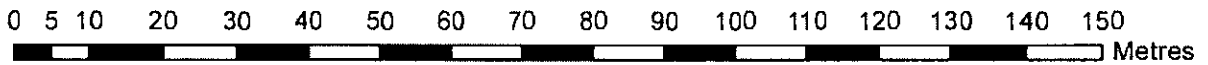
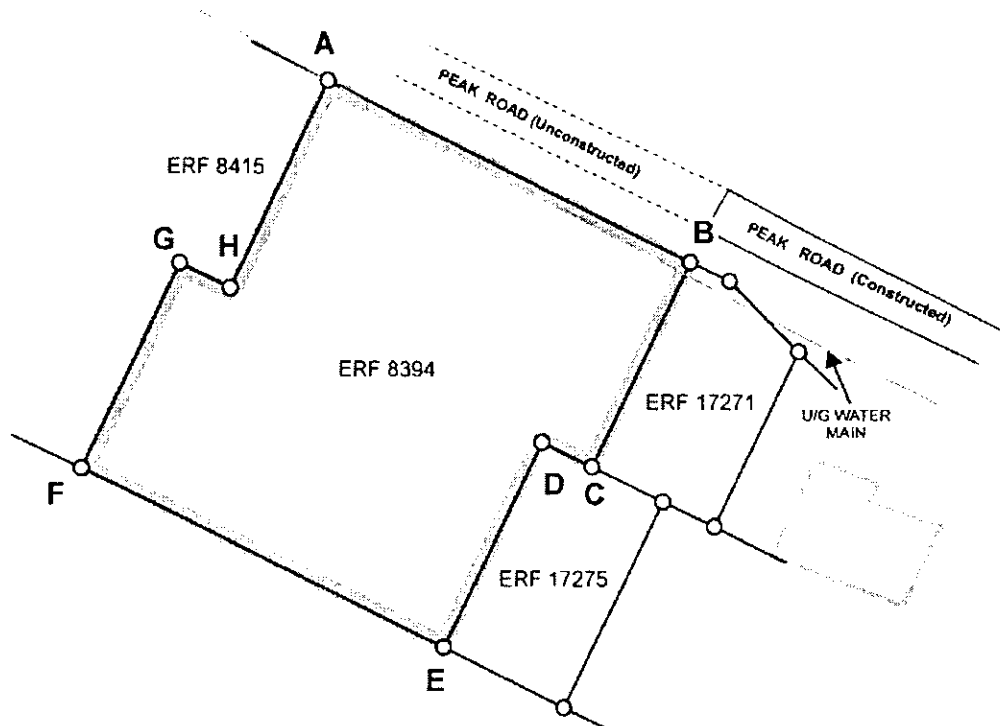


LOCALITY SKETCH

| METRES | |
|--------|-------|
| AB | 56.67 |
| BC | 31.49 |
| CD | 7.87 |
| DE | 31.49 |
| EF | 56.67 |
| FG | 31.49 |
| GH | 7.87 |
| HA | 31.49 |



SCALE 1:1 000

DISPOSAL OF CITY LAND - ERF 8394 FISH HOEK - PEAK ROAD - FISH HOEK

| FIGURE | ERF NO | AREA m ² | ZONING (CORPORATE ISIS) | D/T & DATE | OWNERSHIP |
|-----------------------------|-----------------------|---------------------|---|-----------------------------|----------------------|
| ABCDEFGH (Bordered Grey) | Erf 8394 Fish Hoek | 3562 | Residential 1 : Conventional Housing | T125563 dated 1976/08/19 | City of Cape Town |

Note: A Servitude needs to be registered over the 100mm water main traversing Erf 8394 Fish Hoek.

WARD 61 SUBCOUNCIL 19

| | | | | |
|-----------|-----------------------------|------------------|-------------------|-----------------------|
| REFER TO | SG DGM 2282/42; JOB 5268 | CIVIC CENTRE | Page 1 of 2 | |
| CASE NO. | | | SURVEYOR | |
| SOURCE | CORP ISIS | | GIS OPERATOR | L BRANDT (2015/09/18) |
| FILE/REC. | HO14/3/4/3/1174/A16 (41345) | | CHECKED | Gl Joag (2015/10/09) |
| MEMO | | | LIS 1418v0 | |



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

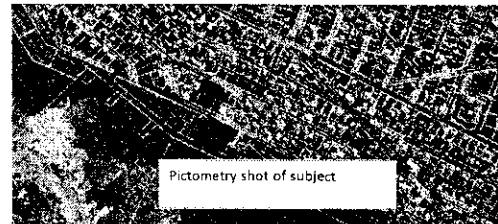
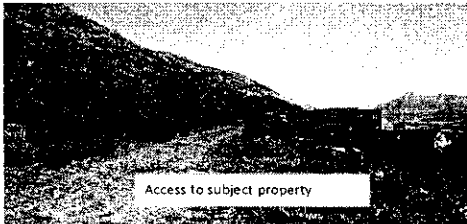
Finance
PROPERTY MANAGEMENT
Faalza Ahmed
Professional Associated Valuer
T: 021 400-2668 F: 021 419-5303
E: faalza.ahmed@capetown.gov.za
Ref: Job 4577

| | |
|-----------|-----------------|
| Date | 2015-09-16 |
| To | Head: Disposals |
| Attention | Tania Lewis |



Desktop valuation report

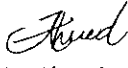
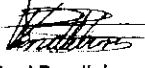
| | |
|-------------------------------------|--|
| 1. Brief: | We were instructed to do a desktop valuation of Erf 8394, Fish Hoek (hereafter 'the subject property') for possible disposal by public tender |
| 2. Valuation date: | 2015-09-30 |
| 3. Inspection date | 2015-09-17 |
| 4. Description of subject property: | <ul style="list-style-type: none"> - Legal description: Erf 8394 Fish Hoek - Title deed no.: T25563/1976 - Registered owner: City of Cape Town - Land extent (m²): 3 562m² - Purchase date: unknown - Purchase price: unknown - Address: 59 Peak Road, Fish Hoek - Zoning: Residential - Municipal valuation: R 3 140 000 as at 2012-07-01 - Improvements: None - Other: Vacant, Steep against the mountain, unserviced stand with rocks and natural vegetation |

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 <u>comparable sales method</u> 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: | | Based on its extent, zoning and the nature of properties in the immediate vicinity of the subject property, we deem the highest and best use to be residential use. More specifically, we are of the opinion that a buyer taking the steep topography into account will likely subdivide the property into 3 stands of roughly 1200m ² each. | | | | | |
|--|---------------------|---|-------------|--------------|------------------|--------|--|
| 10. Findings: | | | | | | | |
| 10.1. Comparable land sales evidence | | | | | | | |
| # | Legal description | Extent (m ²) | Sale's date | Sale's price | | Zoning | Comments |
| | | | | R | R/m ² | | |
| 1 | Erf 16104 Fish Hoek | 595m ² | 2014-05-22 | R 600 000 | R 1 008 | Res | Located across the road from the subject property with views over Fish Hoek, within close distance to the beachfront. A substantially smaller stand than the subject property. Easier access to this property compared to the subject property and thus a downward adjustment is applicable. |
| 2 | Erf 17273 Fish Hoek | 596m ² | 2015-04-09 | R 400 000 | R 671 | Res | Most recent sale; smaller land extent; located a few plots from the subject property, but further back on the mountain side. Similar view and location to the subject property and thus a similar rate is applicable. |
| 3 | Erf 17274 Fish Hoek | 596m ² | 2015-07-18 | R 400 000 | R 671 | Res | Most recent sale. Located adjacent to the subject property. Similar views and location. |
| 4 | Erf 17275 Fish Hoek | 596m ² | 2014-10-14 | R 390 000 | R 654 | Res | Smaller land extent; located adjacent to the subject property, further back on the mountain side though. Similar view and location to the subject property. |
| 5 | Erf 8415 Fish Hoek | 1 195m ² | 2015-07-01 | R 600 000 | R 502 | Res | Located adjacent to the subject property, similar views and location to the subject property, although a narrow site. A slightly downward adjustment to the subject's rate is applicable due to the size. |
| 6 | Erf 15522 Fish Hoek | 507m ² | 2014-10-14 | R 750 000 | R 1 479 | Res | The property is located further up on Peak Road towards the sea, on the same side of the road as the subject property. The extent of the land is smaller compared to the subject property. |
| 10.2. Valuation calculation: | | <p>(i) As noted, the subject property can be subdivided into 3 opportunities of roughly 1200m² each. Based on the sales 10.2, which are located adjacent to the subject property, such stands will fetch in the order of R650 000 each.</p> <p>(ii) Assuming a sale's price of R650 000 per stand, and after providing for the costs of subdivision (i.e. professional fees, bulk contributions, cost of services) and a developer's profit margin, we are of the opinion that a buyer would not pay more than, say, R500 000 per opportunity.</p> | | | | | |
| 11. Conclusion: | | Market value: R 1 500 000 or R 500 000 /opportunity based on 3 opportunities or R 421 /m ² | | | | | |
|  Faaiza Ahmed Professional Associated Valuer 2015-10-05 | |  Paul Pendlebury Head: Market Valuations | | | | | |
| \\cityteams.capetown.gov.za\Dev\WWW\Root\Site\Inprogramp\p\valuationst\Users\Faaiza.ahmed\2015\Fish Hoek\0921_Erf8394FishHoek_PeakRd_Disposals_D.xlsx\Erf 8394 | | | | | | | |

| 9. Highest and best use: | | Based on its extent, zoning and the nature of properties in the immediate vicinity of the subject property, we deem the highest and best use to be residential use. More specifically, we are of the opinion that a buyer taking the steep topography into account will likely subdivide the property into 3 stands of roughly 1200m ² each. | | | | | |
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|  Faalza Ahmed Professional Associated Valuer 2015-10-05 | |  Paul Pendlebury Head: Market Valuations | | | | | |
| \\cityteams.capetown.gov.za\Dev\WWW\Root\site\stfnpropm\p\valuations\Users\Faalza_ahmed\2015\Fish_Hoek\0921_Erf8394\FishHoek_PeakRd_Disposals_D.xlsx\Erf 8394 | | | | | | | |

Jason Toay

From: Vinolia Beans
Sent: 29 January 2016 01:43 PM
To: Jason Toay
Subject: Subcouncil resolved - 19SUB 33/1/2016

Follow Up Flag: Follow up
Flag Status: Completed

Good day,

The Subcouncil at its meeting of 18/01/2016 resolved as follows:

| | |
|------------------------|---|
| Report Subject | PROPOSED GRANTING OF IN-PRINCIPLE APPROVAL FOR THE SALE, BY PUBLIC COMPETITION, OF VACANT ERF 8394, FISH HOEK, FOR RESIDENTIAL PURPOSES |
| Date Sent | 29/01/2016 |
| Directorates | FINANCE |
| Author | Jason Toay |
| Author Contact No | 0214004981 |
| Delegation Information | 1(1) |
| Agenda Item No | 19SUB 33/1/2016 |
| Preamble | |
| Resolution | Recommend |
| Resolution Details | RECOMMENDED that for the reasons set out in the report, a) In term of sections 14(2) (a) and (b) of the Municipal finance Management Act (MFMA), Act 56 of 2003: i. Council resolve that erf 8394, Fish Hoek, situated at Peak Road, Fish Hoek, in extent approximately 3562m ² , zoned Single Residential Zone 1: Conventional Housing (SR1), shown lettered ABCDEFGH on Plan LIS 1418v0, 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 8394, Fish Hoek, as described in (a) (i); c) Erf 8394, Fish Hoek, 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 approval annual budget. Action: Jason Toay |
| How Resolved | Consensus |

Regards,

Subcouncil 19