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DECEMBER 2023/JANUARY 2024



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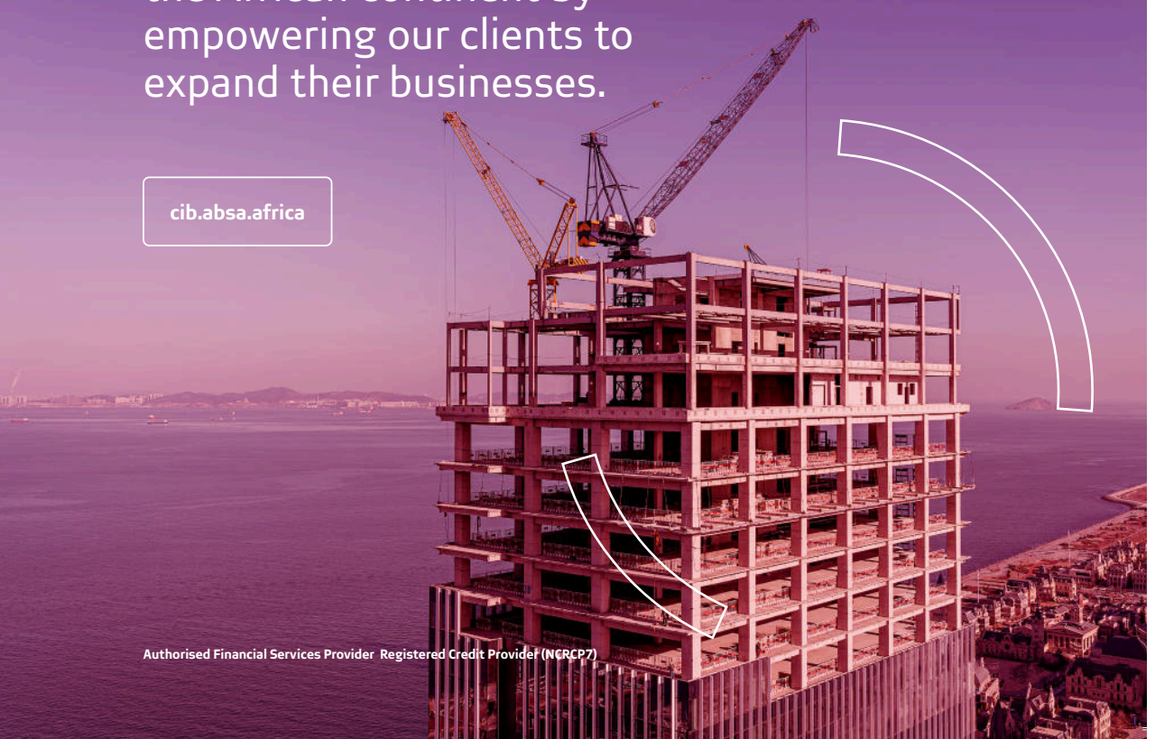
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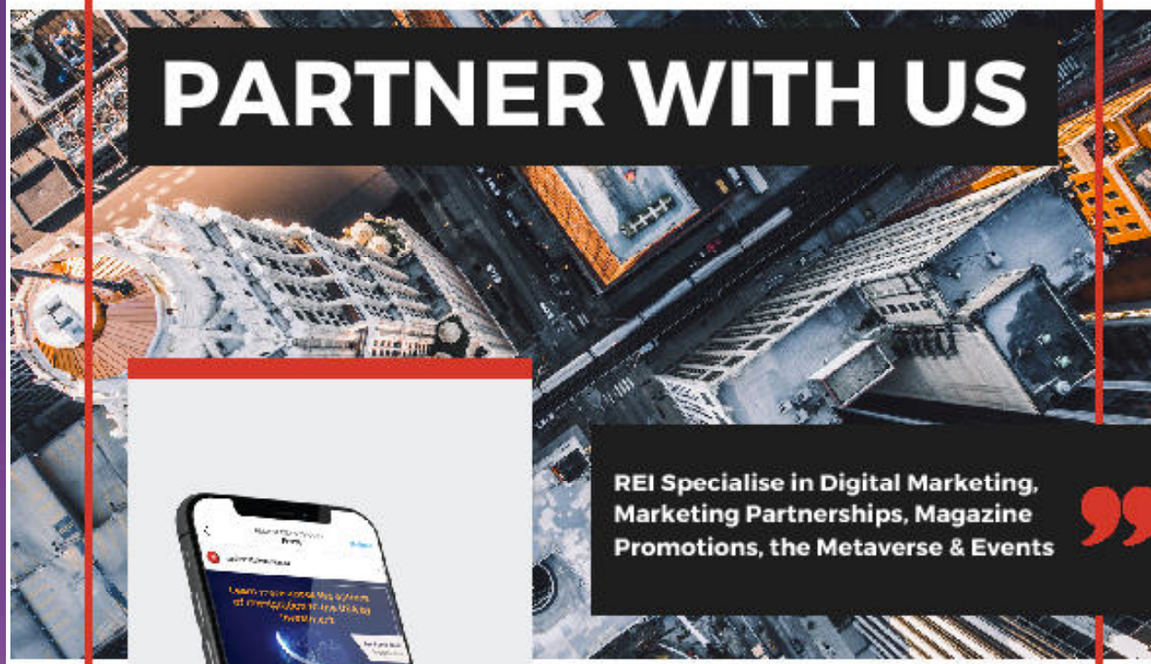


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REAL ESTATE INVESTOR (REI) MAGAZINE is South Africa's leading magazine for real estate investors and advances real estate industry best practices. It offers a comprehensive view into the REI world, including expert insights on successful investors, strategies, industry trends & news.

December 2023/January 2024 - Issue #163



MAGAZINE COVER IMAGE:
David Cohen – CEO of Signatura

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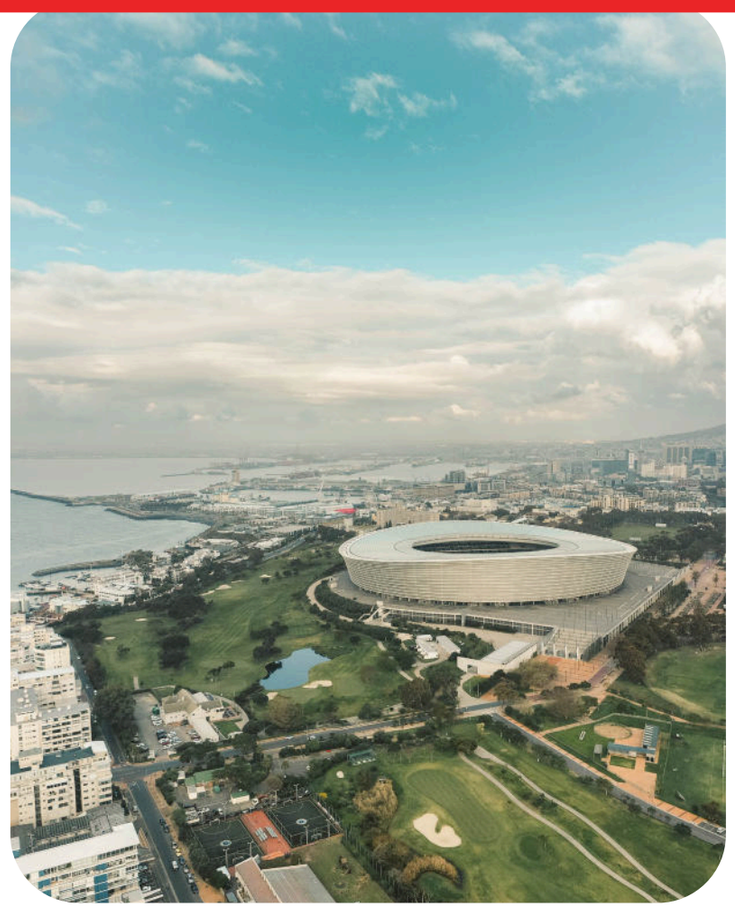
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EDITOR'S VIEWPOINT

Spring into Success: Shed the 'Mom & Pop' mindset and elevate your property game into the big league

Property investing and wealth building are fundamentally anchored in mindset, irrespective of market cycles and the challenges they bring. The most triumphant investors exhibit tenacity, humility, and an unwavering commitment to overcome obstacles—much like the recent triumph of the Springbok rugby team in the 2023 Rugby World Cup.

It's tempting to take the easy route, embracing a 'regular Joe



Public' approach to property investment. However, building a portfolio for sustainable wealth and a successful retirement demands more than just dipping your toes. By shedding the 'Mom and Pop' investor mindset and embracing a wealthier, more professional perspective, you align yourself closer to your goals. Suddenly, the idea of owning a substantial property portfolio or retiring a decade earlier becomes not only conceivable but exciting.

Residential properties serve as the typical starting point, but have you considered diversifying into alternative property types? Start by maximizing your existing assets. Review properties with an eye for potential profits—could minor renovations justify a rental increase or enhance the property's resale value? Perhaps converting your house into a multi-let or adding a granny flat could unlock hidden potential.

It all begins in the mind, with the setting of ambitious goals. Aim higher, be more radical, and stay up to date with real estate trends. Property is a potent wealth-building tool when wielded with precision—akin to the hammer of Thor!

Fuel your mind with grander dreams and elevated targets to bolster confidence. Explore property development deals, student accommodation, industrial investments, or high-yielding offshore properties. While these ventures may carry added risk or require extra effort, diligent due diligence can uncover hidden treasures for your portfolio.

Remember, professional investors collaborate. They co-invest, seek expert advice, and surround themselves with a team of specialists. Having REI on your property team can dispel fears and guide you in the right direction.

If there is one thing that the 'Springboks' have taught us in the past two months, is that when you pull together as a group with a common vision, tenacity and purpose, anything is possible. In the same way that each member of the Springbok squad brought individual unique skills to the World Cup team to create an unbeatable force. Together we make the investment journey a dream experience for ourselves.

The past year has flown by, and as we enter the festive season, let's hope for global stability, peace, and prosperity for you all in the new year. Our commitment is to empower you on your property journey with knowledge, connections, and lucrative opportunities.

Reflecting on a year filled with property market challenges, including multiple interest rate hikes, persistent load shedding, and high inflation, it's remarkable that property investment remains one of the most robust avenues for above-average returns. Despite these obstacles, we observed a noteworthy trend of individuals and families choosing to semi-migrate to coastal and remote areas. The allure of superior municipal services, enhanced security, and an improved lifestyle continues to underscore the enduring appeal and resilience of property as a sound investment choice.

Stay ahead in real estate, shield yourself from misinformation, and remember; knowledge combined with action is the ultimate power. Wishing you success in all your business and property endeavours over this festive period.

Successful investing!

NEALE PETERSEN
Founder & Editor-In-Chief

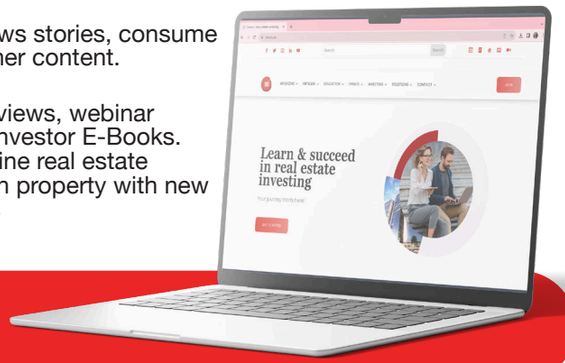


MASTER QUOTE:
"Never give up on a dream just because of the time it will take to accomplish it. The time will pass anyway..." - **EARL NIGHTINGALE**

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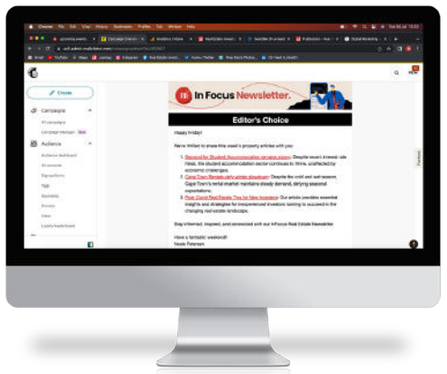
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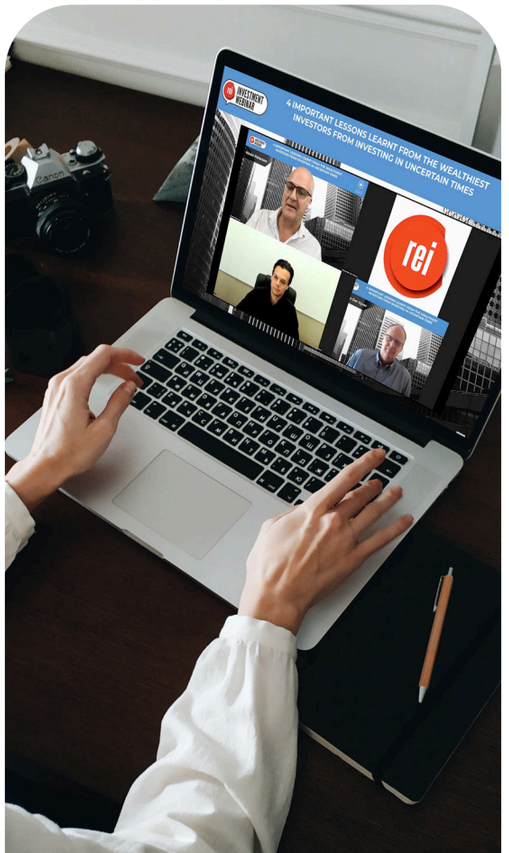
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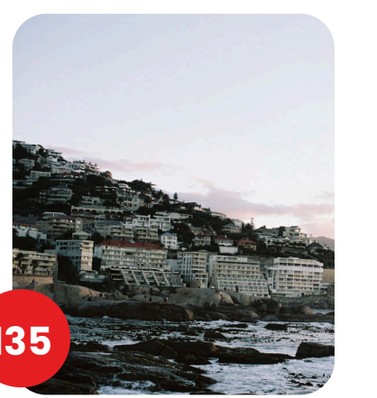
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DEC 23/JAN 24



OCT/NOV 2023



SEPT 2023



AUG 2023



JULY 2023



JUNE 2023



MAY 2023



APR 2023



MARCH 2023



FEB 2023



DEC 22/JAN 23



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ASK THE EXPERTS

Send your questions to info@rei.co.za or post on our FaceBook or LinkedIn pages and we will direct them to the necessary expert

Navigating Financial Challenges: Empowered Solutions for Investors in a pickle – Avoid these 3 common mistakes!



Carlo Mariani
Founder
THE PROPERTY COACH

Q

"I am a small buy-to-let investor who owns 3 rental properties in Johannesburg and Pretoria. Unfortunately all 3 properties are cash flow negative and have been like that for the last 3 years since I bought them.

The vendors that sold me the various properties confirmed that I could get at least a 10% rental return almost immediately and also said that the capital growth could be at least 6% per annum. This is definitely not the case, in fact I am lucky to get even a 5% return on my rentals and the property is probably has around a 4% capital gain over 3 years. I attempted to sell the property but the general property sales market is struggling particularly in Johannesburg.

I am also dealing with tenant rent defaults. They are now putting a huge strain on my cashflow as my shortfalls are increasing and my funds are starting to run dry. I am going to be in a position where I am going to default on my bonds and even my levies. What advice can you give me to help me get out of this financial mess I got myself into going forward?

A

The key to getting out of any financial mess is to never get into one, to start with. Once you are in a mess, don't bury your head in the sand.

How not to get into a property "mess" to start with?

Invest in property based on hearsay or vendor's claims and you're likely to be ultimately in big trouble. To be a successful property investor you need local and practical knowledge and skills.

Too many investors are fixated on house prices but what is critical is the rent you get. Do you have a solid command of the supply & demand dynamics of the rental market in your target area? What is the sustainable achievable rental for the property? What type of renters like to rent in the area?

What vacancy ratio should you be expecting? What default ratio should you be planning for? A combination of discussions with rental agents (not sales agents), local property investors and available reports like the TPN Area Investor Report will give you what you need to forecast your profit and cash flow.

Having guided and supported thousands of aspiring and growing property investors over the years, I have noted too many make these 3 fundamental mistakes:

1. They don't have a cash buffer of 2 to 3 months of operating costs for their investment property to cater for the inevitable months where you won't have (paying) tenants
2. They have poor understanding on how to screen rental applicants, how to manage tenant payment risk and what to do (and not to do) when a tenant is late on rental payment
3. They over-estimate the rent they can get and under-estimate vacancies and other expenses that come with owning a property

If you're unable to honour your property financial commitments, quickly contact your home loan provider before the bond repayment debit-order bounces. Have a frank discussion with them and see what financial support you can get. You might be positively surprised.

Just because you are now having challenges, don't write off property investing. It remains the most proven route to build wealth. The key is not to just buy any property and wait (and hope) but to buy the right property, in the right area, at the right price, with the right financing and the right tenants.

Get back to the drawing board. Empower yourself with knowledge. Invest again.

ENQUIRE NOW



Forecasting 2024: South African property market predictions revealed by industry



Berry Everitt
CEO
CHAS EVERITT INTERNATIONAL PROPERTY GROUP

What are your expectations and the trends you are expecting from the property market in 2024 with an election coming up? What are the predictions for interest rates, inflation, rental sector, and the property market in general, is it time to buy or not?

There will be two main keys to the anticipated revival of the South African real estate market next year, the first of which is a drop in the repo rate leading to lower mortgage rates.

While the South African Reserve Bank (SARB) followed the lead of the US Federal Reserve and kept its repo rate on hold at 8.25% this week, an uptick in the inflation rate means there is still a possibility of another increase in January before home loan interest rates start to moderate, and activity in the real estate market starts to increase significantly.

A strong reason for such a rate increase would not only be to combat inflation but also to shift the differential between SA and US interest rates closer to the 3,5% gap reached two years ago. A bigger gap makes SA more competitive in attracting foreign investment, strengthens the Rand and lowers inflation.

Many investors have already increased their appetite for emerging markets like SA because they believe that the US interest rate hiking cycle has ended. This bodes really well for a stronger Rand, greater economic growth and job creation, and for increasing consumer confidence.

Consumer price inflation in SA is expected to slow more this year and to settle at around 4,5% in 2024, which is the midpoint of the Reserve Bank's target range. This will bring further relief to many households that have been struggling to make ends meet and enable many more to qualify for home loans.

The possibility that the global economic picture could change rapidly if conflict deepens in the Ukraine and/or the Middle East. This could create food and fuel shortages that would once again raise inflation all over the world and limit consumer appetite for new real estate purchases either in their home countries or internationally.

The general election in SA that could also disrupt the market for several weeks and make some buyers more cautious as they wait for the outcome.

As things stand now, though, things are definitely looking more positive for the SA market in 2024 and early 2025. Affordability, which has been a problem for homebuyers due to the rising cost of living over the past two years, will improve and be less of a constraint on home purchases as interest rates start falling.

At the start of the year, there will also be plenty of inventory for astute buyers and investors to choose from, as those homeowners who have 'run out of runway' after the trials of the past few years are forced to sell.

The demand will definitely be in the R600 000 to R5 million price range, and we anticipate that home loans will also be readily available to those with clean credit records.

In the rental sector, demand is expected to remain high and ensure good returns for investors, especially in the best performing R7500 to R12 500 a month category, provided that landlords remain extremely vigilant when vetting tenants. They simply must ensure that they work only with managing agents who have the right systems to conduct all the necessary credit and background checks, or they risk ending up with more problems than profits.

Everitt also notes that in the commercial real estate sector, specialised warehousing in strategic locations between city centres is becoming an increasingly profitable investment due to the high growth in online purchasing.

ENQUIRE NOW



DAVID COHEN: Visionary Real Estate Developer Transforming Lifestyle Cities, Defying Commercial Norms

By Neale Petersen



David Cohen is the innovative Managing Director of Signatura Property Developers. Signatura are a market leading residential and mixed-use property developer specialising in urban and peri-urban areas in the Cape Town and Garden Route precincts.

Originally after being born, educated and raised in the United States after earning a degree in finance and international business from New York University, David then moved to Israel where he worked as a trader and analyst for a large bank in Tel Aviv in 2011. In 2012 he moved back to Philadelphia in the US to work as as a Wealth Manager for Merril Lynch.

David always wanted to enter the real estate industry. He says property is the most universal and also the largest asset class in the world. It is something that humans from all walks of life discuss and understand. Although they might do it differently here compared to other countries, they always relate to each other through how we live.

David then moved permanenetly to South Africa. He first joined Signatura in 2013 as a Project Developer before being appointed as Managing Director in January 2015.

Signatura plan, design and sell apartments for investors and owner occupiers who are looking for well planned and uniquely designed apartments. They differentiate themselves from other developers by creating an integrated structure. Essentially, they don't just become a developer with a property sales arm for selling apartments, but they also manage short and long-term mixed-use lets through their subsidiary companies such as Perch.

Signatura have just launched their first high-profile 'flagship' mixed-use property development to much fanfare. It is also by far their their largest and most ambitious development to date. The new cutting-edge development called Riverlands located on the previous River Club precinct in Observatory is located in one of the new fast growth development nodes in Cape Town.





DAVID COHEN BIO

QUALIFICATIONS:

- Bachelor of Science (B.S.)degree in Finance and International Business from New York University;
- Master Arts in Government from Reichman University in Tel-Aviv, Israel.

FAMILY: Wife Hayley and two kids, Aya and Rafi
MOST ENJOYABLE ASPECT OF BEING IN PROPERTY: Every project is different so it never gets old.
HOBBIES: Ultra Distance Trail Running – he is doing Marathon Des Sables next year.
FAVOURITE BOOKS: The Godfather; The Count of Monte Cristo; Sapiens
PERSONAL MOTTO: 'Outside of a dog, a book is man's best friend. Inside of a dog, it's too dark to read.'

This prime Riverlands development is amixed-use with a combination of 14 000m2 office space (led by Amazon's as anchor tenant) followed by other keen office tenants snapping up rentals, with a 12 000m2 retail area and over 220 residential units in the first phase.

Signatura ensure they provide internet services which are investor friendly. They sell value as they want investors to have an implicit gain in their apartment value the day they do the handover. He says, 'Some developers try and squeeze as much as they can out of every deal, but we know that we will keep getting buyers if we are willing to share the upside.'

David stays updated on industry trends and ensures the business remains innovative and adaptable by reading and observing a lot of what is going on. He also spends lots of time engaging with architects, designers, furnishers, or anyone who is spotting the trends coming through first. He gets inspired with ideas on his travels. He still has family in the United States, so he is there almost every year. He is a lover of all things innovation, especially things that make our lives greener and happier.

His leadership philosophy is to give people their independence to run things how they like. He has a relatively flat organization. He says, ' If you have good people, you must back them. They also know that the buck stops with



Q & A WITH DAVID

1. WHERE DID YOUR JOURNEY TO SUCCESS START – LIST KEY MILESTONES & CHALLENGES?
I'm lucky enough to have been trained by my father-in-law, John Rabie who founded the company. His wealth of experience and knowledge was the best primer to enter the game.

We have had many challenges on the way, inflation, Covid, steel strikes, you name it. However, developing

The Onyx, our apartment-hotel asset was a game changer in how we think about long-term value.

2. SHARE A SPECIFIC PROJECT OR INITIATIVE YOU CONSIDER A TURNING POINT IN YOUR CAREER?
Our first office to resi conversion was The Radission Hotel and Residence, now the new Pullman hotel.

That was a great experience and quite ahead of the time as we did it in 2015, now because of Covid, they are talking about office conversions all over the world.

3. ANY SIGNIFICANT SETBACKS, FAILURES OR CHALLENGES?
Sure, we have had projects that didn't go to plan or that never even got off the ground because of planning. We never launched a project in Woodstock because we got knocked back at Heritage Western Cape.

4. HOW DO YOU APPROACH RISK TAKING IN BUSINESS? CAN YOU SHARE AN EXAMPLE WHERE A CALCULATED RISK PAID-OFF?
Our business is full of risk. It's a terrible business. You fix your revenue at the beginning (if you are lucky and can sell) and the only thing that changes and it never goes down are costs, so you have to really be a bit of a fortune teller, gambler and all around lover of risk to be in this business.

We joint ventured with Jody Aufrichtig and Nick Ferguson, the guys who own the Woodstock Exchange and The Biscuit Mill on a project in Woodstock which became WEX1. The land was not an insignificant line item, but we thought something was happening and it did.

We completely sold out well ahead of completion and it was actually the continuation of the boom that started in 2014 and only subsided towards 2019.

5. WHAT ARE THE 3 MOST IMPORTANT FACTORS WHEN EVALUATING A DEAL?
Location, price and size

6. WHAT ROLE DO YOU SEE TECHNOLOGY PLAYING IN THE FUTURE OF YOUR INDUSTRY & HOW DO YOU PREPARE FOR IT?
Difficult one. We are on the bricks and mortar side for sure but how people interact with buildings - work from home, etc is important for the future. We created the first completely digital accessible building in our Flamingo development in Sea Point - no physical keys.

7. HOW DO YOU ENVISION THE FUTURE TRENDS OF YOUR INDUSTRY? WHAT STEPS ARE YOU TAKING TO STAY AHEAD?
Its not a industry that can scale as it has so many players in it. Talk to anyone who will listen about what is going on.

8. ANY KEY INSIGHTS, KNOWLEDGE OR LESSONS THAT YOU GAINED THAT YOU WOULD LIKE TO SHARE?
The answers are our there, you just have to be humble enough to know that you don't have them.

9. MOST IMPORTANT LESSONS YOU HAVE LEARNT FROM THE EXPERIENCE IN YOUR CAPACITY AS AN INVESTOR?
Lifestyle cities will always trump commercial cities - Cape Town vs. Joburg; Rio vs Sao Paolo, etc.



10. HOW DO YOU MAINTAIN A WORK-LIFE BALANCE WHILE MANAGING PROFESSIONAL RESPONSIBILITIES?
The Digital world has created both a never ending work cycle but has also allowed for me to be away from my office. I see my kids every day and make sure I am always around.

11. WHAT ADVICE WOULD YOU GIVE ASPIRING ENTREPRENEURS OR PROFESSIONALS LOOKING TO MAKE THEIR MARK IN THE INDUSTRY?
Learn as much as you can. Don't think you will be CEO in two years. Patience makes all property people geniuses in the end.

12. WHAT DON'T PEOPLE KNOW ABOUT YOU?
I'm very much a homebody. I like to be at home or on the mountain.

13. IF YOU WOULD DO ANYTHING ELSE, WHAT WOULD IT BE?
Game Ranger

14. WHAT DO YOU WISH YOU COULD DO DIFFERENTLY?
Would love to be in the more affordable space. Could happen soon.

15. WHAT LASTING LEGACY WOULD YOU LIKE TO LEAVE IN THE WORLD?
I'm not too interested in legacy. There are billions of people in the world. As long as I haven't hurt anyone too badly and my family is happy, that's enough for me.

David certainly sets his sights high for both his business and personal life. Next year he is tackling the Marathon des Sables (or MdS). This is a multiday race held every year in southern Morocco in the Sahara Desert. This six-day race of about 250 km (an ultramarathon), approximately the distance of six regular marathons. The longest single stage is 91 km long.

SIGNATURA

FOR PEAK PERFORMANCE, **INVEST IN RIVERLANDS**

Sunbird is Signatura's first residential development in Riverlands, a 14-hectare New Urban oasis just 10 minutes from the centre of Cape Town. Set in an indigenous landscape of walking trails, riverside decks and restaurants, alongside a brilliant new shopping centre and high-tech offices, Sunbird offers a lifestyle superb convenience and quality.

LUXURY APARTMENTS FROM R1,4 MILLION
No transfer duty · 10% deposit

www.riverlands.capetown



KEY FEATURES

- Studios, one-bed & two-bed apartments with balconies
- Incredible views of Devil's Peak
- Expansive landscaped sun deck with swimming pool
- 24-hour reception desk & on-site security
- Well-equipped residents' gym & access to laundry
- Pre-installed, high-speed WiFi by Bunny Digital
- One parking bay for studios & one-beds; two for two-beds
- Generator for full load-shedding backup
- Two-hectare Eco Park & other green open spaces
- Six kilometres of river trails & running tracks

INVESTMENT OVERVIEW

- Construction is due to commence early in 2024
- Completion is earmarked for mid 2025
- Benefit from capital growth before transfer
- Harness semigration demand for Cape Town real estate
- Exceptional rental returns anticipated
- Over 6000 skilled employees working in the precinct
- Close proximity to Groote Schuur Hospital and UCT
- Turnkey rental management for long & short-term lets
- Airbnb management by Perch & other approved operators
- Tax incentives for purchasers of five or more units

RIVERLANDS
CAPE TOWN

DECADES OF EXPERTISE
Over 10 Years of Success, Pioneering People-Centric and Principled Property Development



In 2012 John Rabie embarked on a new chapter in his life by founding South Africa's first 'private label' property development company, Signatura, dedicated to re-energising Cape Town's inner city and peri-urban areas.

Their business model encompasses identifying existing sites and transforming them into significant real estate investment opportunities through the application of excellence and innovation in three key areas: architecture, landscaping, and interior design.

SIGNATURA

In the beginning
John was the original founder of the Rabie Property Group, who first started developing residential property back in 1978. Over three and a half decades, he has successfully led his company through two major recessions, a change in political dispensation, a global financial melt-down, and then a pandemic while winning several national and international awards along the way.

SIGNATURA
He pioneered public-private partnerships and was involved in significant mega-mixed-use developments in Cape Town including Marconi Beam, Westlake Estate, Royal Ascot in Milnerton, Big Bay, in Bloubergstrand and the advent of Century City. In 2019 he also launched his European development company called Neworld.



The new dawn
Today Signatura is setting the trend in the redevelopment of urban spaces in South Africa, with the focus strongly on the globally celebrated city of Cape Town and selected areas of the Western Cape such as Mossel Bay, George and Knysna. Now led by his son-in-law, David Cohen, as Managing Director with John Rabie as Chairman of the Group, this powerful combination of experience, vision and innovation is collectively steering Signatura through the challenges and opportunities of the 21st century.

While responding to the unique circumstances of the South African development landscape, Signatura also stays in step with trends evident in the great urban centres of the world such as New York, London, and Paris. These include the movement of clients from their suburban mansions to lock-up-and-go apartments in the City Bowl and the Atlantic Seaboard, exchanging the hassle of maintaining a large house and garden for the convenience of being near the urban centre and its cosmopolitan vibe.



To meet this need, Signatura has come to specialise in master-crafting larger multi-unit developments where a bigger infrastructure and a greater number of residents allow for the provision of spacious luxury amenities like landscaped leisure areas, swimming pools and co-working spaces. Working with some of the finest architects and landscape and interior designers in the country, this luxury-oriented developer continually evolves the meet ever-changing lifestyle needs and fulfil their mission of providing top-quality homes for discerning buyers.

And the market has responded enthusiatically. Since 2012, Signatura buyers have snapped up over R3 billion in prime Cape real estate. Signatura's enviable track-record of sold-out success stories goes back to very first launch in July 2012, when they launched The Outlook in Vredehoek.

Developments Sold Out

- The Outlook in Vredehoek
- Horizons in Vredehoek
- Robyndale in Kenilworth
- Azzurri in Sea Point
- Altino in Vredehoek
- High Glen in Atlantic Seaboard
- 45 on Exner in City Bowl
- Ivanette in Vredehoek
- Chelsea on Main in Green Point
- 53 on Kloof in Fresnaye
- The Reserve in Sea Point
- The Brittany in Sea Point
- The Residence in Fresnaye
- The Chelsea in Green Point
- The Address in Sea Point
- The Richmond in Green Point
- The Algakirk in Sea Point
- The Barkley in Fresnaye
- The Sentinel in Sea Point
- Radisson Blu in Cape Town CBD
- WEX1 in Woodstock
- WEX2 in Woodstock
- The Signature in Green Point
- The Beacon in Green Point
- The Onyx in Cape Town CBD
- The Quarter in Green Point
- The Cosmopolitan in Sea Point
- Deer Park Place in Vredehoek
- The Flamingo in Sea Point
- Le Jardin in George



"Adding my name, decades of experience, and my no-compromise dedication to outstanding quality gives buyers the peace of mind that they are purchasing property of the very highest standards of design, construction and finishing."
John Rabie, Founder & Chairman - Signatura



Developments For Sale
Currently Signatura has six prime developments with brand new apartments, penthouses and townhouses for sale in Cape Town and the Garden Route.

- Arbour Nature Estate in George
- Seahorse in Knysna
- Mossel Cove in Mossel Bay
- The Meadows in George
- The Rose on 117 in Green Point
- Willow Lane in Milnerton

New 'flagship' Riverlands Development
Their latest 'flagship' development being launched is Riverlands a world-class new urban oasis situated on the banks of the rehabilitated Liesbeek River, less than 10 minutes from the centre of Cape Town.

This 14-hectare mixed-use precinct is without question the Mother City's most exciting new growth node and will create a strategically important link to the M5 highway across the Black River.

Short & Long-term Rental Management
If you are looking to create an income stream from your residential investment property, Signatura's add-on services can take care of all of the hassles and headaches of being a landlord.

Investing in residential real estate is a great way to build wealth. As an asset class, a buy-to-let property offer unique benefits, combining a rental income stream that can fund your investment by paying off your mortgage, with long-term capital growth that can produce market-beating returns.

But there is a drawback: the business of finding and managing a tenant can be complex, time-consuming and involves potentially serious legal and taxation issues.

Signatura has addressed these needs through an integrated approach with important secondary services like Signatura Rentals, for long-term rental management, Perch Short Stays for short-term rental management in the Airbnb space, and Bunny Digital, for the seamless provision of fibre optic cabling and concealed WiFi units. In all of these areas, efficiency equals better margins for owners as Signatura leverages the scale in their developments to reduce operational costs and put more money to the bottom line for the owner.

This innovative approach has also seen the company push for better energy and water-saving solutions as well as adapting new technologies like keyless, smartphone-based access control.

All of these additional services and innovations contribute to greater peace of mind for the investor, knowing he or she can buy off plan with confidence underwritten by a visionary South African development company.





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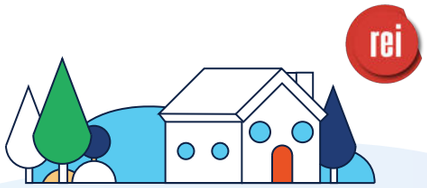
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Telephone: +27 (21) 419-2808
Email: info@signatura.biz

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FICA Compliance

Guidance for the Real Estate Sector



1 Relationship Starts with Seller

- Relationship starts with seller when **mandate is signed**
- **FICA needs to happen on seller** as Estate Agents are Accountable Institutions
- Lightstone / Windeed report is pulled to **ensure that the registered seller is the owner of the property**
- **Application with seller's details is created on DocFox where FICA is done within minutes - this includes risk rating, sanction screening and adverse media checks**

Read our article:
An example of when to conduct Enhanced Due Diligence in the Property Sector>>> for examples on how to conduct proper due diligence

2 Property is Listed For Sale

- **Marketing** of property starts
- **Prospective buyers** come and view the property
- Buyer can submit an **Offer to Purchase (OTP)** if interested in buying the property

3 Prospective Buyer is Identified

The following questions are some examples that will impact how the terms and conditions of the sale of the property are put together in the OTP & whether the prospective buyer is a good fit:

- What are the suspensive conditions of sale?
- How do they intend to pay?
- ge status?
- Should they need a h
  contact a bond orginator

4 Bond Originator performs **Credit Checks**

CLICK HERE TO ACCESS THE FULL GUIDE

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INVESTING



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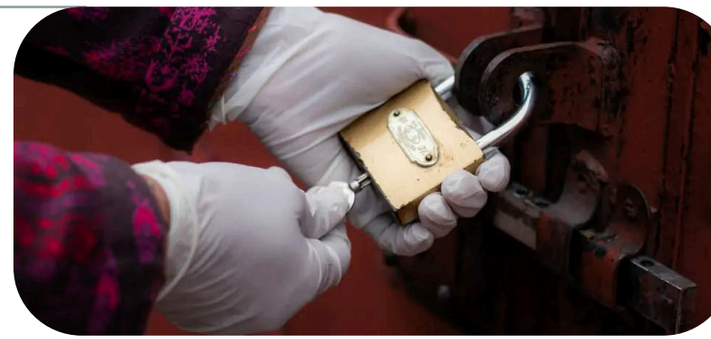
Mastering the Art of Property Investment

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Unlocking the potential of South Africa's infrastructure development

TRENDING ONLINE

Unlocking Insights: South Africa's 2024 Property Market Forecast from a Developer's Perspective



MASTERING THE ART OF PROPERTY INVESTMENT

Navigating risks and reaping Rewards

By Jaco Grobbelaar



Investing in property has long been considered one of the safest and most rewarding forms of investment. There are many rewards of property investment that add to its allure. However, as with any investment, investing in property comes with its own set of risks and challenges.

Still, I truly believe investing in property is one of the safest investments you can make. And I'll tell you why:

Property is tangible
Unlike stocks or bonds, property is a physical asset that you can feel, touch, and see. This tangibility provides a sense of security that many investors find reassuring. In fact, it's one of the key advantages of investing in property.

"The biggest risk is to take no risk at all."
CASEY NEISTA

Property is a basic human need
Property investments also act as a solution to a fundamental human need – shelter. Everyone needs a roof over their head, which means an entry-level property will always be in demand. This consistent demand is a reliable foundation for investing in property.

Demand drives property prices up
From a fundamental economic perspective, property prices are influenced by the simple law of supply and demand. In South Africa, the population is steadily growing but from a supply side, land is limited, and they are not making any more of it! This means that property prices will continue to increase, making property an attractive investment option.



Understanding risk in property investment
This might sound contradictory, but the risk associated with property investment is another reason to invest. The basic measurement for risk in the investment world is standard deviation. It measures how much your return on investment deviates from the average return on investment.

Now, consider all the properties you or your relatives and friends have ever owned. Have you ever known one to plummet in value? It is a rare occasion. The standard deviation in property is extremely low because returns are very constant. Property prices also do not deviate drastically from one year to another and usually increase (whether slow or fast) from year to year.

The same is true for rental income and your net rental yield. Rentals increase very consistently from year to year and very seldom go lower. The standard deviation for rental income is also extremely low because rental returns are very consistent. Again, rental prices do not no deviate drastically from one year to another.

Managing risk in property investment
While property is generally a low-risk investment, risk comes in when you start using leverage (debt) and when you have a monthly shortfall to service your debt. For

example, when your monthly rental income is less than the mortgage payment, levies, rates and taxes, rental commission, etc, you could be in trouble. This is where a low-risk investment can very quickly become a high-risk endeavour.

So, how do you hedge yourself against such risk? You do it by building your property portfolio in such a way that there are no shortfalls on your property. Or if there are shortfalls on your property, you must have a strong reserve fund to subsidise your monthly shortfalls. Ideally, you want your reserve fund to cover at least five years of shortfalls.

The best way to prepare a reserve fund is to refinance your properties to market value. Then, park the funds made available in the access bonds of the properties so you don't pay interest on the money while you are not using the funds. These funds can then be used to subsidise your monthly shortfall, providing a safety net in case of unexpected circumstances.

A reserve fund is so important as subsidising shortfalls out of your pocket can become very dangerous. What if interest rates go up? What if you lose your job? Suddenly, you won't have a monthly income to subsidise the shortfalls anymore!

Even though property is a low-risk investment, your reserve fund is critical, especially when you finance and refinance your properties. You need to have a certain percentage of the property value in cash in case something goes wrong.

For example, you can start with a reserve fund containing 10% of the property value and then increase it to 15% eventually. In other words, if you have a R1 million property, you want R100k in your access bond and move towards having R150k. But you do not have to save up for this. You can refinance your property and keep this amount separate in your bond (access/flexi) after you've had the property for a year.

Read our article on how to Maximise your Property Investment with Access Bonds.

Balancing the risks and rewards of property investment

Property investment offers a compelling avenue for building wealth and financial freedom, especially when leveraged responsibly. And while it's essential to understand the potential risks, don't allow them to put you off property investment. Use the safe investment of property and add leverage to your portfolio to increase the asset base and the internal rate of return even more.

By adopting prudent financial practices, maintaining a reserve fund, and assessing risk intelligently, property investors can navigate the path to prosperity while minimising potential pitfalls. The key is to do it responsibly, so you don't turn your property portfolio into a high-risk investment.

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JACO GROBBELAAR
CEO & Founder
Prosperity Enterprises



PROPERTY HOT SPOTS
Western Cape dominates as the best area to invest in property, hands down!

By Neale Petersen



The South African residential property market boasts a collective stock value exceeding R6.8 trillion (August 2023), with Freehold dominating at 81%, Sectional Title at 12%, and Lifestyle Estates at 7%. However, the past four years have presented challenges to property owners due to the pandemic, high interest rates, inflation, and economic downturn, affecting new buyers and landlords.

While many faced disappointment, seasoned investors remain strategic, focusing on understanding market dynamics, analyzing price trends, and balancing supply and demand. To guide investors, let's explore property hotspots, good capital gains, and lucrative rental returns.

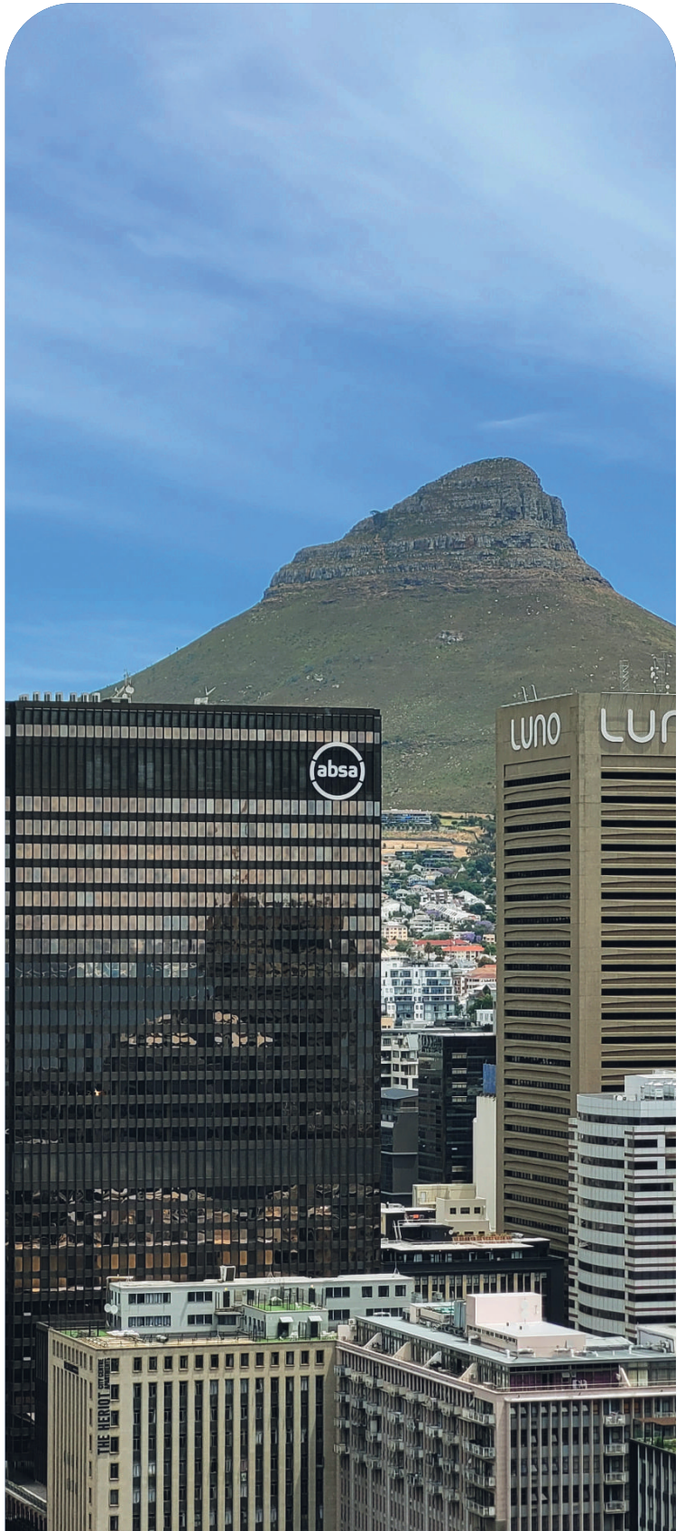
Understanding Property Hotspots

Property hotspots are areas where prices surge beyond the national average due to specific micro circumstances. These opportunities yield above-average returns on investment (ROI) if purchased wisely. A good capital gain typically occurs over a longer period, averaging between 2% and 6% house price inflation since the 2008/9 market crash.

For rental properties, an annualized ROI of 8-12% is considered good, with anything exceeding 15% being spectacular. However, high returns require diligent management, marketing, and customer service.

Factors to Consider that Investors should evaluate:

- Expected cash flow from rental income (benefiting from inflation).



- High tenanted properties for steady cash flow.
- Expected intrinsic value increase due to long-term appreciation.
- Benefits of depreciation and available tax benefits.
- Cost-benefit analysis of renovations for improved resale value.

Property Types Offering High Returns and Profits

- AirBnb - flats, townhouses to houses with multiple rooms
- Student Accommodation
- Residential Apartment complexes
- Industrial units
- Self-storage

As the festive season approaches, short-term rentals like AirBnb, holiday houses, and student accommodation are gaining preference over traditional options, driven by increased tourism.

Western Cape

The Cape Town residential property continues to see continued growth as the city is seen as the better place to live and do business. It is forcing a semigration trend where people are moving from other provinces such as Gauteng and Kwa-Zulu Natal to the Western Cape. There are clear reasons contributing to this growth?

- Municipalities and services are run extremely well
- The road and area infrastructure are well maintained.
- Employment rates are the highest in the country
- Tourism drives high rental demand
- The Residential property sector has consistently been the best-performing market in SA for more than a decade with the highest house price growth
- Above average rentals with very low vacancies

Ross Levin of Seeff Atlantic Seaboard says the Cape Town rental market is booming, both for longer term residential rentals and short stay accommodation. The return of tourism to pre-pandemic levels combined with the resurgence of events in the city such as the Formula E, Sevens rugby etc. all contribute to the high demand.

Lightstone's assessment of the proportion of sales between R100k and R20m in 2019 and 2023 shows that the Western Cape's share has jumped from 23% to 27%, while Gauteng has slipped from 43% to 39%. The opening

up of international investment, semigration and higher employment has put the Western Cape firmly onto the investment map.

In the Western Cape, particularly Cape Town, the residential property market continues to thrive due to well-run municipalities, maintained infrastructure, high employment rates, and tourism demand. Notable municipalities include Overstrand, Stellenbosch, and Hessequa.

The most active municipalities in the Western Cape are Overstrand, Stellenbosch and Hessequa, followed by Knysna, Prince Albert, Saldanha Bay, Kannaland, Swellendam, Bergrivier and Cape Agulhas, with Cape Town seeing its share of activity rise from 15% to 17%.

“The most increased town activity (as opposed to municipality) has been around Stellenbosch, and then along the West Coast (Langebaan, Yzerfontein and St Helena Bay), inland around Darling, Riebeeck Kasteel and Barrydale, in Cape Town (Scarborough, Hout Bay, Noordhoek) and then heading east along the south coast, in towns such as Gansbaai, Stillbaai, Mossel Bay and Knysna,” Lightstone.

There are also a few countryside towns within the Western Cape that provide a serene, nature-centric environment, attracting those who are seeking an escape from the hustle and bustle of the city. Entry-level homes in these types of towns are still affordable, often starting at R1.5 to R2 million.

“Buyers can enjoy spacious properties, beautiful landscapes, and a slower pace of life in areas such as Gansbaai, Pearly beach, Baardskeerdersbos, Villiersdorp, Franskraal, Genadendal, and Greyton. In fact, over the last three months, we've observed a notable increase in city residents looking to relocate to rural towns. This surge may be attributed to a growing preference for a serene and nature-centric lifestyle and remote working.

Other markets

The other South African provinces overall are going through a drop in investor confidence because of mismanaged municipalities meaning poor services, poor road infrastructure, no investment, energy issues, excessive loadshedding, water shortages, and other challenges which are unique to those areas.

Gauteng's Sandton however is transitioning from a strong business district to a more luxury residential space, offering many redevelopment opportunities. Pretoria stands out as the world's most affordable capital city, attracting first-time buyers and families.

In KwaZulu-Natal, Ballito, and coastal towns experience growth, while the Eastern Cape sees a rise in smaller towns, attracting semigrants and first-time buyers. Mpumalanga emerges as a property investment hotspot with a 17.3% house price inflation, offering diverse options for first-time buyers, professionals, and retirees.

Bloemfontein in the Free State stands out as an affordable city, attracting young buyers and families. As interest rates stabilize, these hotspots offer promising investment opportunities for those who understand the nuances of each market.

Despite the allure of the Western Cape, other provinces grapple with the persistent challenge of inadequate municipal services. The key to retaining residents and attracting real estate investors lies in a combination of interest rate recovery, inflation reduction, and significant improvements in municipal services. Until these factors align, the Western Cape is poised to maintain its appeal, drawing in individuals and investors from across other provinces.

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RIVERLANDS, Cape Town





PRICING from R1,4 million for Studios

RIVERLANDS

Sunbird will make up the first of two official residential buildings in Riverlands. Sunbird has a South and North Block which will completed by April to June 2025.

DEVELOPER: Signatura

TYPE: Studios @ 33sqm, One bed 47sqm and & Two bed 65 sqm

KEY FEATURES:

- Great potential rental returns starting from R10k per unit
- Heated swimming pool & gym
- Oven, hob and extractor fan, built-n cupboards in kitchen and bedrooms with high-quality finishes
- Laundry access
- 6km walking/running track
- Restaurants on North Block
- 24-hour security
- Eco Park
- Heritage Centre
- Shopping Centre

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FERNDALE, RANDBURG - JOHANNESBURG



PRICING from R599,900 for One Bedroom Apartments

THE BASE

The Base Apartments is situated just off central Randburg CBD and is surrounded by a multitude of small to large businesses, corporations, universities, gyms, colleges, hospitals, plenty of shopping centres and night life opportunities.

Brand new, state-of-the-art shopping mall, Ferndale on Republic, is just 2 minute's drive away. The Base is a 15 minute drive from Sandton, Bryanston or Rosebank. Making it the perfect base for young professionals.

AGENT: Ryan's Realty
TYPE: Apartments with one and two bedrooms
KEY FEATURES:

- 24 Hour Security
- Smart Tech
- Low Energy
- Green zones
- Natural Light

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BRYANSTON, JOHANNESBURG



PRICING from R714 000

170 ON GROSVENOR

170 on Grosvenor is an exciting new affordable housing development in Johannesburg that offers 185 exclusive off-plan units designed for those who seek quality, convenience, and a vibrant lifestyle. Prime Location: Nestled at 170 Grosvenor Road, our development enjoys a strategic position within the heart of Bryanston.

AGENT: Adrienne Hersch Properties
TYPE: Apartments with one and two bedrooms from 36sqm to 139sqm
KEY FEATURES:

- Prime location
- Lifestyle Centre
- Co-working area
- Swimming Pool area
- Play area
- Coffee Bar
- Laundromat
- Gym & Yoga studio
- Concierge services

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SHELLY BEACH

A coastal oasis crafted by nature
HOMES FROM R2 700 000 | LAND FROM R460 000

THE MOST SECURE LUXURY LIFESTYLE ESTATE

Sunrise ocean views, roaming wildlife, unrivalled nature, a touch of luxury, and a space centered around family-living – This is Bahari Bay life. Discover this hidden residential lifestyle gem, where homes are designed around modern-day conveniences and coastal bliss within Shelly Beach, KZN's South Coast. Pioneering eco-friendly living, Bahari Bay presents land opportunities from R460 000 and a range of 3 and 4-bedroom pet-friendly freestanding homes from R2.6 million.

UNRIVALLED ACCESS TO **OUTDOOR FACILITIES WITHIN THE ESTATE**



For more Information **CLICK HERE**

Interview with Gawie Venter and Neal Peterson | Bahari Bay Trailer

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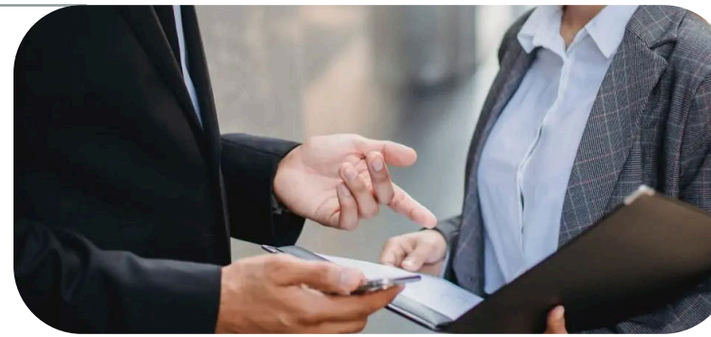
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Mastering the art of fair and harmonious lease termination negotiations



PAGE 69
Why investing in Leisure Sectional Title is a hot trend for savvy investors

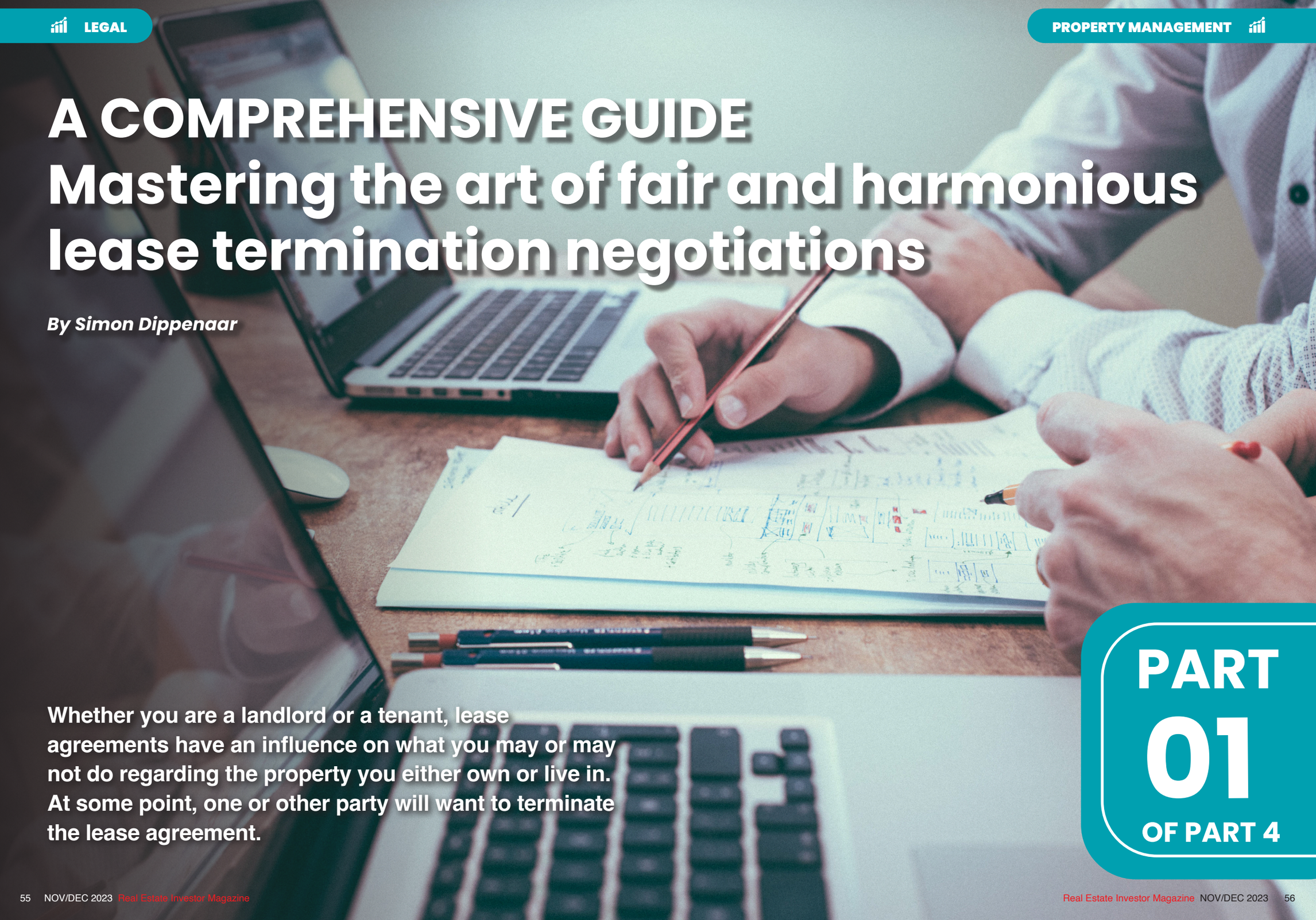
TRENDING ONLINE

Unlocking Insider Secrets: How to negotiate a better mortgage bond rate



A COMPREHENSIVE GUIDE Mastering the art of fair and harmonious lease termination negotiations

By Simon Dippenaar



Whether you are a landlord or a tenant, lease agreements have an influence on what you may or may not do regarding the property you either own or live in. At some point, one or other party will want to terminate the lease agreement.

PART 01 OF PART 4

If you're the tenant, you may be ready to buy a property of your own. If you're the landlord, circumstances may arise where you need to sell the property, or live in it yourself. There may be a rental dispute which causes the relationship between landlord and tenant to break down and you decide to terminate the agreement.

Lease agreements usually bind the parties to the terms and conditions of the agreement until the lease expiry date. How can you approach the situation to achieve a successful termination that is mutually acceptable, allows flexibility, and saves the time and money associated with formal legal processes?



6 Key Strategies for a favourable lease termination negotiation

1. **Know your lease terms**
   Before you approach the other party, familiarise yourself with what your lease agreement says and understand what your rights and obligations are. Look for any clauses that specifically deal with the termination of the lease agreement.

   These clauses may have conditions that will first need to be met and can cover a variety of considerations such as cancellation penalties or notice periods.

   Check the market-related rent as well as vacancy rates in your area. If these are in your favour, let the other party know.

2. **Communicate your needs**
   When you are clear on your contractual obligations and rights, contact the other party and communicate why you would like to terminate the lease agreement. Explain your reasons and see if the other party is willing to accommodate your situation.

   Avoid making demands or threats. Be honest and respectful. If the other party doesn't fully understand why you want to terminate the lease agreement, they may become defensive. Explain the benefits of reaching a mutually agreeable solution, such as avoiding legal disputes and maintaining a good relationship.

3. **Explore the termination options**
   Depending on what your lease agreement says and how the other party responds to your request to terminate the lease, you may have different options as you negotiate the termination.

   Your options may include:
   - Early termination with a cancellation penalty

- Termination with no penalties
- Early termination and the obligation to secure alternative tenants
- Transfer of lease rights and obligations to another tenant (assignment)
- Rental of part of or the entire property to another tenant (subleasing)

4. **Negotiate the best deal**
Once you have discussed the options with the other party, try to negotiate a solution that will be beneficial to you both. Don't delay discussions; resolve the issue as soon as possible before tensions arise.

Be mindful of notice periods and ensure you comply with everything required of you to prevent any unnecessary challenges that may accompany the termination negotiations.

5. **How do I know what the best deal is?**
Compare the costs and benefits of your desired approach and determine which option will be the most attractive and affordable to both parties. Assess the risks and liabilities attached to each option as well as any possible contingencies or guarantees that may be necessary to protect you or the other party from future problems or disputes.

A good rule of thumb is to ask yourself whether the desired route is clear, fair, enforceable and consistent with both your lease agreement and any applicable laws or regulations.

6. **Finalise the agreement**
Once you and the other party have reached agreement, confirm it in writing. You should both sign a formal agreement reflecting the terms and conditions. To be safe, consult a lawyer and ask them to advise on whether the intended approach is legally sound. The lawyer can also assist in drafting the formal agreement and ensure all the details of your solution are properly addressed.

Once finalised, you must then comply with your obligations and follow through with the agreement.



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SIMON DIPPENAAR
Founder & Eviction Specialist
Simon Dippenaar & Associates

Community Schemes | Rental Portfolios | Inspections & Maintenance

WECONNECTU RECEIVES

International Recognition.

by **Johann, Danie & Schalk van der Merwe**



WECONNECTU RECEIVES INTERNATIONAL RECOGNITION



From right to left: **Schalk, Danie & Johann**
Directors at WeconnectU

If you've been following our journey for a while now, you'll know that WeconnectU is the only company in South Africa to provide custom-built solutions for all three facets of property management (Community Management, Rental Asset Management, Inspections & Maintenance Management).

Our Solutions

Community Management

A single solution that seamlessly integrates all the functions of property management and accounting for managers of Bodies Corporate and HOAs.

Rental Asset Management

An end-to-end solution addressing all five pillars of Rental Portfolio Management, from tenants to documentation to financials, inspections and maintenance and compliance.

RedRabbit Inspection & Maintenance Management

Powerful, proactive and integrated real-time inspection, reporting and maintenance management for property professionals.

Being in this unique position, and collaborating with almost 1500 clients across our three solutions, is an achievement that fills us with pride on a daily basis. However, that pride has recently received a very humbling boost in the form of recognition from two highly respected international organisations.

WeconnectU makes AU-Startups' Proptech Watchlist—twice!

The first organisation is AU-Startups, a thriving community of founders, investors, industry experts and organisations committed to fostering entrepreneurship in Africa. Their article on Southern African Proptech innovators recognised both RedRabbit – powered exclusively by WeconnectU – and our WeconnectU platform (offering Community Management, Rental Asset Management and RedRabbit) as two of the 12 solutions transforming Property Management and Investment in Southern Africa today.

Describing RedRabbit as "innovative and intuitive" AU-Startups specifically drew attention to its ability to streamline inspection and maintenance workflows while eliminating repetitive tasks and time-wasting activities.

For us, this was encouraging validation of our efforts to build solutions that go beyond mere functionality to actually solve the core challenges property managers face.

In this case, the time-consuming and fiddly nature of inspections and maintenance management and the frequently overlooked value-adding opportunities that come with a proactive approach. The article went on to describe the consolidated WeconnectU solutions ecosystem as "revolutionising" for property portfolio management. Their conclusion stated that our solutions are "transforming property management and elevating standards of quality and convenience within the real estate industry" – a wonderful confirmation of our number one goal!

WeconnectU wins Best Property Management Software (South Africa)

Our commitment to building customer-centric solutions also contributed to our success in the latest Technology Innovator Awards, hosted by Innovation in Business. The judging panel and research team considered our "commitment to customer service, creativity and innovation" as pivotal factors in awarding our three-solution ecosystem (Community Management, Rental Asset Management and RedRabbit) the Best Property Management Software (South Africa).

Known for their merit-driven approach, this was both humbling and excellent motivation to continue pushing forward with our ultimate goal: to create more valued and valuable property managers through innovative, effective and customer-centric solutions that solve the four challenges of property management – Compliance, Manageability, Scalability and Profitability.

Onwards and upwards

It's always rewarding to receive external validation for our efforts, but rest assured: our dedicated and passionate team will not be resting on our laurels.

Over the last two years, our staff complement has almost doubled in size to keep up with our rapid rate of development and customer engagement. We have every intention of keeping up that momentum to remain the most innovative and customer-centric software solutions company around.

We've worked hard to get where we are today, but will never forget our origins as property managers. We are fully aware that none of our successes could have ever been possible without the collaborative input of our valued clients on the frontline. We look forward to many more years of working together to solve the real challenges of property management, and to changing the face of the industry for the better.

Hit the ground running in 2024 with a true technology partner at your side. Our solutions help pave the way for greater efficiency, efficacy and profit, empowering you to wow your clients and rekindle your passion for your business.



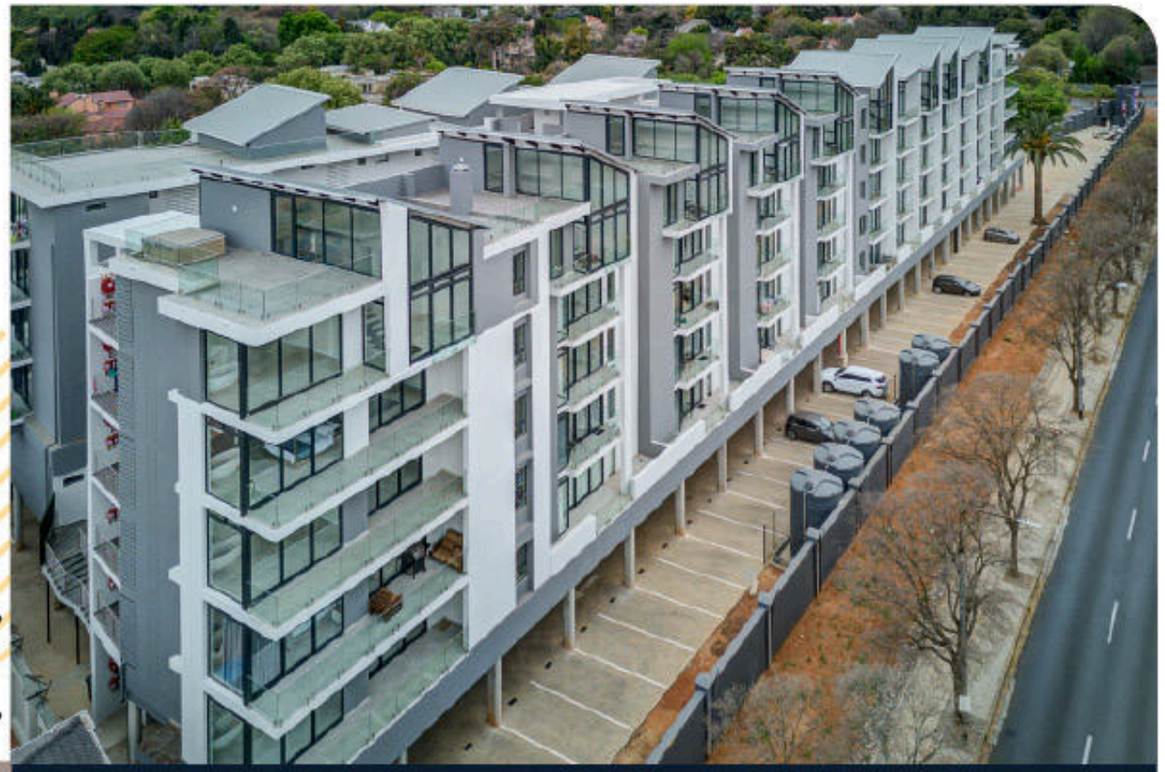
About WeconnectU

WeconnectU offers intelligent, data-driven software solutions tailored to empower Property Managers like you. Our solutions provide Property Managers, Trustees, and Investors with critical insights for informed decision-making. Connect with us today to explore how our innovative solutions can enhance your ability to communicate value and become a more valuable property manager.

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UNLOCK ULTIMATE RELAXATION Why investing in Leisure Sectional Title is a hot trend for savvy investors

By Editorial



Investing and owning a leisure property at popular holiday destinations is becoming a rising investment option for investors. The benefit of going on holiday to an owned destination of choice coupled with earning secure investment rental returns is becoming an enticing prospect.

The Beekman Group is a leisure hospitality provider and property developer headquartered in Port Shepstone on the South Coast of KwaZulu-Natal with over 50 years industry experience. The group is known as a leisure services provider of holiday accommodation and resort management services.

The Group was founded by the dynamic duo of John and Bram Beekman, who began their business journey with a humble paint contracting business, Beekman Group Painters, in 1970. Their complementary strengths led to rapid growth, eventually becoming one of Johannesburg's largest contracting companies. By 1980, the company had blossomed and was subsequently sold, marking the transition to their next venture.

Within the Beekman Managed Portfolio (BMP) is a collection of high-end resorts offering a combination of lifestyle and leisure property currently valued over R1,3 billion. They manage over 30 vacation destinations in five countries and manage a membership database of over 80,000.

Entering the Vacation Ownership Industry

Relocating to Durban in 1980, Bram and John ventured into the vacation ownership industry with their first development at Banana Beach on the KwaZulu-Natal South Coast.

Affiliated with RCI (UK), this venture marked their entry into the local leisure industry and laid the foundation for the official launch of The Beekman Group in 1981, a respected developer and marketing pioneer in Vacation Ownership. Their journey continued with the development of six vacation ownership resorts, including the Qunu Falls near Ixopo.

Revolutionising Vacation Ownership
In 1993 The Holiday Club was established in South Africa and soon expanded into Australia and Botswana. The introduction of a flexible Points System transformed the concept of vacation ownership, providing members with a variety choices in Southern Africa and overseas. Fiona Broom emphasised the significance of this business development, stating, “The Holiday Club's innovative Points System revolutionised the vacation ownership industry, giving members unprecedented flexibility and variety in their vacation options.”

More recently, Beekman Group has seized the potential of sectional title ownership as a contemporary alternative to traditional property investment models. Remaining at the forefront of this resurgent property market trend, the Group boasts an array of high-end developments in picturesque locales, appealing to a diverse range of investor preferences.

As sectional title ownership gains prominence among buyers and investors, their offerings stand out, providing individuals the opportunity to secure ownership of a luxury villa or unit within larger properties or developments. This approach grants access to shared amenities and a host of benefits, contributing to its growing popularity within the holiday home and tourism sector.

Diversification within the Property Industry

Having excelled in the leisure market, Beekman Group expanded into property development within the commercial and residential sectors. In 2002, the Group diversified into commercial property development, catering to the needs of major commercial clients. These developments have an approximate market value of R495 million and can be found in major business hubs in the Western Cape and KwaZulu-Natal.

Key Benefits of Investing into Leisure

- Earn up to 12% annual net returns.
- Consistent Rental Income opportunity
- Holiday destination flexibility.
- Hassle-free ownership
- Exclusive access to all Beekman Managed Portfolio luxury resorts

PRICING

- Exchange options to more than 4000 resorts locally and internationally
- Exclusive discounted rates on selected facilities at all Beekman Managed portfolio resorts

In September 2023, Beekman launched an 'Invest in Leisure' product which offers savvy investors the opportunity to own a sectional title hotel room or entire villa at one of their award-winning resorts.

Four leisure sectional title developments - 'Invest in Leisure' today:





1.The Kingdom Resort - Pilanesberg, Northwest, South Africa

- **LOCATION** - Situated within 2 hour's drive from Johannesburg and Pretoria less than 5-minute drive from Sun City & Pilanesberg - a top bush tourist destination focused on big 5 games.
- **GRADING** - Resort boasts a top 4-star rating from Tourism Grading Council of SA
- **FACILITIES** - Rare game experience, Day spa, Waterpark with lots of top outdoor sports facilities
- **INVESTMENT FUNDAMENTALS** - Area attracts 30% of international tourists with peak summer weekends reaching 100% occupancy rates.
- **PRICING** - Starts from an estimated R1,34 million

2. Cayley Mountain Resort - Central Drakensberg, KZN

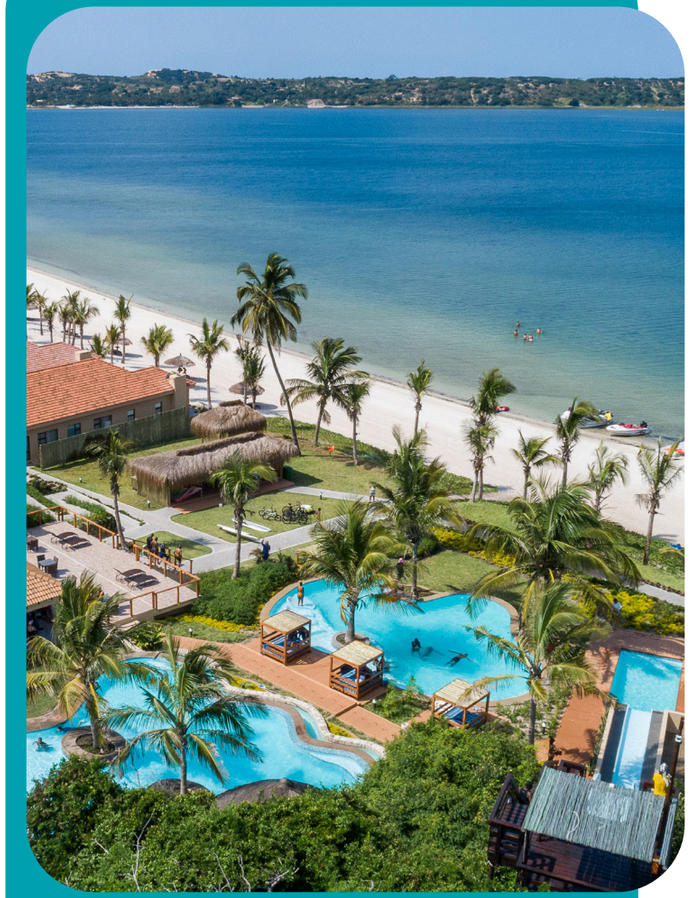
- **LOCATION** - Overlooking Cathkin Peak and Champagne Castle ranges with lots of nearby attractions.
- **GRADING** - Resort top 4-Star rating from Tourism Grading Council of SA
- **FACILITIES** – Top facilities including Spa, Beach Club, Adventure sports, and multiple sporting options
- **INVESTMENT FUNDAMENTALS** - Accommodation and purchase options include villas, hotels and suites
- **PRICING** - Starts from R1,34 million with proven returns of up to 12





3. San Martinho beach Club - Bilene, Mozambique

- **LOCATION** - Located in Bilene, Mozambique - 2,5km north of Maputo along 1.3km of pristine white beaches in a lush, tropical setting.
- **GRADING** - Resort holds a 4-star rating from Mozambique's Tourism board.
- **FACILITIES** - Resort has variety of all the best on-site facilities including games rooms, gym, sporting facilities and a variety of aquatic adventures.
- **INVESTMENT FUNDAMENTALS** - Attracts international tourists and accommodation and purchase options available for villas and apartments.
- **PRICING** - Starts from an estimated R3, 4 million







4. Menlyn Mix - Menlyn, Pretoria

- **LOCATION** - Off-plan development situated in the prime location of Menlyn Maine precinct, Pretoria. Close to vibrant shopping ands restaurant scene in Pretoria with ample amenities for a full holiday or getaway experience.
- **GRADING** - Facilities and amenities expected to earn 4-star grading.
- **FACILITIES** – Sought after features pool, communal outdoor area, gym, business centre with meeting and video rooms
- **INVESTMENT FUNDAMENTALS** – Sectional title is high in demand within Menlyn Main and modern 1,2 & 3 bedroom apartments are available.
- **PRICING** – Starts from R 1,895 million with an expected annual return of up to 12%



The emergence of the Sectional Title model marks a shift in property ownership, offering a fresh and unique approach that enables investors to reap the rewards of high-end hospitality investments.

The Beekman Group surpasses investor expectations while managing a diverse portfolio of R1.3 billion in local property investments, overseeing more than 40 vacation destinations spanning five countries, and catering to over 80,000 members. For more information click on enquiries.

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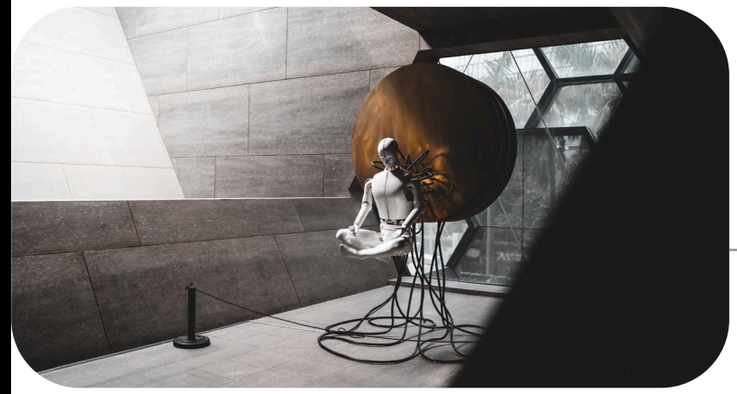
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Augmenting AI with Generic and Proprietary insights for supercharged Decision-Making in Business



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Unraveling the risks of Business Email compromise and its potentially devastating consequences

TRENDING ONLINE

The Evolution of Investment Strategies in the Real Estate Market



TRANSFORMING DATE INTO COMPETITIVE EDGE

Augmenting AI with Generic and Proprietary insights for supercharged Decision-Making in Business

By Paul-Roux de Kock



In the near future, an estate agent will know who will list a property on the market in an area, and at what price, because AI-driven insights products will say so. Similarly, data will help a car dealer understand which vehicle and value-added products will provide the most joy to a specific customer on their floor while optimising their profit.

These property and auto industry scenarios are just two ways the almost limitless value of data is being unlocked to create strategic and operational benefits that help businesses sell more properties, vehicles, financial products – and almost any other consumer product or service.

Data has become an increasingly important asset over the past twenty years, and while data sources are not always effectively commoditised and their lack of "fungibility" can make it difficult to put a direct value on it, their strategic and operational value is widely recognised. Research shows that global C-suite executives believe that companies that "excel at integrating data into their strategy, operations and culture are largely outpacing their peers in revenue growth and profitability".

Transforming data to insights is, however, the key, as idle data has little value. British mathematician Clive Humby said in 2006 that "data is the new oil" and he was referencing its potential value once it had been refined, processed and transformed into something useful.

The more complex and uncertain the world gets, the greater the demand for crystal clear insights from data because it helps provide a more predictable roadmap through economic disruption and political turmoil.

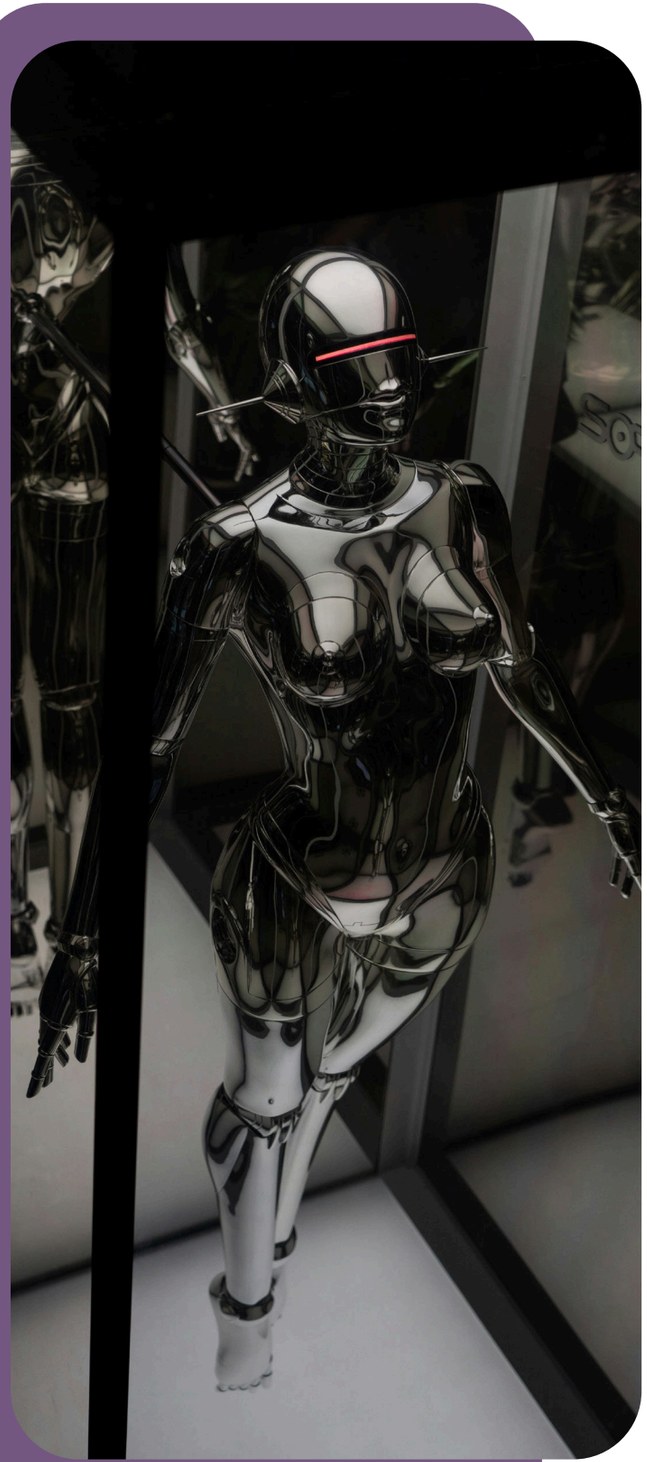
The strategic and operational value of data grows exponentially with more history and diverse sources of data, whether externally sourced or internally produced by products and systems, and of course in how data is processed and transformed to unlock insights which have a positive impact in the real world.

The purpose of building data sets and unlocking insights, in our world, is to enable our clients with "superpowered" decision making abilities when using our products to build a competitive advantage in their business.

Building data value

Aggregating customer and market data to gain competitive advantage is not new, although the process used to be slow and limited in scope and scale.

Despite this, the value of data grew with time – the more history there was, the greater the opportunity to discern trends and improve



interpretation by comparing data sets from one period to another. As an example, assessing deeds data at a certain date offers only a limited view of the property market if compared to analysing deeds data over our comprehensive historical property dataset.

Consumer technology changed the way data is collected and stored, but more importantly, it revolutionised how different data sources – from social media and GPS location to content choices and sales information – can be integrated to create deep insights into customer behaviour that were not possible before.

Now, AI and machine learning analyses a person's "digital exhaust" which reveals so much more in terms of interests, activities and location. And when thousands or millions of "digital exhausts" are blended, the strategic and operational value of the data increases exponentially.

In a B2B context, widely available generic data is becoming less useful, but significant value can be added to the usability of the information if layered with unique data, some of which comes from

using proprietary products and systems – in our case, Lightstone's Property Toolkit (the core delivery mechanism of our analytical products to property professionals), Lightstone's EZVal (a home valuation workflow platform used by our banking clients) and Lightstone's Signio (an online platform that facilitates finance and insurance transactions in motor dealerships) are examples.

It's important we use data that's reliable, accurate, complete, relevant and timely to effectively build algorithmic "superpowers". Managing data is critical, whether from external partners or generated internally, and it is important to build tools which track the quality of those data sources and the impact it has on the outcomes of decisions our clients make when using our analytical products.



The power of predictive and prescriptive analytics

Data improves operational efficiency and helps businesses make better decisions, and advanced AI processes and tools help our users move from merely understanding future outcomes (predictive analytics) to being recommended the most optimal course of action to take (prescriptive analytics).

Machine learning technology helps optimize decisions in "real time". A finance and insurance representative in the automotive industry needs to offer value-added products such as an extended motor warranty or roadside assistance, to a customer on the dealership floor, at the point when they are processing the transaction and cannot wait for the algorithm to play catch-up as new information is captured.

The predictive and prescriptive technology is created from the accumulation and integration of historical with real-time data to predict with mathematical accuracy the likely outcome of a given decision. In this example, it could include the data of past value-added product sales, and real time application-specific data which is integrated with our comprehensive vehicle and property databases as well as other usable data sources. All of this data is used to train an algorithm to ultimately recommend the best course of action to our system users in real time.

We are now piloting algorithms to predict not only what's going to be the most valuable for the dealership to sell, but also what's

going to be the most useful for the end-consumer. We want our dealer clients to not just make additional money during the sale of the vehicle, but also to delight their customers for the duration of their vehicle ownership journey.

In the property space, Lightstone uses data and algorithms to predict which homeowners are more likely to want to sell, and this helps the estate agent focus on those homeowners who are better prospects. Combined with our Artificially Intelligent Automated Valuation Model (AiVM) we can also help the Estate Agent determine an optimal listing price. For example, we can estimate how long a property would be on the market if it is listed 10% above our valuation model price or 10% below, so they can make informed decisions based on their client's specific need.

Lightstone's first analytical product was an automated valuation model of homes which evaluated past sales of properties in an area and the spatial aspects of comparable sales around that property. The product is constantly updated, and the latest version, AIVM, uses artificial intelligence and machine learning to provide even more accurate property valuations, and uses new data sources, including satellite imagery of the size of the property.

We combine visual and transactional data to algorithmically determine the value of the property. The AIVM saves time and money, cutting mortgage decision time from days (when a bank sends a human valuer to conduct a physical valuation) to within an hour or two for automated valuations. This unlocks immense operational efficiency and a large part of that saving is passed on to the home buyer.

But even when a valuer still needs to carry out a physical valuation, it's done using our data and information to make the physical valuations more accurate. So it's not just a "superpower" for the bank, it becomes a "superpower" for the entire industry, and those using our systems get their job done quicker and with greater accuracy.

All about finding a competitive edge

Gathering and leveraging data is commonplace today, and that on its own is not enough to deliver a competitive advantage anymore. If the full potential of "the new oil" is to be realised and competitive advantage delivered, data must be protected, used wisely, shared appropriately and utilised intelligently to solve problems and unlock opportunities in the real world.

Importantly, the competitive value of data depends on the underlying integrity and usefulness of information, the integration of diverse sources of complementary information, the technology which gathers and processes this information, and the quality of the data science deployed to deliver the insights and predictive algorithms.

This process of finding, refining, layering and interpreting data provides the insights which, if acted on correctly, can deliver transformative competitive "superpowers" to the industries we operate in.



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PAUL-ROUX DE KOCK
Chief Analytics Officer
Lightstone

PROTECT YOUR RENTAL AGENCY Unraveling the risks of Business Email compromise and its potentially devastating consequences

By Editorial



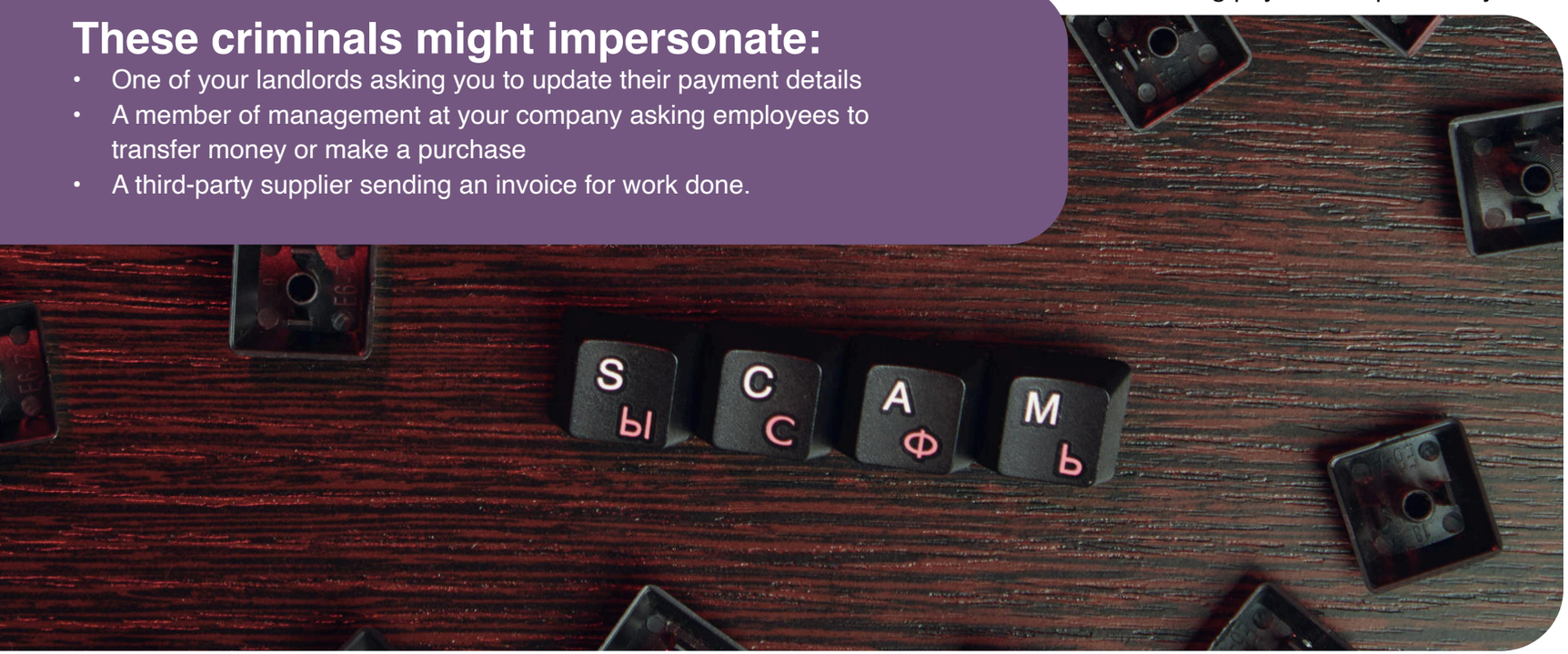
Cybercrime is getting more common and more sophisticated, and businesses that regularly make large electronic transactions – like rental agencies – are tempting targets for criminals. World-wide, scammers robbed victims of 44% more money in 2022 than in 2021, and in South Africa alone the damage comes to around R2.2 billion per year.

One particularly dangerous form of cybercrime attack is business e-mail compromise(BEC) – an e-mail seeming to come from a known source, making what looks like a legitimate request for payment or information. They are so hard to spot that you or someone you know has probably fallen victim to such a scam. Some of the world's biggest companies have been hit by BEC attacks, including Google, Snapchat and Toyota.

PayProp CEO Michelle Dickens says that residential rental agencies need to take extra care due to their frequent, large transactions, and the non-expert landlords and tenants they work with who may not know about the risk of fraud. A BEC attack might look like an ordinary request from a client or supplier, while actually being a scam carried out using a hacked or spoofed e-mail address. Criminals will often carry out extensive research and use social engineering techniques to make their e-mails as convincing as possible.

These criminals might impersonate:

- One of your landlords asking you to update their payment details
- A member of management at your company asking employees to transfer money or make a purchase
- A third-party supplier sending an invoice for work done.



"Criminals may pose as a legitimate sender by using a slight variation on a real address, or they might hack a real company e-mail account and use it to send fake invoices or other messages," says Dickens.

And because rental agencies frequently receive monies from landlords and tenants, there's a very real threat to their clients as well.

"It's important to be aware that criminals might also use your e-mail address to send legitimate-looking payment requests to your landlords and tenants, so your clients need to be made aware of the dangers too."

How can you protect yourself from smart e-mail scams?

BEC is first and foremost a type of social engineering attack, so any policy has to start with staff training and awareness. Inform your staff about the risks of BEC, and stress the importance of checking every incoming e-mail for signs of suspicion such as misspelled e-mail addresses – including those in existing e-mail chains, as they can also be intercepted and compromised.

Having the right systems and rules in place around payments can also reduce your risk of losing money to scammers, even if your staff are initially taken in.

Protecting service users is critical too

It isn't enough to have anti-fraud procedures in place within your organisation. Companies that deal with incoming transactions also need to make their landlords aware of the risks of handling accounts receivable, and can be held responsible by courts if they don't.

Cybercrime Policy and Process Best Practices

- Verify any payment requests, changes to a client's account number or other payment details or procedures before making payments. Do so either in person, or (with trusted clients) via telephone call. No changes to payment procedures should be made based solely on an e-mail.
- Require dual approval to make a payment or change a recipient's details. Two heads are better than one at spotting BEC attempts, and requiring a second person's signoff also provides extra protection if one of your employees is in on the fraud.
- If possible, use automated systems to make rental payments rather than relying on employees to transfer money manually. With an automated system like PayProp, payments will strictly only be sent to the payment details provided by the beneficiary, and any changes to payment details can be strictly monitored and require multiple approvals.

In a recent case heard by the Gauteng Local Division High Court, conveyancing firm Edward Nathan Sonnenberg Africa was ordered to pay R5.5 million plus punitive costs to a property buyer after she became the victim of a BEC scam. The buyer had already successfully placed a deposit, and then paid the balance of the transaction electronically using bank details that had been e-mailed to her. However, criminals had hacked her e-mail account, intercepting the e-mail and replacing ENS's bank account details with those of an account controlled by them.

ENS's own systems had not been compromised. However, because they had not warned the buyer about the risks of BEC or advised her of a verification process to use before making a payment, the court found that they hadn't taken reasonable care.

Next steps

Given this risk, rental agencies shouldn't stop at sharing best practices internally. Also send out a regular warning about BEC to all landlords and tenants as standard, setting out your agency's standard payment and verification



procedures. For example, your procedures may involve taking payments automatically using bank details provided at the start of the contract, and you may require confirmation of any change of bank details. Emphasise that any requests for money or information that do not follow these procedures are fake.

Using an automated system to collect and pay out rent can help protect your payment service users, as they will have to make fewer transactions by hand.

"BEC is an inherently difficult type of financial crime to defend against, which is why it's critical to do everything you can to prevent

'Criminals may pose as a legitimate sender by using a slight variation on a real address, or they might hack a real company e-mail account and use it to send fake invoices or other messages.'

it," says Dickens. "By arming your employees and clients with the information they need to recognise BEC and putting the right procedures and technology in place, you can reduce the risks to your business and the people you work with."

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MICHELLE DICKENS
Managing Director
PayProp SA

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Infrastructure development is in a period of substantial growth



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TRENDING ONLINE

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UNLOCKING INFRASTRUCTURE DEVELOPMENT

Infrastructure development is in a period of substantial growth

By Roelof van den Berg



South Africa's core infrastructure is in a period of substantial growth. Driven by government's increased focus on public-project spend with a particular focus on public housing and economic infrastructure, the medium-term expenditure framework in 2023 is an estimated R903 billion.

But, as noted by President Ramaphosa in his State of the Nation Address earlier this year, unlocking the full potential of infrastructure investment in South Africa has been hindered by a substantial scarcity of technical expertise and effective project management countrywide. To overcome this hurdle, the government has granted R600 million to project preparation in underserved rural regions and areas lacking adequate resources.

But effectively executing the planning, construction, maintenance, and operation of essential public infrastructure involves a level of complexity that the government cannot always navigate seamlessly on its own. Public-private partnerships (PPPs) exist to lessen this burden, as well as to maximise the impact of infrastructure funding and development, and execute projects with a high level of expertise.

Put simply, PPPs are collaborations between public and private entities that aim to successfully deliver, execute and manage projects such as transport networks, complementing each other's strengths to achieve the highest possible project standards.

The Gap Infrastructure Corporation has worked closely with the public and private sectors over the years to substantially improve service delivery, strengthen the country's infrastructure, improve lives on an individual level, and train the next generation of construction workers, project managers, and engineers through highly beneficial PPPs.

The Gap Infrastructure Corporation has worked closely with the public and private sectors over the years to substantially improve service delivery.

The ongoing success of this collaboration is strongly dependent on the simple fact that both the public and private sectors benefit from improved infrastructure to meet their individual goals.

However, to make PPPs a success, the public sector must fulfil a delivery management role, whereas the private sector's project management expertise is particularly crucial to ensuring infrastructure is delivered on time and within budget, limiting time and expense creep.

Government's key role in project delivery management

Delivery management lies at the heart of any successful infrastructure project. It is a key leadership role often undertaken by a well-informed client with expertise in infrastructure development with the aim to specify, procure, and deliver infrastructure projects efficiently and effectively. Within the context of public infrastructure development and widely beneficial partnerships with professional private developers, it is often the government's responsibility to assume this critical role.

Ultimately, the government's objective is to foster social and economic growth by investing in infrastructure. To accomplish this, it has implemented the Infrastructure Delivery Management System (IDMS), a comprehensive government system that encompasses planning, budgeting, procurement, delivery, maintenance, operation, monitoring, and evaluation of infrastructure projects.



The IDMS consists of various integrated systems, such as an infrastructure planning system, an infrastructure gateway system, a construction procurement system, a programme and project management system, and an operations and maintenance system.

Furthermore, the government's dedication to infrastructure development is evident in its significant construction budget allocation this year. But the government also serves a greater role beyond funding major projects. It is also responsible for creating a cooperative environment conducive to collaboration and effective communication between public and private stakeholders, and acts as a facilitator for the regulatory frameworks under which their private partners function.

By assuming the delivery management role, the government aims to ensure the successful implementation of infrastructure initiatives that align with its service delivery goals and responsibilities.

The role of project management to meet government's service delivery goals

Project management is the reverse side of the infrastructure development coin, as private project management firms play a pivotal role in meeting government's service delivery goals.

In a PPP, the private partner takes on a majority of the project's risks, including technical, financial, and operational risks, which are often successfully managed by professional project managers.

Largely as a result of this project and risk management function, the adoption of PPPs in South Africa has been shown to accelerate infrastructure development progress, ensuring faster completion, improved project outcomes, increased cost savings and transparency, and a marked decrease in life-cycle maintenance cost as compared to traditional methods.

But the advantages of PPPs extend beyond efficiency. They offer value for money, efficient time and budget management, better risk distribution, innovation, adequate facility pricing, and are the most optimal solution for budget constraints.

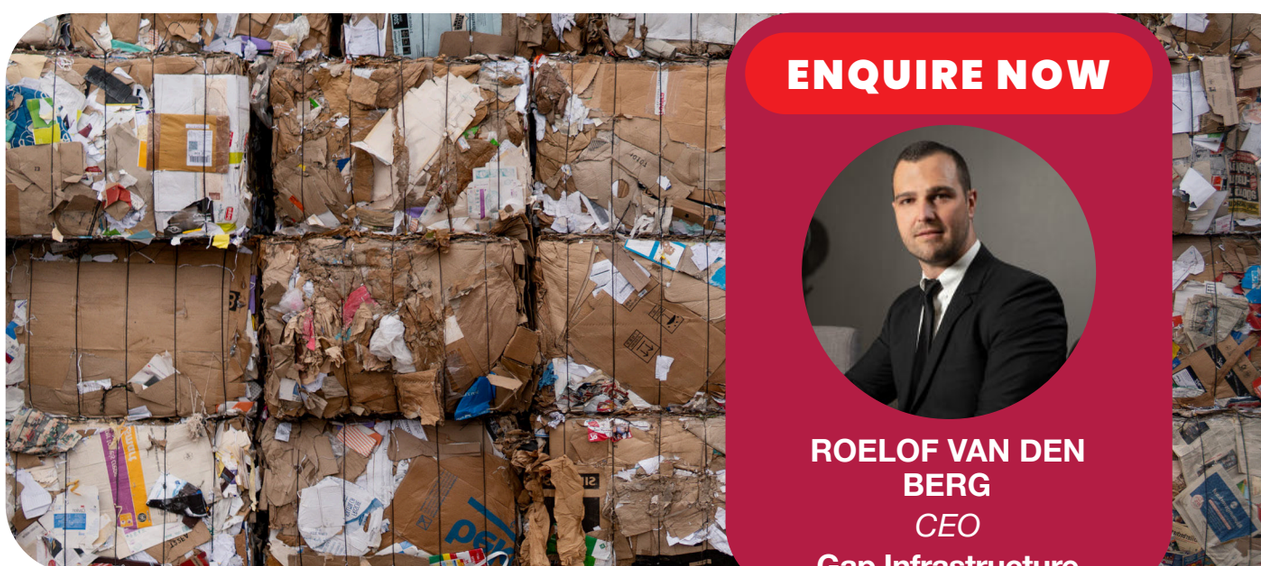
Synergising public and private strengths

One of the primary drivers behind the widespread adoption of PPPs is the inherent strengths that each sector brings to the table. By synergising their efforts, the public and private sectors can leverage each other's unique capabilities, leading to more successful and efficient infrastructure development.

One of the key benefits is the transfer of skills from private businesses to the government. While the public sector is generally rich in human resources, it often lacks specialised expertise required for complex infrastructure projects.

On the other hand, the private sector possesses a wealth of experience, technical expertise, and tend to take an innovative approach to complex challenges, which can significantly improve deliverables. Through PPPs, the private sector can likewise actively contribute its expertise, provide invaluable insights, and implement and leverage a wide range of best industry practices and cutting-edge technologies.

Successfully achieving synergy within PPPs requires more than just recognising and utilising these respective strengths. It necessitates the establishment of effective communication channels, mutual trust, and a shared vision



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ROELOF VAN DEN BERG
CEO
Gap Infrastructure

CAPITALISING ON THE HYBRID WORKING BOOM

Property Owners Leverage Rapid Growth in Hybrid Working Solutions

By Editorial



IWG, the world's leading provider of hybrid work solutions, has announced that it has added 612 new locations since January 2023. An overwhelming 95% of these new locations are being delivered via managed partnership agreements, delivering on IWG's capital-light strategy. The rapid growth in new locations is being driven by property owners and partners seeking to capitalise on the burgeoning demand for hybrid working.

Growing customer demand for hybrid working is being driven by two distinct yet complementary real estate trends. First, companies are reappraising their property portfolios and downsizing in city centres, replacing long, restrictive, and expensive leases with flexible space with operators like IWG. Second, they are taking on flexible workspace in local neighbourhoods, closer to where their people live and want to be, as part of the increasingly popular 'hub-and-spoke' office model, where employees divide their time between home, local offices, and city headquarters.

A sizeable proportion of IWG's new locations are in the suburbs, smaller towns and cities which are seeing the strong demand for hybrid working solutions, with the Group expanding its network locations deep into the heart of the communities where they are needed.

IWG's expanded network means these areas are now better served by flexible workspaces, allowing employees to work wherever most productive. Similar trends have been noted in Africa and across the globe, with IWG's asset-light strategy meaning the company can expand and adapt quickly to meet this demand.

The desire among workers to avoid lengthy and costly daily commutes has also had a major impact, with many aiming for improved work-life balance and to cut down on unnecessary expenses. According to IWG's research, only one in five workers would commute more than 30 minutes daily, while 60% express a desire for a workspace within 15 minutes of their homes. A study of 2,000 hybrid workers** has also shown that hybrid workers enjoy an average increase of 4.7 weekly exercise hours, 71 hours of sleep per year, and improvements in their diet.



With almost 4,000 locations spanning across more than 120 countries in every time zone and leveraging its three decades of experience, IWG provides an array of workspace solutions for properties of all shapes, sizes, and descriptions. Whether it's a two-storey building in an out-of-town business park, an office block in a prestigious downtown locale, or a former retail unit in a bustling shopping centre, IWG tailors its offerings to meet the diverse demands of its partners and customers.

Becoming an IWG partner or franchisee provides access to a wealth of expertise in flexible workspace solutions. Partners gain access to IWG's platform to maximise the return on their real estate space by capitalising on the rapidly expanding demand for hybrid working. With an annual investment of



around £50m into its technology platform, IWG provides partners with access to all the company's expertise as well as design and fit-out support and sales and marketing capabilities.

Partner locations can go from concept to fully operational in as little as 10 weeks, while the partnership model provides string recurring monthly income without the headaches of lengthy renewals or void periods or overreliance on single leases.

The flexible workspace sector is projected to grow by 600% by 2030, and data from Indeed, the world's largest job site, has reported a staggering 6,531% year-on-year increase in searches for 'hybrid' in 2022. As businesses embrace hybrid working for the long term, IWG's solutions become a strategic advantage for property owners seeking to capitalise on this trend.

Jump onto the bandwagon

Many of these property owners have vacant space to fill with the decline in demand for traditional office real estate. They are choosing to partner with IWG's industry-leading hybrid working platform and benefit from a choice of multiple brands including Regus, Spaces, HQ and Signature.

IWG's unrivalled network coverage includes approximately 3,500 locations across more than 120 countries, and 83% of Fortune 500 companies are amongst our growing customer base.

We do so by providing the world's leading hybrid work platform with professional, inspiring and collaborative workspaces and digital services, all available via the IWG app.

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OFFSHORE



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Strategic Investment in UK Property to navigate poor Exchange Rates



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Namibia emerges as a prime destination for South African property investors

TRENDING ONLINE

The Evolution of Investment Strategies in the Real Estate Market



UNLOCKING FINANCIAL IMMIGRATION Strategic Investment in UK Property to navigate poor Exchange Rates

By Guy Gillespie

It's the talk of the town here in South Africa and everyone is weighing in on the conversation. When the British Pound hit 24,6 to the Rand in June this year, South Africans had to sit up and listen. Whilst many are furiously applying to live in the UK, others are happy to live out their days in sunny South Africa and simply financially immigrate.

LIO INTERNATIONAL
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Let's look at the latter, financially immigrating has huge advantages, stay close to family and friends, and enjoy everything South Africa has to offer, from our beautiful coastlines to the big 5. To having braais on the weekend and close to our infamous 'Bokke' rugby team.

Financially immigrating through investment property, is an excellent option. Buy-to-Let property in the UK is in high demand, as rental demand is at an all-time high and will be for years to come.

Where to invest in the UK?
The UK government is acutely aware of the lack of housing, which the UK government is trying desperately to resolve, by investing billions into infrastructure and regeneration, of towns and cities north of London. The north is the key, giving rise to the biggest property boom the UK has seen in decades.

Manchester, Birmingham, Liverpool, Sheffield, Nottinghamshire, plus smaller commuted towns, are experiencing immense change and transformation. The north's is sustainable, due to a staggering amount of large corporates companies setting up their head offices north of London, combined with the work from home trend.

How does it work?
Buy-to-Let Investment Property in the UK is for all South Africans, who want to start the journey to financial immigration, as your rand goes further when you buy in the UK, due to the following reasons.

South Africans can get up to 70% bonds/mortgages in the UK, with a UK Bank. The interest rates in the UK are half of that of SA. The UK Banks also offer Interest only mortgages. The coverall costs to purchase & finance a UK property are also less. The running costs equivalent like levies, rates & taxes are lower.

To elaborate on the above. It is the norm for investors in the UK to use interest only finance for buy-to-let properties. This is a game changer for South Africans who can now access UK finance, which has a lower interest rate and an interest only option, further considerably lowering your monthly repayments. The combination of the interest rate, interest only bond and lower running costs, means your UK tenant allows you to be cashflow positive from day one of your investment, an impossible feat in SA.

Addressing the Shortfall.
Many South Africans have the appetite to deploy 30% down for a property in the UK, plus costs to purchase, roughly R1.5 million on a R3.3-million-rand 1 bedroom bathroom in the UK. Knowing that their Rands is converted to Pounds is already a positive.

Being far from away from the UK and living in a fluctuating exchange rate with the Pound, is what scares South Africans. The possible monthly shortfall could catch up to them quickly if the Rand loses more to the Pound.

The truth is when you run the numbers and compare apples with apples, a property in the UK is in the pound seats. If you purchase a property in SA for the exact same value as the UK and use an interest only UK bond, you will have a little to no monthly shortfall in the UK, which eradicates your risk, exposure, and fears. Compared to SA, where the same investment will display a jaw dropping monthly shortfall.

This comes back to high running costs in SA vs UK, the lower interest rate in the UK vs SA and the power of the interest only bond.

LIO-International's role in your UK investment property journey.
Lio offers off plan property Developments and Buy-to-let Investment Properties to their South Africa clients with benefits.



Main reasons to invest in the UK?

1. We reduce your risk with well researched assets.

We only source off plan Properties from the most trusted names in the industry, who have a proven track record. Confirming you are buying a solid asset and its brand new. By ensuring we work with house hold names, we eliminate risk. You will received a well-researched development, in the best location with well-known architects, designers and builders. Certifying their product is well located, market related and always pushing the boundary's to attract the elite tenants.

2.We cover you with warranty insurance

New Off Plan properties in the UK offer a 10 year warranty insurance, which is taken out by the developer to cover any defects found, once the buyer moves in, further reducing risk. Being new apartments also means they are the most sought after in their respective areas. Distance is a major factor for us in SA and many buyers may never see the investment they purchase. To ensure peace of mind, our colleagues are on the ground in the UK, can do a video walk through of the show flat with you online or take you around in person.

3.We sweat the assets

We work closely with the developer to deliver all the facts to you. The imitate breakdown of the costs, floorplans, design elements, timelines and more. We recommend holding onto the investment for a few years, maximising the rental returns, enjoying the initial low maintenance requirements and exiting when the development is in full stride, to ensure the greatest capital growth.

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This methodically works for foreign investors, like us, to guarantee we always keep our investment properties new, up-to-date and attracting the grade A tenants.

4. We offer a turnkey solution

Rental managing agents are also crucial to your property investment. We offer a turn key solution. You will work closely with our trusted partners who will source the right tenant for you. Either for long or short term rental, furnished or unfurnished, depending on your requirement. Handle prospective property viewings, inspections reports with the tenant. Hold the tenants deposit. Collect the rental income and pay it over to you, with a statement.

It is vital to use their services. Rental agents always know the highest appropriate rental returns possible in market year on year and will warrant you are getting the most out of the rental market. Their fees as the same as in South Africa and will go a long way in ensuring piece of mind for the years you own the investment.

If you looking to financially immigrate to the UK, we can help you understand all the facts and figures and endless merits of investing in buy-to-let property in the UK.



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UNLOCKING OPPORTUNITIES
Namibia emerges as a prime destination for South African property investors

By Editorial



Namibia is a beautiful and diverse country with a stable political and economic climate, making it a prime destination for property investment. Thanks to its stable political climate and resilient economy, Namibia is a solid option for real estate investment. With a diversified economic structure that includes mining, agriculture, and tourism, it promises sustainable growth.

South Africans are particularly drawn to Namibia due to its close proximity, similar culture, and affordable property prices. Schantal Teichmann, franchisee of Just Property Windhoek and Just Property Swakopmund, shares her insights into why investing in Namibian property is a good idea for South Africans.



Four top reasons to invest in property in Namibia

1. **Strong rental demand**
   Namibia has a growing population and a thriving tourism industry, which means there is a high demand for rental properties.

2. **Capital appreciation**
   Property prices in Namibia have been rising steadily in recent years and are expected to continue to do so. According to "The Brief' website, Namibia's property market has witnessed a staggering 1,258% surge in average housing prices between January 1990 and March 2023.

   While the coastal and central house prices had diverged between 2016 and 2022, recent data from 1Q2023 indicates a narrowing gap, with coastal houses now the most expensive (averaging N$1.6 million), followed by the central area (N$1.5 million), the North (N$869,000), and the South (N$795,000).

3. **Tax benefits**
   Namibia has several tax benefits for property investors, such as no capital gains tax or inheritance tax. According to Henley and Partners, a leader in investment and citizenship "foreign residents are generally only taxed on the income they generate in the country.

   What is more, tax rates are relatively competitive compared with many other emerging markets, particularly with neighbouring countries such as South Africa. The top rate of income tax in Namibia is a modest 37%, but perhaps most notably there are no capital gains, estate, gift, inheritance, or net wealth/worth taxes."

4. **Lifestyle-benefits**
   Namibia offers a high quality of life, with stunning scenery, friendly people, and a variety of outdoor activities to enjoy.

If you are a South African interested in investing in property in Namibia, the process is relatively straightforward as long as the property in question doesn't fall under the category of agricultural land. You will need to obtain a non-resident buyer's permit, which can be done through the Namibian Ministry of Home Affairs. Once you have your permit, you can start looking for properties and making offers.

Just Property Windhoek is a leading real estate agency in Namibia with a team of experienced and knowledgeable agents who can help you find the perfect property for your investment needs.

Overall, property investment in Namibia is a wise choice for South Africans looking for a stable and profitable investment. With its strong rental demand, capital appreciation potential, and tax benefits, Namibia offers several advantages for property investors.

Frequently asked questions
Schantal, has lived in Namibia her entire life. When she saw an opening for a company that could provide exclusive letting and administrative services, she started Just Property Windhoek in 2005 and later opened Just Property Swakopmund in 2021.

“My love for people motivated me to help people find and manage investments so that they could grow their wealth through property,” she says. Below, she answers five questions that South Africans frequently ask her.

How can South Africans buy property in Namibia?
South Africans can buy property in Namibia through Just Property. We have two teams of experienced and knowledgeable agents who can help you find the perfect property for your investment needs, whether that be a home purchase, investment property, or rental property management.

Just Property is a leading real estate agency in Namibia, with a team of experienced and knowledgeable agents who are passionate about helping our clients achieve their property goals.

Main reasons why are South Africans buying property in Namibia?

- **Political and economic stability**
  Namibia is a politically and economically stable country, with a strong democracy and a growing economy.
- **Close proximity**
  Namibia is located just a short flight from South Africa, making it an ideal destination for holidays and second homes.
- **Similar culture**
  Namibia has a similar culture to South Africa, with a diverse population and a relaxed lifestyle.
- **Affordable property prices**
  Property prices in Namibia are generally more affordable than in South Africa, making it a good value-for-money investment.



Finding the right property
Windhoek is the capital of Namibia and the epicenter of all commercial trading. It is a modern and vibrant city with a lot to offer residents and visitors alike. Windhoek is also a great place to invest in property.

The city has a growing population and a strong economy, which is driving up demand for rental properties. Additionally, the Namibian government is investing heavily in infrastructure development in Windhoek, which is further boosting the property market. The type of property will depend on each client's individual needs and budget.

The process for purchasing property in Namibia is fairly straightforward for non-residents. As long as the property in question doesn't fall under the category of agricultural land most of property ownerships are freehold. Negotiations are always conducted within the listed asking price in Namibian dollar and South Africa's rand is also accepted as a form of currency in keeping with the exchange rate.



The first thing you need to do as a potential buyer is to get a good conveyancer. You will be represented by them and they will interact with the real estate agent behind the listing. Your conveyancer will then execute a Deed of Transfer for the purchase and the exciting journey commences!

Namibian Residence by Investment Programme
The Namibian government is also actively seeking foreign investment to boost the country's economic growth and diversify the economy. The programme provides numerous opportunities for international investors seeking a foothold and growth on the African continent, including tax incentives, financing, and a one-stop bureau service for international companies.

According to New World Wealth's December 2022 statistics, Namibia holds USD 26 billion in total investable wealth. The average wealth of a resident of Namibia (wealth per capita) is USD 10,050, ranking as the third highest in Africa after Mauritius and South Africa. The nation is home to around 2,100 high-net-worth individuals and three centi-millionaires (with wealth of USD 100 million or more).

Group Head of Private Clients at Henley & Partners, Dominic Volek says, for a minimum real estate investment of USD 316,000 in the new luxury golf and eco-friendly President's Links Estate in Walvis Bay, successful investors will receive a five-year, renewable work permit which gives them the right to live, do business, and study in Namibia.

The total private wealth currently held on the African continent is USD 2.1 trillion and is expected to rise by 38% over the next 10 years, according to the Africa Wealth Report, published by Henley & Partners in partnership with New World Wealth.

Namibia is expected to be one of Africa's fastest growing markets going forward, with high-net-worth individual (those with wealth of USD 1 million or more) growth of over 60% forecast for the next decade (until 2032).

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RETIREMENT



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Five Expert Ways for a smooth downsizing experience into Senior Living

TRENDING ONLINE

What You Need To Know For Retirement



Six Trends That Will Define Retirement Property in 2023



RIGHTSIZE YOUR RETIREMENT
Five Expert Ways for a smooth downsizing experience into Senior Living

By Editorial



Retirement should not be considered as the end of a chapter, but rather the start of one! This is an exciting phase when the stress of work life is replaced by travel, hobbies, relaxation, and being more social. However, before embarking on this new adventure, it's often necessary to downsize to accommodate this new lifestyle.

"There is a definite trend in South Africa to retire in secure estates where community, activities and healthcare are all in easy reach," explained Jonathan Acutt, Managing Director of Acutts Real Estate. "This move does usually require downsizing from a larger family home into a more convenient space. This can be an incredibly stressful and emotional time as you part with possessions you've lived with for years.

Five ways to make this a much easier process.

1. **Find your ideal home**
   The first step is to find the right home for one's retirement needs. You will need to consider location, access to amenities, healthcare services, and any other services and facilities to enhance your lifestyle in retirement years.

   Many estates also have options ranging from apartments and maisonettes to free-standing homes, depending on your preference. Once you've found the home, you will have a clear idea of the space you're working with and what you can bring with you.

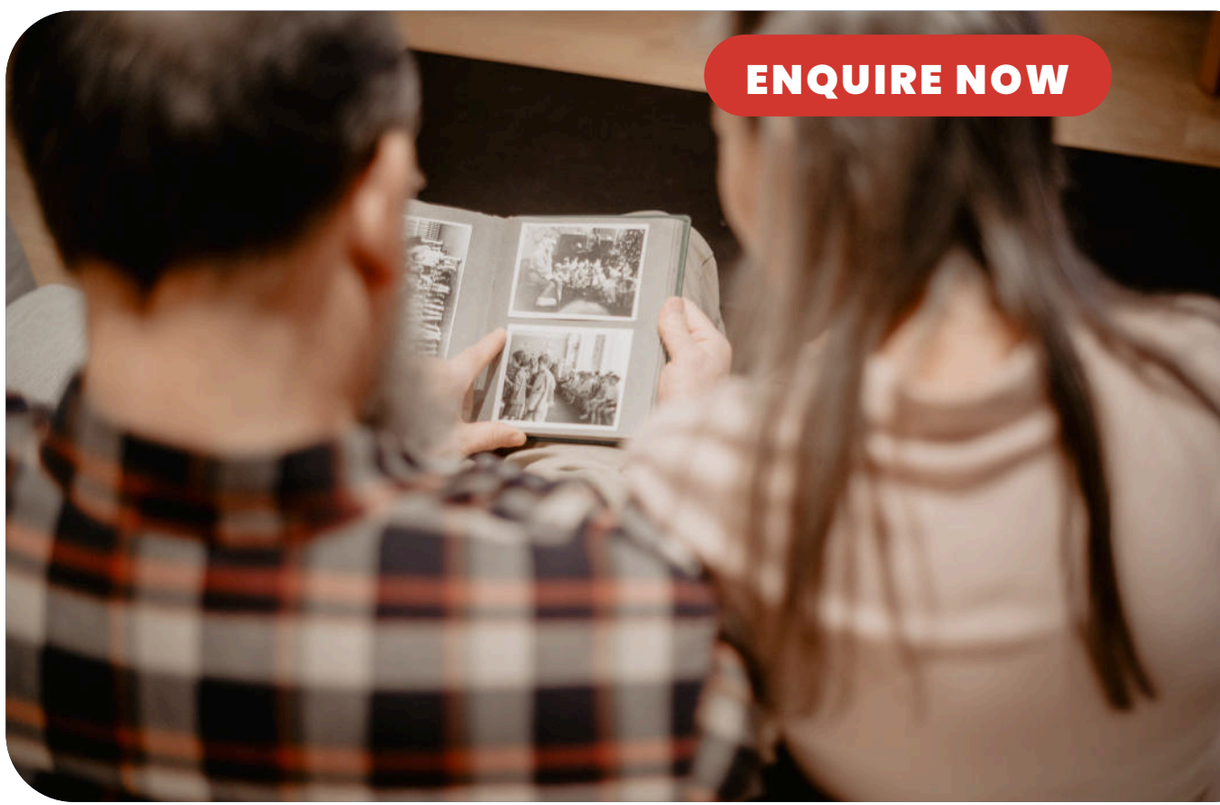
2. **Consider the services**
   One of the major benefits of living in a Senior Living estate is that you are relieved of your maintenance duties, and this extends to the garden as well. This means that you won't need to bring your heavy-duty gardening and cleaning equipment with you, as the estate garden and maintenance team will handle everything.

3. **Start as early as possible**
   Most things are best not left until the last minute and downsizing is one of them. The most effective way to get through the process is to start chipping away by donating and selling items you won't be taking with you now. There might be friends and family who would love to give some of your furniture a new home, or you can make some extra cash by selling items.

4. **Try categorising**
   When going through household items, it's best to separate them into items you're going to keep, those you're going to donate or discard, and finally those you want to sell. If you're retiring to an estate, there's likely to be facilities such as a clubhouse where you can host gatherings. This means you won't need to keep that additional crockery, cutlery, and glassware, which frees up a lot of space.

5. **Remember the benefits**
   Many people find the process of downsizing quite freeing. You start to realise that the less 'stuff' you have, the less you have to worry about. It's also important to focus on the emotional benefit that comes with downsizing from a big home into a secure, lock-up-and-go option. If you want to go visit family, go travelling, or simply get away for the weekend, you can do so.

Acutt concludes that, "When considering downsizing to a secure lifestyle estate, consider all the important priorities you seek such as state-of-the-art security, access to high-end facilities, nature walks, on-site healthcare, and welcoming clubs and communities."



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Key Criteria:

- Facility size >R2m
- First covering mortgage bond over property
- Ability to service the monthly interest (capital repayments are optional)



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WEALTH



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Exploring the Wealth-Enhancing Benefits of Trusts for Estate Planning & Protection



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Deciding when it's right to sell your Residential Property

TRENDING ONLINE

What You Need To Know For Retirement



SECURING YOUR LEGACY
Exploring the Wealth-Enhancing Benefits of Trusts for Estate Planning & Protection

By Editorial



A trust is a legal entity with separate and distinct rights, like a person or corporation. In a trust, a party known as a trustor gives another party, the trustee, the right to hold title to and manage property or assets for the benefit of a third party, the beneficiary.

Trusts can be established to provide legal protection for the trustor's assets to ensure they are distributed according to their wishes. Additionally, trusts can save time, reduce paperwork, and sometimes reduce inheritance or estate taxes.

Two main reasons for using Trusts

- To protect against unforeseen events that could result in one's hard-earned wealth being attached by creditors.
- To protect against the financial impact of death, which includes costs related to one's estate such as Estate Duties and Capital Gains Tax

To achieve that, your Personal Wealth should either be acquired within a Trust structure from the outset, or your existing Personal Wealth can be moved from your Personal Capacity to a Trust.

Three ways you can transfer wealth to a Trust.
These are by way of Donations, Transfer on Loan Account or by effecting a Capital Contribution.

1. Donations
The easiest way of transferring wealth to a Trust is through donations, as you are essentially 'giving' the asset to the Trust. A Donation results in your Personal Wealth being diminished, and the Trust's wealth increasing in respect of the asset transferred.

If you could, you could then simply donate all your wealth to the Trust, as in this way, your Personal Wealth would diminish to zero and the wealth would have been effectively transferred to the Trust. Unfortunately, even casual donations are subject to a tax called Donations Tax at a rate of 20% (25% for amounts over R30milion). Fortunately, each person can donate up to R100,000 per tax year free of Donations Tax, but this is often not enough to transfer all wealth to the Trust.

2. Transfers on loan account
An alternative method, which in the case of assets, involves the sale of such assets to the Trust. The Trust does not typically pay for the Assets, and therefore the sale creates a Loan Account whereby the Trust owes you an amount equivalent to the value of the assets sold/purchased.

Such transfers are not subject to tax, and are unlimited, however there are two main pitfalls that apply:

- The Loan Account in your favour from the Trust is an Asset in your hands. The Loan Account therefore could be subject to taxation on death and is attachable by creditors.
- The Loan Account could be subject to anti-avoidance tax laws. Such anti-avoidance laws revolve around Interest that should be charged on the Loan Account – the impact hereof is that Interest must be charged on the Loan Account which complicates tax efficiencies between yourself and the Trust with whom you have a Loan Account.

3. Capital Contributions
This is the last method. This is a highly technical form of transfer that is beyond the scope of a mailer, but is really effective when handling large amounts of wealth.

It is important to understand that the process of effectively transferring your wealth to a Trust is not a simple process and could take some time to achieve depending on the size or complexity of your wealth. It is however a journey that results in the ultimate protection of wealth against litigation and costs upon death.



TIMING THE PROPERTY MARKET
Deciding when it's right to sell your Residential Property

By Brendan Michie



Whether or not South Africa will experience a buyer's or seller's market for property in 2024 is challenging to predict, but several factors point towards a potential buyer's market for some time to come. The economy is expected to remain weak, which will reduce the number of prospective homebuyers due to affordability constraints.

High interest rates will lead to higher borrowing costs, indicating a market where buyers may have more bargaining power to potentially lower prices. On the other hand, a shortage of affordable housing in certain areas could push property prices higher, potentially supporting a seller's market.

Either way, it is important for potential sellers to monitor evolving market conditions and educate themselves as much as possible on all aspects relating to the sale of their property.

One of the questions that arises most frequently for potential sellers is timing: 'when is it too soon to sell a property you've bought?'
While there is no hard-and-fast rule when it comes to giving a definitive answer, we'll briefly unpack the main factors involved in making the decision for yourself.

Timing - how soon is too soon to sell my property?
Deciding when to sell a house you've bought depends on a few key considerations.

1. Market conditions matter—if the property market is down, selling at a good price might be difficult.
2. Your financial situation is a critical factor; selling at a loss may lead to a shortfall owing to your bank, especially if you've taken a large mortgage.

Your personal circumstances also play a role; selling due to a specific need might necessitate a quicker sale. Generally speaking, the longer you can hold onto your house after buying, the better for your financial health.

More time lets you build more equity (the difference between how much you owe on your mortgage and the home's value) and take advantage of potential home value growth, while ensuring you can cover the costs associated with the sale of property.

Financial - what are the penalties or costs involved if I sell too soon?
For some, unforeseen circumstances like loss of income or urgent relocations may require a faster sale. You might be forced to accept a lower price than you anticipated, or you might not make as much of a profit as you'd expected.

Understand the hidden costs & penalties with selling your house

1. **Bond cancellation fees**
   Charged by your bank's nominated attorney to cancel your bond to allow the sale of the property.

2. **Compliance certificates**
   Required by law for a valid sale - such as electrical, solar and gas compliance certificates, the cost of which vary depending on the type of certificate and the condition of the property.

3. **Estate agent fees**
   These are the fees that estate agents charge to act as an intermediary between the seller and buyer, usually calculated as a percentage of the sale price.

4. **Other legal and tax costs**
   Such as legal assistance with any disputes that arise during the sale process. Furthermore, if the property is not used as your primary home, you may be liable to pay capital gains tax on the sale.

5. **Clearance certificates**
   A rates or levies clearance is a certificate provided by the relevant local authority, or complex/estate, on application by a conveyancer to transfer a property. This document certifies that there is no current outstanding debt due by the seller on the property.



Practical - what needs to be one before you sell?

To sell your house successfully, there are some basic steps you can follow. First, understand why you're selling and set a realistic price based on expert advice. Know your target audience and hire the right estate agent. Study the current property market and demand in your area. Consider factors like location, condition, and price that affect the sale.

Learn about the selling process and stay informed. Make sure your legal and financial affairs are in order and seek advice if necessary. Don't forget to consider the time of year, the economy, and mortgage options available to potential buyers. Paying attention to these details will increase your chances of selling your house at a good time for a good price.

When should you not sell and why?

Here are some specific examples of when it may be too soon to sell a house you've bought:

1. If you have only made a small down payment and you still owe a large amount on the bond.
2. If you have made significant improvements to the house, but have not had time to recoup this investment.
3. If you have to sell the house at a loss, and you will not be able to cover your costs.
4. If you are selling the house for a specific reason, such as to move closer to work, and you are not sure if you will be able to find a suitable replacement property.



If you are unsure whether or not it is too soon to sell your house, it is always best to err on the side of caution and seek professional advice from an attorney to help you evaluate all your options or a reputable estate agent who is a specialist in the area where your property is situated.



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BRENDAN MICHIE
Director
Hammond Pole Attorneys



Fairvest Generates Robust Performance in a challenging environment

Fairvest Limited a JSE and A2X-listed SA REIT (Real Estate Investment Trust) and the largest South African-focused property fund with a portfolio worth R12 billion

- Fairvest Limited announced results for the year to 30 September 2023 with
- The Group's stated strategic objective remains to continue its move towards a retail-focused fund by disposing of non-core assets.
- Chief Executive Officer Darren Wilder said: "Fairvest has made excellent progress to de-risk its balance sheet, reduce vacancies and dispose of non-core assets.
- Fairvest experienced positive letting activity and a strong performance from the portfolio. Vacancies decreased from 5.9% in the prior year to 4.5% at 30 September 2023
- He was pleased with its disposals of just under R1 billion this year, as well as achieving like-for-like net property income growth and positive rental reversions.
- He said, 'This is notwithstanding exceptional headwinds in the form of a weak economy, high interest rates and sustained load shedding.'
- He said that Fairvest is operationally strong and agile in a rapidly changing environment.



WeWork South Africa is not affected by WeWork reorganisation

Following WeWork's announcement to commence a strategic reorganisation process in the U.S. and Canada, WeWork South Africa confirms that it is not part of the North American process.

"WeWork South Africa is 100% independently owned by SiSebenza, and operates independently from WeWork in the US and Canada," say Andrew Robinson and Stefano Migliore, the owners of WeWork South Africa. "Importantly, as an independent entity, we are not part of this strategic reorganisation process and there will be no impact on our members, vendors, employees, and real estate partners."

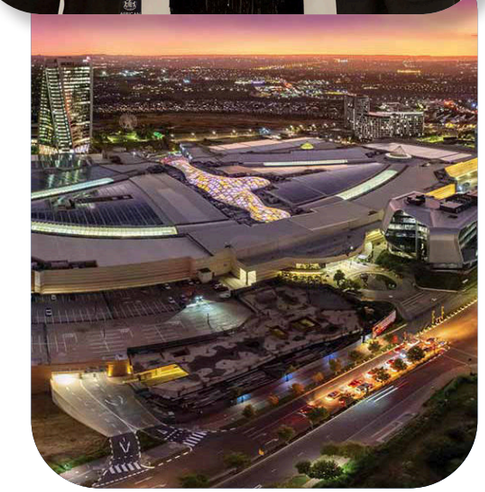
"While our counterparts work to improve their business' economics, position their community to grow, and enable their company to continue delivering best-in-class services to its members, our operations remain unchanged. We will continue to provide the service and experience our members have come to expect from us," adds the local South African team whose focus is on expanding the WeWork brand into Ghana, Kenya, Mauritius, Nigeria, and growing its presence in South Africa.

Half a dozen Best in SA awards for Waterfall City



At the African Property Awards ceremony held at the exclusive Habtoor Grand Resort in Dubai on 19 October 2023, Waterfall Management Company received the Best Mixed-use Development in South Africa 2023-2024 award for Waterfall City. This is the ninth time in a decade that the development has been honoured with this title.

Other Best in SA 2023-2024 accolades garnered by Waterfall City at the event included Best Mixed-use Architecture, Best Development Marketing and Best Developer Website, with the latter two accredited to both Waterfall Management Company and Attacq, the strategic development partner of Waterfall City. These four awards are testament to the continuous evolution of this vibrant smart city in the heart of Gauteng.



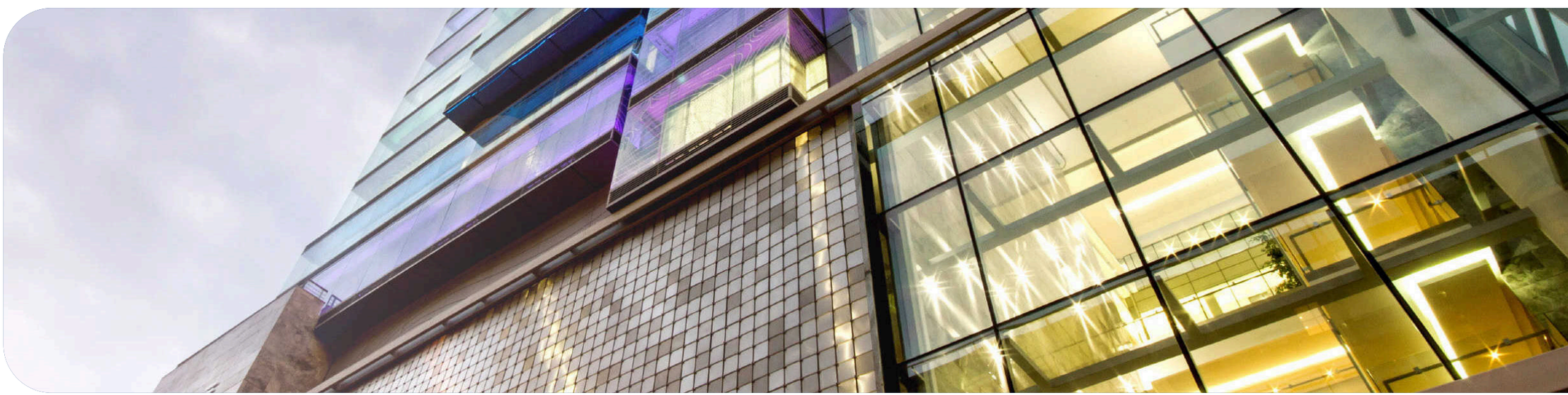
Redefine Properties showcases remarkable performance in a challenging environment.



Redefine a leading SA REIT has released its financial results for the year ended 31 August 2023.
Key Takeaways:

1. **Robust Financial Performance:** Redefine Properties reported a distributable income of R3.5 billion, representing 51.53 cents per share for the year, surpassing the midpoint of their guidance range of 48 to 52 cents per share.
2. **Strong Portfolio Growth:** Redefine's asset portfolio increased by R7.9 billion during the year, reaching a current value of R96.8 billion.
3. **Healthy Dividend Increase:** The company declared a full-year dividend of 43.80 cents per share, despite challenges in the market. This reflects Redefine's strong liquidity position.
4. **Stable Balance Sheet:** Despite market volatility, Redefine maintains a stable and healthy balance sheet with a loan-to-value ratio of 41.1%. The company also has substantial short-term liquidity headroom of R5.5 billion.
5. **Resilience in Rising Interest Rates:** Redefine is well-protected against rising interest rates with 77.1% of total Group debt being well-hedged. This positions the company to withstand the impact of an "interest rate environment."
6. **6.4% Increase in Net Asset Value (NAV):** Despite challenges in the property market, Redefine achieved a 6.4% increase in Net Asset Value (NAV) to R7.66 per share.
7. **Operational Excellence:** Redefine's focus on operational efficiency is evident in a collection ratio of 101%, demonstrating their ability to generate cash flow consistently.
8. **Positive Outlook in Poland:** Despite geopolitical tensions and inflation challenges, Redefine's retail assets in Poland have performed well, showcasing the potential for growth and stability.
9. **Stabilised Local Portfolio:** Redefine's local portfolio has largely stabilised, with improvements in key operating metrics, tenant retention, and vacancy rates, positioning the company for organic growth.
10. **Adaptation and Opportunity:** Redefine successfully addressed challenges in the market by diversifying funding sources through green bonds, reducing energy consumption, and investing in renewable energy.

CEO Andrew König says, "We have adapted and responded to challenges, strengthening our business as a result. We are not landlords; we are people."



NEWS UPDATES & ANNOUNCEMENTS



new magazine

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Don't miss our next edition February 2024