MAJOLA VALUATION SERVICES

MARKET VALUE OF IMMOVABLE PROPERTY

Erf 13809 East London

Property Owner
P E QWESHA BUSINESS ENTERPRISES CC

Property Address
Corner of 21 Belgravia Crescent & 1 St Michaels Road, Belgravia, East London

Prepared by:

Wandile Majola
Professional Associate Valuer
Member of South African Institute of Valuers
Member of the SA Council for the Property Valuers Profession

1 GENERAL INFORMATION

1,1 Instruction

to determine the open market value of Erf 13809 East London, Corner of 21 Belgravia Crescent & 1 St Michaels Road, Belgravia, East London (hereafter the "subject property") and to submit a motivated valuation report in regard thereto.

1,2 Date of Instruction
An instruction was received on: **17th February 2026**

1,3 Date of Inspection
The property was physically inspected on: **19th February 2026**

1,4 Date of Valuation
The effective date of the valuation is: **19th February 2026**

1,5 Purpose of Valuation

To determine the Open Market Value of the subject property.

1,6 Definition of Market Value/Market Rental
Market Value is defined as:

"The estimated amount for which an asset should exchange on the date of valuation, between a willing buyer and a willing seller in an arm's length transaction after proper marketing, where the parties had each acted knowledgeably, prudently and without compulsion."

If the existing use has not utilised the full potential of the property, then the realistic Open Market Value of the subject property in accordance with its highest and best use will be determined, taking in account that such alternative use must be economically viable, physically feasible and legally permissible.

2 TITLE DEED INFORMATION (SEE ANNEXURES)

We have not had sight of the relevant Title Deed but Deeds Office Enquiries indicates that the property is held as follows:

2,1 Legal Description	Erf 13809 East London
2,2 Title Deed number	T819/2007
2,3 Registered owner	P E QWESHA BUSINESS ENTERPRISES CC
2,4 Extent of the property	626 m²
2,5 Date of Purchase by Present Owner	2006/11/21
2,6 Purchase Price	R850 000,00
2,7 Bonds	The bond was registered on the selected property in 2007/02/23 for R850 000.

2,8 Servitude's, Conditions, Endorsement and Caveats
We did not have sight of the Title Deed and are therefore unable to comment on the effect of servitudes if any, affecting the subject property, the property having been valued as if wholly owned with no account having been taken of any outstanding monies due in respect of mortgage bonds, loans or other charges.

3 LOCAL GOVERNMENT INFORMATION

3,1 Local Authority Information Buffalo City Metropolitan Municipality

3.1.1 Municipal Valuation as of 2023/24 R 150 000

3.1.2 Town Planning and Zoning

	PERMITTED	ACTUAL
Zoning	Residential.	Residential (house)
Coverage:	70%	49,20% 308 m²
Height	At most 2 storeys	Single Storey.
FAR/Bulk:	No restriction	0,49 308 m²
Building Lines	1m Street, Side, and Rear Building Line	There are reasonable distances from all site boundaries to the building.
Parking requirements	At least 1 parking space per land unit, on the land unit, if so required by Council.	Ample space available for on-site parking bays.
Comments	As far as could be ascertained, the subject property complies with all the provisions of the current town planning scheme.	

3.1.3 Primary uses

Dwelling-house

3.1.4 Consent uses

Day Care Centre

4 PROPERTY DESCRIPTION

4,1 Land

4.1.1 Locality

The subject property is situated at the corner of 21 Belgravia Crescent & 1 St Michaels Road, Belgravia, in East London in the Buffalo City Metropolitan Municipality. The subject property is situated within a well-established urban residential precinct. Belgravia features medium to high density residential developments, including student accommodation, boarding houses, and mixed-use residential properties.

4.1.2 Environment

The immediate area consists of various residential houses and community properties. Properties in the area consists of similar land size and building size as the subject property.

4.1.3 Topography, Shape and Access

This is a slightly sloping irregular in shape site. The Improvements stand on the street level.

4.1.4 Services

Water, sewer, electricity, refuse collection and telephone services, are available and connected to municipal lines.

4.1.5 Availability of Amenities

The area is well served by the M1 metropolitan route (Oxford Street), which provides north–south access through East London and links to the N2 national route, a key regional arterial. Additional collector roads connect the suburb efficiently to the CBD, industrial nodes and the broader road network, resulting in generally short travel distances to major routes.

Belgravia benefits from convenient access to a range of amenities, including local retail and convenience shops, larger shopping facilities within a short drive, healthcare services such as clinics and Frere Hospital, and recreational facilities including Buffalo City Stadium. Educational, civic and community facilities are readily available in the surrounding area, and the suburb is serviced by established public transport routes, primarily minibus taxis and buses linking to the CBD and neighbouring suburbs.

4,2 Improvements

4.2.1 Structures

The subject property comprises of a 251m² single storey dwelling, a 50m²granny flat and an attached 7m² out building. The main building comprises a single-storey dwelling providing five rooms, bathroom, entrance area, lounge, dining room, kitchen, kitchenette, separate laundry and toilet, together with a covered veranda of approximately 10m².
The secondary dwelling (Granny flat) comprises two bedrooms, a small kitchenette and a bathroom fitted with a shower, basin and toilet. A small outbuilding attached to the granny flat provides an outside toilet and storeroom..

Other improvements on the site Perimeter Walling all around.

4.2.2 Construction

The construction is of conventional means. The main dwelling is constructed with plastered brick walls under a corrugated iron roof, featuring aluminium window frames, and has concrete floors with porcelain tiled finishes. The outbuilding/granny flat is similarly constructed with plastered brick walls under a corrugated iron roof, aluminium window frames, and has concrete floors with ceramic tiled finishes.

4.2.3 Condition

Despite not having conducted any structural survey, the dwelling is presently in below-average condition and requires substantial remedial works, including repair of roof leaks, investigation and repair of fire-damaged wall sections, electrical reinstatement and general refurbishment. The granny is functional but in fair to poor condition, requiring minor maintenance and cosmetic repairs, with signs of roof leaks in the bedrooms.

The property reflects deferred maintenance and visible damage.
Observed issues include:
• Roof leaks to corrugated iron roofing
• Evidence of fire damage to certain wall sections
• Non-functional electrical installation
• General refurbishment required
Note: A qualified structural engineer should be appointed to determine the extent of fire damage and confirm structural integrity.

Electrical Connection and Wiring
At the time of inspection, the electrical supply currently connected to the property appeared to be informal and potentially illegal in nature. The installation did not present as a standard compliant municipal connection and may constitute an unauthorised supply arrangement.
Furthermore:
• Occupants were observed obtaining electricity via extension leads distributed into individual rooms.
• Portions of the electrical cabling appear to have been surface-ducted/exposed, rather than installed within compliant permanent wiring systems.
These conditions indicate that the electrical installation may be unsafe and non-compliant with statutory electrical regulations. A full inspection, testing and certification by a qualified electrician is required, and substantial rewiring may be necessary before lawful occupation.
Note: No Electrical Certificate of Compliance was made available at inspection.

5 <u>POTENTIAL USE OF THE PROPERTY</u>

The highest and best use of the subject property is that of a residential house, given the current use and the zoning.

6 <u>METHOD OF VALUATION</u>

6,1 Direct Comparable Sales Method

Direct Comparable Method is based primarily on the principle of substitution and assumes a prudent individual will pay no more for a property than it would have cost to purchase a comparable substitute property. The approach recognises that a typical buyer will compare asking prices and seek to purchase the property that meets his or her wants and needs for the lowest cost. This approach is based on the determination of value, as a result of comparable transactions, in order that market trends can be clearly distinguished. This approach is suited in valuing properties that are bought and sold regularly and is the method that is recognized by our courts.

The purpose of this valuation is to determine the current market value of the subject property in its existing “as-is” condition as at the date of inspection.

7 MARKET RESEARCH

7,1 Market Tendencies

The residential property market within the Belgravia area of East London is currently regarded as stable with moderate demand levels. The suburb remains attractive due to its central location and access to major amenities. Market activity reflects cautious buyer behaviour with price sensitivity evident, resulting in realistic selling periods and moderate price growth. Well-maintained properties continue to attract steady interest, whilst properties requiring repairs or refurbishment experience longer marketing periods and stronger negotiation.

8 COMPARABLE SALES

Comparable sale 1.	
Legal Description:	Erf 13083 East London
Street Address:	4 Webb Street, Southernwood
Purchase price:	R 900 000
Purchase date:	2025/08/15
Erf extent:	641 m²
Rate/m² on the site extent:	R 1 404,06 /m²
Remarks:	Slightly inferior comparable sale to the subject property, to some extent, and is situated close to the subject property.
Comparable sale 2.	
Legal Description:	Erf 12823 East London
Street Address:	78 St Georges Road, Southernwood
Purchase price:	R 1 300 000
Purchase date:	2025/11/05
Erf extent:	541 m²
Rate/m² on the site extent:	R 2 402,96 /m²
Remarks:	Fairly similar comparable sale to the subject property, to some extent, and is situated close to the subject property.
Comparable sale 3.	
Legal Description:	Erf 12908 East London
Street Address:	13 Webb Street, Southernwood
Purchase price:	R 1 520 000
Purchase date:	2025/10/30
Erf extent:	609 m²
Rate/m² on the site extent:	R 2 495,89 /m²
Remarks:	Superior comparable sale to the subject property and is situated close to the subject property.

9 MARKET ANALYSIS AND APPLICATION

The analysed sales evidence demonstrates that residential properties in the immediate Southernwood/Belgravia area of East London are currently transacting within a range of approximately R900,000 to R1,520,000, reflecting differences in condition, presentation, and site attributes.

Taking into account the subject property's accommodation and extent, the required electrical reinstatement and refurbishment, its advantageous corner position, and the added value of a secondary dwelling, the property is considered to be solidly positioned within the mid-range of current market transactions. This placement reflects both its potential and current condition relative to comparable sales in the area.

10 RECOMMENDATIONS/CONDITIONS

10,1 The main dwelling appeared occupied on a multi-tenanted room basis at inspection. No lease agreements were provided and the valuation assumes vacant possession on transfer unless confirmed otherwise.

10,2 Evidence of prior electrical cable theft indicates past vandalism risk. The valuation assumes the property can be secured and reinstated without disproportionate reconstruction costs.

11 CERTIFICATE OF VALUATION

Based on the above and after having discussed with fellow Valuer's and Estate Agents active in the area, I, **Wandile Majola**, hereby certify that I have personally inspected the aforementioned property

Erf 13809 East London

and of the opinion that the market value lies in the region of :

R 1 350 000,00
(One Million Three Hundred and Fifty Thousand Rand)

and of the opinion that the "Forced Sale" value lies in the region of :

R 1 150 000,00
(One Million One Hundred and Fifty Thousand Rand)

Majola

Wandile Majola
Professional Associated Valuer
Reg. No. 5458/0

19th February 2026
Date of Signature

12 ASSUMPTIONS, LIMITATIONS AND RESTRICTIONS

12,1 Full Disclosure

This valuation has been prepared on the basis that full disclosure of all information and factors which may affect the valuation have been made to ourselves and we cannot accept any liability or responsibility whatsoever for the valuation, unless such full disclosure has been made.

12,2 Valuation Standard

This valuation has been prepared in accordance with the guidelines of the South African Institute of Valuers for valuation reports.

12,3 Plans

All plans included within the Valuation Report are supplied for the purpose of identification only and are not necessarily to scale.

12,4 Statutory Notices and Unlawful Use

We have assumed that the property and its value are unaffected by any statutory notice or condition of Title where Title Deeds have not been inspected, and that neither the property nor its condition, nor its use, nor its intended use, is or will be unlawful.

12,4 Structural surveys

We did not undertake a structural survey of the building, nor did we arrange for tests or inspections to be carried out on any of the service installations. We assumed that if any latent errors existed that they would be visible with the naked eye.

12,5 Woodwork and covered structures

We have not inspected the 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 other defects.

12,6 Confidentiality

This valuation is produced exclusively for and for the specific purposes to which it refers. It may be disclosed to your other professional advisers assisting you in respect of that purpose. We accept no responsibility whatsoever to any parties other than yourselves who make use of this valuation.

12,7 Non-Publication

Kindly note that neither the whole nor any part of this report, nor any reference thereto may be included in any published document, circular or statement, nor published in any way without our prior written approval as to the form or context in which it may appear.

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Breakdown of Replacement Costs

Description	Storeys	Walls	Roof	Flooring	Condition	Area in m²	Rate per m²	Total replacement cost
Main Dwelling	Single Storey	Brick	Corrugated Iron	Porcelain Tile	Average/ Poor	251	R 9 500	R 2 384 500
Granny Flat	Single Storey	Brick	Corrugated Iron	Ceramic Tile	Average/ Poor	50	R 6 500	R 325 000
Out Building	Single Storey	Brick	Corrugated Iron	Concrete	Average/ Poor	7	R 5 000	R 35 000
								R -
TOTALS						**308**		**R 2 744 500**
Site Improvements								
Veranda						10	R 1 500	R 15 000
Perimeter walling						31	R 800	R 24 800
Sub Total								**R 2 784 300**
Demolition @							3,00%	R 83 529
Local authority & statutory fees @							2,00%	R 55 686
Add: Professional fees @							12,00%	R 334 116
Sub Total								**R 3 257 631**
Total replacement costs (Exc VAT)								**R 3 257 631**

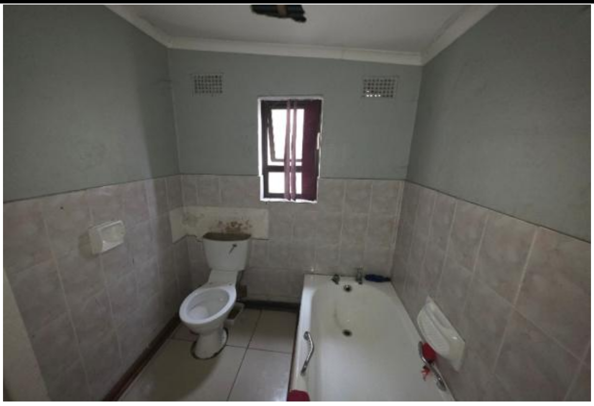
We have used the AECOM Building Costs and Escalation Forecast to establish the market related building rate for the Subject Property. Rates are based on years 2025/2026, and therefore represent the average expected building cost rates.
The area of the building expressed in m² is equivalent to the “construction area” where appropriate, as defined in the “Method for Measuring Floor Areas in Buildings, First Edition” (effective from 1 August 2005), published by the South African Property Owners Association (SAPOA)
Rates include the cost of appropriate building services, e.g. air-conditioning, electrical, etc., but exclude costs of site infrastructure development, parking, any future escalation, loss of interest, professional fees and Value Added Tax (VAT)

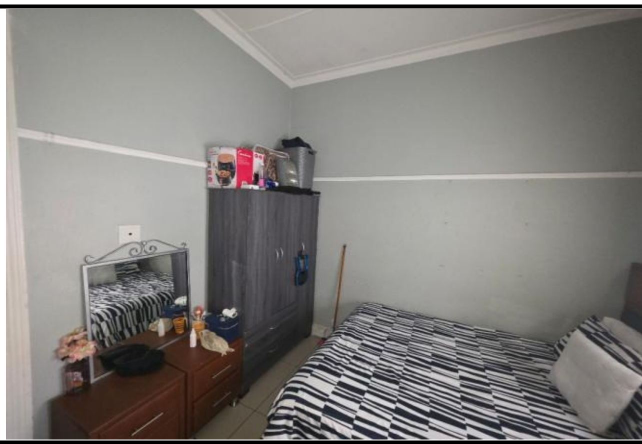
DATE 19th February 2026

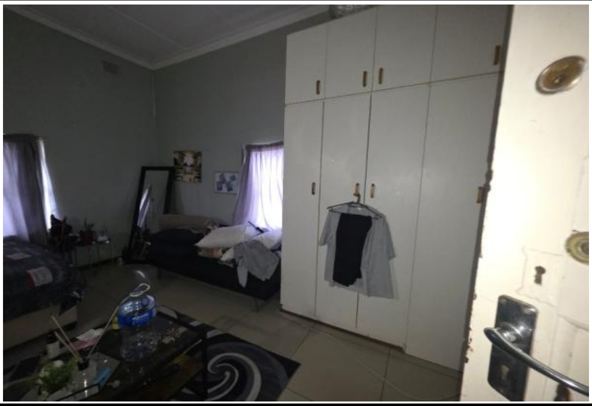
VALUER: Majola

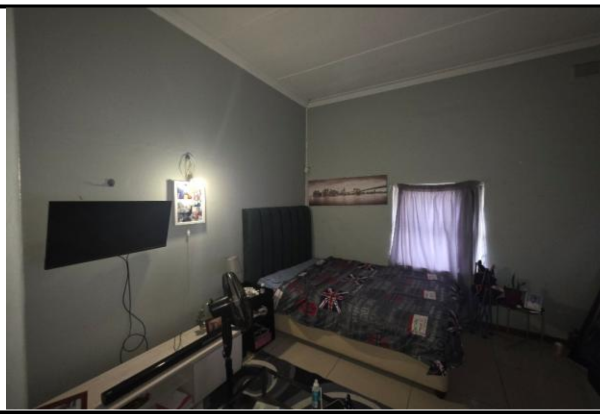
Wandile Majola
Professional Associate Valuer
Registration Number 5458/0

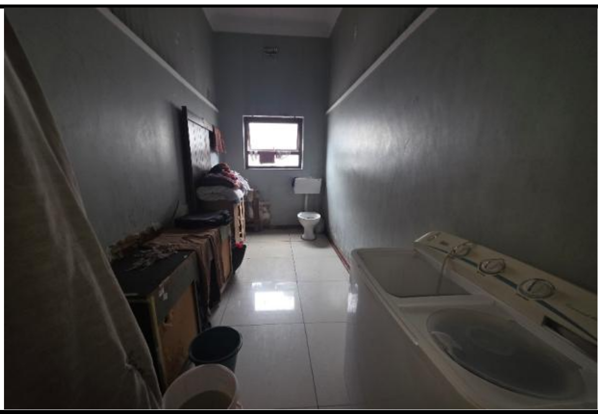
Erf 13809 East London

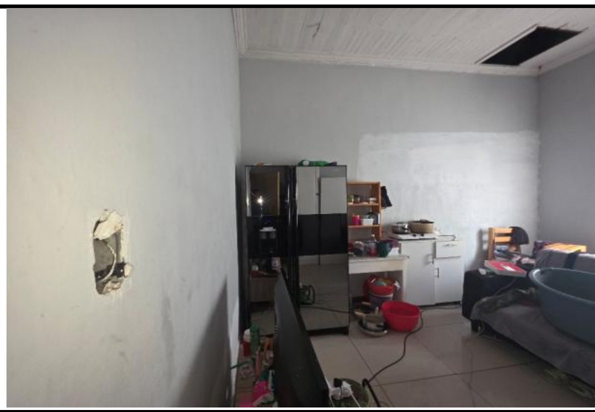












Site locality of the subject property

Aerial Photograph of the subject property