



## From the President's Desk



Greetings fellow Valuers, I trust that you are all in good spirits and have returned from a well-deserved break and a thoroughly good holiday. Life never ceases to amaze me when it comes to the pace at which things move and change. In our small world we are going through changes within the SAIV whilst at the same time, there are major structural changes taking place at a political level in our country – no wonder it is said that “Africa is not for sissies”.

Our mini Natex meetings which took place in November last year at the General Secretary’s Offices in Pretoria largely focussed on the staffing of Head Office, with particular reference to the filling of the General Secretary post. To this end, the committee tasked with this exercise, being myself, Tracey Myers, Derrick Griffiths and Trevor Richardson, have extensively scoped the position in accordance with the vision of where we aim for the SAIV to be in 5 years from now. The next step is to have this position scope profiled, the appropriate skill-set determined and then to go to market to source the ideal candidate for this demanding role. Our timelines allow for the entire process to be finalised preferably by end April, in order that the incumbent will have the benefit of being exposed to a full bench of Natex at the annual National Executive Meetings and the SAIV AGM – nothing like being tossed into the deep end to find your swimming legs!!! I urge you to monitor our lines of communication for the Advertisement to fill this position, as we will advertise it to both our Members and the market at large.

I would like to wish all the Branches and the Branchex Committees well for their upcoming AGM’s, some of which I aim to attend. In most cases, there will be vacancies on each Branch which may need filling and if you indeed feel that way inclined, please put your hand up to become involved. It is self rewarding to be able to give back to our profession what we take out of it. There is no financial reward for this or promise of any significant work opportunities or appointments to valuation projects – the benefit is to give back

that which we have learnt, for the benefit of our colleagues and more importantly, for the benefit of our Student Valuers. So if you are considering rolling up your sleeves and getting involved in SAIV life, chat to your local Branchex member or even the Chairman to understand what this entails.

In closing, I wish you all well and look forward to meeting up with you at your AGM's, those which I am able to make.

**Patrick O'Connell**



The poster features a green and white wavy background. On the left, there is a portrait of Dawie Roodt, a man with glasses wearing a white shirt and tie. Below the portrait, the text 'Dawie Roodt' and 'Keynote Speaker' is displayed. In the center, there is a crest of the South African Institute of Valuers (SAIV). To the right of the crest, the text 'SAIV NORTHERN BRANCH' is written in a light green font, followed by 'AGM AND SEMINAR' in a large, bold, green font. Below this, a green button with the text 'Register Online' is visible. At the bottom right, the event details are listed: 'Date: 15 MARCH 2018', 'Time: 12:30 to 16:30', and 'Venue: Centurion Lake Hotel'.

SAIV NORTHERN BRANCH  
**AGM AND SEMINAR**

**Register Online**

**Dawie Roodt**  
Keynote Speaker

**Date:** 15 MARCH 2018  
**Time:** 12:30 to 16:30  
**Venue:** Centurion Lake Hotel

# Depreciated Replacement Cost: Economic Obsolescence and Adequate Profitability

by Ken Davies (FIV)SA



SAIV KwaZulu-Natal Fellow Ken Davies has released his paper on the Depreciated Replacement Cost (DRC) Methodology. Initially presented in 2017, it has received further amendments from various contributors. The paper provides a comprehensive overview of the DRC method, its uses and shortcomings. It is a must read for all practising valuers and property professionals.

Access full paper by clicking [here](#).

A promotional poster for the SAIV Southern Branch AGM and Seminar. It features a green and yellow wavy background. On the left is the SAIV crest, which includes a shield with a scale of justice, a book, and a torch, topped with a crown and flanked by two figures. To the right of the crest, the text 'SAIV SOUTHERN BRANCH' is in a small, grey, sans-serif font, followed by 'AGM AND SEMINAR' in a large, bold, green, sans-serif font. Below this, a green button with white text says 'Register Online'. At the bottom right, the event details are listed in white text: 'Date: 16 MARCH 2018', 'Time: 09:00 to 13:00', and 'Venue: NH The Lord Charles Hotel, Cnr Main Road (M9) & Broadway Boulevard (R44), Somerset West, Cape Town'.

SAIV SOUTHERN BRANCH

## AGM AND SEMINAR

[Register Online](#)

**Date:** 16 MARCH 2018  
**Time:** 09:00 to 13:00  
**Venue:** NH The Lord Charles Hotel, Cnr Main Road (M9) & Broadway Boulevard (R44), Somerset West, Cape Town

# 7 Issues complicating ANC's Land Expropriation stance



The issue of land expropriation without compensation announced as ANC policy on 20th December 2017, comes in the midst of the party having lost support over time and the populace on ground level possibly having felt the party has not been leftist enough on the issue.

This is the view of Bulelwa Mabasa, director and land claims expert at Werksmans Attorneys.

She said she understands that a political party can state what its policies are, but in her view it is disingenuous to make such announcements about land expropriation without compensations without dealing with what has been dogging the process for so many years already.

New ANC president Cyril Ramaphosa indicated that he is committed to land expropriation without compensation in a way that doesn't undermine the economy, agricultural production and food security. "The 2019 elections are in less than two years and something has to happen. Ramaphosa's announcement on land expropriation without compensation aligns with the policy of radical economic transformation," Mabasa told Fin24 on Thursday.

"There is a radical element to Ramaphosa's statement. The same kind of radicalness contained in President Jacob Zuma's fee free education statement ahead of the ANC election conference."

In Mabasa's view, there is a measured policy shift regarding land reform as the ANC has in the past consistently said compensation is very important in expropriating land. This which resulted in the formulation of section 25 of the Constitution, which guarantees "just and equitable compensation".

Eradicating compensation would, therefore, require an amendment to the Constitution by a two thirds majority in parliament - which the ANC does not have. The question is, therefore, whether the EFF and other smaller parties would vote with the ANC in this regard.

## **Slow pace of expropriation**

"Legally we know the slow pace around issues of expropriation has been a big challenge. For the first 10 to 15 years the cost of expropriation had to be borne by government and - in my view - the ANC mistakenly went the way of 'willing buyer, willing seller', while the Constitution only talks about what is 'just and equitable'," said Mabasa.

"So, government ended up paying much more than it should have."



Another issue raised by Mabasa is uncertainty regarding how people will be identified for the purposes of expropriation without compensation.

"One can say that land had been expropriated in the past under the Native Land Act, but it is unclear which land will now be identified for expropriation and on what basis. All these issues have to be cleared up," said Mabasa.

"Yes, one can say [some of] that land is now owned by white people, mining houses and corporates, but some of them might have share incentive schemes involving black people, for instance."

#### **Less than 1% of fiscus**

She pointed out that the ANC has only allocated less than 1% of the fiscus to land reform.

"So, we can then ask whether the land issue is just a convenient tool for political reasons or if there is a real will to address it. The ANC should not then have adopted the willing buyer, willing seller approach in the past," said Mabasa.

Another important issue to address, in her view, is that one has to ask whether the ground has sufficiently been laid for expropriation and what that would mean for investor confidence - especially investors who have invested in land.

"Issues around expropriation remain problematic. There have been land expropriations over the past 23 years where it has not benefitted anyone economically. This is because there is no policy that guarantees what when someone is given land, he or she will be supported with skills development and funding," said Mabasa.

"The issue brings in so much baggage if it is not dealt with fundamentally."

She emphasised that there are other examples in the world of expropriation without compensation and of economies that thrive on leasehold, for instance.

"But in the context of wanting our economy to improve, the question is whether we have enough certainty to encourage investor confidence. I think where we are currently at with the land issue, not enough expropriation that works has been done," she explained.

In Bulelwa's view there are 7 issues to keep in mind on expropriation without compensation:

1. Not an easier process
2. ANC steady decline
3. Available land
4. Investor confidence
5. Support lacking
6. Legal framework
7. Serious skills deficit

This article was originally featured in Fin 24. Click [here](#) to read full article.



## National Business Opportunity



A national business opportunity is available for prospective franchisees in Cape Town, Port Elizabeth, Bloemfontein, Nelspruit, Rustenburg and Polokwane. Outside our borders, this opportunity has also been availed in Windhoek (Namibia), Gaborone (Botswana) and Maseru (Lesotho). Prospective partners are required to adhere to strict conditions put forward by UniqueCo.

- Be part of a larger prominent and professional brand
- BEE Level 2
- Up to 30% Franchise Partnership
- Market & Insurance Valuations (Residential, Commercial & Agricultural)
- New business and relocation will be considered
- Existing business and merge will be considered
- Business proposals, experience and qualifications required
- Proposals subjected to personal interview on invitation
- Franchise Costs (POA)

For enquiries please email Lourens Nel (Group Managing Director) [nel@uniqueco.co.za](mailto:nel@uniqueco.co.za)



## Industry Events



A number of industry events will be taking place around the country including SAPOAs KZN Presentation and AGM; Africa Land-Use Training is presenting a Grass Identification and a Veld Management course; and the South African Rights of Way Association (SARWA) will be hosting its 20th Annual Education Conference from 14 to 15 March at the CSIR International Convention Centre in Pretoria.

### **SAPOA KZN Presentation and AGM**

The South African Property Owners Association (SAPOA) will host its KwaZulu-Natal Breakfast Presentation and Annual General Meeting (AGM) on the 9th March. SAPOA will also host its KZN Tenant Arrears Full Day Workshop on 5th March. For more information please [click here](#).

### **Africa Land-Use Training Events**

Africa Land-Use Training presents a Grass Identification and a Veld Management course during March and April respectively. The Grass Identification course will run over 3 days and it is aimed at people who want to expand on their current grass species knowledge.

The Veld Management course runs over 5 days and it is aimed at training the learner on the important principles and practises needed to ensure sustainable land management and improving land condition.

### **20th SARWA Annual Education Conference**

The South African Rights of Way Association (SARWA) will be hosting its 20th Annual Education Conference from 14 to 15 March at the CSIR International Convention Centre in Pretoria. SARWA is an affiliate of the International Rights of Way (IRWA) which is a professional member organization comprised of global infrastructure real estate practitioners.

Scheduled to speak at the conference are distinguished guests including Jerry Colburn from SR/WA USA,

Christopher Gavor the Valuer General, Adv Janet Gildenhuys, a representative from AgriSA. Keith Core from Louisiana USA, Viresh Singh and Ernest Grunewald. Attendees at the conference can expect to obtain 14 CET points.

For more information please [click here](#).

The banner features a green and yellow wavy background. On the left is the SAIV logo, which includes a crest with a lion and a shield, topped with a crown and a banner. To the right of the logo, the text 'SAIV CENTRAL BRANCH' is in a small, grey, sans-serif font. Below this, 'AGM AND SEMINAR' is written in a large, bold, green, sans-serif font. A green button with the text 'Register Online' in white is positioned below the main title. At the bottom right, the event details are listed in white text on a green background.

SAIV CENTRAL BRANCH

# AGM AND SEMINAR

[Register Online](#)

**Date:** 16 MARCH 2018  
**Time:** 08:30 to 12:00  
**Venue:** A Lodge at Bloem, 13 Van Blerk Ave,  
Groenvlei, Bloemfontein



# Vacancies at the Office of the Valuer General



The Office of the Valuer General has a number of vacancies to fill including 3 posts for Senior Valuers and 6 posts for Valuers.

SENIOR VALUER (3 POSTS) (Reference: OVG01/2018)

VALUER (6 POSTS) (Reference: OVG02/2018)

Please forward your application, quoting the relevant reference number to:

Office of the Chief Registrar of Deeds,

Private bag x918,

Pretoria,

0001.

For attention: Human Resource Management,

Rentmeester

Building, room 412, 4th floor,

Corner Pretorius and Bosman Street;

Pretoria or email to: [vg@ovg.org.za](mailto:vg@ovg.org.za)

CLOSING DATE : 09 MARCH 2018

To view vacancies please [click here](#).