



TENDER NO.: SC 2142/2020

SALE OF ERF 7373 HERMANUS (354M² IN EXTENT) FOR RESIDENTIAL PURPOSES

PROCUREMENT DOCUMENT

NAME OF TENDERER:	
Form of Offer (Inclusive of VAT) (refer to page 38):	

OCTOBER 2020

PREPARED AND ISSUED BY:

Directorate: Finance:
Supply Chain Management Unit
Overstrand Municipality
PO Box 20, Hermanus, 7200

**CONTACT FOR ENQUIRIES
REGARDING SPECIFICATIONS:**

A Le Roux
Manager: Property Administration
Tel. Number: **028 316 5623**

MBD 1 – INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE OVERSTRAND MUNICIPALITY

1. TENDER DETAILS			
TENDER NUMBER:	SC 2142/2020		
TENDER TITLE:	SALE OF ERF 7373 HERMANUS (354M ² IN EXTENT) FOR RESIDENTIAL PURPOSES		
CLOSING DATE:	04 December 2020	CLOSING TIME:	12H00
SITE MEETING:	DATE:	N/A	
SITE MEETING ADDRESS:	N/A		
CIDB GRADING REQUIRED:	N/A	LEVEL AND CATEGORY:	N/A
BID BOX NO:	3	SITUATED AT: Overstrand Municipal Building, Magnolia Avenue, Hermanus. The bid box is generally open 24 hours a day, 7 days a week.	
OFFER TO BE VALID FOR AT LEAST:	90 DAYS	FROM THE CLOSING DATE OF BID.	

2. BIDDER'S DETAILS			
LEGAL NAME OF ORGANISATION			
TRADE NAME (if different from legal name)			
POSTAL ADDRESS			
STREET ADDRESS			
NAME OF CONTACT PERSON			
TELEPHONE NUMBER		CELL NUMBER	
E-MAIL ADDRESS			
COMPANY REGISTRATION NUMBER			
OVERSTRAND MUNICIPALITY SUPPLIER DATABASE REGISTRATION NUMBER			

3. BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO THE SUPPLY CHAIN MANAGEMENT UNIT			
CONTACT PERSON	L du Preez	TELEPHONE NUMBER	028 313 8147
		Email address	ldupreez@overstrand.gov.za
CONTACT PERSON	J Aplon	TELEPHONE NUMBER	028 313 5021
		Email address	japlon@overstrand.gov.za
TECHNICAL INFORMATION REGARDING THIS QUOTATION MAY BE OBTAINED FROM:			
CONTACT PERSON	A Le Roux	TELEPHONE NUMBER	028 316 5623
		Email address	anjaleroux@overstrand.gov.za

4. TAX COMPLIANCE REQUIREMENTS	
TAX CLEARANCE STATUS PIN	
TAX CLEARANCE EXPIRY DATE	
INCOME TAX NUMBER	
VAT REGISTRATION NUMBER	
<p>a) Bidders must ensure compliance with their tax obligations.</p> <p>b) Bidders are required to submit their unique personal identification number (pin) issued by SARS to enable the organ of state to view the taxpayer's profile and tax status.</p> <p>c) Application for the tax compliance status (TCS) certificate or pin may also be made via e-filing. In order to use this provision, taxpayers will need to register with SARS as e-filers through the website www.sars.gov.za</p> <p>d) Foreign suppliers must complete the pre-award questionnaire in part B.3.</p> <p>e) Bidders may also submit a printed TCS certificate together with the bid.</p> <p>f) In bids where consortia / joint ventures / sub-contractors are involved, each party must submit a separate TCS certificate / pin / CSD number.</p>	

Are you the accredited representative in South Africa for the goods /services /works offered? If yes, enclose proof	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Are you a foreign based supplier for the goods /services /works offered? If yes, answer the questions in par. 6 below.	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>

5. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS				
a) Is the entity a resident of the republic of South Africa (RSA)?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
b) Does the entity have a branch in the RSA?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
c) Does the entity have a permanent establishment in the RSA?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
d) Does the entity have any source of income in the RSA?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
e) Is the entity liable in the RSA for any form of taxation?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
<p>If the answer is "No" to all of the above, then it is not a requirement to register for a tax compliance status system pin code from the South African revenue service (SARS) and if not register as per 2.3 above.</p>				

<p>PLEASE NOTE:</p> <p>1. Mailed, telegraphic or faxed bids will not be accepted.</p> <p>2. Bids may only be submitted on the Bid Documentation provided by the Municipality (not to be re-typed).</p> <p>3. Bids must be delivered by the stipulated time to the correct box and address. Late bids will not be accepted for consideration.</p> <p>4. Tender box deposit slot is 28cm x 2.5cm.</p>
--

6. CAPACITY UNDER WHICH THIS BID IS SIGNED	
NAME OF PERSON DULY AUTHORISED TO SIGN THIS OFFER	
SIGNATURE	
DATE	

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

CONTENTS

	PAGE NUMBER
1. MBD 1 – INVITATION TO BID	2
PART A – ADMINISTRATIVE REQUIREMENTS IN TERMS OF THE SUPPLY CHAIN MANAGEMENT POLICY	5
2. CHECKLIST	6
3. TENDER NOTICE & INVITATION TO TENDER	7
4. AUTHORITY TO SIGN A BID.....	8
5. GENERAL CONDITIONS OF TENDER	12
6. MBD 4 – DECLARATION OF INTEREST	15
7. MBD 8 – DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES.....	18
8. MBD 9 – CERTIFICATE OF INDEPENDENT BID DETERMINATION	20
9. MBD 15 – CERTIFICATE FOR PAYMENT OF MUNICIPAL SERVICES.....	22
PART B – SPECIFICATIONS.....	23
10. SPECIFICATIONS	24
11. ANNEXURE A – DRAFT PROPOSED DEED OF SALE	28
12. ANNEXURE B – LOCALITY MAP	37
13. FORM OF OFFER AND ACCEPTANCE	38
PART C - MOST IMPORTANT ASPECTS OF THE ADMINISTRATION OF IMMOVABLE PROPERTY POLICY	40



**PART A – ADMINISTRATIVE REQUIREMENTS IN
TERMS OF THE SUPPLY CHAIN MANAGEMENT POLICY**

2. CHECKLIST

PLEASE ENSURE THAT THE FOLLOWING FORMS HAVE BEEN DULY COMPLETED AND SIGNED AND THAT ALL DOCUMENTS AS REQUESTED, ARE ATTACHED TO THE TENDER DOCUMENT:

2.	Authority to Sign a Bid Is the form duly completed and is a certified copy of the resolution attached?	Yes		No	
3.	Tax Clearance Certificate Provide Tax clearance compliance status pin and Income Tax no.	Yes		No	
4.	MBD 4 (Declaration of Interest) Is the form duly completed and signed?	Yes		No	
5.	MBD 8 (Declaration of Past Supply Chain Practices) Is the form duly completed and signed?	Yes		No	
6.	MBD 9 (Certificate of Independent Bid Determination) Is the form duly completed and signed?	Yes		No	
7.	MBD 15 (Certificate of Payment of Municipal Accounts) Is the form duly completed and signed? Are the Identity numbers, residential addresses and municipal account numbers of ALL members, partners, directors, etc. provided on the form as requested?	Yes		No	
8.	Specifications Is the form duly completed and signed?	Yes		No	
9.	Form of Offer Is the form duly completed and signed?	Yes		No	

SIGNATURE		NAME (PRINT)	
CAPACITY		DATE	
NAME OF FIRM			

3. TENDER NOTICE & INVITATION TO TENDER**TENDER NO. SC 2142/2020****SALE OF ERF 7373 HERMANUS (354M² IN EXTENT) FOR RESIDENTIAL PURPOSES**

Tenders are hereby invited for the **Sale of Erf 7373 Hermanus (354m² In Extent) for Residential Purposes**.

Tender documents, in English, are obtainable from **Wednesday, 04 November 2020**, at the offices of the Supply Chain Management Unit, Overstrand Municipality, Magnolia Avenue, Hermanus from Ms Rita Neethling; Tel. 028 313 8064, between 08h30 and 15h30 upon payment of a **tender documentation administration fee of R207-00 per set**. Alternatively the document may be downloaded free of charge from the website: www.overstrand.gov.za.

Sealed tenders, with **“Tender No. Sale of Erf 7373 Hermanus (354m² In Extent) for Residential Purposes”** clearly endorsed on the envelope, must be deposited in **Tender Box No. 3** at the offices of the Overstrand Municipality, Magnolia Avenue, Hermanus. Bids may only be submitted on the bid documentation issued by Overstrand Municipality.

The closing date and time of the tender is on **04 December 2020 at 12h00** and tenders will be opened in public immediately thereafter in the Supply Chain Management Committee Room, Hermanus Administration.

Please refer enquiries to **Ms. A Le Roux** at e-mail: anjaleroux@overstrand.gov.za and/or telephone number: **028 313 5623**.

4. AUTHORITY TO SIGN A BID

TYPE OF ENTERPRISE (Please indicate with an "X" and complete the indicated section below)

1	Company (Pty) Ltd. & Ltd.		Please complete section 1 below
2	Close Corporation (CC)		Please complete section 2 below
3	Sole Proprietor & Natural Person		Please complete section 3 below
4	Partnership		Please complete section 4 below
5	Consortium, Club, Trust, etc.		Please complete section 5 below
6	Joint Venture		Please complete section 6 below

1. COMPANIES - (PTY) LTD. & LTD.

1.1. If a bidder is a **COMPANY ((Pty) Ltd. OR Ltd.)**, a certified copy of the resolution by the board of directors, duly signed, authorising the person who signs this bid to do so, as well as to sign any contract resulting from this bid and any other documents and correspondence in connection with this bid and/or contract on behalf of the company must be submitted with this bid, that is, before the closing time and date of the bid.

1.2. A valid resolution must be signed by:

- 1.2.1. Majority directors; or
- 1.2.2. Chairman of the Board; or
- 1.2.3. Company Secretary

PARTICULARS OF RESOLUTION BY THE BOARD OF DIRECTORS OF THE COMPANY

Date resolution was taken			
Resolution signed by (name and surname)			
Capacity			
Name and surname of delegated authorised signatory			
Capacity			
Specimen signature			
Full name and surname of ALL director(s)			
Is a copy of the resolution attached?	YES	NO	
SIGNED ON BEHALF OF COMPANY / CC:		DATE:	
PRINT NAME:			
WITNESS 1:		WITNESS 2:	



2. CLOSE CORPORATION (CC)

2.1. In the case of a **CLOSE CORPORATION (CC)** submitting a bid, a resolution by its members, authorizing a member or other official of the corporation to sign the documents on their behalf, shall be included with the bid.

2.2. A valid resolution must be signed by:

2.2.1. Majority members; or

2.2.2. Member with majority shareholding but only if such shareholding is more than 50%; or

2.2.3. Company Secretary.

PARTICULARS OF RESOLUTION BY THE MEMBERS OF THE CLOSE CORPORATION

Date resolution was taken			
Resolution signed by (name and surname)			
Capacity			
Name and surname of delegated authorised signatory			
Capacity			
Specimen signature			
Full name and surname of ALL director(s) / member (s)			
Is a copy of the resolution attached?		YES	NO
SIGNED ON BEHALF OF COMPANY / CC:		DATE:	
PRINT NAME:			
WITNESS 1:		WITNESS 2:	

3. SOLE PROPRIETOR (SINGLE OWNER BUSINESS) & NATURAL PERSON

I, _____, the undersigned, hereby confirm that I am the sole owner of the business trading as _____.

OR

I, _____, the undersigned, hereby confirm that I am submitting this bid in my capacity as natural person.

SIGNATURE:		DATE:	
PRINT NAME:			
WITNESS 1:		WITNESS 2:	



4. PARTNERSHIP

We, the undersigned partners in the business trading as _____
hereby authorize Mr / Ms _____ to sign this bid as well as any
contract resulting from the bid and any other documents and correspondence in connection with this bid and
/or contract for and on behalf of the abovementioned partnership.

The following particulars in respect of every partner must be furnished and signed by every partner:

Full name of partner	Signature

SIGNED ON BEHALF OF PARTNERSHIP:		DATE:	
PRINT NAME:			
WITNESS 1:		WITNESS 2:	

5. CONSORTIUM / CLUB / TRUST / ETC.

We, the undersigned consortium partners, hereby authorize _____
(Name of entity) to act as lead consortium partner and further authorize Mr / Ms _____
to sign this offer as well as any contract resulting from this bid and any other documents and correspondence
in connection with this bid and / or contract for and on behalf of the consortium.

The following particulars in respect of each consortium member must be provided and must be signed by each member:

Full Name of consortium member	Role of consortium member	% Participation	Signature

SIGNED ON BEHALF OF PARTNERSHIP:		DATE:	
PRINT NAME:			
WITNESS 1:		WITNESS 2:	

6. JOINT VENTURE

We, the undersigned, are submitting this bid offer in joint venture and hereby authorize Mr / Ms _____

_____ authorized signatory of the Company / Close Corporation / Partnership (name) _____,

_____ acting in the capacity of lead partner, to sign all documents in connection with the bid offer and any contract resulting from it on our behalf.

1. LEAD PARTNER (Whom the Municipality shall hold liable for the purpose of the tender)

Name of firm			
Address			Tel. No.
Signature		Designation	

2. 2nd PARTNER

Name of firm			
Address			Tel. No.
Signature		Designation	

3. 3rd PARTNER

Name of firm			
Address:			Tel. No.
Signature		Designation	

4. 4th PARTNER

Name of firm			
Address:			Tel. No.
Signature		Designation	

NOTE: A copy of the Joint Venture Agreement indicating clearly the percentage contribution of each partner to the Joint Venture, is to be submitted with the bid.

A board resolution, authorising each signatory who signed above to do so, is to be submitted with the bid.

5. GENERAL CONDITIONS OF TENDER

1. GENERAL

- 1.1 All bids must be submitted in handwriting **and in non-erasable (black or blue) ink** on the official forms supplied by the municipality.
 - 1.1.1 Under no circumstances, whatsoever may the bid forms be retyped or redrafted.
- 1.2 Subject to the provisions of clause 1.3 of this document, no alterations / corrections to the information in the document (including pricing) may be performed by pasting another page over it with glue.
 - 1.2.1 The use of correction fluid / tape is prohibited.
- 1.3 Notwithstanding the provisions of clause 1.2 of this document, alterations and/or corrections may only be effected as follows:
 - 1.3.1 By striking a straight line in black ink through the incorrect information in such a manner that the information that has been struck through remains legible; writing, the altered or corrected information as appropriate (under, above or next to the information to be corrected), and initialling in the margin next to each and every alteration or correction.
 - 1.3.2 All corrections/alterations to the Pricing Schedule / Bill of Quantities (BoQ) and / or any pricing not effected in accordance with clause 1.3.1 above, will be rejected.
- 1.4 Bids submitted must be complete in all respects.
 - 1.4.1 The bidder is advised to check the number of pages and to satisfy himself that none are missing or duplicated.
 - 1.4.2 The bidder must ensure that his/her bid document is securely bound.
 - 1.4.2.1 All supporting documents must be submitted by either stapling it to the relevant form in the bid document, or by submitting a bound annexure containing all supporting documents.
 - 1.4.2.2 The Municipality will not take any responsibility for missing / lost pages, in cases where the bidder submit loose pages (not securely attached to the bid document or annexure with supporting documents).

2. PRICING

- 2.1 Rates and prices offered by the bidder must be written onto the pricing schedule or form of offer of this document by hand, completed in full and originally signed by the duly authorised signatory.
- 2.2 All prices shall be quoted in South African currency, and be **INCLUSIVE of Value Added Tax (VAT)**.
- 2.3 All bid prices will be final and binding.
- 2.4 A bid will not be invalidated if the amount in words and the amount in figures do not correspond, in which case the amount in words shall be read out at the bid opening and shall be deemed to be the bid amount; therefore, where there is a discrepancy between the amount in figures and the amount in words, the amount in words shall apply

3. SUBMITTING A BID:

- 3.1 Sealed bids, with the **“Bid Number and Title”** clearly endorsed on the envelope, must be deposited in the relevant **bid box** as indicated in the notice of the bid, **on or before the closing date and time** of the bid.
 - 3.1.1 Any bid received without the **“Bid Number and / or Title”** clearly endorsed on the envelope will not be opened and read out during the bid opening session and will not be considered
- 3.2 The bid boxes are at the entrance of the Main Cash Hall, Hermanus Municipal Offices, 1 Magnolia Avenue, Hermanus.
- 3.3 A specific bid box is provided for each bid to be deposited into and no bid will be considered which, subsequent to the closing date and time for that specific bid, is found in another box.
- 3.4 The bid box deposit slot is 28cm x 2.5cm.
- 3.5 Mailed, telegraphic, e-mailed or faxed bids **will not be accepted**.

4. BID OPENING

- 4.1 Bids shall be opened in public at the Hermanus Municipal Offices as soon as possible subsequent to the closing time for the receipt of bids.
- 4.2 Where practical, prices will be read out at the time of opening bids.
- 4.3 The Municipality will record in a register (which is open to public inspection) and publish on its website, the details of bids received by the closing date and time.
- 4.4 Any bid received after the appointed time for the closing of bids **shall not be considered** but shall be filed unopened with the other bids received, which bid(s) can be returned to the bidder at his request and cost.

5. EVALUATION AND ADJUDICATION CRITERIA:

- 5.1 Relevant specifications;

INITIALS	
----------	--



- 5.2 Value for money;
- 5.3 Capacity and capability of bidders to execute the contract;
- 5.4 Financial means and expertise; and
- 5.5 Any other objective criteria.

6. REQUIREMENTS OF A VALID BID:

- 6.1 The following duly completed documents and / or information must be submitted with the submission of the bid. Failure to comply with this requirement will invalidate the bid. The bid will not be considered and no further correspondence will be entered into with regard to the following matters:
 - 6.1.1 The tender has not been completed in non-erasable handwritten ink,
 - 6.1.2 Non-submission of a valid Tax Clearance Certificate and / or PIN,
 - 6.1.3 Incomplete Pricing Schedule or Bill of Quantities,
 - 6.1.4 A Form of Offer not signed in non-erasable ink,
 - 6.1.5 Bid submissions with material alterations / corrections not in compliance with Clause 1.2 and 1.3 above will be rejected.
- 6.2 The Municipality may, after the closing date, request additional information or clarification of tenders in writing, which will include the following:
 - 6.2.1 To obtain a copy of the most recent municipal account(s) from the recommended bidder;
 - 6.2.2 To obtain the personal income tax number(s) from the recommended bidder;
 - 6.2.3 To obtain a valid Tax Clearance Certificate and / or PIN if the certificate has expired or become inactive after the closing date of the tender;
 - 6.2.4 To obtain a valid letter of good standing from the Workmen’s Compensation Commissioner, the latest assessment and proof of payment thereof;

7. TEST FOR RESPONSIVENESS:

- 7.1 A Bid will be considered non-responsive if:
 - 7.1.1 the bid is not in compliance with the specifications;
 - 7.1.2 the bidder has not fully completed and signed where required, all the returnable documents as listed in the bid document; and/or
 - 7.1.3 the bidder has failed to clarify or submit any supporting documentation within 3 business days of being requested to do so in writing.
- 7.2 The Municipality reserves the right to accept or reject:
 - 7.2.1 any variation, deviation, bid offer, or alternative bid offer; may cancel the bidding process and reject all bid offers at any time before the formation of a contract. The MUNICIPALITY shall not accept or incur any liability to a bidder for such cancellation and/or rejection, and will only provide written reasons for such action upon receipt of a written request to do so;
 - 7.2.2 a bid offer which does not, in the Municipality’s opinion, materially and/or substantially deviate from the terms, conditions and specifications of the bid document.
 - 7.2.3 the whole bid or part of a bid or any item or part of any item, or to accept more than one bid (in the event of a number of items being offered), and the Municipality is not obliged to accept the lowest or any bid.
- 7.3 The Municipality has the right to summarily disqualify any bidder who, either at the date of submission of a bid or at the date of its award, is indebted to the Municipality in respect of any municipal rates and taxes or municipal service charges for more than three months. However, an agreement signed by the bidder whereby the bidder agrees that a percentage or fixed amount at the discretion of the municipality, be deducted from payments due to him/her for this bid, until the debt is paid in full, will also be accepted by the Municipality.

8. INCORRECT INFORMATION

Where a contract has been awarded on the strength of the information furnished by the bidder which after the conclusion of the relevant agreement, is proven to have been incorrect, the municipality may, in addition to any other legal remedy it has or may have, recover from the contractor all costs, losses or damages incurred or sustained by the municipality as a result of the award of the contract.

9. WITHDRAWAL OF BID DURING AND AFTER THE SCM PROCESS:

- 9.1 When a bidder withdraws his/her bid during the SCM bidding process, it must be in writing, prior to the award of the bid, of which Overstrand holds the right to accept or reject with or without a claim for any damages.
- 9.2 When a bidder withdraws or cancels the contract after award of the bid to the particular winner of the bid, the awarded bidder will be held responsible for any damages or administrative expenses incurred prior to the award of the bid.

10. PRECEDENCE OF TERMS AND CONDITIONS

INITIALS	
----------	--

10.1 Precedence of terms and conditions in documentation during the bidding process and after award, resulting in an formal agreement:

10.1.1 The following legislative and legal precedence will apply to documentation during the bidding process subsequent to the award of a bid to a bidder:

- (a) Municipal Financial Management Act 56 of 2003
- (b) Municipal Supply Chain Management Regulations
- (c) Supply Chain Management policy
- (d) Municipal Asset Transfer Regulations
- (e) Administration of Immovable Property Policy
- (f) Specifications of the bid document
- (g) Special Conditions of Contract
- (h) General Conditions of Contract
- (i) Service Level Agreements/ Service Delivery Agreements
- (j) Memorandum of Understanding/ Memorandum of Agreements
- (k) Deeds of Sale/ Lease Agreement

INITIALS	
----------	--



6. MBD 4 – DECLARATION OF INTEREST

1. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest.

2. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid:

2.1.	Full name of bidder or his or her representative				
2.2.	Identity number				
2.3.	Position occupied in the company (director, shareholder ¹ etc.)				
2.4.	Company registration number				
2.5.	Tax reference number				
2.6.	VAT registration number				
2.7.	Are you presently in the service of the state?	YES		NO	
2.7.1.	If so, furnish particulars:				
2.8.	Have you been in the service of the state for the past twelve months?	YES		NO	
2.8.1.	If so, furnish particulars:				
2.9.	Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid?	YES		NO	
2.9.1.	If so, furnish particulars:				

¹ "Shareholder" means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

SIGNATURE:		NAME (PRINT):	
CAPACITY:		DATE:	
NAME OF FIRM:			
Reference No:	SC 2142/2020	Page 15 of 42	



2.10.	Are you aware of any relationship (family, friend, other) between a bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid?	YES		NO	
2.10.1.	If so, furnish particulars:				
2.11.	Are any of the company's directors, managers, principal shareholders or stakeholders in the service of the state?	YES		NO	
2.11.1.	If so, furnish particulars:				
2.12.	Is any spouse, child or parent of the company's directors, managers, principal shareholders or stakeholders in the service of the state?	YES		NO	
2.12.1.	If so, furnish particulars:				
2.13.	Do you or any of the directors, trustees, managers, principal shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract?	YES		NO	
2.13.1.	If so, furnish particulars:				

SIGNATURE:		NAME (PRINT):	
CAPACITY:		DATE:	
NAME OF FIRM:			
Reference No:	SC 2142/2020	Page 16 of 42	



2.14. Please provide the following information on ALL directors / shareholders / trustees / members below:			
full name and surname	identity number	personal income tax number	Provide State ² employee number <i>(Only to be completed if in the service of the State)</i>

NB:

- PLEASE ATTACH CERTIFIED COPY(IES) OF ID DOCUMENT(S)
- PLEASE PROVIDE PERSONAL INCOME TAX NUMBERS FOR ALL DIRECTORS / SHAREHOLDERS / TRUSTEES / MEMBERS, ETC.

3. DECLARATION

I, the undersigned (name) _____,

certify that the information furnished in paragraph 3 above is correct.

I accept that the state may act against me should this declaration prove to be false.

SIGNATURE		DATE	
NAME OF SIGNATORY			
POSITION			
NAME OF COMPANY			

² **MSCM Regulations: "in the service of the state" means to be –**

- (a) a member of –
 - i. any municipal council;
 - ii. any provincial legislature; or
 - iii. the National Assembly or the National Council of Provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of any municipality or municipal entity;
- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);
- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature.

SIGNATURE:		NAME (PRINT):	
CAPACITY:		DATE:	
NAME OF FIRM:			
Reference No:	SC 2142/2020	Page 17 of 42	



7. MBD 8 – DECLARATION OF BIDDER’S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

1. This Municipal Bidding Document must form part of all bids invited.
2. It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
3. The bid of any bidder may be rejected if that bidder, or any of its directors have:
 - 3.1. abused the municipality’s / municipal entity’s supply chain management system or committed any improper conduct in relation to such system;
 - 3.2. been convicted for fraud or corruption during the past five years;
 - 3.3. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - 3.4. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
4. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

4.1	Is the bidder or any of its directors listed on the National Treasury’s database as a company or person prohibited from doing business with the public sector? <i>(Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the audi alteram partem rule was applied).</i>	Yes	No
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? <i>(To access this Register enter the National Treasury’s website, www.treasury.gov.za, click on the icon “Register for Tender Defaulters” or submit your written request for a hard copy of the Register to facsimile number (012) 3265445).</i>	Yes	No
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes	No

SIGNATURE:		NAME (PRINT):	
CAPACITY:		DATE:	
NAME OF FIRM:			
Reference No:	SC 2142/2020	Page 18 of 42	



4.3.1	If so, furnish particulars:		
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes	No
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes	No
4.5.1	If so, furnish particulars:		

5. CERTIFICATION

I, the undersigned (full name), _____, certify that the information furnished on this declaration form true and correct.

I accept that, in addition to cancellation of a contract, action may be taken against me should this declaration prove to be false.

SIGNATURE:		NAME (PRINT):	
CAPACITY:		DATE:	
NAME OF FIRM:			

SIGNATURE:		NAME (PRINT):	
CAPACITY:		DATE:	
NAME OF FIRM:			
Reference No:	SC 2142/2020	Page 19 of 42	



8. MBD 9 – CERTIFICATE OF INDEPENDENT BID DETERMINATION

1. This Municipal Bidding Document (MBD) must form part of all bids invited.
2. Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).³ Collusive bidding is a *per se* prohibition meaning that it cannot be justified under any grounds.
3. Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
 - 3.1. take all reasonable steps to prevent such abuse;
 - 3.2. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - 3.3. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
4. This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
5. In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

CERTIFICATE OF INDEPENDENT BID DETERMINATION:

In response to the invitation for the bid made by:

OVERSTRAND MUNICIPALITY

I, the undersigned, in submitting the accompanying bid, hereby make the following statements that I certify to be true and complete in every respect:

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:

³ Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

SIGNATURE:		NAME (PRINT):	
CAPACITY:		DATE:	
NAME OF FIRM:			
Reference No:	SC 2142/2020	Page 20 of 42	



- 5.1. has been requested to submit a bid in response to this bid invitation;
- 5.2. could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
- 5.3. provides the same goods and services as the bidder and/or is in the same line of business as the bidder
- 6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium⁴ will not be construed as collusive bidding.
- 7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - 7.1. prices;
 - 7.2. geographical area where product or service will be rendered (market allocation)
 - 7.3. methods, factors or formulas used to calculate prices;
 - 7.4. the intention or decision to submit or not to submit, a bid;
 - 7.5. the submission of a bid which does not meet the specifications and conditions of the bid; or
 - 7.6. bidding with the intention not to win the bid.
- 8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No. 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No. 12 of 2004 or any other applicable legislation.

SIGNATURE		NAME (PRINT)	
CAPACITY		DATE	
NAME OF FIRM			

⁴ Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

SIGNATURE:		NAME (PRINT):	
CAPACITY:		DATE:	
NAME OF FIRM:			
Reference No:	SC 2142/2020	Page 21 of 42	

9. MBD 15 – CERTIFICATE FOR PAYMENT OF MUNICIPAL SERVICES

DECLARATION IN TERMS OF PARAGRAPH 38(1)(d)(i) OF THE SUPPLY CHAIN MANAGEMENT POLICY OF THE OVERSTRAND MUNICIPALITY (To be signed in the presence of a Commissioner of Oaths)

I, _____, _____ (full name and ID no.), hereby acknowledge that the Municipality may reject the tender of the tenderer if any municipal rates and taxes or municipal service charges owed by the bidder or any of its directors/members/partners to the Overstrand Municipality, or to any other municipality or municipal entity, are in arrears for more than 3 (three) months.

I declare that I am duly authorised to act on behalf of _____ (name of the firm) and hereby declare, that to the best of my personal knowledge, neither the firm nor any director/member/partner of said firm is in arrears on any of its municipal accounts with any municipality in the Republic of South Africa, for a period longer than 3 (three) months.

I further hereby certify that the information set out in this schedule and/or attachment(s) hereto is true and correct. The bidder acknowledges that failure to properly and truthfully complete this schedule may result in the tender being disqualified, and/or in the event that the tenderer is successful, the cancellation of the contract.

PHYSICAL BUSINESS ADDRESS(ES) OF THE TENDERER	MUNICIPAL ACCOUNT NUMBER

Further details of the bidder's director(s) / shareholder(s) / partner(s) / member(s), etc.:

Director / partner / member	Physical residential address of the director / partner / member	Municipal account number(s)

PLEASE NOTE:

- Copies of all municipal accounts, not older than 3 months, to be submitted with the bid.**
- If the entity or any of its directors/shareholders/partners/members, etc. rents/leases premises a copy of the rental/lease agreement is to be submitted with this bid.**

Signature	Position	Date

<p align="center">COMMISSIONER OF OATHS</p> <p>Signed and sworn to before me at _____, on this _____ day of _____ 20_____</p> <p>by the deponent, who has acknowledged that he/she knows and understands the contents of this affidavit, it is true and correct to the best of his/her knowledge and that he/she has no objection to taking the prescribed oath, and that the prescribed oath will be binding on his/her conscience.</p> <p>COMMISSIONER OF OATHS:-</p> <p>Signature: _____</p> <p>Print name: _____</p> <p>Position: _____</p> <p>Address: _____</p> <p>Tel: _____</p>	<p>Apply official stamp of authority on this page:</p>
--	---



PART B – SPECIFICATIONS



10. SPECIFICATIONS

SCOPE OF TENDER

1. INTRODUCTION

- 1.1. The Overstrand Municipality (the "Municipality") has decided to call for tenders for the sale of a vacant erf, Erf 7373 Hermanus (354m² in extent), situated at 84 Angelier Street, Mount Pleasant (the "Property") for residential purposes.
- 1.2. The document is self-explanatory and interested parties are encouraged to read through it carefully, so as to familiarise themselves with both the overall intent of the Municipality's council ("Council"), as well as with the procedures for the award.
- 1.3. The tender is subject to the conditions as set out in this tender document and to the most recent Supply Chain Management Policy and the Administration of Immovable Property Policy of the Municipality, as amended, approved and adopted by Council from time to time.

2. THE TENDER PROCESS

The process to be followed in this proposal shall be as follows:

- 2.1. The submission of a tender price as well as information regarding the source of funds and the financial offer made must be clearly set out in the bidder's submission as per the requirements set out in **Paragraph 7 – Tender Evaluation and Supporting Documents** of this document.
- 2.2. Submissions will be evaluated and adjudicated by a duly constituted Bid Evaluation and Bid Adjudication Committee.
- 2.3. The Municipality does not bind itself to accept the highest or any tender and reserves the right to accept any or none of the tenders submitted, as it may deem expedient. Furthermore the Municipality reserves the right to award the tender to any bidder of the Municipality's choice to ensure a fair and equitable distribution of the Municipality's property.
- 2.4. The decision of the Municipality will be final.
- 2.5. A deed of sale, materially similar to the draft deed of sale attached hereto marked Annexure "A", shall be entered into with the successful bidder as soon as possible after the tender has been awarded and the appeal period has expired (the attached draft attached must not be signed). The bidder must familiarise him/her/itself with the contents of this draft deed of sale. Should the successful bidder fail or neglect to conclude a deed of sale with the Municipality within 30 days after acceptance of the bid by the Municipality, the terms and conditions of this tender and the policies referred to in this tender document, (especially and specifically the most recent Supply Chain Management Policy and the Administration of Immovable Property Policy of the Municipality) shall be binding on both parties and enforceable by them, should the Municipality choose to enforce and claim specific performance from the successful bidder.
- 2.6. The bidder(s) must take note that should:
 - 2.6.1 the successful bidder withdraws its bid after the award thereof;
 - 2.6.2 the successful bidder not sign the deed of sale and the Municipality elects not to enforce the award;
 - 2.6.3 the successful bidder signs the deed of sale, but elects to enforce the cooling off period as mentioned in paragraph 10 below; and/or
 - 2.6.4 the deed of sale is cancelled for any reason stipulated in this tender or the deed of sale; the Municipality reserves the right to award the bid to the second viable responsive bidder.
- 2.7. Payment of 10% (TEN PER CENT) of the agreed purchase price of the Property is required and payable within 10 (TEN) days of date of request in writing thereof by the Municipality. The successful bidder shall furnish the Municipality, within 14 (FOURTEEN) days after being requested in writing thereto, with a bank or other acceptable guarantee, for the payment of the

Signature		Name (print)	
Capacity		Date	
Name of firm			

balance of the purchase price payable on the date of registration of the transfer of the Property in the Deeds Office.

- 2.8. The transfer of the ownership of the property to the successful bidder will only proceed after:
- 2.8.1 The proposed sale is advertised at the cost of the successful bidder as required by Section 14 of Local Government: Municipal Finance Management Act (Act 56 of 2003); and
- 2.8.2 The Municipal Council has approved the transfer in terms of Section 14 of the Local Government: Municipal Finance Management Act (Act 56 of 2003) after the abovementioned advertisement;
- 2.9 Interest on the purchase price, as from date of signature of the deed of sale until date of registration of the transaction in the Deeds Office (both days inclusive), will be charged by the Municipality and payable by the successful bidder should payment or transfer be delayed due to an action or failure on the part of the successful bidder.

3. THE ROLE OF THE PROPERTY WITHIN THE NATURE OF ITS LOCALITY:

- 3.1. The Property is a vacant erf and situated at 84 Angelier Street, Mount Pleasant. See locality map attached per Annexure "B".
- 3.2. The property may only be used for residential purposes as allowed for in terms of the approved Overstrand Municipality Zoning Scheme.

4. PROPERTY DESCRIPTION AND ZONING RIGHTS:

4.1 Erf no. and size

The Property is erf 7373 Hermanus and it is 354m² (THREE HUNDRED AND FIFTY FOUR SQUARE METRES) in extent.

4.2 Zoning status

4.2.1 The current zoning is Residential Zone 1: Single Residential with a primary use for residential purposes.

4.2.2 The surrounding land uses vary and include residential uses and community purposes.

5. DEVELOPMENT PARAMETERS

5.1 Development Directives

The Property is zoned for Residential Zone 1: Single Residential with a primary use for residential purposes.

No building works may be commenced with until such time the building plans thereof have been approved by the delegated authority of the Municipality

5.2 Accesses and Road provision

Access to the Property will be from Angelier Street. See the locality map attached per Annexure "B".

5.3 Height Restrictions

There is an 8m (EIGHT METRE) height restriction on the Property, measured from the base level to the top of the roof.

5.4 Allowed uses

The Property may only be used for residential purposes and land uses allowed for the zoning: 'Residential Zone 1' as per the Overstrand Zoning Scheme Regulations for the area.

5.5 Parking

All required parking must be provided on the Property.

5.6 Coverage:

A maximum coverage for all the buildings on the Property shall not exceed 65%.

Signature		Name (print)	
Capacity		Date	
Name of firm			

6. INFRASTRUCTURE

- 6.1. Existing water, sewer and electricity services are available in the vicinity of the Property.
- 6.2. All costs relating to the connections for water, sewer and electricity supply to the Property and any other services, if needed, including any required upgrades will be for the account of the successful bidder.
- 6.3. The successful bidder will be held liable for services availability fees on the Property and rates and taxes as from date of registration of the transfer in the Deeds Office.
- 6.4. The successful bidder shall be responsible for all costs where any existing services need to be relocated or secured by means of registration of a servitude in favour of the Municipality as a result of the alienation of this property.

7. TENDER EVALUTATION AND SUPPORTING DOCUMENTS

Minimum Requirements:		Please indicate with and "X" whether the offer complies with the requirements.			Reference (Supporting documents attached)
		YES	NO	Comment	
7.1	Bidders are required to submit any of the following as proof that he/she/it is able to pay the offered purchase price:				
	a) guarantee by a registered financial institution; and/or				
	b) financial statements, and/or				
	c) any other suitable and acceptable proof in support of financial ability, stability and resources to honour the bid (pay the purchase price), i.e. bank statements, etc.				
7.2	Bidders are required to submit a tender deposit in the amount of R1, 000.00 (ONE THOUSAND RAND) on submission of the tender. This amount must be in the form of a bank guaranteed payment (only guaranteed by a registered financial institution) or cheque in favour of the Overstrand Municipality and valid for 90 days from the date of the closure of the tender or paid into the Municipality's bank account (Ref: 30201000041/name) This guarantee/ cheque / payment will be returned to the unsuccessful bidder after the awarding process has been completed. Subject to section 29A of the Alienation of Land Act (Act No. 68 of 1981), the tender deposit will be forfeited by a bidder should he/she/it cancel/withdraw his tender at any time after the closing date of the tender or if the successful bidder fails to sign a deed of sale/ is in breach if the deed of sale is signed.				

Signature		Name (print)	
Capacity		Date	
Name of firm			

8. SALE "VOETSTOOTS" AND SUBJECT TO CONDITIONS:

The Property is sold as it stands, "voetstoets", and the Municipality shall not be responsible for any defects in the Property whether patent or latent. The Property is moreover sold subject to all conditions and servitudes mentioned or referred to in the current title deed of the property and to all such other conditions and servitudes which may exist in regard to the Property, including from any subdivision conditions, whether imposed by the local authority or any other person or body whomsoever. The Municipality shall not be required to point out the boundary beacons of the property and shall not be liable for any deficiency in the extent of the property which may be revealed on any survey or re-survey, and shall not benefit by any excess.

9. FURTHER CONDITIONS TO BE INCLUDED IN THE DEED OF SALE AND REGISTERED AGAINST THE TITLE DEED ON TRANSFER

9.1 The Property shall only be used as for residential purposes and land uses allowed for the zoning: 'Residential Zone 1' as per the Overstrand Zoning Scheme Regulations for the area. A condition to this effect shall be included in the deed of sale.

9.2 The successful bidder must develop a residence, in the form of a building or other acceptable structure, on the Property within a period of 2 (TWO) years, commencing on the date of the registration of transfer of the Property to the successful bidder.

9.2 If the successful bidder fails to complete the development on the Property or obtain a valid extension within the 2 (TWO) year time period as mentioned above, ownership of the Property thereof shall revert back to the Municipality.

10. COOLING OFF PERIOD - RIGHTS IN TERMS OF ALIENATION OF LAND ACT (ACT NO. 68 OF 1981)

The successful bidder's attention is drawn to section 29A of the Alienation of Land Act (Act No. 68 Of 1981) which provides that the purchaser may, subject to the conditions set out therein, within 5 (FIVE) days after signature by him or her, or by his or her agent acting on his or her written authority, of (i) an offer to purchase land; or (ii) a deed of alienation in respect of land, revoke the offer or terminate the deed of alienation, as the case may be, by written notice delivered to the seller or his or her agent within that period. A clause to this effect shall be included in the deed of sale.

11. VALUE OF THE PROPERTY

The indicative price for the Property is R54,625.00) (FIFTY FOUR THOUSAND SIX HUNDRED AND TWENTY FIVE RAND) (VAT inclusive) which price was determined by a professional valuer taking into consideration the current zoning of the Property as well as the restrictions imposed.

12. ACCEPTANCE

The tender must remain valid, irrevocable and open for acceptance for a period of 90 (ninety) days after closing date.

The validity period of a bid may be extended by the accounting officer, or his/her delegate, prior to the expiry of the validity period indicated in the bid document.

Signature		Name (print)	
Capacity		Date	
Name of firm			



11. ANNEXURE A – DRAFT PROPOSED DEED OF SALE

**DEED OF SALE
ERF 7373 HERMANUS
(354m² in extent)**

entered into between

OVERSTRAND MUNICIPALITY

herein represented by ANJA LE ROUX

in her capacity as Manager: Property Administration, being duly authorised in terms of delegation 4.2.3 of the System of Delegation of Powers as Duties document as approved by Council on 26 February 2020

(hereinafter called the SELLER)

and

[Do not complete]

(hereinafter called the PURCHASER)

WHEREAS the SELLER called for tenders for the sale of municipal property, being erf 7373 Hermanus (354m² in extent), situated at 84 Angelier Street, Mount Pleasant, as shown on the locality attached hereto marked "Annexure A", for residential purposes only;

AND WHEREAS the SELLER's duly constituted bid adjudication committee resolved on XXX that the tender be awarded to the PURCHASER, the minutes attached hereto marked "Annexure B";

AND WHEREAS the SELLER's municipal council approved the transfer of the municipal property to the PURCHASER on xxxxx, the resolution of which is attached hereto marked "Annexure C";

NOW THEREFORE THE PARTIES AGREE that the SELLER, pursuant to the authority conferred upon it by its Administration of Immovable Property Policy, hereby agrees to sell to the PURCHASER and the PURCHASER hereby agrees to purchase from the SELLER the municipal property, on the following terms and conditions:

1. PROPERTY

The municipal property hereby sold is known as:

ERF 7373 HERMANUS, in the Overstrand Municipality, Division of Caledon, Western Cape Province

EXTENT: 354m² (THREE HUNDRED AND FIFTY FOUR SQUARE METRES)

as indicated on the locality map attached hereto marked "Annexure A"

(situated at 84 Angelier Street, Mount Pleasant)

(herein after called "the Property").

Signature		Name (print)	
Capacity		Date	
Name of firm			

2. PURCHASE PRICE

- 2.1 The purchase price for the Property is the amount of **Rxxx (VAT included)** (the "Purchase Price"), subject to any adjustment in terms of clause 2.6 below.
- 2.2 A deposit equal to 10% (TEN PERCENT) of the full Purchase Price shall be paid by the PURCHASER to the transferring attorneys within 10 (TEN) days of date of request in writing thereof. Within 14 (FOURTEEN) days after being requested to do so in writing, the PURCHASER shall furnish the SELLER with a bank or other acceptable guarantee, to the satisfaction of the SELLER, for the payment of the balance of the Purchase Price payable against registration of the transfer of the Property.
- 2.3 The balance of the Purchase Price shall be paid to the SELLER on date of registration of the transfer of the Property to the PURCHASER.
- 2.4 In the event of the Purchase Price being paid by the PURCHASER prior to registration of transfer, it shall be paid to the transferring attorneys to be held in trust in an interest bearing account, interest to accrue for the benefit of the PURCHASER, pending the registration of the transfer.
- 2.5 Interest on the Purchase Price at a rate equal to the prime lending interest applicable on date of signature, calculated from date of the last party signing this deed of sale to date of registration of the transfer (both days included), shall be charged by the SELLER should payment or transfer be delayed due to an action or failure on the part of the PURCHASER.
- 2.6 The SELLER is a vendor for the purposes of this transaction and accordingly Value Added Tax at the prescribed rate is payable on the Purchase Price.

3. SALE "VOETSTOOTS" AND SUBJECT TO CONDITIONS

- 3.1 The Property is transferred as it stands, "voetstoots", and the SELLER shall not be responsible for any defects in the Property either patent or latent. The Property is moreover transferred subject to all conditions and servitudes mentioned or referred to in the current and/or prior title deeds of the Property and to all such other conditions, and servitudes which may exist in regard thereto, including from any subdivision conditions, whether imposed by the local authority or any other person or body whomsoever. The SELLER shall not be required to point out the boundary beacons of the Property and shall not be liable for any deficiency in the extent of the Property which may be revealed on any survey or re-survey, and shall not benefit by any excess.
- 3.2 If the Property has been erroneously described herein, such error shall not be binding on the parties, but the correct description as intended by the parties shall apply, and shall effect rectification of this agreement accordingly.

4. POSSESSION

Possession and vacant occupation shall be given to the PURCHASER on date of registration of the transfer or such earlier date and on such conditions as the parties may agree upon, which will include the payment of occupational interest.

5. RISK

Risk regarding the Property shall pass to the PURCHASER on date of possession.

6. RATES AND TAXES

The PURCHASER shall be responsible for rates, taxes and service charges (including availability fees) in respect of the Property as from the date of registration of the transfer and shall pay such rates and taxes and service charges upon request.

7. TRANSFER

- 7.1 Transfer shall be passed by the SELLER's attorneys, ___xxxxx___, and as soon as possible after fulfilment of the suspensive condition contained in this agreement.

Signature		Name (print)	
Capacity		Date	
Name of firm			



7.2 The PURCHASER shall within 10 (TEN) business days of being requested to do so by the transferring attorneys, sign the transfer documents and any other necessary documentation to effect transfer. Should the PURCHASER neglect to sign the necessary documentation to effect transfer and the transfer documents within the prescribed period, this agreement may be cancelled by the SELLER by written notice.

8. COSTS

8.1 The PURCHASER shall immediately on request by the transferring attorneys, pay all costs of and incidental to the registration of transfer which, without derogating from the generality of the foregoing, shall include, but not restricted thereto, transfer duty or VAT, conveyancing fees, rates, taxes and other charges payable in respect of the Property and its transfer upon being requested to do so.

8.2 The PURCHASER will pay the costs of the required advertisement, placed in terms of Section 14 of the Local Government: Municipal Finance Management Act (Act No. 56 of 2003) to the SELLER upon being requested to do so.

8.3 The PURCHASER and SELLER will each pay their own costs relating to this agreement, i.e. consultation fees, etc.

9. BREACH OF CONTRACT

9.1 In the event of either party failing to comply with any conditions of this agreement by the due date thereof (which shall include failure to sign the transfer documents and any other necessary documentation to effect transfer when requested to do so or failure to provide any information required by the transferring attorneys for the purpose of effecting transfer) the aggrieved party shall be entitled to give the defaulting party 10 (TEN) business days written notice to remedy the breach. In the event of the defaulter failing to comply with such demand to remedy the breach within the time given, the aggrieved party shall be entitled, without prejudice to any other rights which it may, have in law, to:

9.1.1 Should the aggrieved party be the SELLER, it shall have the right to:

9.1.1.1 cancel this agreement without prejudice to the SELLER's other legal rights and remedies to claim such damages as it may have suffered, in which event the PURCHASER shall have no right of retention; or

9.1.1.2 enforce specific performance of this agreement and furthermore to recover any damages and interest.

9.2 Should the aggrieved party be the PURCHASER:

9.2.1 He/she/it shall have the right to cancel this agreement and to recover all payments made to the SELLER or the transferring attorneys in payment of the Purchase Price in terms hereof, without prejudice to the PURCHASER's other legal rights and remedies to claim such damages as he may have suffered; or

9.2.2 to institute proceedings to enforce specific performance of this agreement.

9.3 The PURCHASER further undertakes, in the event of breach of agreement by itself, to pay all attorney-and-client costs plus VAT, collection commission and tracing costs plus VAT, if any, which the SELLER may incur in the enforcing or cancelling of this agreement or collecting any amount owing in terms of this agreement, including interest on any amount owing by the PURCHASER at the maximum rate allowed, from date such amount becomes due, until date of receipt of payment.

9.4 Should the SELLER elect to cancel the agreement in terms of paragraph 9.1.1.1 above, the SELLER may impose a restriction penalty on the PURCHASER by prohibiting such PURCHASER from doing business with the public sector for a period not exceeding 10 (TEN) years.

Signature		Name (print)	
Capacity		Date	
Name of firm			



- 9.5 If the SELLER intends imposing a restriction on the PURCHASER or any person associated with the PURCHASER, the PURCHASER will be afforded 14 (FOURTEEN) days to provide reasons why the envisaged restriction should not be imposed. Should the PURCHASER fail to respond within the stipulated 14 (FOURTEEN) days the SELLER may regard the PURCHASER as having no objection and proceed with the restriction.
- 9.6 Any restriction imposed on any person by the SELLER will, at the discretion of the SELLER, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the purchase associated.
- 9.7 If a restriction is imposed, the SELLER must, within 5 (FIVE) business days of such imposition, furnish the National Treasury, with the following information:
- 9.7.1 the name and address of the PURCHASER and/or person restricted by the SELLER;
- 9.7.2 the date of commencement of the restriction;
- 9.7.3 the period of restriction; and
- 9.7.4 the reasons for the restriction.
- 9.8 These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

10. CANCELLATION

Should this agreement be cancelled for any reason whatsoever, the PURCHASER shall, if he is in possession of the Property, immediately be dispossessed of it and he agrees to give up possession and to vacate forthwith the Property.

11. SERVICING OF PROPERTY

- 11.1 The PURCHASER shall be responsible for all costs relating to the connections for water, sewerage and electricity supply to the Property and any other services, or their upgrade, if needed.
- 11.2 Should any existing services need to be relocated or secured by means of registration of a servitude in favour of the SELLER as a result of this alienation of the Property, all related costs shall be for the account of the PURCHASER.

12. DOMICILE AND NOTICES

- 12.1 The SELLER and PURCHASER hereby appoint and choose their *domicilia citandi et executandi* ("domicile") at their respective addresses set out in Schedule 1 hereto, at which addresses all notices and legal process in relation to this agreement or any action arising therefrom may be delivered and/or served.
- 12.2 Both the SELLER and PURCHASER shall be entitled from time to time, by written notice to the other, to change the address as set out in Schedule 1 of this agreement to any other address within the Republic of South Africa which is not a post office box.
- 12.3 All notices, communications or processes in terms of this agreement shall be in writing, which shall include electronic mail.
- 12.4 Any notice, communication or any process addressed by either the SELLER or the PURCHASER, the one to the other ("the addressee"), shall be deemed to have been sufficiently served and/or delivered if it:
- 12.4.1 is delivered by hand to the addressee's *domicile* shall be deemed to have been received by the addressee at the time of delivery;
- 12.4.2 is posted by prepaid registered post from an address within the Republic of South Africa to the addressee at its *domicile* shall be deemed to have been received by the addressee on the 5th (FIFTH) business day after the date of posting;

Signature		Name (print)	
Capacity		Date	
Name of firm			



12.4.3 is sent by fax or electronic mail to the addressee's *domicile* shall be deemed to have been received on the business day following the date of transmission thereof.

12.5 The above clauses will not be so construed as to oust the service procedures, specifically those of personal service as depicted in any applicable legislation of the Republic of South Africa.

13. DISPUTE RESOLUTION

13.1 If a dispute arises in connection with this agreement or its termination or invalidity, the parties shall use their best efforts to first settle the dispute by mediation.

13.2 Upon written notice from any party to another party (the "Dispute Notice") the dispute shall be referred to a suitably qualified independent mediator. The parties shall agree the mediator's identity in writing, within 7 (SEVEN) days of delivery of the Dispute Notice. Failing agreement, the mediator shall be appointed by the Registrar of the Arbitration Foundation of Southern Africa upon request by either party.

13.3 The mediation shall be held in Hermanus. The parties shall agree on the mediation procedure. Failing agreement on the mediation procedure within 14 (FOURTEEN) days of delivery of the Dispute Notice, the mediation procedure shall be in accordance with the prevailing United Nations Commission on International Trade Law Model Conciliation Rules.

13.4 If a dispute is not settled by mediation within 30 (THIRTY) days of delivery of the Dispute Notice, then the dispute may be settled by arbitration.

13.5 Save as otherwise specifically provided herein, the arbitrator shall be, if the question in dispute is:

13.5.1 primarily a legal matter, a practising Senior Advocate of the Cape Bar Society of not less than 5 (FIVE) years' standing; or

13.5.2 any other matter, an independent and suitably qualified person, as may be agreed upon, between the parties to the dispute.

13.6 If consensus cannot be reached on whether the question in dispute falls under sub-clauses 13.5.1 or 13.5.2 and/or upon a particular arbitrator, within 3 (THREE) days after the arbitration has been demanded, then the Chairperson, for the time being, of the Legal Practice Council (Western Cape) shall:

13.6.1 determine whether the question in dispute falls under sub-clauses 13.5.1 or 13.5.2; and/or

13.6.2 nominate the arbitrator, within 7 (SEVEN) days after the parties have failed to agree, upon written request to do so by either party.

13.7 The arbitration shall be held in Hermanus in accordance with the provisions of the Arbitration Act (Act No. 42 of 1965), as amended from time to time, it being intended that, if possible, it shall be held and concluded within 30 (THIRTY) days after the arbitrator has been appointed.

13.8 The arbitrator shall set the date, time, and venue in Hermanus for the arbitration.

13.9 The arbitrator shall give his decision within 5 (FIVE) days after completion of the arbitration, and shall, in arriving at his decision, have regard to all terms and conditions of this agreement.

13.10 The arbitrator may determine that the costs of the arbitration are to be paid either by one or the other of the disputing parties, or apportioned between them.

13.11 Any order or award made by the arbitrator shall be final and binding.

13.12 This clause 13 shall not prevent any party from seeking interim and/or urgent relief from a court of competent jurisdiction.

13.13 This clause shall survive the termination of this agreement.

Signature		Name (print)	
Capacity		Date	
Name of firm			

**14. GENERAL**

- 14.1 The PURCHASER shall not erect or cause or permit to be erected any buildings and or structures on the Property until such time as the plans therefore have been approved by the Manager: Building Control, or such other delegated authority of the SELLER, as the case may be.
- 14.2 No indulgence shown by the SELLER to the PURCHASER shall prejudice the SELLER's rights or be a novation of this agreement. Any indulgence in respect of extension of time or anything else granted by either party to the other will not be considered to impair any of the rights of such party in terms of this agreement or affect any rights whatsoever of such party.
- 14.3 The parties hereto acknowledge that this agreement constitutes the entire agreement between them and that no other conditions, stipulations, warranties or representations whatsoever have been made by or on behalf of either party other than such as are included herein.
- 14.4 No amendment or consensual cancellation of this agreement or any provision or term thereof or of any agreement, bill of exchange or other document issued or executed pursuant to or in terms of this agreement and no settlement of any dispute arising under this agreement and no extension of time, waiver or relaxation or suspension of any of the provisions or terms of this agreement shall be binding unless recorded in a written document signed by the parties. Any such extension, waiver or relaxation or suspension which is given or made, shall be strictly construed as relating to the matter in respect whereof it was made or given. All provisions of the agreement shall remain in effect unless amended in writing and signed by both parties represented herein.
- 14.5 The headings in this agreement are included for the sake of convenience only and shall not be used for the purposes of interpretation of this agreement
- 14.6 The SELLER and the PURCHASER hereby consent to the jurisdiction of the Magistrate's Court, Hermanus for any action that might arise from this agreement. The parties, however, reserve the right at their sole discretion to institute such action in the High Court of South Africa (Western Cape Division, Cape Town) and to claim costs on the High Court scale.
- 14.7 Business days will mean any day of the week except Saturdays, Sundays or declared public holidays.
- 14.8 This agreement shall be subject in all respects to the provisions of the Administration of Immovable Property Policy of the SELLER, as amended and adopted by the council of the SELLER from time to time.
- 14.9 In the interpretation of this agreement, unless the context otherwise requires or indicates, words specifying:
- 14.9.1 the singular shall include the plural and vice versa;
- 14.9.2 any one gender shall include the other gender; and
- 14.9.3 natural persons shall include juristic persons, trusts, partnerships and estates.
- 14.10 The PURCHASER shall not be entitled to cede, assign or transfer its rights or obligations in terms of or arising from this agreement.
- 14.11 The parties agree that each clause of this agreement shall be severable, the one from the other, and if any clause is found to be defective or unenforceable for any reason by any competent court of law, then the remaining clauses shall be and continue to be of full force and effect.
- 14.12 The parties acknowledge that they have been free to secure independent legal and other advice as to the nature and effect of all the provisions of this agreement and that they have either taken such independent legal or other advice or dispensed with the necessity of doing so.

Signature		Name (print)	
Capacity		Date	
Name of firm			

15. SARS DECLARATION

The SELLER confirms and the PURCHASER warrants and confirms that they have met all their tax obligations and commitments to the South African Revenue Services whether in their personal capacity (regarding the PURCHASER) or otherwise (regarding the SELLER and PURCHASER), including but not limited to the fact that their tax returns and payment have been delivered and complied with. Should the transfer be delayed or cancelled as a result of a breach of this warranty by the PURCHASER, the PURCHASER will be liable for all costs incurred and damages suffered by the SELLER.

16. AGREEMENT BINDING ON SUCCESSORS IN TITLE

5 This agreement shall be binding on the administrators, executors, heirs, judicial managers and other successors-in-title of the parties, who shall not be entitled to terminate this agreement merely by reason of the death of a party. Each party indemnifies the other against any loss or damage of any nature whatsoever which the other may sustain if this agreement is not binding for any reason on the former's administrators, executors, heirs, judicial managers and/or other successors-in-title.

17. SURETYSHIP

17.1 If a PURCHASER enters into this agreement in a representative capacity then such PURCHASER binds her/himself as surety and co-principal debtor on behalf of the PURCHASER for the due performance by the PURCHASER of the terms of this agreement by virtue of her/his signature hereto and by virtue of the deed of suretyship incorporated in this clause. If the person proposing to act in a representative capacity appears not to be in possession of proper written authority granted by the PURCHASER as her/his/its principal, then and in that instance the person who signed this agreement will, in her/his personal capacity, be liable for the due fulfillment of all the obligations of the PURCHASER on whose behalf s/he proposes to act.

17.2 The surety by her/his signature hereto, renounces the benefits of excussion and division, the meaning of which s/he declares her/himself to be fully acquainted, hereby bind him/herself jointly and severally and in solidum, to the SELLER and its successors in title, cessionaries or assigns, as surety for and co-principal debtor with the PURCHASER for the due and punctual payment and performance by the PURCHASER of all debts and obligations (including but not limited to damages) of whatsoever nature and howsoever arising from this agreement including any amendment hereto, which the PURCHASER may now or in the future owe to the SELLER (all of which debts and obligations are hereinafter referred to as "the obligations"). As part of her/his liability in terms hereof, the surety binds her/himself as aforesaid to pay the amount of all charges and expenses of whatsoever nature including, but without derogating from the generality of the aforesaid, attorney and own client legal costs (reckoned on the recommended non litigious tariff of the Law Society of the Cape of Good Hope or its successors) and collection commission under this agreement as well as the surety's obligations hereunder.

18. COOLING OF PERIOD

18.1 The PURCHASER may be entitled in terms of Section 29A of the Alienation of Land Act (Act No. 68 of 1981 ("the Act"), subject to the provisions of Section 29A(5) of the Act, to revoke the offer to purchase or terminate the deed of sale (whichever is applicable) within 5 (FIVE) business days after signature of the offer to purchase or the deed of sale, by written notice delivered to the SELLER specifically via its Property Administration Department.

18.2 The said written notice will only be valid if:

18.2.1 signed by the PURCHASER or his/her agent the latter acting on his/her written authority;

18.2.2 it clearly identifies this agreement;

18.2.3 it is unconditional.

Signature		Name (print)	
Capacity		Date	
Name of firm			



- 18.3 After such revocation or termination every person having received any amount in terms of this agreement will be obliged to refund to the PURCHASER such amount(s) within a period of 10 (TEN) days from date of delivery of the said notice.
- 18.4 The right so to terminate or revoke in terms of the Act is not available to a purchaser under the following circumstances if:
- 18.4.1 the property in question is agricultural land as defined in the act;
 - 18.4.2 the purchase price exceeds R250,000.00 (TWO HUNDRED AND FIFTY THOUSAND RAND) or such amount prescribed in terms of the Act;
 - 18.4.3 the PURCHASER is not a natural person;
 - 18.4.4 the Property has been purchased at an advertised public auction; or
 - 18.4.5 the PURCHASER has reserved the right herein to appoint another person to whom the rights and obligations obtained under this agreement can be transferred.

19. SPECIAL CONDITIONS

The following conditions **must be registered against the title deed** of the Property as a condition of sale imposed by the SELLER:

- 19.1 The Property may only be used for residential purposes and land uses allowed for the zoning: 'Residential Zone 1' as per the Overstrand Zoning Scheme Regulations for the area and no other usage will be allowed on the Property and/or in any structure erected thereon.
- 19.2 The PURCHASER shall complete the development of the Property, in the form of a building or other acceptable structure, within a period of 2 (TWO) years, from the date of the registration of transfer of the Property in the Deeds Office. Should it become apparent that the PURCHASER shall not be able to complete the development within the aforementioned 2 (TWO) year period, the PURCHASER shall be entitled to request an extension of the time-period within which to complete the development. Such request shall:
- 19.2.1 be in writing;
 - 19.2.2 be made before the expiry date of the 2 (TWO) year period;
 - 19.2.3 state the reason(s) for the delay;
 - 19.2.4 motivate why the extension should be granted; and
 - 19.2.5 be directed to the relevant delegated authority of the SELLER.
- 19.3 Should the PURCHASER fail to complete the development or obtain an extension within a 2 (TWO) year time period, starting from the date of transfer, ownership of the Property thereof shall revert back to the SELLER, and the PURCHASER, or its successors in title, shall:
- 19.3.1 be compelled to sign the transfer documents within 7 (SEVEN) days within receiving a notice to that effect, failing which the duly authorised agent of the SELLER is hereby appointed by the PURCHASER to sign such documentation;
 - 19.3.2 be responsible for all transfer costs and statutory duties payable in connection with the retransfer of the Property to the SELLER and/or any third party with regards to the purchase or retransfer of the property;
 - 19.3.3 be entitled to a refund of the total Purchase Price free of interest on the date of registration of transfer less any damages or loss incurred by the SELLER; and
 - 19.3.4 not be entitled to be compensated for any development on the Property at time of the retransfer of the Property to the SELLER.

21. SUSPENSIVE CONDITIONS

- 21.1 This agreement is subject to the fulfillment of the conditions that the SELLER obtain and comply with all the necessary approvals including, but not limited to, the requirements of the Local Government: Municipal Finance Management Act (Act 56 of 2003) as to the necessary advertisement and Council's approval to the transfer of the Property to the PURCHASER within

Signature		Name (print)	
Capacity		Date	
Name of firm			



90 (NINETY) days, or any extended period as agreed to upon in writing between the parties, from the date of notice of acceptance of the offer by the Municipality and only after any appeal period has lapsed.

21.2 Should the suspensive condition not be fulfilled within the time period afforded, or any extended period as agreed to upon in writing between the parties, the agreement shall lapse and neither party shall have any claim against each other. In the case of this agreement lapsing as a result of non-fulfilment of the suspensive conditions, any tender deposit or Purchase Price deposit will be refunded to the PURCHASER.

THUS DONE, SIGNED AND AGREED TO AT _____ **XXX** _____

on _____ **XXX** _____.

AS WITNESSES:

1. _____ Do not sign _____

2. _____ Do not sign _____

_____ Do not sign _____
(SELLER)
 OVERSTRAND MUNICIPALITY

THUS DONE, SIGNED AND AGREED TO AT _____ **XXX** _____

on _____ **XXX** _____.

AS WITNESSES:

1. _____ Do not sign _____

2. _____ Do not sign _____

_____ Do not sign _____
(PURCHASER)
[INSERT PURCHASER NAME]

Schedule and Annexures to be included in Final Agreement.

Signature		Name (print)	
Capacity		Date	
Name of firm			



12. ANNEXURE B – LOCALITY MAP



Signature		Name (print)	
Capacity		Date	
Name of firm			



13. FORM OF OFFER AND ACCEPTANCE

1. OFFER

The Municipality, identified in the Acceptance signature block, has solicited offers to enter into a deed of sale in respect of the following property:

ERF 7373 HERMANUS (354M² IN EXTENT) FOR RESIDENTIAL PURPOSES

The bidder, identified in the offer signature block, has examined the documents listed in the tender data and addenda thereto as listed in the returnable schedules and confirms that the tender is subject to the conditions as set out in this tender documentation and the terms of the most recent Supply Chain Management Policy and the Administration of Immovable Property Policy of the Overstrand Municipality as approved and adopted by the Municipal Council, and by submitting this offer the bidder has accepted the conditions of tender, the conditions in the draft deed of sale and the conditions as set out in the aforesaid policies.

By the representative of the bidder, deemed to be duly authorised, signing this part of this form of offer and acceptance, the bidder offers to perform all of the obligations and liabilities as described in the tender document including compliance with all its terms and conditions according to their true intent and meaning.

THE OFFERED PURCHASE PRICE <u>INCLUSIVE OF VAT IS:</u>	
ERF 7373 HERMANUS	R
	<i>(In words)</i>

This offer may be accepted by the Municipality by signing the Acceptance part of this Form of Offer and Acceptance and returning one signed copy of this document to the bidder.

Signature(s)		
Name(s)		
Capacity		
For the bidder:		
Name of witness:	<i>(Insert name and address of organisation)</i>	Date
Signature of witness:		

2. ACCEPTANCE

By signing this part of this Form of Offer and Acceptance, the Municipality identified below, accepts the bidder's offer. Acceptance of the bidder's offer shall form an agreement between the Municipality and the successful bidder upon the terms and conditions contained in this agreement, the tender data and specifications, the tender documentation and in the deed of sale to be concluded that is the subject of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect and is binding between the parties on the date of dispatch of one fully completed copy of this document to the bidder, signed by the authorised official of the Overstrand Municipality.

Signature(s):		
Name(s):		
Capacity:		
For the Owner:	Overstrand Municipality, Magnolia Avenue, Hermanus	
Name of witness:		Date:



**PART C - MOST IMPORTANT ASPECTS OF THE
ADMINISTRATION OF IMMOVABLE
PROPERTY POLICY**

MOST IMPORTANT ASPECTS OF THE ADMINISTRATION OF IMMOVABLE PROPERTY POLICY OF THE OVERSTRAND MUNICIPALITY

GENERAL PRINCIPLES

3. The Municipality may:
- (a) alienate or let or permit to be built upon, occupied, enclosed or cultivated any immovable property owned by the Municipality;
 - (b) grant a servitude, way leave, encroachment or other rights on any immovable property of which the Municipality is the owner
 - (i) subject to this policy document and the provisions of applicable legislation; or
 - (ii) unless it is precluded from so doing by law or the conditions under which such property was acquired by the Municipality.
 - (c) enter into a contract which will impose financial obligations on the Municipality beyond a financial year, but if the contract will impose financial obligations on the Municipality beyond the three years covered in the annual budget for that financial year, it may only do so in accordance with the provisions of Section 33 of the MFMA, and
 - (d) enter into a public-private partnership agreement, but only in accordance with the provisions of Section 120 of the MFMA and the Public-Private Partnership Regulations.

DISPOSAL OR TRANSFER OF IMMOVABLE PROPERTY

5. The Municipality may not transfer ownership as a result of a sale or other transaction or otherwise permanently dispose of a municipal immovable property needed to provide the minimum level of basic services, save where the transfer is to another organ of state, as provided for in section 14(6) of the MFMA read with Regulation 24 in Chapter 3 of the MATR.
6. A decision by the municipal council that a specific immovable property is not needed to provide the minimum level of basic municipal services, may not be reversed by the Municipality after that immovable property has been sold, transferred or otherwise disposed of in accordance with Section 14(3) of the MFMA.
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.
9. Transfer or disposal of a non-exempted immovable property (not high value)
- 9.1 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:
- (a) decided on reasonable grounds that the 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 9.1(a) and (b) above approved in principle that the immovable property may be transferred or disposed of, and the method of disposal or transfer.
11. Approval in terms of 9.1(c) and 9.2(c) may be given subject to any conditions, including:
- (a) the way in which the immovable property is to be sold or disposed of;
 - (b) a reserve price or minimum compensation for the immovable property;
 - (c) whether the immovable property may be transferred or disposed of for less than its fair market value, in which case the criteria set out in clause 9 must be considered, and
 - (d) a framework within which direct negotiations for the transfer or disposal of the immovable property must be conducted with another person, if transfer or disposal is subject to direct negotiations.
15. Alienation of immovable property by means of a competitive process
- 15.1 The transfer of immovable property must, except in the case of non-viable immovable property, be affected by means of competitive process, which may include a public or closed tender, auction or proposal call.

- 15.2 The upset price for immovable property to be alienated by means of a competitive process will be determined in such a way that it corresponds with a fair market value and must include the recoverable development costs such as municipal services, advertising and survey costs.
- 15.3 In assessing tenders, the Municipality will take cognisance of the total cash value of the packages offered by the bidders, where such packages are permissible in terms of the conditions of tender. In other words, where the actual amounts tendered are roughly similar, but a particular bidder, for example, also offers to make improvements to the immovable property, the cash value of such improvements, which proposed improvements may not be deviated from, may also be taken into consideration to determine the highest tender.
- 15.4. Should the Municipality consider it desirable not to accept the highest tender or offer or decide to accept a particular development proposal in which the amount tendered is not the highest offer, the reasons for this decision must be fully set out and recorded in the minutes of the bid adjudication committee meeting in question and if applicable the minutes of the appeal tribunal.
- 15.5. In cases where tenders are according to the findings of the bid adjudication committee identical and the provisions of paragraphs 15.4 are not applicable, the successful bidder may be determined by the drawing of lots in the presence of the involved parties.
16. The Municipality shall at all times when considering the alienation of its immovable property, take into consideration the Municipality's obligation to, as part of its process of integrated development planning, take all reasonable and necessary steps within the framework of national and provincial housing legislation and policy to identify and designate land for housing development in terms of the Housing Act, 1997 (Act 107 of 1997).

CONDITIONS OF SALE

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.
29. Should existing services need to be relocated or secured by means of the registration of a servitude in favour of the Municipality as a result of the alienation of the immovable property, all related costs shall be for the account of the successful bidder/purchaser.
31. Where immovable property is alienated for development, a condition, taking into consideration the nature of the development, might be included in the Deed of Sale stipulating that such development must be completed within two years from date of registration. Likewise a condition may be included in the agreement to provide for forfeiture in the event that the development has not been completed within the required time period, unless a written extension has been granted by the Municipality.
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.
33. The agreement might contain a suspensive condition in respect of immovable property which is sold subject to approval in terms of land use planning legislation.
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.
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.