



SELECTION OF WAREHOUSES/WORKSHOPS FOR SALE OR TO RENT R1,900,000
 Fabulous choice of 6 different warehouse/workshop from R1.9 to R2.2 million. Alternatively you could rent or even rent to buy. Sizes from 300 to 450 sq m. Safe secure communal premises for piece of mind. Quality modern buildings with 3 phase electricity. This really is something special. Makes great service centre workshops, sales/display area for specialised wholesalers. Jodi 061 315 4274

PROPOSAL TO ENFORCE AFFORDABLE HOUSING IN ALL DEVELOPMENTS

Information is circulating that all new developments to the north and west of Bloemfontein will in future be compelled to have as much as 40% affordable housing included in the development. This has been a national discussion which goes back many years and its purpose to rectify the “dormitory” location of workers housing areas. These are currently situated to the south east of the city, Botshabelo, and Thaba Nchu. The location of these residential areas means that workers are forced to travel long distances and get up excessively early to be on time for work in the city. The intention of these amendments for new developments is to ensure that there is affordable housing available in these more up market areas.

While there is a need to move away from apartheid housing systems, the result of these proposed changes may not achieve this movement of housing areas. There are areas that would be suitable for less expensive housing with large areas such as the old Brandkop Racing Circuit that could be used for this purpose. Enforcing a 40% low cost housing segment into private developments is likely to result in these developments being a no go from the outset. Developers are likely to find it impossible to comply due to the cost of development ground, bulk contributions, and the cost of holding ground for the many years that it takes to have developments approved. In the eastern part of town where a 4 ha plot can be purchased for just R1 million the betterment fees increase this cost to R5 million. Even at these low prices a low-cost site is plus R50,000 for ground only. Servicing would increase this to at least R200,000 – well above the affordability for low cost housing. One realistic alternative could be the allowance of high rise, high density development. Allowing 100 units/ha would reduce this cost to R10,000 an opportunity and servicing costs pro rata might well result in a per opportunity cost less than R50,000.

This would be a more realistic solution than the 40%. Brandkop could offer 40,000 homes on 100 ha site on this basis – a more practical solution to the low cost housing problem.

The Commercial Landlord

Newsletter for Commercial & Industrial Landlords



June 2019

Letting of Commercial Property Going Well

Times are tough but there is still a demand for commercial property. Rentals must be right. Just this week we have been able to rent out workshops and offices on a small holding at Rayton plus restaurant premises in Westdene. Slow but steady. What made these lettings successful was compromise between the Landlord and the tenants. Rental was slightly reduced with a short period of free rental to get the business up and running. In fact, we had two clients for the restaurant premises. Enquiries continue although the quality of enquires is not always what we would like. Big premises do not seem to be in demand at present. By being a bit flexible we can put quality tenants together with serious Landlords and negotiate a deal that suits both parties.

Talk Shop

by Platinum Global

RENOVATION THE ONLY ANSWER?

Last month we spoke about the dangers of leaving your premises empty. One property in Barnes St stood empty for over a year and was gutted by a bad element and used as a squat by homeless people. Eventually all the fittings had been ripped out, wiring and plumbing removed for scrap and windows and doors stolen. In effect the building was gutted. While this was already a very old building it has now had to be rebuilt extensively to make it habitable – rebuilding work started last week.

The end result will obviously be a more modern and up to date building than the one that was there before – essentially the original house that was building in the 1930s but at a considerable cost to the Landlord. As the building was standing vacant and the insurance company was never made aware of this, it would not be possible to have made an insurance claim for the damage caused. All the more reason not to leave a building empty in the first place! Make sure that this does not happen to you.

ITC or NO ITC

I will be quite honest with you that I have no idea what ITC means! I even looked it up on the internet but other than it being a type of credit check there was not much more information.

Whatever it means, it is important that you never take on a new tenant without first checking on their credit standard. There are various firms that will do this for you on a continuous or one-time basis – charges vary but are very reasonable.

They will check a number of things for you. Firstly, they will confirm who your tenants are and give you information on their residential addresses, workplace, directorships and the like. They will give you information such as their email address, cell numbers and then will show you whether or not they are good payers of accounts and rentals. That way you will know if they are the type of tenant that you would like to have.

Most reports will include a monthly payment report - Unpaid, Paid on Time, Part Paid, Paid Late which can be very helpful together with a grading overall A to E. A being excellent and E not to be touched. C and above would be considered acceptable but all need to be used with discretion. Somebody who uses only cash may be graded C because they have no accounts!

Avoid Unhappiness Do an Inspection.

When a new tenant moves into a commercial property it is surprising how often the Landlord does not do an inspection of the current condition of the property. This inspection sets the ground rules regarding the repairs that need to be done when the tenant vacates. If you don't have as it as a starting point how can you claim damages when they leave. Remember that the inspection should be done as soon as all the repairs and upgrading has been completed.

Everything should be noted such as broken windows, cracked washbasins and toilets. It is not always necessary to replace small damage items. A cracked window for example my last many years but you cannot hold the tenant responsible if it later breaks. The inspection should be signed by the Tenant and you need to send them a copy.

When they move out you redo the inspection and compare it to the condition when they moved in.

Could Your Tenant Have to Pay for Fire Damage?

Yes, you are insured but you are likely to have an excess to pay. Fires can start for any number of reasons but some of the causes could well be tenant orientated and you could be entitled to recover these excesses from your tenant. Typical of these would be electrical fires caused by overloading or poorly wired extensions. In factories and warehouses fires can be caused or helped by excessive rubbish accumulation inside warehouses and yards. It is just too easy for fires to start when waste is left lying around.

Landlords must make sure that firefighting equipment is kept up to date – I am amazed how often I visit premises where fire services are years out of date. Annual inspections and services are surprisingly inexpensive but will invalidate your insurance if not kept up to date. Check it out today.

If you are not sure about the cause of a fire, ask the metro fire service to investigate for you. We called them to a flat fire, and they were able to show us what caused the fire – a faulty joint in an extension cable. Luckily damage was not serious and there were no injuries. In this case the fire was caused by the tenant's faulty lead and they will pay the costs.

THE MARKET PLACE (2 Let or 4 Sale)



CENTRAL OFFICES FOR WIDE RANGE OF BUSINESSES R5,420,000 ALL INCLUSIVE

Plug & play offices in the heart of Bloemfontein. Close to Magistrates court, Advocates Chambers and Free State Legislature. 12 Offices, 2 meeting rooms, boardroom, 6 parking bays, lock-up security. Ideal for doctor's practice, legal firm or financial advisory services.

Owner prepared to negotiate a lease back arrangement.

Thabo 063 058 9210 or Mike 082 881 4711



2000 m² WAREHOUSE SPACE HAMILTON R2,200,000

Just listed A1 class warehouse with offices, bathrooms and small canteen. A real working property for a real working business. Triple loading bays and a big yard suitable for loading and off-loading largest vehicles.

Quality building of this type. You can see from the photos how well it has been looked after.

If you are serious about warehousing this is for you.

THABO 063 058 9210 OR MIKE 082 881 4711



WAREHOUSE NO. 2 PRICE ON APPLCIATION

Major warehousing project of over 2550 m² with substantial offices – 12 open plan offices for sales reps and warehousing staff. Large truck yard with 8 super large loading bays. Staff and visitors parking with 15 designated bays.

Hi quality building for sale or can be leased on long term lease. Suitable for national company.

Thabo 063 058 9210

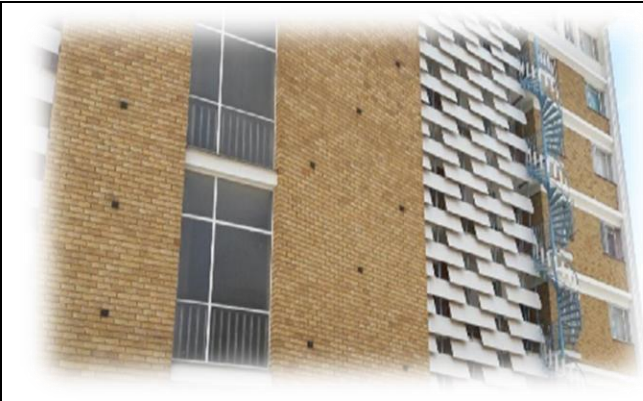


16 Bedroom Guesthouse for sale R7,500,000.

Well known historical guest house has recently come up for sale. Great wedding venue with own chapel, caterer's kitchen and 15 parking bays. Photographers delight!

Current use student accommodation R2500 per bed monthly rental sharing and generating gross income of R90,000 pm. Call to view.

Thabo 063 058 9210 or Mike 082 881 4711



OWNER RETIRING – YOUR OPPORTUNITY R21,000,000

The PURRRFECT building. Loving looked after for many, many years. So sad to have to go. Solid low maintenance 6 storey residential apartment building 46 flats with ample parking. Very large units in great condition. Well situated to attract quality tenants. It is rare that such an outstanding building comes on to the market. We already have interested buyers from out of town. If this tickles your fancy you will need to talk quickly.

Thabo 063 058 9210



OFFICES AND WAREHOUSE ON SMALLHOLDING

Double set of offices plus sizeable warehouse on smallholding in Groenvlei. Older buildings for wide variety of business use. Immediate occupation. Well situated close to edge of town with easy access from both Langenhoeve Park and Heuwelsig.

Come view your new premises today

Mike 082 881 4711



WILLOWS – AFFORDABLE LARGE OFFICES

Great opportunity for young and up and coming businesses. Large classroom sized offices that are ideal as training centre. Inexpensive and offering space for Africa. Previously used as a school. Choice of offices. Take one, take all. Low rental R70 sq m plus VAT. An opportunity that seldom comes along. Platinum Global have already rented out more than half of the available space. Come see for yourself.

Mike 082 881 4711 mike@platinumglobal.co.za



WE WANT TO DO IT FOR YOU TO
Have property that you want to let out or sell.
Make sure that we have it on our books. If we don't we cannot let it or sell it for you. We specialise in:

Commercial & Industrial
Letting
Selling
Blocks of flats, Offices, Businesses,
Industrial properties, Development ground
Contact us today
Mike Spencer 082 881 4711
mike@platinumglobal.co.za

Platinum Global is looking for 4 full time home sales agents – training will be given.