2023

Valuation Report in Respect of:
ERF. 589 EXTENSION 1, ONDANGWA
(Oshana Region - Reg. Division "A")
On Behalf of:

PUPKEWITZ PROPERTY UNIT TRUST PORTFOLIO




MARKET VALUE	N$ 4 980 000.00
FORCED SALE VALUE	N$ 3 735 000.00
REINSTATEMENT COST (INCLUDING 15% VAT)	N$ 10 180 000.00
INSURANCE VALUE (INCLUDING RENT)	N$ 10 840 000.00
DATE OF VALUATION	31 January 2023

Prepared by: Jurie Scholtz
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PROPERTY VALUATIONS NAMIBIA

CREATING VALUE FOR OUR FUTURE

Salathiel / Newbunga KAN Ondangwa / Monika

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1. INSTRUCTION

MR. J.E SHEPHERD, GROUP FINANCE DIRECTOR, PUPKEWITZ HOLDING (PTY) LTD. REQUESTED PROPERTY VALUATIONS NAMIBIA TO PROVIDE AN INDEPENDENT, PROFESSIONAL OPINION AS TO THE MARKET VALUE OF ERF 589 ONDANGWA (SUBJECT PROPERTY).

CLIENT:	Pupkewitz Motor Property (Ondangwa) (Pty) Ltd
PRESENTED BY:	Mr. J.E. Shepherd
TELEPHONE NUMBER:	+264-61 427 002 (Direct Line) / + 264- 61-427 000 (Switchboard)
EMAIL:	groupfd@pupkewitz.com
PURCHASE ORDER NUMBER:	No. 19416
DATE OF VALUATION:	31 January 2023

1.1 ANALYSIS OF INSTRUCTION

- To determine the market value of the subject property as at the date of valuation.
- To determine the reinstatement costs of the subject property including 15% VAT and rent for insurance purposes.

1.2 PREAMBLE / BASIS AND STANDARDS OF VALUATION

- This valuation has been prepared in accordance with the RICS Professional valuation standards and guidance. Acknowledged valuation principles applicable to the subject property node and location were utilized to derive an independent opinion on the Market Value.
- The valuation presented to management represents a bankable market value and reflects current market sentiment. (2022/2023)

1.3 DEFINITION OF MARKET VALUE

The definition of 'Market Value' as laid down by the International Valuation Standards Committee is:
"The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arms-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

A summary of the features of the 'willing' buyer and seller are:
They should be in a position to enter into a contract (financially and legally);
They negotiate on equal terms;
They are both well informed about the property and all its potentialities, as well as about the market for such properties (i.e. they are as well informed as the person who has taken all reasonable steps to obtain this information);
They are not under pressure (i.e. they are not forced to buy or sell a property within a limited time); and
They negotiate the transaction rationally.

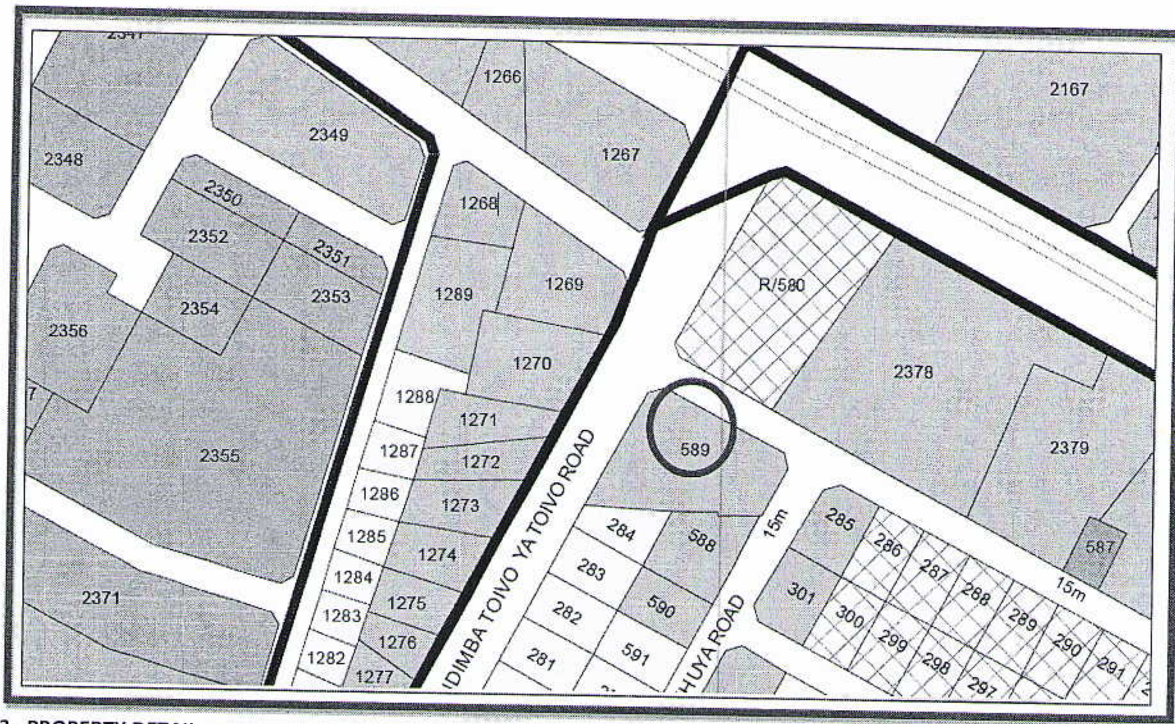
When we analyse these features, it becomes clear that a 'real' person could seldom comply with all of them. The Valuer must therefore distance himself from the personalities concerned and imagine a hypothetical transaction in which both the buyer and the seller have the understanding and motivations that are typical of the market for the property or interests being valued [Minister of Water Affairs v Mostert 1966 4 SA 690 (A) 722c]. This definition of value holds true in the case of the subject property.

1.4 DEFINITION OF REPLACEMENT VALUE OF IMPROVEMENTS

The property is valued as at market-related reconstruction cost of all fixed property and excludes insurance for the going concern value of the property. These replacement figures are based on research conducted with the relevant experts regarding construction costs of similar buildings. It is however, an assumption based on averages and given the fact the majority of the building materials would have to be transported from afar, I am recommending that an architect be appointed to work hand in hand with a quantity surveyor to calculate the precise sizes and the actual replacement costs of all improvements.

2. STREET ADDRESS

The subject property is situated at Andimba Toivo Ya Toivo Street, Ondangwa.



3. PROPERTY DETAIL

Deeds Registry:	Windhoek
Property Type:	Showroom/Workshop/Offices-combination
Registered Owner:	Pupkewitz Motor Property (Ondangwa) (Pty) Ltd
Erf Number:	Erf. 589, Ondangwa
District:	Oshana - Ondangwa
Registration Division:	"A"
Local Authority:	Ondangwa Town Council
Title Deed No:	To be confirmed
Extent:	3 782m²
Endorsements:	To be confirmed
Zoning:	Business
Free hereditary tenure:	Yes
Servitudes:	Standard as per title deed

I viewed the title deed of the subject property. This valuation will be done on the basis that there are no servitudes or conditions (other than the standard stipulations), registered against the title deed that may adversely affect the content of this report.

4. TOWN PLANNING CONDITIONS

Scheme:	Ondangwa Town Planning Scheme
Zoning:	Business
Permitted uses:	Dwelling house, town house, flats, residential building, place of assembly, place of entertainment, place of instruction, institution, service trade, service station, public garage, home based business.
Coverage:	100%
Height:	2 Storeys (can be relaxed)
FAR:	2
Building Lines:	Zero, provided that the council may lay downside building lines in the interest of public health or in order to enforce any law or right.
Parking Requirements:	1:25m² per construction area
Parking Provided:	Sufficient onsite as well as streetside parking available
Conformance:	Subject property conforms to town planning conditions. No Compliance constraints envisaged.

5. MUNICIPAL VALUATION

As per the General Valuation Roll of the Ondangwa Town Council (Effective 2014-2018), the land and the improvements were separately valued as follows:

Land	N$ 492 000.00
Improvements	N$ 4 867 200.00
Total	N$ 5 359 200.00

❖ *Please note that the municipal valuation of a property is not reflective of the market value thereof. The purpose of such a valuation is to create a platform from which rates and taxes are levied.*

6. AVAILABILITY OF SERVICES

All main services including water, electricity, sewerage connection and stormwater protection are available at the subject property.

7. MACRO AND MICRO LOCALITY

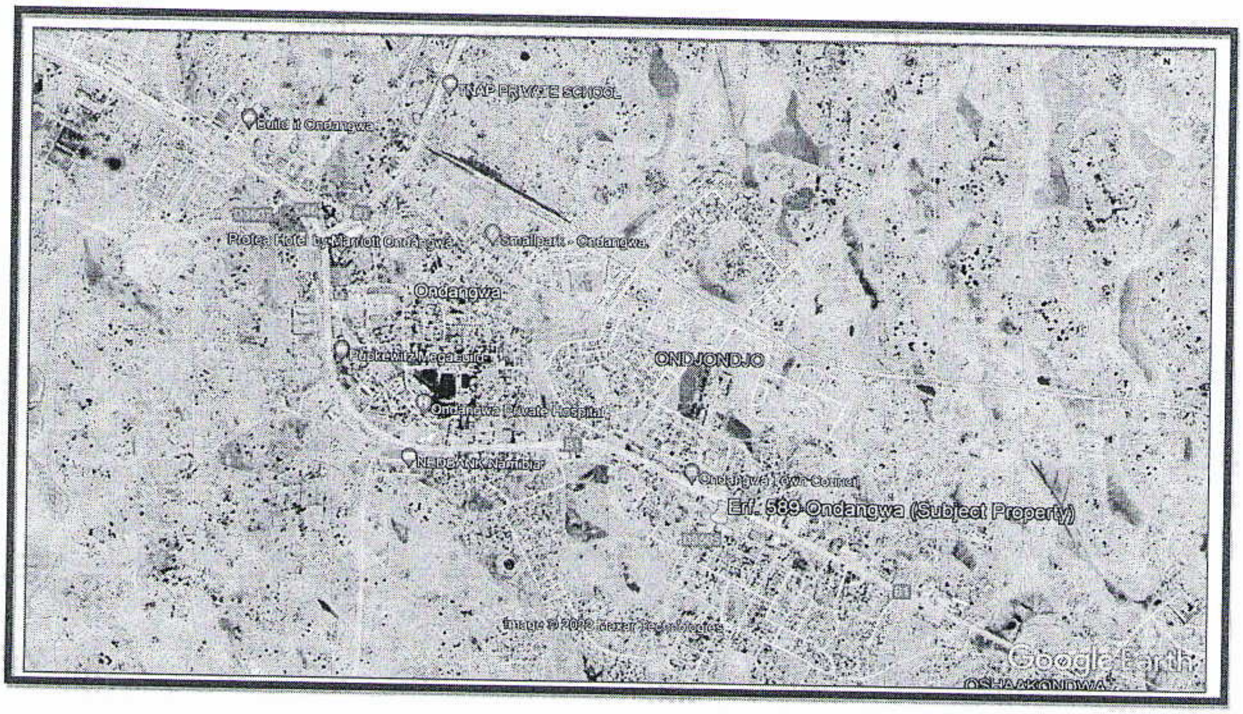
The subject property is located towards the centre of the Central Business District of the town, Ondangwa.

Access to and from the property is obtained from Andimba Toivo ya Toivo road, just off the B1 main road, both are major arterial routes, running through the CBD, connecting various areas within Ondangwa, as well as Ondangwa with Ongwediva, Oshakati, as well as the rest of the North, accordingly enhancing the accessibility, exposure and visibility of the subject property.

The immediate area includes other business type properties, offices, warehousing, shopping malls, etc.

All applicable amenities such as medical facilities, schools, public transport, places of worship and restaurants are available in close proximity.

THE BELOW GOOGLE IMAGE ILLUSTRATES HOW THE SUBJECT PROPERTY IS INTEGRATED INTO THE MACRO ENVIRONMENT OF THE TOWN OF ONDANGWA.



8. MARKET RESEARCH AND APPLICATION

The town of Ondangwa has experienced moderate growth over the recent past in most of the property sectors i.e. residential (the most active), general business, restricted business, industrial/light industrial developments etc. This area is coming from an average base as the area had historic, average to moderate marketing activity and the developed erven consisted of pre-dominant owner occupants. There has been a sustained demand for occupation at this address as can be witnessed by a few newly erected buildings, as well as upgraded buildings. Note, however that the current economic downturn of the past 60 months, coupled with strict depository requirements have resulted in a contraction in property values and rental yields. Hospitals, schools, frail care centres and shopping malls are some of the better performing property nodes in the Ondangwa/Ongwediva/Oshakati area.

The current economic slowdown, current rising interest rate environment and very high fuel costs, coupled with strict depository regulations have negatively impacted on property values, rental yields, capitalization rates, etc.

The current consensus is that knee-jerk negative valuation reaction to 100% compensate for the rising interest rate environment and the aftermath adverse effects of the COVID-19 pandemic is only damaging to the owners of real estate, as this is short-term volatility. Until a longer-term pattern emerges, the best valuation consideration would be to apply a notional 50 to 100 basis points increase to established capitalization rates (which includes discount rates) to evidence caution. The current spiking inflation rates, soaring fuel prices, coupled with a significant increase in cost of living are all elements contributing to the rising interest rate environment. We are of the opinion that interest rates locally as well as globally will remain at elevated levels for the following 24 months before we see marginal rate cuts, accordingly, suggesting that the economy and the property market will remain under pressure for the medium term.

❖ **KEY ELEMENTS SUPPORTING THE MARKET VALUE OF THE SUBJECT PROPERTY:**

ELEMENT	SITE SUITABILITY	RATING (OUT OF 5)
Property Type	Showrooms/Offices/Workshop combination type development.	3.5
Location	Within the Central Business District of the town of Ondangwa.	3.5
Site Profile	The subject site is a near rectangular shaped, 3 782m² "Business" zoned allotment, level in contour, the aspect of which is southerly and northerly.	3.5
Land use	The current "Business" zoning together with the showroom/workshop/offices combination type development represent the highest and best use of the subject property. The current land use positively impacts on surrounding land uses and property values.	3.5
Condition of improvements	The subject improvements are in an average to fair state of repair (property currently vacant) with significant repairs/upgrading required. Management did not confirm any planned Capital expenditure to be invested in the subject property during the following 12 months.	2.5
Accessibility/Exposure	The subject property is located in Andimba Toivo ya Toivo road (D3605), just off the B1 national road, running through the CBD, as well as connecting Ondangwa with Ongwediva and Oshakati, accordingly enhancing access/exposure/visibility levels and signage attractiveness, all of which positively impacts on the value as well as the marketability of the subject property.	3.5
Demand (General)	The demand for Office/Business zoned land and/or developments have been higher than the supply thereof over the past 10 years. Developable suitable land, serviced with water and electricity, has become a scarce and expensive realty, a slowdown in demand is experienced under current market conditions with supply and demand in a state of equilibrium.	2.5
Suburb Demand	A few new buildings have been constructed within the immediate neighbourhood during the recent past. There is a moderate demand for commercial property next to the B1 Main Road, resulting in competitive prices being obtained in the CBD. Demand however on the decline under the current economic downturn, coupled with the rising interest rate environment. Rental returns on the low side, with increasing capitalization rates, and some vacancies witnessed in the area, accordingly, suggesting that there is a downward trend in investor sentiment in the subject area.	2.0

Capital Growth	This trend has slightly slowed down due to the current economic downturn and is expected to continue for at least the medium term. Strict depository requirements, coupled with the prevailing economic downturn, current rising interest rate environment, excessive transport and fuel costs are all factors aiding to a noticeable declining trend in the property market. Capital growth percentage envisaged for 2022 / 2023 is 0-2%.	2.0
Letability/Saleability	The subject property is located within the CBD of the town Ondangwa, on the B1 national road, a convenient and desired location for Showrooms/Offices/Workshops/Retail Shops, where average rental figures are achieved with minimal vacancies, accordingly, supporting property values. Rental yields however on the decline under current market conditions (Past 60 months). The marketing period may exceed 12 months.	2.0

9. DESCRIPTION OF SITE AND IMPROVEMENTS

The permanent structures and improvements can best be described at the hand of the following:

Structure type:	Conventional brick and mortar/steel framed constructions over re-enforced concrete foundations and floor slab to relevant specification.	
GBA m²:	Showroom & Offices:	186m²
	Admin Area/Office/Storage:	144m²
	Ablutions/Storage/Parts:	109m²
	Workshop:	648m²
	Workshop Stores/Tool Stores, etc.:	147m²
	Canopy + Concrete Floor:	250m²
	Concrete Floor at Workshop:	132m²
	Shade-Net Carports:	82m²
	Security Fencing (incl. gates):	77m²
	Boundary Walls:	72m²
Storey:	Workshop – Double Volume Remainder – Single Storey	
Roof:	Iron Roof sheets fitted onto steel/wooden trusses	
External Walls:	Plastered and painted brick	
Internal Walls:	Plastered and painted brick	
Floors:	Marley tiles, ceramic tiles, grano, etc.	
Ceilings:	Suspended ceilings, celotex (where applicable)	
Lighting:	Standard i.e. ball lights, boxed fluorescent lights, pendants, sunken ceiling lights etc.	
Glazing:	Iron frames	
Climate Controlled:	Water cooler in showroom/split-unit air-conditioning	
Condition:	Average – Poor – Significant upgrading evident to parts of the building (Vacant)	

Accommodation Including:

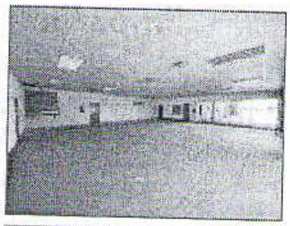
1. Showroom/Admin Area Including:	Showroom, reception/office, kitchen, separate wc/shower, gents' wc/basin, staff-canteen/storage, manager's office, etc.
2. Workshop Including:	Large workshop area, separate tool store, store, staff locker room (locker room, wc, shower, urinal, basin)
3. Admin/Parts Store/Ablutions Including:	Storage area, offices, public ablutions (public ablutions are in a very poor condition)
4. Other/Minor Improvements Including:	Canopy, shade-net carports, boundary walls, security fencing + gate, concrete slabs, security arrangements, etc.

VISUALS RELATING TO THE ABOVE

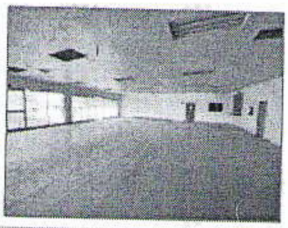
Street Elevation

Front Elevation

Canopy



Showroom

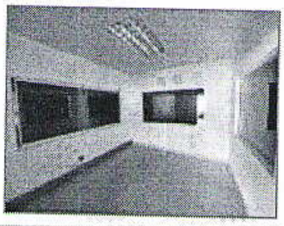


Showroom/Display area

Line Offices

Ablution

Workshop



Parts Sales

Workshop

Side Elevation

Street Elevation

10.HIGHEST & BEST USE

The highest and best use refers to the highest potential in terms of value that the property can achieve with due cognisance being taken of the local authority rights, restrictions and regulations, if applicable, as well as the general use of properties in the surrounding area.

The highest and best use of the subject property is that of a showroom/workshop/office combination type development, optimally developed in terms of the permissible town planning conditions.

11. MARKET CONDITIONS – EFFECTIVE DATE 31 JANUARY 2023

Rating out of 5 (1 being the lowest, 5 being the highest)

Inflation Rate	7.1%	Rating	2.0
Interest Rate	10.5%	Rating	3.0
Exchange Rate	N$17.21 to the US$	Rating	1.0
Property market in general	Average	Rating	2.5
Demand in this particular node	Average	Rating	2.0
Location	Ondangwa	Rating	2.5
Letability	Average to Good	Rating	2.0
Saleability	Average	Rating	2.0
Overall Rating			**2.375**

12. VALUATION METHOD

When valuing real estate, the Valuer must concern himself with placing a value on the rights attaching to the property and the benefits of occupation and/or ownership thereof. In the valuation process, cognisance must be taken of the purpose for which the property is capable of being used and the future income or amenities, which it is likely to produce. At the same time, however, the property must be compared with available substitutes and/or alternative investment opportunities. The object of the valuation process, therefore, is to arrive at a figure which will reflect the point of equilibrium between supply and effective demand at the time of valuing the property.

The valuation of land as if vacant, or of land and improvements to or on the land, is an economic concept. Whether vacant or improved, land is also referred to as real estate.

Real estate's utility or capacity to satisfy the needs and wants of humans creates value. Contributing to value are real estate's general uniqueness, durability, fixity of location, relatively limited supply, and the specific utility of a given site.

There are various methods commonly used for determining the market value of real estate. These methods of valuation comprise:

- Direct Comparable Sales Approach
- Cost Approach
- Income Approach

In order to determine which method or combination of methods applies to the subject property, cognizance was taken of the fact that the subject property is an income-producing property accordingly suggesting that the ***Income Capitalization Method of Valuation*** be utilized to determine the market value thereof.

FACTORS INFLUENCING THIS VALUATION:

- Average location, just off the B1 national road.
- Easy Accessibility with moderate visibility.
- Quality and extent of improvements – upgrading evident.
- Current economic slowdown, coupled with new depository requirements – negatively impacting on property values, rental yields and capitalization rates.
- The current rising interest rate environment.

12.1 Income Capitalization Method of Valuation:

This method concerns the determination of the gross income by making use of market income of comparable properties, actual turnover, and projected turnover, from which operating expenses are deducted to determine a possible net income of the subject property. The suggested Nett annual income is capitalized at an appropriate capitalization rate to derive the market value of the subject property.

- **Capitalization Rate**

The Capitalization rate is best determined by referring to market transactions of comparable properties as it is based on information derived from market analysis. The Capitalization rate must take the prevailing interest rate into consideration. The higher the interest rate, the better the return an investor will require. A similar risk is another factor that will influence the Capitalization rate. The higher the risk factor, the better the return an investor will require. The risk inherent to income-producing properties is the degree of certainty that the income stream will be realized despite the uncertainty of the future. A Capitalization rate of 10.50% is considered to be the market norm for the type of space offered by the subject property, located in a low-risk lending area with good exposure. This in turn is equivalent to a price earning index of 9.52, which is in line with what the market offer for this type of property in this location.

Comments to the above:

Rental returns were historically overstated for owner-occupied properties by most role-players, i.e., the owners, valuers, agents, etc. The current rental market has rectified itself at the hand of the economic recession of the past 4 years. We are of the opinion that the increase in capitalization rates was not that high if the correct market rent is applied, hence the utilization of a 10.50% capitalization rate.

➢ **Income Calculations**

Income/Rent: 95% (5% will be added to expenses to compensate for possible vacancies)
Expenses: 15% (excluding the above 5%)
Capitalization Rate: 10.50%
Price Earning Index: 9.52

❖ **MARKET RELATED RENTAL RATES/m²:**

Type	Variance	Actual Applied
Office/Showrooms (C-Grade)	N$50.00 – N$90.00/m²	N$ 50.00/m²
Workshop (C-Grade)	N$30.00 – N$55.00/m²	N$ 40.00/m²
Stores/Ablutions	N$30.00 – N$55.00/m²	N$ 40.00/m²
Office/Admin/Storage	N$45.00 – N$75.00/m²	N$ 40.00/m²
Concrete Slabs/Secure Parking	N$5.00 – N$10.00/m²	N$5.00/m²

❖ **CONFIRMATION OF COMPARABLE RENTALS:**

Erf & Suburb	Type of Accommodation	Rent & Recoveries	Date
Erf 5511, Ongwediva	*Offices- 151m²*	*N$ 12 080.00 (N$ 80.00/m²)*	*2022/2023*
Gwashamba Mall, Ondangwa	*Foschini - 296m²*	*N$ 42 052.00 (N$ 142,06/m²)*	*2022/2023*
Erf 1317, Oshakati	*Warehouse-286m²*	*N$ 17 500.00 (N$ 61.00/m²)*	*2022*
Erf 1778 Unit 1, Ondangwa	*Warehouse-298m²*	*N$ 17 106.00 (N$ 57.40/m²)*	*2022*
Gwashamba Mall, Ondangwa	*Hungry Lion- 177m²*	*N$ 32 325.00 (N$ 182,62/m²)*	*2022/2023*
Erf 2526 & 2528, Ondangwa	*Warehouse/Office- 5820m²*	*N$ 291 000.00 (N$ 50,00/m²)*	*2022*
Maroela Mall, Ongwediva	*Closwa Butchery (188m²)*	*N$ 18 946.64 (N$ 100.78/m²)*	*2022*
Maroela Mall, Ongwediva	*Spur (457m²)*	*N$ 43 273.33 (N$ 94.69/m²)*	*2022*
Erf 2426, Three Sisters Garden, Ondangwa	*All Units - 722m²*	*N$ 48 700.00 (N$ 67.45/m²)*	*2022*
Erf. 2368 & 2369, Three Sisters Mall, Ondangwa	*Line Shops - 888m²*	*N$ 63 030.00 (N$ 70.98/m²)*	*2022*
Erf 1660 & 1661 Ondangwa	*10 Units - 196m²*	*N$ 15 000.00 (N$ 76.53/m²)*	*2022*

❖ **CONFIRMATION OF CAPITALIZATION RATE:**

Erf. Number	Accommodation	Purchase Price	Date of Sale	Zoning	Capitalization Rate
5473 Ongwediva	Industrial (331m²)	N$ 1 975 000.00	June 2020	Light Industrial	10.48%
1227 Ondangwa	Shop (1007m²)	N$ 9 000 000.00	July-2018	Business	10%
1346 Ondangwa	Medical Centre (735m²)	N$ 4 167 000.00	Jan 2018	Business	9.65%
4290 Ondangwa	Business/Retail (885m²)	N$ 4 950 000.00	July-2016	Business	10%

**A Capitalization Rate of 10.50% will be utilized to evidence caution as a result of the rising interest rate environment, the current economic sentiment, and the difference in location.*

❖ **CAPITALIZED INCOME CALCULATIONS:**

Type	GLA m²	Rate/m²	Sub Total	Less Exp.(20%)	Annualized	Price Earning Index	Total
Offices/Showroom	*186*	*55.00*	*10 230.00*	*8 184.00*	*98 208.00*	*9.52*	*934 940.16*
Admin/Offices/Storage	*144*	*40.00*	*5 760.00*	*4 608.00*	*55 296.00*	*9.52*	*526 417.92*
Ablutions/Storage/Parts	*109*	*40.00*	*4 360.00*	*3 488.00*	*41 856.00*	*9.52*	*398 469.12*
Workshop	*648*	*40.00*	*25 920.00*	*20 736.00*	*248 832.00*	*9.52*	*2 368 880.64*
Workshop Stores	*147*	*40.00*	*5 880.00*	*4 704.00*	*56 448.00*	*9.52*	*537 384.96*
Secure Parking/Slabs	*464*	*5.00*	*2 320.00*	*1 856.00*	*22 272.00*	*9.52*	*212 029.44*
Total:							*4 978 122.24*
Say							*4 980 000.00*

Property brokers plus accredited valuators were consulted for market rentals. In assessing the value of the subject property, I am of the opinion that the projected rentals are achievable for the subject property and are market related for the type of space offered in this location.

13. EXECUTIVE SUMMARY

In view of the following:

- Average location, just off the B1 national road.
- Easy Accessibility with moderate visibility.
- Quality and extent of improvements – upgrading evident.
- Current economic slowdown, coupled with new depository requirements – negatively impacting on property values, rental yields and capitalization rates.
- The current rising interest rate environment.

I am of the opinion that there are not any indicators that would suggest that the standard lending policy for properties of this nature cannot be followed if the subject property is to be bonded.

14. GENERAL

The property has been valued as if wholly owned, no account being taken of any outstanding monies due, in respect of mortgage bonds, loans or other charges.

15. REINSTATEMENT COST (INCLUDING 15% VAT)

Improvements	Size(m^2)±	Rate/m^2	Sub Total (N$)
Showroom/Offices	186	7 750.00	1 441 500.00
Admin Areas/Offices	144	7 250.00	1 044 000.00
Storage/Ablutions	109	7 000.00	763 000.00
Workshop	648	5 000.00	3 240 000.00
Workshop Stores/Ablutions	147	5 000.00	735 000.00
Canopy + Concrete Floor	250	1 500.00	375 000.00
Concrete Floor at Workshop	132	500.00	66 000.00
Shade-Net Carports	82	750.00	61 500.00
Security Fencing	77	500.00	38 500.00
Boundary Walls	72	1 000.00	72 000.00
Sub Total			**7 836 500.00**
10% Professional Fees & Local Authority & Statutory Fees			783 650.00
3% Demolition & Removal Costs			235 095.00
Total (Excl.15% Vat)			**8 855 245.00**
Add 15% Vat			1 328 286.75
Total (Including 15% Vat)			**10 183 531.75**
Total Replacement Cost (Rounded)			**10 180 000.00**

16. INSURANCE VALUE (INCLUDING RENT)

Type	Sub Total
Total Replacement Cover (Including 15% Vat)	10 183 531.75
Rent	653 640.00
Insurance Value (Including Rent)	10 837 171.75
Say	**10 840 000.00**

17. MARKET VALUE

Having regard for the above, I am of the opinion that as of the 31st of January 2023, the **Market Value** of the subject property, assuming an arm's length transaction between a willing, able and informed buyer, and a willing, able and informed seller and further that reasonable time is allowed for the property to be sold is:

MARKET VALUE: **N$ 4 980 000.00**

(Four Million Nine Hundred and Eighty Thousand Namibian Dollars)

It must be kept in mind that, should the subject property as described be sold under forced conditions, normally by public auction, it will not necessarily fetch the regarded market values as stated in the report.

18. RESTRICTIONS

This report was prepared solely for the purposes stated herein and can therefore not be relied upon for any other purpose. In no event shall I assume any responsibility towards any third party to which this report is disclosed and/or otherwise made available.

19. CERTIFICATE OF INDEPENDENCE

I, the undersigned, hereby declare that we comply with the requirements of the relevant Professional bodies/standards, in particular the fundamental ethical principle of objectivity/independence, as defined/explained in the Code of Ethics for Professional Valuers.

....

P.J. Scholtz
Professional Valuer/Sworn Appraiser
National Diploma: Property Valuations (Technicon SA)
31 January 2023

PROPERTY VALUATIONS NAMIBIA

CREATING VALUE FOR OUR FUTURE

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Valuation Report in Respect of:
ERF 589 EXTENSION 1, ONDANGWA
(Oshana Region - Reg. Division "A")
On Behalf of:

PUPKEWITZ PROPERTY UNIT TRUST PORTFOLIO

I, P.J. Scholtz, **Qualified Property Valuer,** declare that the subject property was identified, and I am of the opinion that the Market Value of the Subject Property is as follows:

Market Value: N$ 4 980 000.00
(Four Million Nine Hundred and Eighty Thousand Namibian Dollars)

Thus, done on 31st of January 2023 at **WINDHOEK.**

....
PJ SCHOLTZ
PROFESSIONAL VALUER
NATIONAL DIPLOMA: PROPERTY VALUATIONS (TECHNICON SA)

APPENDIX B

QUALIFICATIONS

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

We emphasize that we have not carried out a structural survey of the improvements, nor have we examined them for signs of timber infestation, and accordingly, cannot be responsible for possible defects.

Where actual income and expenditure data has been made available to us, such data has been adjusted for anomalies and used on the understanding that it is correct as a basis for assessing capitalized values; in the absence of such data, we have made what we consider to be plausible assumptions.

Open Market valuation means the price at which an interest in real estate might reasonably be expected to have sold unconditionally for cash consideration on the date of valuation, assuming:

a. A willing and informed seller and a willing and informed buyer;

b. That, prior to the date of valuation, there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the interest for the agreement of price and terms and for the completion of the sale; and

c. That no account is taken of any additional bid by a purchaser with a special interest.

The Insurance Value is a MINIMUM recommended value, subject to the qualifications set out above, and should be verified by the Mortgagor to avoid average being applied in the event of a claim. The Mortgagor hereof, must advise all alterations and additions to the property subsequent to the date, to both the Insurer and the Valuer.

This valuation has been prepared on the understanding that no onerous easements, rights of way or encroachment exist by or on the subject property, other than those in favour of statutory bodies, applicable to all such properties or which could be regarded as customary.

Finally, we must point out, that neither the whole nor any part of this valuation, nor any reference thereto, may be included in any document, circular or statement, without the prior written approval of the Valuer of the form and content in which it appears.