



400 sq<sup>2</sup> warehouse in Ooseiende. Immediate occupation 3 phase electricity, Office with boardroom, WC, Kitchen – good condition throughout. R15,800 pm plus VAT

## Low/No Maintenance Building Will Sell Better

This article is specifically aimed at developers of sectional title schemes to assist them to create easier to sell units. The new Sectional Titles Management Act came into force at the end of last year. One of the most important changes was the need for ring fenced 10-year savings plans to budget for all major repair/maintenance items. In most buildings this means roof waterproofing, painting (including boundary walls), wooden windows, and the like.

The cost of maintenance can be considerable and in a heavy maintenance building can nearly double the levy that needs to be charged.

When designing your next sectional title building come and consult with Platinum Global before finalising your exterior finishes. There are materials out there that can make a building almost maintenance proof. Our offices has Harvey Tile on the roof which has been there since 1987 without any maintenance at all, despite hail stones that were the size of cricket balls that smashed windows, broke gutters and knocked the paint off the walls. Not likely to need maintenance for the next 32 years either. Wooden windows cost a fortune to maintain and should be replaced with aluminium or Upvc windows. Wooden garage and front doors should be avoided as far as possible as they need painting or varnishing. Use face brick walls rather than painted walls. Painting buildings, especially anything over 2 storeys high is hellish expensive with most of the cost coming from the cost of hiring scaffolding. Avoid painted carports like the plague as these fiddly painting jobs cost an arm and a leg.

Buyers are very much aware of high levies and avoid painted buildings if they have previously owned one. There are other ways of reducing levies and costs in a building from the correct installation of pre-paid electronic water and electricity meters. Good security that avoids having human staff also is a massive saving for a building and leads to much lower levies. Buyers will have no problem in paying extra for these additions and R10,000 extra on a R1,000.000 property really won't be noticed.

# The Commercial Landlord

Newsletter for  
Commercial &  
Industrial Landlords



May 2017

## Lilyvale Rates Payers Meeting

The initial rates payer's meeting for Lilyvale (Shellyvale) was well attended with about 100 people present. The biggest unhappiness seems to be that the suburb is better known as Lilyvale rather than Shellyvale. Concern was expressed regarding the fact that the Metro services did not seem to know where the suburb was and that road names, parks and open areas had not been maintained. Some of the political parties were present and a representative of the Metro in a private capacity offered to follow up with the ward committee members on the grievances that were expressed. A steering committee was formed from some of the body corporate chairmen present and undertook to report back to each of the complexes in the suburb.

# Talk Shop

by Platinum Global

## Check Your Insurance.

Far too many Landlords give too little attention to the small things – things that when overlooked can come back to hit you where it hurts – your pocket.

One of those overlooked items is insurance. Those landlords who have bonds on their property are compelled to have their properties insured. Note that you cannot be forced to use the bond holder's insurance company. As long as the bond holder is happy with the amount of the insurance you are free to insure where you will. Owners of paid off properties are however at great risk as it is easy to forget to renew policies or insure at all. It is a very good idea to have a professional give you a replacement cost valuation about every five years to ensure that your insurance value is realistic.

Other things to look at would be waterproofing guarantees (subject to 3 yearly maintenance), oiling of wooden windows and servicing air-conditioning units – planned maintenance extends life spans indefinitely. Check shadeport stitching and fix before the material shreds. Small maintenance can save thousands.

## Check Tenant's Electricity and Water Meters.

The Metro will no longer allow tenants to connect water or electricity in their names but insist that the owner has the connection in his name. Many Landlords have the account sent directly to the tenant for payment – but be careful if you do. You may get a shock when the tenant does not pay and you are not aware of the unpaid bill. Reminders, and Disconnection notices will also be sent to the same address! Rather have the account directed to your address and forward a copy to the tenant. Do this for both your water and electricity accounts.

If a tenant is not paying take urgent action to avoid your out standings accumulating. Disconnecting the services is illegal, but disking the water and restricting the electricity to a trickle will have a salutary effect on your tenant. Electricity supply can be restricted by changing trip switches to smaller amp trip switches.

Generally, once a commercial tenant starts having problems to pay they seldom seem to come right. Giving more than one opportunity to pay late seldom helps the situation but simply puts the Landlord at greater risk of loss. Don't threaten do. If you threaten to cancel the lease for non-payment act if rent is not received.

## Zoning Certificates

A zoning certificate is a document that shows what a particular erf may be legally used for and not used for. Typically a zoning certificate would show not only permissible uses but also give details of the size of building, height of building, coverage and bulk of the building that could be built on a site.

It would also give details of such thing as parking ratios, how areas of the building are counted for building percentage area and the like. Somewhere in the municipality is a written description of each zoning and sub zoning and the limitations involved.

It will also give the setback, from the street, where entrances can be for corner properties and the like. It will also give restrictions, if any, on having more than one building on a property. Restrictions will have to be lifted before duet plans will be approved for instance.

It is a very valuable document to have for anyone thinking of buying a property, especially for commercial use.

## Is There a Need for High Rise Flat/Apartment Sites?

It is interesting to note that despite letting some 2000 residential properties there is a serious shortage of residential property. The less expensive end of the market is still in good demand but very few newer flats are available to potential tenants with bulk of the few available units being in Westdene, Willows or Navalsig. Townhouses are also very scarce – we only have a handful available with many of them in the same areas. Free standing houses are particularly scarce. If I was looking for a residential rental property in Bloemfontein, I would find it very difficult indeed to find anything that I would like to stay in.

My feeling is that there is a real need for a new high rise apartment/flat suburb like Westdene to be made available. Potential townhouse sites are reasonably available but sites to build any type of flat on is virtually unavailable. When designing new sites for flats I am suggesting that they should be for larger rather than smaller blocks. It makes for easier management and active security. High rise and higher density are essential. Think current in town zonings where a building of the same overall size as the site can be built (on 30% of the site over 3 storeys) which is equivalent to around 100 to 120 units per ha. Yes, there is a demand from sites to build flats on for the top and bottom of the market.



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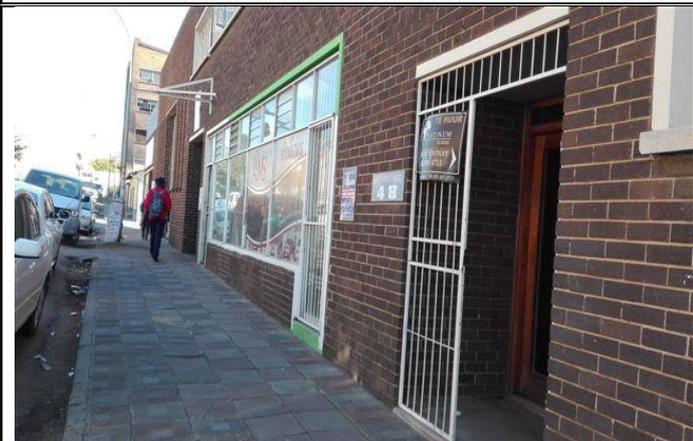
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**Contact Mike 082 884 4711**