



SPANKING NEW – CLEAN AS A WHISTLE. LANGENHOVEN PARK WAREHOUSE/SHOP

Warehouse Park. Wonderfully designed warehouse/shop. Full 500 sq m property ideal for “Tile Centre” “DIY” type business. Would suit wide range of upmarket businesses. Give Jodi a call. Contact Jodi 081 315 4274.

BUILD ILLEGALLY OR ENCROACH ON YOUR NEIGHBOURS AT YOUR PERIL!

Yes, it is frustrating and time consuming waiting for building plan approval from Metro. But the alternative is far worse. A recent court decision which took place regarding a Bloemfontein property is a case in point.

The owner of a house in the location decided to erect a boundary wall on what he thought was the correct boundary. He then built a garage on the space between the wall and his house. His neighbour pointed out to him that he had built on their ground and asked him to remove the garage and wall which he refused to do. The neighbour went to court. In court he claimed that it was a genuine mistake and that the court should allow the building and wall to stand but make an order that he compensate the neighbour for the ground they would lose and then subdivide and consolidate the ground into his house ground.

In principle you cannot build on somebody else’s ground. But in this case more importantly the garage was built over a servitude on his neighbour’s ground and within the no building zone on his own earth. To compound the problem the garage and wall were constructed without any approved building plans. The court had no hesitation in demanding that both the wall and buildings be demolished.

Think very carefully before building and get proper approved building plans or you could be in serious trouble. Remember your neighbour can take you to court about illegal buildings and the court will automatically find in their favour. To an even greater extent it is happening with illegally used buildings where the owner does not comply to the approved zoning. Even if you can get approval but have not done so, an application by your neighbour or anyone in the area will succeed. You will be forced to move out. It is happening more and more as neighbours are not prepared to put up with illegal businesses anymore.

The Commercial Landlord

Newsletter for
Commercial &
Industrial Landlords



February 2020

Where Does All the Water Go?

Rain, rain, rain, and more to come. But where does all the water go? As a landowner you must accept the natural flow of water from your neighbour on to your ground. If your ground is lower than your neighbour, then rainwater will naturally flow over your ground. You must accept this water. Knowing that it will rain hard at times you need to make a plan to let this water pass over your land.

What you don’t have to accept is an artificial flow of water. So, for example a neighbour cannot pump out his swimming pool over your ground if this is not the natural flow. Your neighbour also cannot alter the level of his ground to encourage water to flow your way. Not an easy solution at times.

Talk Shop

by Platinum Global

WANTED LAND FOR STUDENT FLATS

There is still money around for student accommodation. This week alone we received a cash offer of R21 million to buy a piece of ground for student flats. These buyers are looking for building land within 3 km of UFS and CUT on which to build as many student flats as possible. They are also looking for existing blocks of flats and buildings that can be converted to student accommodation. If you are aware of buildings or opportunity that fill the bill.

Student accommodation must comply to the varsity student standards for size and facilities if they want to have students funded to stay there. When building student accommodation, it is important to understand that they are heavy users of buildings so all finishes need to be minimal maintenance both inside and out. Building student accommodation on a small scale does not make much sense, which is why student houses don't last. Developers are happy to consider up to 1000 student beds on one site.

International Funders Only Look at Big Projects.

Platinum Global have become involved with several investors and developers in finding them suitable properties and opportunities. One thing that is important to remember that institutional investors think BIG. The reality is that they cannot fund small projects. Their motto is bigger the better. BIG international investors think in \$100 million lots! (R1.5 billion)

Want to finance the Waterfront in Cape Town? No problem. Want to finance a 20 unit block of townhouses – no way.

When projects do appear that want facts, facts, facts. The current and possible zonings. The cost to provide services, traffic impact studies and the like. The project must make sense. You need to do research and lots of it. Population figures, growth rates, hinterland areas, Future proposed developments that will increase the market for the identified property. If the figures look good, they will go for it. Money is not the problem; they just want a prestigious project.

These international investors have teams of professionals behind them who will immediately tell them whether a development makes sense or not.

DEEDS REGISTRATION NUMBERS FALLING RAPIDLY

A very good indication of the health of the economy could be the number of transfers of properties that are taking place. I received a comment recently that the numbers have fallen from 200 to 250 per day to near nothing. Conveyancing attorneys are finding life very difficult.

There is not a lack of demand, but rather asking prices are very high compared to value perceptions. Sellers just have to be more realistic in their price expectations. Well price property like the Nicolene Court flat we sold literally in one day. Since then we have had a constant stream of other, mainly investor buyers, calling.

This applies across the board to buyers and sellers of commercial and industrial property. A commercial property is only worth what it actually generates as income. No income, in the current market means that the price of vacant properties is rather on the low side. You either need to hold or let it go at what the market will pay.

TENANTS ARE BATTLING TO PAY – BUT MANY DO TRY THEIR BEST

Times are tough for everyone and tenants are not immune from the slowdown in business. In my experience tenants are actually trying to keep up with their rental payments and are cutting costs in other areas as they realise their offices are important to business success.

Landlords need to treat tenants as individuals and consider unpaid or part paid rental on a case by case basis. While a landlord might not be happy not to receive his rental, the alternative could be a vacant property. Risks with vacant properties are far higher than one that is occupied by an unpaying tenant. Risks include deterioration of the building and break ins. Remember that your insurance company are not happy to insure empty properties because they feel the risk is too high.

If you have a good tenant going through a bad time, consider helping them out with a reduced or delayed rental. Contact Mike Spencer, mike@platinumglobal.co.za. telephone 082 881 4711



HI VISIBILITY – BUSY MAIN ROAD

220 sq m or 106 & 114 sq m as separate lettings. Secure Parking. Easy find building for your company. 8 offices, (4 per section) with own bathroom and kitchenette. Separate entrance. Contact Jodi 081 315 4274



340 sq m Modern Warehouse

Also an easy find position. Modern warehouse as factory or service centre. Would suit wholesale and public sales business. Very reasonable rental for such a modern building **Contact Jodi 081 315 4274**



WESTDENE – DOUBLE OFFICE COMPLEX

Two complete offices set ups on one site. Excellent value for money at R2.75 million. Established business will continue to rent. Rear section currently rented as residential unit but can be changed to commercial use.

Call Mike 082 881 4711 mike@platinumglobal.co.za



240 FLAT SITE FOR STUDENT ACCOMMODATION

In demand residential flat site for up to 240 units in modern suburb close to UFS Vista campus. Can accommodate around 960 students. Priced to sell. Old photo area well built us with creche next door

Call Mike 082 881 4711 mike@platinumglobal.co.za

**Urgent
Blocks of Flats
Wanted
\$1,500,000 to \$2,500,000
Cash Buyers**

Platinum Global have buyers looking for blocks of flats in Bloemfontein. Price range from R25,000,000 to R40,000,000. These are investment buyers looking for rental building in good condition, but they are prepared to buy buildings to be renovated for value. Well positioned sites with development rights would also be considered.

Call Mike 082 881 4711



MODERN UGRADE OF WELL POSITIONED OFFICES

Immediate occupation, modernised set of offices with excellent high profile position. Very well supplied with parking makes this an excellent location for a range of professional offices. Easy access position with good client parking. Well worth looking at.

Call Jodi 081 315 4274