



**RAYMOND
MHLABA**
MUNICIPALITY

UMANYANO KUPHULISO

T 046 645 7400/7451 | F 046 645 2562
8 SOMERSET STREET
FORT BEAUFORT | 5720
P.O.BOX 36 | FORT BEAUFORT | 5720

Date 26 June 2023

REQUEST FOR QUOTATIONS

The Municipality would like to extend a call for the submission of quotations from suitably qualified service providers to perform valuation of Investment Properties of Raymond Mhlaba Local Municipality for the 2022/23 financial year.

Enquiries should be addressed to L Mayi at lmayi@raymondmhlaba.gov.za. Quotations/Proposals are to be placed in a sealed envelope endorsed with the name of the project mentioned above and must be deposited in the Bid Box at the **Budget and Treasury Office: Corner of Campbell and Market Street, Fort Beaufort Town Hall, 5720**, not later than **12h00pm on 3rd July 2023**, at which time they will be opened in public.

Preferential Procurement Policy Framework Act points will be awarded as follows:

Price	- 80 Points
Specific goals	- 20 Points
Total	- 100 Points

MANDATORY DOCUMENTS TO BE SUBMITTED AND FAILURE TO DO SO WILL LEAD TO BIDS DEEMED TO BE NON-RESPONSIVE.

- Raymond Mhlaba Municipality Supply Chain Management Policy will apply.
- Raymond Mhlaba Municipality does not bind itself to accept the lowest bid or any other bid and reserves the right to accept the whole or part of the bid and value for money will be the key determinant of the appointment.
- Prices quoted must be firm and must be inclusive of VAT for VAT vendors.
- Bids which are late, not filled in black ink, incomplete, pages not filled in, unsigned or submitted by facsimile or electronically, will not be accepted.
- A confirmation from SARS with a verification pin.
- Certified copy of company CIPC Document. Proof of CIDB registration
- Certified BBBEE certificate or sworn affidavits for EME's and QSE's (non-elimination item).
- Certified ID Copies of Managing Directors/ Owners.
- Municipal Billing Clearance Certificate from your local municipality is a compulsory submission. All service providers must provide municipal billing clearance obtainable from Revenue Manager/Section. Take note that the municipality will not enter into a contract with a bidder whose Municipal Bill is more than 3 months in arrears.
- Certification of documents must be within a period of 90 days and must be originally certified.
- Bidders must be registered on CSD and provide confirmation of registration.
- Specific goals will be allocated to SMMEs and youth and means of verification will be a Sworn Affidavit issued by the Commissioner of Oath or a certificate from the Verification Agency as means of verification to claim points plus Certified ID
- No bidders in the service of the state are allowed to bid.
- Bidders will be required to produce proof of VAT registration for appointments in excess of R 1 Million.

Background

Raymond Mhlaba Local Municipality prepares and presents financial statements under the accrual basis of accounting Standard (GRAP 16) for investment property. The Standard applies to the accounting for investment property including the measurement in a lessee's financial statements of investment property interests held under a lease accounted for as a finance lease and to the measurement in a lessor's financial statements of investment property provided to a lessee under an operating lease.

The Municipality owns a number of investment properties around the Raymond Mhlaba Municipal Boundary. Property valuations are essential to know the right value of a property.



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Scope of Work

The scope of work below serves a valuation brief, the appointed Service Provider will establish the processes, best valuation approach and method. The valuation report is for accounting purposes on investment properties. The Municipality will communicate on a yearly basis which properties to be evaluated on that specific year.

SPECIFICATIONS

The Service Provider is expected to perform the following tasks, amongst others, in the valuation process:

- Take pictures of the exterior and interior of a property.
- Measure the exterior and interior of the property.
- Look around the exterior of the property and take notes of any potential damages or structural issues like a damaged roof, broken window, chipping paint or termite damage.
- Look around the exterior of the property and take notes on any significant improvements that could increase the value of the property like a new roof, fresh paint, well-kept lawn or add-ons to the existing structure.
- Survey the interior of the property to identify the number of rooms, bathrooms and amenities.
- Valuation calculation
- Review local zoning codes.
- Compare the property's selling value to other properties in the area.
- Recent comparative sales in the area
- Any other relevant information

Reporting

The service provider must provide the client with the following reports:

Valuation Report

The valuation report must be submitted as of 30 June 2023 for the Financial Statements annually.

The report must include:

- Description, approach, and methodology used to undertake the valuation.
- Detailed information of identified property i.e., deeds information and restrictions.
- Detailed information concerning local, district and provincial authorities and related information such as demarcation and zoning.
- Physical description of identified properties and all relevant attributes influencing valuation of the property including urban context; and
- Valuation conclusions

Certificates

- The Valuation certificates
- The Market related value
- The replacement values
- The Market related monthly rental

Quality Assurance

- Resolve audit queries as and when they arise with regards to the valuations provided



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- All assumptions used during the valuation of the above, must be clearly stated in the reports.
- The successful valuer will be required to provide advisory services on a needs basis as and
- when required.

QUALIFYING CRITERIA

- Must be a registered valuer with the South African Council for the Property Valuers Profession – Submit proof of registration and qualifications (**certified**)
- Must have a minimum of 10 years relevant experience in valuing similar projects – Submit c.v and reference letters from previous employers (5 **signed** reference letters as a minimum)

SPECIFIC CRITERIA

- SMME - <51% black owned – 10 POINTS
- YOUTH – POINTS 10

X.Pantsi
SCM Manager