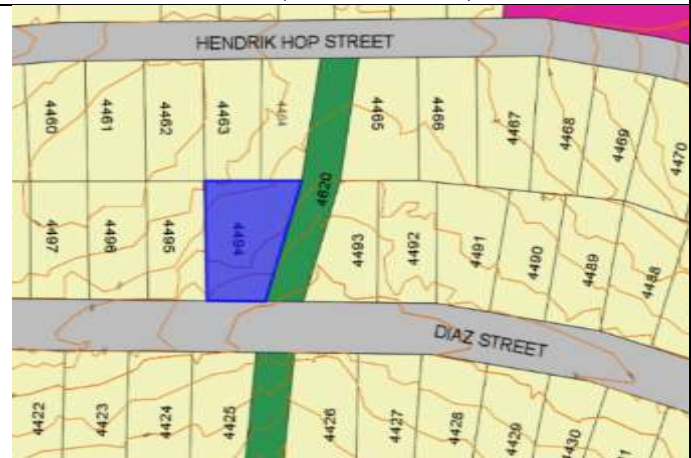


## VALUATION REPORT

### Erf 4494, Windhoek: 182 Diaz Street (Suiderhof).



#### INSTRUCTION

Ds E. Strydom instructed me to determine the present market value of the above-mentioned property.

#### LOCATION OF PROPERTY

182 Diaz Street, Windhoek (Suiderhof)

#### AREA OF LAND

1 435 m<sup>2</sup>

#### ZONING

Residential

#### DATE OF VALUATION

18 August 2020

#### MARKET VALUE

**N\$ 4,600,000.00**

#### INSURANCE VALUE

**N\$ 5,730,000.00**

## DESCRIPTION OF LOCATION

The property is situated in Suiderhof, one of the oldest residential areas in Windhoek, the capital city of Namibia. Suiderhof is situated south of the CBD, with a large army base, a small local business area (with small shops and offices), the southern industrial area and churches. Most amenities are situated close to the subject property.

## DESCRIPTION OF LAND

The subject property is situated on a larger than average erf for the area, in the shape of a trapezium. The erf is on street level, with a gradual and minor upward slope to the back (north) of the erf. The land has been leveled and terraced. The subject property is surrounded by single residential dwellings.

## DESCRIPTION OF IMPROVEMENTS

The subject property is situated in an established residential area, with average demand. The property is situated close to most amenities, is on street level, with an insignificant upward slope to the back of the erf.

The building is a single-storey construction with plastered- and painted brick walls, with IBR roofing, steel window- and door frames, herculite ceilings, and with ceramic tile-, carpet- and laminated wood flooring. The kitchen is fully fitted, and some of the rooms have built-in cupboards.

### 1. MAIN BUILDING: 536 m<sup>2</sup>

The building consists of a lounge, a kitchen, a family room and fourteen bedrooms, each with an en-suit shower and toilet.

### 2. MINORS

Paving	170,000
Remote-controlled entrance with intercom	20,000
Swimming pool	85,000
Boundary walls (2 pre-cast, 2 brick)	175,000
Net-carport (4)	35,000
Open dining porch: 37 m <sup>2</sup>	110,000
Open porches: 17+23 = 40 m <sup>2</sup>	100,000

## CONDITION OF IMPROVEMENTS

The property with standard quality fittings and finishes is in a fair condition but requires some minor maintenance.

## CURRENT NAMIBIAN MARKET CONDITIONS

Due to the economic climate, the Namibian property market is still under pressure. Sales prices are in continued decline, according to the latest sales registered in the Deeds Office.

## MARKET VALUE

Market value is defined as “the estimated amount for which a property would exchange on the date of valuation, between a willing buyer and a willing seller in an arm’s length transaction after proper marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion”.

## SALES COMPARISON METHOD

The Sales Comparison Approach consists of comparing the subject property with sales of equivalent properties that have sold. It is based upon the principle of substitution and implies that a prudent investor will not pay more for an existing property than he will to buy an identical substitute property. Physical characteristics such as zoning, site location, access, land size, shape of earth, topography, drainage, nature of structure, quality and condition, age, features, problems, and orientation are factors that are considered to establish a comparative market value. This report does not provide for a quantities grid, but rather for a demonstrative listing and qualitative remarks.

**Comparable Sales** Subject property TBA (Total built area) = 536 m<sup>2</sup>

Title deed	Erf No	Erf m <sup>2</sup>	MB m <sup>2</sup>	Flat m <sup>2</sup>	Gar m <sup>2</sup>	TBA	Date	Price N\$	Rate/m <sup>2</sup>
T03361/2019	4334 W	1077	120	60	40	220	06/06/2019	3,330,000	15.136
T04368/2019	5016 W	901	141	77	36	254	12/07/2019	3,300,000	12.992
T04786/2019	4440 W	1347	158		42	200	29/07/2019	3,155,000	15.775
T08091/2019	3555 W	1099	172	37	44	253	28/11/2019	3,000,000	11.858
T08529/2019	4506 W	1160	176	43	76	295	12/12/2019	3,400,000	11.525
T01655/2020	4928 W	1454	295	36	60	391	25/03/2020	3,500,000	8.951
T01696/2020	4339 W	1087	325	67	55	447	26/03/2020	2,080,000	4.653
T03473/2020	5031 W	950	176	105	76	357	30/06/2020	2,100,000	5.882

The sales above give a good indication of the market value of properties in the area, but they are all smaller than the subject property. It is evident that a lower rate per m<sup>2</sup> is achieved during 2020 and this is most likely due to the economic downturn currently experienced.

The sales above sold at rates between **N\$5,882/m<sup>2</sup> and N\$15,136/m<sup>2</sup>**. It is the norm that the larger the property, the lower the rate paid and since the subject property is larger than the comparable sales, it can be expected that a lower rate should be paid for the subject property. Amounts paid vary between N\$2,080,000 to N\$3,500,000. The fact that no sales with such large improvements could be found in

Suiderhof is indicative that the subject property is slightly over capitalized for this area, therefore it can be expected that a rate towards the lower end of the mentioned range should apply for this property.

## VALUATION

<u>Description</u>	<u>Size m<sup>2</sup></u>			<u>Rate</u>		<u>Amount</u>
Main Building	536	m <sup>2</sup>	x	8,000	p.m <sup>2</sup> =	N\$ 4,288,000
Minors						N\$ 695,000
Value before market factors (VBMF)						N\$ 4,983,000
Market Factors		@		30	% -	N\$ 1,494,900
Value after market factors						N\$ 3,488,100
Land value						N\$ 1,120,000
					Total:	N\$ 4,608,100
<b>Market Value</b>					<b>Say:</b>	<b>N\$ 4,600,000</b>
<i>VBMF Plus 15%</i>		@		15	% +	N\$ 747,450
<b>Insurance Value</b>						<b>N\$ 5,730,450</b>
Forced Sale Value						N\$ 3,680,000

## RECOMMENDED PRESENT MARKET VALUATION

The valuation recommends a market value of **N\$ 4,600,000** (Four Million Six Hundred Thousand Namibian Dollars).

## RECOMMENDED INSURANCE VALUE

The valuation recommends an insurance value of **N\$ 5,730,000** (Five Million Seven Hundred and Thirty Thousand Namibian Dollars).

## GENERAL COMMENTS

I valued the property in its existing state. I have not undertaken any structural surveys of the buildings, nor have I arranged for tests or inspections to be conducted on any service installation or systems or any components that requires maintenance or renovations. We have not inspected woodwork or other parts of the structure that are covered, unexposed or inaccessible and we are therefore unable to report that such parts of the property are free of rot, beetle- or ant damage, or other defects. My reference to such only covers the obvious. My valuation assumes that the services are in a satisfactory condition and that all building plans are up to date and approved by the municipality. This valuation does not corroborate adherence to restrictions set by stature or deed or contract in respect of surveyed boundary lines, building line setbacks from the curb, boundary line set offs, or compliance to flood lines within

flood hazard areas. This valuation may not be used for litigation purposes without my written permission. You are invited to examine the numerical - and factual data and respond with remarks and queries within 7 days.



**P.J.J. WILDERS**

**DATE: 18 August 2020**



Front view



Lounge



Kitchen



Courtyard



Bedroom



Bedroom



Bedroom



Bathroom



Bathroom



Bathroom



Bathroom



Bathroom



Courtyard with pool and open porches



Side view

