

VALUATION REPORT

Erf 2706, Klein-Windhoek, 11 Franciska Street, Windhoek.



INSTRUCTION

Johan Burger instructed me to recommend the present market value of Erf 2706, Klein-Windhoek. Hereafter referred to as the subject property.

LOCATION OF PROPERTY

11 Franciska Street, Ludwigsdorf, Klein-Windhoek

AREA OF ERF

1 925 m²

ZONING

Residential

DATE OF VALUATION

08 November 2023

RECOMMENDED MARKET VALUE
RECOMMENDED INSURANCE VALUE

NS 8,500,000.00
NS 8,300,000.00

DESCRIPTION OF LOCATION

The subject property is situated in Klein-Windhoek, the most sought-after area in Windhoek. Most embassies are based in Klein-Windhoek. There is a shopping area on Sam Nujoma Avenue and Nelson Mandela Avenue, as well as on Berg Street, with various offices, restaurants, service stations and other businesses in the same area. Therefore, most amenities are within close range.

DESCRIPTION OF LAND

The subject property is situated on an average sized panhandle erf. The land has an irregular shape and is situated below street level, with a gradual downward slope from the north to the south.

DESCRIPTION OF IMPROVEMENT (subject to municipal compliance)

The building is a double-storey construction with plastered- and painted brick walls, covered with tile roofing, herculite- and plastered ceilings, aluminum window- and door frames and mostly ceramic tile flooring. The kitchen is fully fitted while all bedrooms are fitted with built-in cupboards.

1. MAIN BUILDING: 525 m²

The main building consists of an open plan lounge-kitchen-dining, a family room with fireplace and bar, a scullery, a study, a hobby room, a dressing room, four bedrooms, one full en-suite bathroom, two bath-toilets, and a guest toilet. The main building also includes a squash court and large gymnasium.

2. DOMESTIC QUARTERS: 24 m²

The servant quarters consist of a bedroom, a shower-toilet, and a storeroom.

3. GARAGE: 68 m²

The dwelling has a triple garage with remote-controlled doors.

4. MINORS

Open front porch and balcony (8+70 =78 m ²)	280,000
Paving	100,000
Alarm with beams	40,000
Air-conditioning (split and central)	160,000
Remote-controlled entrance with video-com	20,000
Swimming pool with cover (24 m ²)	140,000
Boundary walls with electric fencing (2 Brick & 2 palisade)	280,000
Net-carport	20,000

CONDITION OF IMPROVEMENTS

The property is well maintained, with good quality fittings and finishes, of which some are slightly dated.

CURRENT NAMIBIAN MARKET CONDITIONS

While supply-side challenges have been at the core of the housing market dynamics, waning demand on the back of a deteriorating macroeconomic environment is seemingly taking its toll on the market. The low-interest rates supported house price growth from late 2020, while the onset of the interest rate hike caused a contraction as of June 2022. There is a growing concern about affordability for both end-users and financiers. Thus, the housing market is presently fluid.

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 similar 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 for a demonstrative listing and qualitative remarks.

Comparable sales (TBA: Total built area)

Title Deed No	Erf No	Land	MB	FI	G	TBA	Date	Price	Rate/sq
T00781/2022	3353 KW	4,361	350	227	157	734	18/02/2022	7,100,000	9,673
T05962/2022	6199 W	1,647	488	0	70	558	08/09/2022	8,400,000	15,054
T7211-2/2022	3194 KW	1,372	351	16	0	367	31/10/2022	5,400,000	14,714
T314-5/2023	2073 KW	1,222	284	0	105	389	07/02/2023	5,400,000	13,882
T2881/2023	2315 KW	1,572	302	0	100	402	08/06/2023	6,580,000	16,368
Subject property	2706 KW	1,925	525	24	68	617	08/11/2023	8,500,000	13,776

3353 M Garvey: Larger land and TBA, similar finishes, inferior maintenance – inferior.

6199 Promenaden: Smaller land and TBA, superior finishes and maintenance – superior.

3194 Berg: Smaller land and TBA, superior finishes and maintenance – inferior.

2073 JM Ithana: Smaller land and TBA, similar finishes, superior maintenance – inferior.

2315 Jeanette: Smaller land and TBA, superior finishes and maintenance – inferior

The comparable sales above give a good indication of the prices residential properties are being sold for in the neighborhood. Sales in the area range of between N\$ 9,673 and N\$16,368 per m² and prices between N\$5,400,000 and N\$8,400,000. The first sale probably give the best indication of a possible value for the subject property, though that property had inferior maintenance and larger sizes, therefore the subject property is expected to achieve a lower rate per square meter. Differences between the subject property and comparable sales will be considered in the valuation below:

VALUATION

Description	Size m ²			Rate		Amount
Main Building	525	m ²	x	10,750	p.m ² =	N\$ 5,643,750
Domestic quarters	24	m ²	x	8,000	p.m ² =	N\$ 192,000
Garage	68	m ²	x	5,000	p.m ² =	N\$ 340,000
Minors						N\$ 1,040,000
Value Before Market Factors (VBMF)						N\$ 7,215,750
Market Factors		@		18	% -	N\$ 1,298,835
Value After Market Factors						N\$ 5,916,915
Land value						N\$ 2,585,000
					Total:	N\$ 8,501,915
Market Value					Say:	N\$ 8,500,000
<i>VBMF Plus 15%</i>		@		15	% +	N\$ 1,082,363
Insurance Value						N\$ 8,298,113
Forced Sale Value						N\$ 6,800,000

RECOMMENDED MARKET VALUATION

The valuation recommends a market value of **N\$ 8,500,000.00** (Eight Million Five Hundred Thousand Namibian Dollars).

RECOMMENDED INSURANCE VALUATION

The valuation recommends an insurance value of **N\$ 8,300,000.00** (Eight Million Three Hundred Thousand Namibian Dollars).

GENERAL COMMENTS

The property could not be inspected for this valuation, therefore recent sales and data collected during a 2021 inspection is used in this report.

The property is valued 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. Reference to such only covers the obvious. This valuation assumes that the services are in a satisfactory condition and that all building plans are updated 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 does not warrant compliance with the town-planning scheme in relation to parking requirement, coverage, and encroachment over building lines, etc., and assumes that fire safety and the building services are in satisfactory condition. Mensuration of areas is subject to human error and open for correction when noticed. 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: 08 November 2023



Street elevation



Southern elevation



Living area 	Living area 
Kitchen 	Entertainment area 
Entertainment area 	Bedroom cupboard 
Gymnasium 	Squash court 



Bathroom



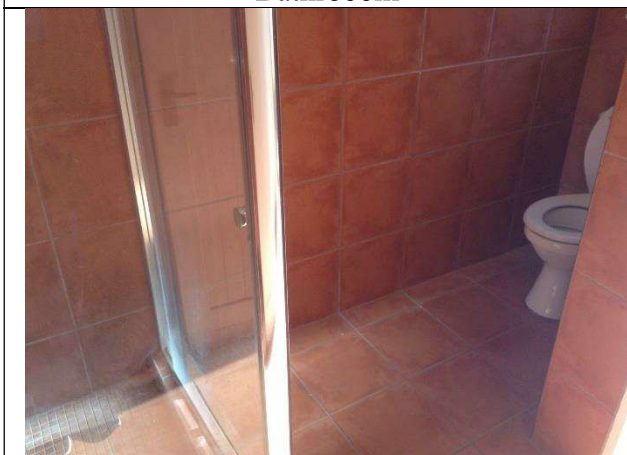
Bathroom



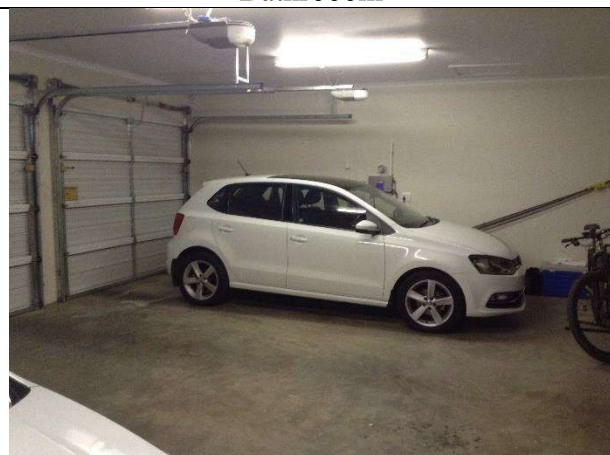
Bathroom



Bathroom



Domestic bathroom



Garage

