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# VALUATION REPORT ON A RESIDENTIAL PROPERTY NO. 13274-2124

ArcGIS Web Map

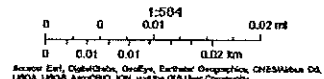


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LO27\_Layers - Plot LO-27

Current

LO27\_Layers - Boundary LO-27



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, AeroGRID, IGN, and the GIS User Community

Web Application for ArcGIS  
CHESMAN@ESRI

## KHUBETSOANA, MASERU URBAN AREA

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APPROVED  
07/09/2020

### 1.0 INSTRUCTIONS:

We have been verbally instructed by Maseabata Nokana to establish the fair current market value of a residential property No. 13274-2124 situated at Khubetsoana, Maseru Urban area.

### 2.0 DESCRIPTION OF PROPERTY:

The subject property is a vacant/undeveloped residential site situated at Khubetsoana, about 5 km north of Maseru urban area.

### 3.0 LEASE INFORMATION:

Lease Number	13274-2124
Permitted use	Residential
Lease Holder	Flower Maseabata Nokana
Registration Date	05-07-2011
Ground Rent	M 60.00
Lease Duration	From 30 <sup>th</sup> June 2011 until end of 90 years
Plot area	600 m <sup>2</sup>

### 4.0 LOCATION:

The property is located at Khubetsoana, about 5 km north of the Maseru CBD. This area is mostly occupied by low to middle income group and has been zoned as residential. Access to the subject property is via a narrow gravel road. There is generally high demand of residential sites in this area while the supply is low.

*The location map is shown at the end of the report.*

1

Company's Specialist  
in Site, Land and Property Valuation, Assessment and Management of the Property, Real Estate and Management, M.A. (Valuation) and M.A. (Urban and Rural Planning) in  
Property Valuation, Assessment and Management, M.A. (Valuation) and M.A. (Urban and Rural Planning)  
International Certificate in Valuation and Management of Property, Assessment and Management



### 11.0 DATE OF VALUATION:

The material date of valuation is taken to be as at the date of inspection, which is the 10<sup>th</sup> June 2020.

### 12.0 BASIS OF VALAUTION:

The basis of this valuation is the market value. Market value is defined as the price an interest in property will attract assuming: a willing seller, a willing buyer, sufficient time to advertise the sale of the subject property, market conditions remain the same during the transaction and that no notice is taken of an offer from a buyer with a special interest. Further, it is the estimated amount for which an asset or an interest in a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had acted knowledgeably, prudently and without compulsion.

### 13.0 METHOD OF VALUATION:

Experience has shown that the comparable sales approach is by far the most reliable method for valuation of residential properties. This method of comparable selling prices is based on the principle of substitution, which states that a buyer will not pay more for the subject property than a buyer will not pay more the subject property than it would cost him to buy a property of similar productivity. This approach is suitable for valuation of residential dwellings as their value does not correlate to the value derived from the capitalisation of the net income that can be derived from the property.

In adopting this approach, it is also necessary to assume that both seller and buyer are willing parties to the transaction, and further

3

Company (specify):  
Alfa In Land and Property Development (Malaysia) Sdn Bhd (1010002999) (Alfa In) by  
Property Development and Management (M) Sdn Bhd (1110101010) (Alfa In) by  
Property Valuation Inspection (M) Sdn Bhd (1201010101) (Alfa In) by  
International Valuation (M) Sdn Bhd (1301010101) (Alfa In) by

that both parties are well informed as to the existing conditions at a relevant time.

#### 14.0 MARKET ANALYSIS:

Maseru has for a long time been characterised by high demand of residential properties and low supply-a case that let to high property values. Prices were being inflated because of imbalances in the demand/supply factors (**Demand Inflation**). However, since last year, the property market has generally deteriorated due to various factors. These include among others, weaker rand and severe drought that has hit the country and other neighbouring countries in the southern part of the continent. Economists predict a further weakening of the rand in 2018 due to pressures of the struggling economy. The current political instability has further contributed to the deteriorating economy and the property market in general.

#### 15.0 THE COMPARABLES:

Property ID	Date of valuation	Property value (M)	Location
14303-133	12 <sup>th</sup> December 2018	90,000.00	Maseru East
14281-290	23 <sup>rd</sup> October 2019	130,000.00	Ha Tsosane
14281-462	23 <sup>rd</sup> October 2019	130,000.00	Ha Tsosane

#### Analysis of comparables

The comparables stated above are located in the neighbouring villages of Ha Tsosane in Maseru urban area. The subject property is inferior in terms of the plot sizes. The current market related rate of residential sites in this area ranges from M 60 to M 100 per square metre. The other challenging factor with the subject property is access while the comparables are well exposed to the road and easily accessible.

## 16.0 MARKET VALUE:

Having taken location and other relevant facts into account, it is our carefully considered professional opinion, that the current market value of the subject property is **M 50,000.00 (Fifty thousand Maloti)**.

## 17.0 CAVEATS:

1. This report is confidential to the Client for the specific purpose to which it refers. It may be disclosed to other professional advisers assisting the Client in respect of that purpose, but the Client shall not disclose the report to any other person.
2. The opinion of value expressed in this report shall be used for the purpose of this report only. We are not responsible for any consequences arising from the valuation being quoted out of context.
3. Neither the whole nor any part of the Valuation Report or Certificate or any reference there to may be included in any published document, circular or statement nor published in any way without our written approval of the form and context in which it may appear.
4. While due care is taken to note the presence of any disease or infestation, we have not carried out any test to ascertain possible latent infestations or diseases affecting the crops. We are therefore unable to account for such in our report.
5. No investigation was carried out into the past or present uses of the property, or of any neighbouring land, to establish whether there is any contamination, or potential for contamination, to the property from these uses or sites, and we are, therefore, unable to account or report for such in our report.

5

Company's profile...

MSE in Land and Property Development Management (P.L.C.) No. 1697 (company NOL) Also in Property Development and Management (P.L.C.) No. 1779 (company NOL) International Certificate in Property Valuation (International Institute of Business and Management) & Institute of Valuers - an affiliate International Certificate in Residential Development (International Institute of Business and Management)

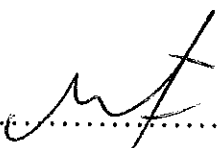
6. While we may have inspected the title of property as recorded in the Register Document of Title, we cannot accept any responsibility for its legal validity.
7. The instruction and the valuation assignment do not automatically bind us to attendance in court or to appear in any enquiry before any government or statutory bodies in connection with the valuation unless agreed when the instruction is given.

**NOTES AND ASSUMPTIONS:**

Apart from other limiting conditions made in clause 17.00, the following specific ones have been made in the course of valuing the subject property.

- (a) All information supplied is correct.
- (b) We have undertaken our inspection as are in our professional judgement appropriate and possible in the circumstances.
- (c) Measurements are approximate only.

**We hereby certify that we have physically inspected the land, and we have done thorough research, and that we have no interest, directly or indirectly whatsoever, in the property.**

**Signature of Valuer**.....

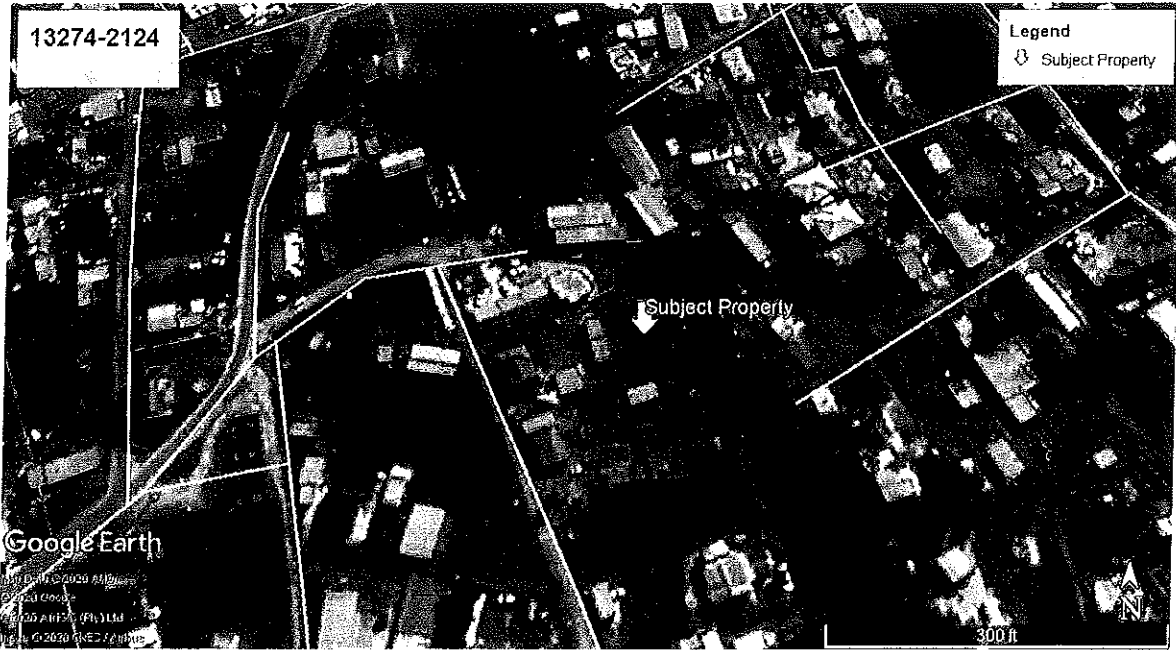
**Name:** Tankisang Mosito, MSc Land & Property Development Management-UFS, RSA.

**Dated:** 10<sup>th</sup> June 2020.

6

Company Enquiries:  
MSc in Land and Property Development Management - UFS UFSA, UFS Geography - Ndlu, MSc in Property Development and Management - UFS UFSB, UFS UFS C, International Certificate in Property Valuation Inspection and Land Management Research - UFS UFSU, UFS UFSU, International Certificate in Valuation of Special Assets - UFS UFSU.

# LOCATION MAP



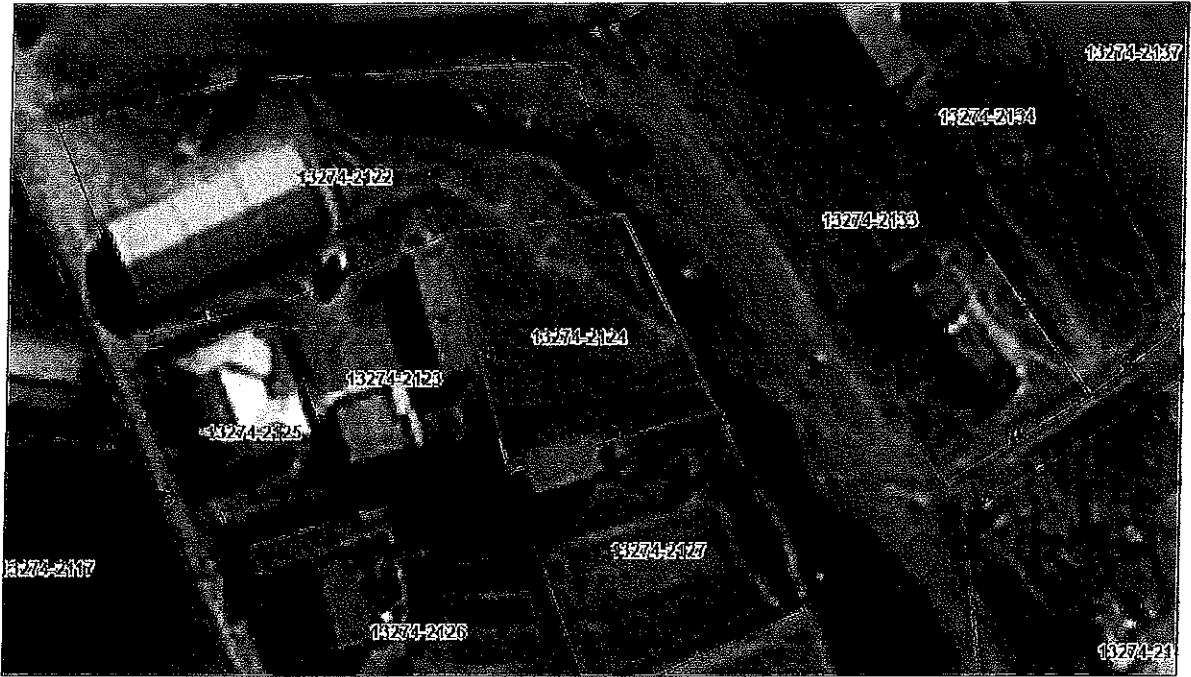
7

## Company Information

WSP is a licensed Property Valuation Practitioner (P.V.P.) of the State of South Carolina. WSP is a Property Development and Real Estate Consultant with a Certificate of Professional Competence in Property Valuation issued by the South Carolina Board of Professional Real Estate Appraisers. WSP is a Licensed International Certified Real Estate Appraiser (C.R.E.A.) of the International Real Estate Appraisers Association.



ArcGIS Web Map

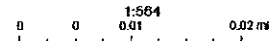


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Company Reports

MSc in Land and Property Development Management (MSc) (RPS) by ICA Geography (MSc), MSc in Property Development and Management (MSc) (RPS) by ICA Geography, International Certificate in Property Valuation (MSc) (RPS) by ICA Geography, International Certificate in Valuation of Special Properties (MSc) (RPS) by ICA Geography