

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

8.

TRANSFER OF UNREGISTERED ERF 12960 (A PORTION OF REMAINDER ERF 243) HERMANUS (PORTION OF PUBLIC OPEN SPACE) ADJACENT TO ERF 283 HERMANUS AND PORTION 338 (A PORTION OF PORTION 4) OF THE FARM NO 581 ONRUSTRIVIER, CALEDON REGIONAL DISTRICT, TO REDBUILD TRUST

**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 12960 (a portion of Remainder Erf 243) Hermanus (1,4862ha in extent), (hereinafter referred to as “the Property”) to the owner of the adjoining properties, Erf 283 Hermanus and Portion 338 (a portion of Portion 4) of the Farm No 581 Onrustrivier, being Redbuild Trust (hereinafter referred to as “the Applicant”) to clear and destump the area and for the erection of a fence. 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 2024:

- “1. *that the direct alienation of a portion of Remainder Erf 243 Hermanus (±1.52 ha in extent), to the owner of the adjoining properties, being Erf 283 Hermanus and Portion 338 (a portion of Portion 4) of the Farm No 581 Onrustrivier, Caledon Regional District, Redbuild Trust, at an amount of R15.00/m² (FIFTEEN RAND PER SQUARE METRE) (VAT excluded), to clear and destump the area and for the erection of a fence / boundary wall, 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, 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 properties of Redbuild Trust, being Erf 283 Hermanus and Portion 338 (a portion of Portion 4) of the Farm No 581 Onrustrivier, Caledon Regional District;*
4. *that no structures of any kind (excluding a boundary wall or fence) may be erected on the said portion of Remainder Erf 243 Hermanus, which condition must be registered against the title deed of the consolidated property;*
5. *that the alienation of said portion of Remainder Erf 243 Hermanus be subject to a suspensive condition that the applicant/purchaser obtains approval for all the required land use rights, which include, the closure of public place, rezoning, subdivision and consolidation;*
6. *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 Redbuild Trust; and*
7. *that it be noted that the municipal property herewith envisaged to be alienated 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).”*

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In condition 3 of the above resolution, it was indicated that the Property must be consolidated with Erf 283 Hermanus and Portion 338 (a Portion of Portion 4) of the Farm No 581, Onrustrivier, Caledon Regional District. The Applicant however indicated that it must be consolidated with Erf 283 Hermanus.

The partial amendment of Condition 3 of the Council resolution would have no effect on the valuation of the Property nor on the fact that the Property is not needed for basic municipal services and subsequently Council approved on 24 April 2024 as follows:

“that Condition 3 of Council Resolution dated 28 February 2024 be amended to read as follows:

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 Redbuild Trust, being Erf 283 Hermanus;”

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

The required land use planning processes have been completed, and all necessary approvals have been obtained. The Applicant appointed a Town Planner for the Land use planning processes. With the subdivision of Remainder Erf 243 Hermanus the portion being alienated was allocated its own erf number, namely Erf 12960 (a portion of Remainder Erf 243) Hermanus, and the final size confirmed as 1,4862 ha in extent. 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.”

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The Property is zoned Open Space Zone 2: Public Open Space, and although it forms part of a bigger property it is cut off by the R320 running through it which creates a strange shape of the property above the R320 which is not of practical use to anyone else. Due to the locality, shape, intended use and size of the Property, it cannot be developed independently, and thus it can be classified as a non-viable property. Non-viable property can in terms of the current Administration of Immovable Property Policy be alienated directly to an adjoining property owner, subject to certain conditions. Council has accepted, with the approval in-principle to alienate, that the Property is non-viable property.

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.”

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.”

HCB Property Valuations determined the fair market value on 1 September 2023 at an amount of R15.00/m² (FIFTEEN RAND 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 R222,930.00 (TWO HUNDRED AND TWENTY-TWO THOUSAND NINE HUNDRED AND THIRTY RAND) (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.”

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The direct sale of the Property to the adjoining properties, owner of Erf 283 Hermanus and Portion 338 (a portion of Portion 4) of the Farm No 581 Onrustvler, Caledon Regional District, was approved in principle by Council on 28 February 2024.

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 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) HCB Property Valuations determined the fair market value on 1 September 2023 at an amount of R15.00/m² (FIFTEEN RAND 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 R222,930.00 (TWO HUNDRED AND TWENTY-TWO THOUSAND NINE HUNDRED AND THIRTY RAND) (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 2024.

Paragraph 28: “All costs pertaining to a transaction shall be borne by the successful bidder/purchaser, e.g. survey, advertisements,

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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 place, 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.

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 Village News 17 January 2025 for a 30 (THIRTY) day objection/comment period. No objection/comments were received.

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Conclusion

It is recommended that the transfer of Unregistered Erf 12960 Hermanus (1,4862ha in extent), to Rebuild Trust at a market related amount of R222,930.00 (TWO HUNDRED AND TWENTY-TWO THOUSAND NINE HUNDRED AND THIRTY RAND) (VAT excluded) to clear and destump the area and for the erection of a fence / boundary wall, be approved.

7. Financial Implications

The Municipality stands to gain an income of R222,930.00 (TWO HUNDRED AND TWENTY-TWO THOUSAND NINE HUNDRED AND THIRTY RAND) (VAT excluded) for the sale of the Property.

8. Staff Implications

None

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 ±1.52 ha 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

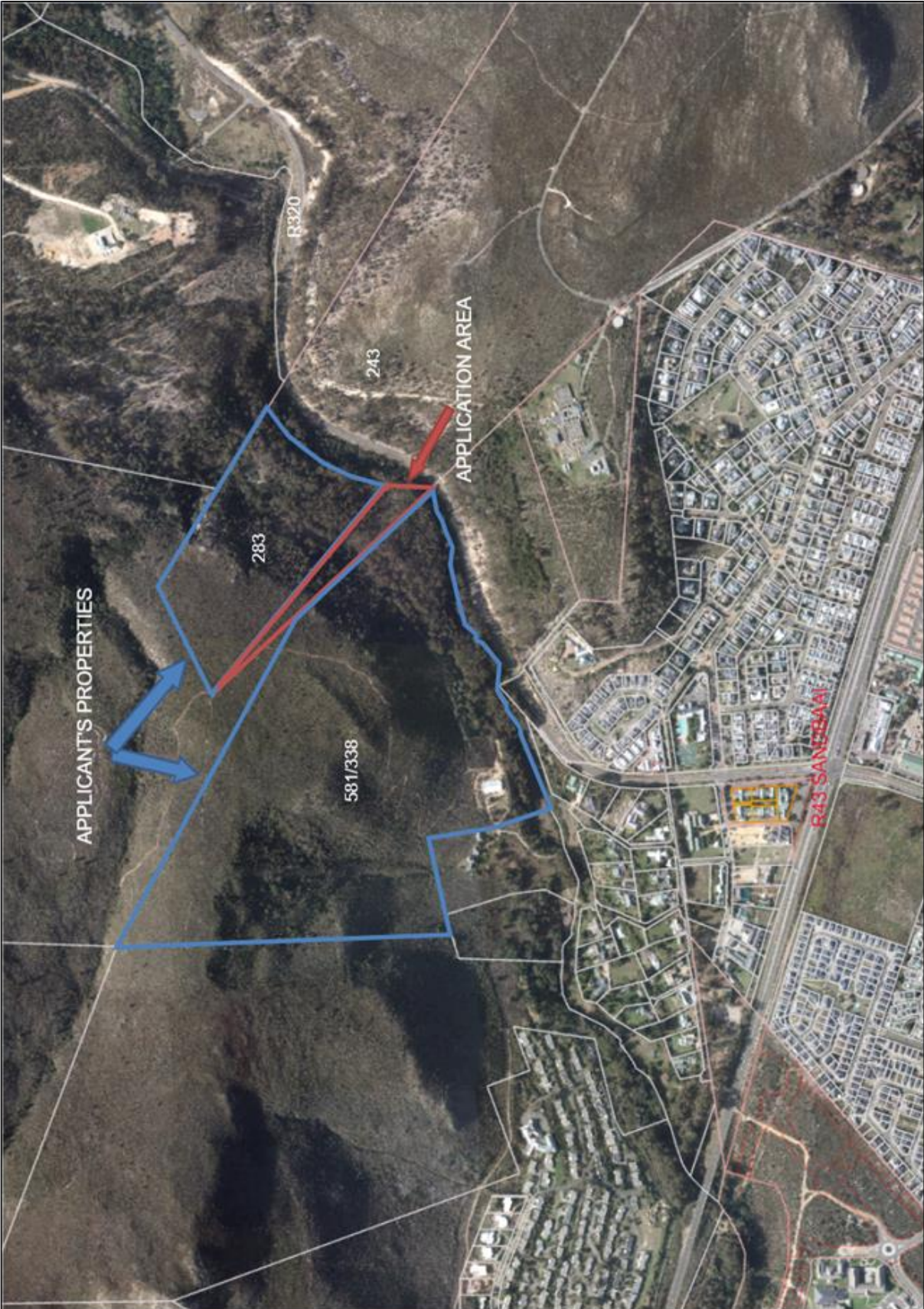
Annexures A1 & 2: Locality maps
Annexure B: SG Diagram

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RECOMMENDATION TO THE COUNCIL:

1. that the transfer of Unregistered Erf 12960 (a portion of Remainder Erf 243) Hermanus, (1,4862ha in extent), to the owner of the adjoining properties, being Erf 283 Hermanus and Portion 338 (a portion of Portion 4) of the Farm No 581 Onrustrivier, Caledon Regional District, Redbuild Trust, at an amount of R222,930.00 (TWO HUNDRED AND TWENTY-TWO THOUSAND NINE HUNDRED AND THIRTY RAND) (VAT excluded) to clear and destump the area and for the erection of a fence / boundary wall, **be approved**;
2. that Council take cognisance of the fact that the direct alienation and subsequent transfer is only approved as Unregistered Erf 12960 Hermanus is classified as a non-viable property;
3. that it be noted that a condition of the alienation will be that Unregistered Erf 12960 Hermanus must be consolidated with the adjoining property of Redbuild Trust, being Erf 283 Hermanus;
4. that a condition be registered against the title deed of the to be consolidated property that no structures of any kind, (excluding a boundary wall or fence) may be erected on the portion of property envisaged to be transferred;
5. 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 Redbuild Trust; and
6. 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:	V OCTOBER
TARGET DATE FOR IMPLEMENTATION :	17 APRIL 2026
TARGET DATE TO INFORM APPLICANT:	11 APRIL 2026





<p style="text-align: center;">DIGITAL REGISTRATION DOCUMENT</p> <p style="text-align: center;">for SURVEYOR GENERAL DATE 03.12.2025</p> <p style="text-align: center;"><i>[Signature]</i></p>	<p>SIDES Metres</p>	<p>ANGLES OF DIRECTION</p>	<p>CO-ORDINATES Y System: WG19° X</p>	<p>S.G. No. 2481/2025</p>	
		<p>Constants:</p>	<p>± 0,00 ± 0,00</p>	<p>Approved</p>	
	<p>AB 512,58 BC 76,67 CA 466,02 bB 309 35 00 cC 136 43 50</p>	<p>309 35 00 80 27 50 136 43 50 309 35 00 136 43 50</p>	<p>A -18 622,91 B -19 017,95 C -18 942,34</p>	<p>+3 808 368,07 +3 808 694,67 +3 808 707,39</p>	
		<p>HERMANUS (18) Δ HERMANUS C (115) Δ</p>	<p>-22 766,24 -22 380,51</p>	<p>+3 808 082,48 +3 809 553,02</p>	
<p>Description of Beacons A - masoned cairn B - 20mm iron peg and cairn C - 12mm iron peg</p>					
<p>The figure A b middle of Onrust River c represents 1,4862 hectares of land being ERF 12960 (A PORTION OF REMAINDER ERF 243) HERMANUS Situate in Overstrand Municipality Administrative District of Caledon Province of Western Cape Surveyed in October 2025 by me</p>					
<p><i>[Signature]</i> NA Clark Professional Land Surveyor Registration Number PLS1072</p>					
<p>Approved I.L.o. Section of Municipal Land Use Planning Bylaw Ref: 283 HMP & Rem Erf 243 HER Date: 30 September 2025</p>	<p>This diagram is annexed to</p> <p>No. S.G. No. 3795/1921 d.d. : Transfer i.f.o. Grant :</p> <p style="text-align: center;">Registrar of Deeds</p> <p style="text-align: center;">(Filed As Plan H34 A (2739))</p>		<p>File : S/2479/1/3 S.R. : 1529/2025 G.P. : Comp.AI-3CBB(3370) LPI C0130013</p>		
<p>Erf 12960 Hermanus</p>					

I, **NA CLARK**, PLS No. **1072**,
 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.
 Date: **4/12/2025**
 Professional Land Surveyor

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