

**AGENDA of the
Portfolio Committee: Planning and Development
17 March 2026
(Also the agenda for the Mayoral Committee Meeting: 25 March 2026)**

3.

TRANSFER OF ERF UNREGISTERED 12876 (A PORTION OF REMAINDER ERF 243) HERMANUS, ADJACENT TO ERF 6667 HERMANUS, SITUATED ON THE CORNER OF BALFOUR STREET AND HOSPITAL ROAD, WESTCLIFF, HERMANUS, TO VON ZEUNER PROPERTIES (PROPRIETARY) LIMITED

**A Le Roux
16 February 2026**

Divisional Manager: Property Management

(028) 316 - 5623

1. Executive Summary

To obtain final approval for the transfer of Unregistered Erf 12876 (a portion of Remainder Erf 243) Hermanus (374m² in extent) adjacent to Erf 6667 Hermanus, situated on the corner of Balfour Street and Hospital Road (hereinafter referred to as “the Property”), to the owner of Erf 6667 Hermanus, being Von Zeuner Properties (Proprietary) Limited (hereinafter referred to as “the Applicant”) for parking purposes. See the locality maps attached hereto marked “Annexures A1 & A2”.

2. Service Delivery and Budget Implementation Plan - IGNITE

Planning and Development
Property Management

3. Compliance with Strategic Priorities

Provision of democratic, accountable and ethical governance
Creation and maintenance of safe and healthy environment

4. Delegated Authority

None

5. Legal Requirements

- Local Government: Municipal Finance Management Act (Act 56 of 2003) (“MFMA”)
- Municipal Asset Transfer Regulations (R. 878 of 2008)
- Administration of Immovable Property Policy of the Overstrand Municipality (2015)

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6. Background/Discussion/Evaluation/Conclusion

Background/Discussion

Council approved the following on 28 February 2023:

- “1. *that the direct alienation of a portion of Remainder Erf 243 Hermanus (±380m² in extent) adjacent to Erf 6667 Hermanus, situated on the corner of Balfour Street and Hospital Road, Westcliff, Hermanus, to the owner of the adjoining 6667 Hermanus, Von Zeuner Properties (Proprietary) Limited, for parking purposes, at an amount of R145.53/m² (one hundred forty-five rand and fifty-three cents per square metre) (VAT excluded) be approved in principle;*
2. *that it be noted that the direct alienation is possible as the said portion of Remainder Erf 243 Hermanus can be classified as a non-viable property;*
3. *that, subject to the approval in 1 above, a public participation process be followed at the cost of the applicant/purchaser;*
4. *that it be noted that a condition for the alienation will be that the said portion of Remainder Erf 243 Hermanus must be consolidated with the adjoining property of Von Zeuner Properties (Proprietary) Limited, being Erf 6667 Hermanus, simultaneous with the registration of the transfer;*
5. *that the purchaser registers a servitude in favour of the Municipality for the sewer lines on the Property against the title deed of the Property, at its own cost, simultaneous with the registration of the transfer;*
6. *that a condition be registered against the title deed of the to be consolidated property that the portion of property envisaged to be transferred may only be used for parking purposes and no structures, excluding a boundary fence or wall, may be erected thereon;*
7. *that the alienation of said portion of Remainder Erf 6667 Hermanus be subject to a suspensive condition that the applicant/purchaser obtains approval for all the required land use rights, which may include, the closure of public open space, rezoning, subdivision and consolidation;*
8. *that all the costs pertaining to the transaction, e.g. application costs, valuation costs, closure of public open space, rezoning, subdivision and consolidation, advertisement and the related costs, etc. be paid by the Applicant/purchaser, Von Zeuner Properties (Proprietary) Limited; and*
9. *that it be noted that the municipal property herewith envisaged to be alienated is not required for the provision of basic municipal services in*

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terms of the provisions of paragraph 5 of Council's Administration of Immovable Property Policy and Section 14 of the Local Government: Municipal Finance Management Act (Act 56 of 2003)."

The public participation was followed as discussed in more detail below.

The required land use planning processes have been completed, and all necessary approvals have been obtained. With the subdivision of Remainder Erf 243 Hermanus the portion being alienated was allocated its own erf number, namely, Erf 12876 (a portion of Remainder Erf 243) Hermanus, and the final size confirmed as 374m² in extent. This Property cannot be used independently; thus the sale and subsequent land use planning approval clearly impose a condition that the new Property must be consolidated with the property of the Applicant, erf 6667 Hermanus at the Applicant's cost. It will be done simultaneous with the transfer of the Property. See the approved SG Diagram attached hereto as "Annexure B".

Evaluation

A: Administration of Immovable Property Policy of the Overstrand Municipality:

The following conditions of the said Policy will apply:

Paragraph 7: "the transfer of ownership of immovable property must be fair, equitable, transparent, competitive (unless it is not applicable or unpractical e.g. non-viable immovable property) and consistent with the supply chain management policy of the Municipality in accordance with Section 14(5) of the MFMA."

Non-viable immovable property is defined in the relevant Policy as "a property that, owing to urban planning, physical constraints or extent, cannot be developed on its own or function as a separate entity and can therefore only become functional if alienated or leased to an adjoining owner for usage in conjunction with the said owner's property." The subject property can be classified as a non-viable immovable property due to the location, shape, size and proposed use thereof and Council has accepted that it is non-viable property when the in-principle approval to alienate was given.

Paragraph 9(1)(a): "The Municipality may transfer ownership or otherwise dispose of a non-exempted immovable property only after the Municipal Council has, in terms of section 14(2)(a) and (b) of the MFMA decided on reasonable grounds that the immovable property is not needed to provide the minimum level of basic municipal services."

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Council, when the in-principle approval was obtained, confirmed that the Property is not needed to provide the minimum level of basic municipal services.

Paragraph 9(1)(b): *“The Municipality may transfer ownership or otherwise dispose of non-exempted immovable property only after the municipal council, in terms of sections 14(2)(a) and (b) of the MFMA considered the fair market value of the immovable property and the economic and community value to be received in exchange for the immovable property in accordance with section 14(2) of the MFMA.”*

Boland Valuers determined the market related value on 15 June 2022 at an amount of R145.53/m² (ONE HUNDRED FORTY-FIVE RAND AND FIFTY-THREE CENTS) per square metre (VAT excluded). The valuation was done taking into consideration the size, shape, locality, zoning and proposed use (restriction) of the Property. The purchase amount will thus be an amount of R54,428.22 (FIFTY-FOUR THOUSAND FOUR HUNDRED AND TWENTY-EIGHT RAND AND TWENTY-TWO CENTS) (VAT excluded).

Paragraph 9(1)(c): *“The Municipality may transfer ownership or otherwise dispose of a non-exempted immovable property only after the Municipal Council has, in terms of sections 14(2)(a) and (b) of the MFMA has as a consequence to 9.1(a) and (b) above approved in principle that the immovable property may be transferred or disposed of, and the method of disposal or transfer.”*

The direct sale of the Property to the adjoining property owner of Erf 6667 Hermanus was approved in principle by Council on 28 February 2023.

Paragraph 9.2: *“The Municipality may transfer ownership or otherwise dispose of a non-viable immovable property, as nonexempted immovable property which can be of no practical use to any other person, directly to adjoining property owner(s), only after the Municipal Council has, in terms of sections 14(2)(a) and (b) of the MFMA:*

- (a) decided on reasonable grounds that the non-viable immovable property is not needed to provide the minimum level of basic municipal services;*
- (b) considered the fair market value of the immovable property and the economic and community value to be received in*

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exchange for the immovable property in accordance with Section 14(2) of the MFMA, and

- (c) *has as a consequence to 9.2(a) and (b) above approved in principle that the immovable property may be transferred or disposed, provided that, when giving the in principle approval, it is recorded in the minutes the full reasons for the Municipality preferring such direct transfer.”*
- (a) The comments received from the relevant departments indicated that the Property is not needed for the provision of municipal services.
- (b) Boland Valuers determined the market related value on 15 June 2022 at an amount of R145.53/m² (ONE HUNDRED FORTY-FIVE RAND AND FIFTY-THREE CENTS) per square metre (VAT excluded). The valuation was done taking into consideration the size, shape, locality, zoning and proposed use (restriction) of the Property. The purchase amount will thus be an amount of R54,428.22 (FIFTY-FOUR THOUSAND FOUR HUNDRED AND TWENTY-EIGHT RAND AND TWENTY-TWO CENTS) (VAT excluded).
- (c) The reasons for the preferred direct sale are discussed above and was recorded in the minutes of the in-principle approval granted by Council on 28 February 2023.

Paragraph 28: *“All costs pertaining to a transaction shall be borne by the successful bidder/purchaser, e.g. survey, advertisements, valuation, rezoning, relocation or provision of services where necessary, etc. The Municipality may, however, waive its right to claim the costs should it be to its advantage to bear the costs.”*

The Applicant will be liable for the costs of the transaction which will include, but not be limited to, the application fee, valuation costs, rezoning and consolidation, closure of public road, the required public participation process and transfer costs.

Paragraph 30: *“Small areas of land such as closed roads or portions of public place sold to an adjacent owner must be consolidated with the existing property of the adjacent owner, unless circumstances exist which, in the opinion of the Municipality, make such consolidation undesirable.”*

A condition to this effect was included in the Deed of Sale.

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Paragraph 32: “Save with prior approval, the immovable property alienated may only be used for the purpose for which it was originally sold and purposes permitted by town planning scheme regulations pertaining to such purposes.”

A condition to this effect was included in the Deed of Sale.

Paragraph 34: “A 10% deposit of the agreed/tendered purchase price will be due and payable by the purchaser/successful bidder within 10 days of date of request in writing thereof by the Municipality.”

A condition to this effect was included in the Deed of Sale.

Paragraph 35: “Interest on the purchase price, as from date of signature of the deed of sale, must be charged by the Municipality should payment or transfer be delayed due to an action or failure on the part of the successful bidder/ purchaser.”

A condition to this effect was included in the Deed of Sale.

B. Advertisement/Notification

An advertisement for the transfer of the Property was published in the Hermanus Times on 17 July 2024 for a 30 (THIRTY) day objection/comment period. No objection/comments were received.

Conclusion

It is recommended that the transfer of the Property to the Applicant at a market related amount of R54,428.22 (FIFTY-FOUR THOUSAND FOUR HUNDRED AND TWENTY-EIGHT RAND AND TWENTY-TWO CENTS) (VAT excluded) for parking purposes only, be approved.

7. Financial Implications

The Municipality stands to gain an income of R54,428.22 (FIFTY-FOUR THOUSAND FOUR HUNDRED AND TWENTY-EIGHT RAND AND TWENTY-TWO CENTS) (VAT excluded) for the sale of the Property.

8. Staff Implications

None

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9. Comments from other Departments, Divisions and Administrations

Divisional Manager: Expenditure, Fleet & Asset Management - Mr J Vorster

“Remainder of Erf 243 Hermanus, is currently reflected in the fixed asset register for PPE: Land as part of the greater commonage at an overall value of R9’405’235-71 as at 30 June 2025. Once the proposed alienation has been concluded the 374m² portion of the erf will have to be written out of the fixed asset register at the applicable selling price in order to account for actual gain / (loss) on the disposal of an asset.

There is no objection against the proposed alienation as the application complies with the Administration of Immovable Property Policy.”

10. Annexures

Annexures A1 & A2: Locality maps
Annexure B1 & B2: SG Diagrams

RECOMMENDATION TO THE COUNCIL:

1. that the transfer of Unregistered Erf 12876 (a portion of Remainder Erf 243) Hermanus, situated on the corner of Balfour Street and Hospital Road (374m² in extent), to the owner of Erf 6667 Hermanus, being Von Zeuner Properties (Proprietary) Limited, at an amount of R54,428.22 (FIFTY-FOUR THOUSAND FOUR HUNDRED AND TWENTY-EIGHT RAND AND TWENTY-TWO CENTS) (VAT excluded) for parking purposes, **be approved**;
2. that Council take cognisance of the fact that the direct alienation and subsequent transfer is only approved as unregistered Erf 12876 (a portion of Remainder Erf 243) Hermanus is classified as a non-viable property;
3. that it be noted that a condition of the alienation will be that the unregistered Erf 12876 (a portion of Remainder Erf 243) Hermanus must be consolidated with the adjoining property of Von Zeuner Properties (Proprietary) Limited, being Erf 6667 Hermanus;
4. that the purchaser registers a servitude in favour of the Municipality for the sewer line and right of way on the Property against the title deed of the Property, at its own cost, simultaneous with the registration of the transfer;
5. that a condition be registered against the title deed of the to be consolidated property that the portion of property envisaged to be transferred may only be used for parking purposes and no structures, excluding a boundary fence or wall, may be erected thereon;

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6. that all costs pertaining to the transaction, e.g. application costs, valuation costs, closure of public open space, rezoning, subdivision and consolidation, transfer and related costs, advertisements, etc. be paid by Von Zeuner Properties (Proprietary) Limited; and
7. that it be noted that the municipal property herewith envisaged to be transferred is not required for the provision of basic municipal services in terms of the provisions of paragraph 5 of Council's Administration of Immovable Property Policy and Section 14 of the Local Government: Municipal Finance Management Act (Act 56 of 2003).

RESPONSIBLE OFFICIAL:	M ERASMUS
TARGET DATE FOR IMPLEMENTATION :	12 APRIL 2026
TARGET DATE TO INFORM APPLICANT:	26 APRIL 2026



ANNEXURE A2



ANNEXURE B

VAN DYK & Associates Inc. (V23443)

DIGITAL REGISTRATION DOCUMENT
for SURVEYOR GENERAL
DATE 29.01.2026

SIDES metres	ANGLES OF DIRECTION	CO-ORDINATES	
		Y System: WG 19° X	
		Constants	0,00 +3 800 000,00
AB	9,29 334.15.10	A	-21 181,86 +10 356,79
BC	31,68 61.22.20	B	-21 185,90 +10 365,17
CD	7,10 109.35.00	C	-21 158,09 +10 380,35
DE	6,56 154.15.10	D	-21 151,40 +10 377,96
EA	36,64 245.23.20	E	-21 148,55 +10 372,06
		9G2 ⊕	-21 513,74 +10 430,83
		14AC20 ⊕	-21 187,20 +10 629,61

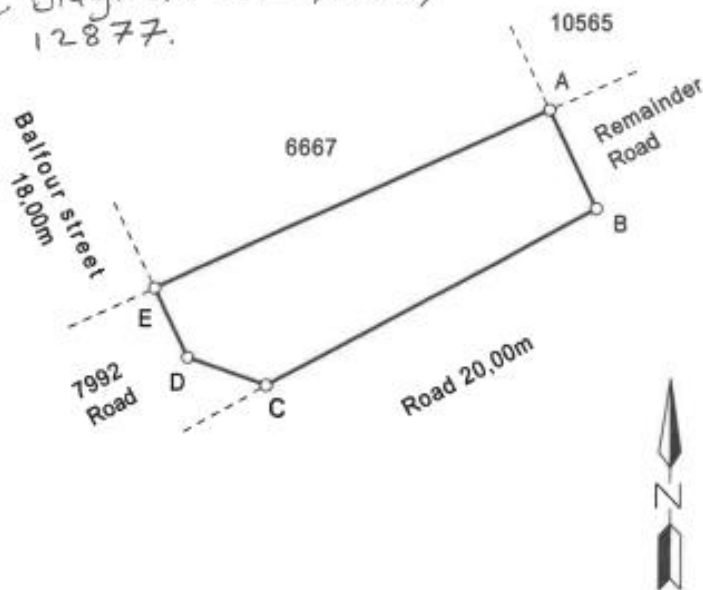
SG No. 2702/2025
Approved
[Signature]
for SURVEYOR GENERAL
27.01.2026

L.A. van Dyk PLS No. 1069
hereby certify that this digitally approved Deeds Registration Document was extracted by myself from the Digital Registration Document provided by the Surveyor General's office, Cape Town.
29/01/2026
Professional Land Surveyor

BEACON DESCRIPTIONS

A,B,C,D,E ... 12mm Iron peg

Included in Consol
Vide Diagram 2703/2025;
Erf 12877.



Scale : 1 / 500

The figure ABCDE represents 374 square metres of land, being

Erf 12876 (a portion of Erf 243) Hermanus

situate in the Overstrand Municipality
Administrative District of Caledon
Western Cape Province
Surveyed in September 2023 and
November 2025 by me

[Signature]
LA van Dyk
Professional Land Surveyor
Registration Number: PLS 1069

EXEMPT FROM THE PROVISIONS OF ACT 70 OF 1970
SECTION 1(e)

Approved L.U. Section 61 of Municipal Land Use Planning Bylaw Ref. 243 & 6667 HWC
Date: 19 November 2025

This Diagram is annexed to No. Registrar of Deeds

The original diagram is S.G. No. 3795/1921
Transfer No. Grant Cal.F.3-8
(Filed as Plan No.224)

File:S/2479 V.6
S.R. No.1687/2025
Comp AINW-1182 (M3868)
Deduction Plan H34A(2739)
LPI No. C0130013

Erf 12876 Hermanus