

# CITY OF WINDHOEK

Department of Housing, Property Management and Human Settlement



## CLOSED BID SALE

### Registration and Conditions of Sale

**Sale of 180 “single residential” and 2“general residential” Erven in Khomasdal, Kleine Kuppe, Auasblick, Dorado Park, Rocky Crest, Goreangab (1 improved property in Goreangab) and Wanaheda to the highest bidder for Tender (Natural Persons and General Residential), and to the average bidder for Offer to Purchase (First-time buyers) – Notice No. 16/2020**

1.

### REGISTRATION PERIOD

**Monday, 20 July 2020 to Friday, 31 July 2020 from 08:00 to 16:00**

2.

### COLLECTION OF BIDDING FORMS AND SUBMISSION OF BIDS

**Collection of bidding forms - Monday, 10 August 2020 to Wednesday, 12 August 2020**

**Submission of Bids - Monday, 10 August 2020 to Friday, 14 August 2020**

3.

### INFORMATION MEETING

An information session is scheduled for Wednesday, **22 July 2020 from 08:30-09:30 and from 09:45 - 10:45 at the Ramatex, Rhino Garment Building in Otjomuise** at which session the registration process, conditions of sale and method of payment will be explained. Access is from Moses Garoeb opposite Bonn Street, Otjomuise. Each session will be limited to a maximum of 250 people in compliance with the Covid-19 Lockdown Stage 4 regulations.

4.

### DOCUMENTS REQUIRED TO FINALISE REGISTRATION PURPOSES:

The prospective purchaser must provide the following documents to enable him/her to complete the registration.

- 4.1 Certified Copy of Identification Document (Namibian Citizens only).
- 4.2 Certified copy of Marriage Certificate/Ante-Nuptial Contract (where applicable).

- 4.3 Financial Approval Letter from financial institutions/proof of availability of funds (for cash buyers).
- 4.4 FIA Form to be completed (to be provided by the City).
- 4.5 Credit Worthiness Certificate completed (to be provided by the City).

## 5. REGISTRATION

All persons interested in participating in the closed bid sale are required to register from **Monday, 20 July 2020** until **Friday, 31 July 2020** from **08:00 until 16:00**, daily at the City of Windhoek Customer Care Centre, Independence Avenue. **No late registrations will be considered.** A non-refundable registration fee of **N\$300.00 for single residential erven (per segment/category) and N\$1000.00 for the general residential erven** must be paid per prospective bidder. All payments are to be made at the City of Windhoek Cash Hall during the registration upon being issues an invoice to make payment.

**!NB It should be noted the registration fees is non-refundable, irrespective of whether successful or not.**

## 6. DISQUALIFICATION OF BIDS

The following will result in bids/bidder being disqualified:

- 6.1 If found that the Bidder has not been duly registered.
- 6.2 Failure to provide the Unique Identification Number (Registration Number) provided.
- 6.3 If bid is not submitted on the provided bid forms provided.
- 6.4 If Bidder's information on the bid form is incomplete.
- 6.5 if bid/offer is lower than the upset price.
- 6.6 If it is found that false information was provided on the bid form or Registration form.
- 6.7 Non-compliance with any other conditions contained in the Conditions of Sale document.
- 6.8 Any bribery, coercion, canvassing or any attempt thereto in order to influence or to intervene in or attempt to influence the awarding of the bid, whether directly or indirectly, or the obtaining or an attempt to obtain confidential information belonging to the City in respect of the sale, or any party purporting to represent the bidder (even though not employed or being a director or shareholder) in doing so **will result in disqualification of the bidder/s concerned.**

## 7 SUBMISSION AND DISPALY OF BIDS

### 7.1 Submission of Bids

The Bids must be submitted in a sealed envelope marked: **First Time Buyers, Natural Persons or General Residential** from **10 – 14 August 2020, and must be submitted in the respective boxes before 16:00 pm on Thursday, 14 August 2020 at City of Windhoek Head Office, Customer Care Centre, Independence Avenue.** The submission of the bids must comply with the process prescribed in the conditions of sale document and erven are allocated on the basis of one (1) erf per person/entity.

Three (3) bidding forms will be issued to each registered bidder, thus affording a registered bidder an opportunity to submit bids for any three (3) of the erven on offer. The following will therefore apply:

- 7.1 Bidding forms will only to be issued to registered bidders.
- 7.2 To receive a bidding form proof of identity document / Power of Attorney and Registration Number is required.
- 7.3 If no representative is present, no bid forms will be handed out and therefore the prospective purchaser will not be able to take part in the bid process.
- 7.4 Handing out of bidding forms to registered prospective purchasers only from Monday, **10 August 2020 to Wednesday, 12 August 2020 between 08:00 am to 16:00 pm.**
- 7.5 The prospective purchaser/dully appointed representative must complete their bid forms and place each bid form in the respective box.
- 7.6 The bidding process ends exactly at 16:00 pm on the last bidding day (Wednesday, 12 August 2020) as indicated and no negotiations of submission of bids will be entertained beyond this date.
- 7.7 Once the data capturing is completed and verified, the bids will be ranked from highest to lowest for Natural Persons and General Residential, and an average will be worked out for the Offer to Purchase.
- 7.8 All bids will be displayed as indicated in 7.2, following which the allocation process starts.
- 7.9 In an event where a deadlock arises (for natural persons and general residential), i.e. two or more bidders offer the same price for the Erf, the deadlocked bidders will be given an opportunity to bid against one another by means of written offers. The resultant highest bidder will be allocated the Erf.
- 7.10 **Should the successful bidder fail to accept the offer by 02 September 2020, the allocation will be extended to the next qualifying bidder.**
- 7.11 **The successful bidder (not a proxy) must personally sign an Acceptance Form and a Deed of Sale not later than 16:00 on Wednesday, 02 September 2020.**

**NB!** For Natural Persons and General Residential the successful bidder is the highest bidder on that particular Erf while for the Offer to Purchase (First Time Buyers) the successful bidder is the bidder with the bid equal to the average or the bid below the average of all bids received for that particular Erf, except if that bidder has already been allocated an Erf during this sale, then the allocation is automatically extended to the next qualifying bidder until allocation is accepted.

If no allocation the Erf goes back on the list of available properties to be sold again.

## **7.2 Display of Bids:**

All Bids will be displayed at the Customer Care Centres (Town House and Katutura) from **24 – 27 August 2020**, for viewing. Bidders who have concerns regarding the displayed results must lodge their concerns/complains, with proof, with the following contact persons for rectification/clarification:

Mr. Russel van Rooi  
Office No. 318, 3<sup>rd</sup> Floor, City of Windhoek Head Office  
Tel: +264 - (0)61 – 290 2045  
E-mail: [Russel.VanRooi@windhoekcc.org.na](mailto:Russel.VanRooi@windhoekcc.org.na)

Mrs. Regina Luyenu  
Office No. 2 Katutura Customer Care Centre  
Tel: +264 (61) 290 3303  
E-mail: [Regina.Luyenu@windhoekcc.org.na](mailto:Regina.Luyenu@windhoekcc.org.na)

Concerns must be lodged between 24 and 27 August 2020 for them to be considered, and they must be accompanied by proof thereof. It should be noted that only registered bidders will be entertained regarding their bids submitted and this is not an opportunity to object against the sale of the Erven. If one has not registered to partake or registered but did not submit a bid such a claim/complain will not be considered. If a prospective bidder has registered and fails to submit his/her/its bid, no claim shall be entertained.

### 7.3 Calculation of Average – for Offer to Purchase (Natural Persons)

It is a condition that an average price will be calculated for allocation as follows:

A = Add all offers above the upset price together  
B = Number of offerors received per Erf  
C = Average

where

$C = A/B$  (C = A divided by number of offerors above upset price B)

All offers above the average price would not be considered.

If one (1) qualifying offer is received that exactly match the average above the upset price, then such offer will be considered for allocation;

If no offers received match the average, the offer immediately below the average would be considered.

The following core criteria would be employed in the allocation process if multiple offers equalling the average are considered

Preference will be given to,

- Firstly, previously disadvantaged women,
- Secondly, previously disadvantaged disabled persons and;
- Thirdly, previously disadvantaged men.

## 8

### ALLOCATION AND SIGNING OF DEED OF SALE

The allocation and signing of the Deed of Sale with successful Bidders will take place from **31 August 2020 to 02 September 2020**.

**Monday, 31 August 2020 and Wednesday, 02 September 2020**

- 8.1 After being informed as the successful bidder and once the bidder indicates acceptance, the bidder must accept in writing and sign the Deed of Sale at the venue (otherwise as may be arranged).
- 8.2 The date of sale in this regard shall be the date of signature by or on behalf of the Seller.
- 8.3 Bidders/Prospective purchasers married in community of property must prior to signing the Deed of Sale obtain the written approval of their spouse.

## 9

### ALLOCATION TO NEXT BIDDER IN LINE (AFTER SUBMISSION OF BIDS)

Should the allocation to the first in line bidder be cancelled for whatever reasons, the allocation will be extended to the next qualifying bidder in line. An offer will be made to the next qualifying bidder in line

and a Deed of Sale will be emailed to the email address provided on the registration form. The bidder will be required to accept the offer and sign the Deed of Sale within (5 working days), failure which the allocation will be extended to the next qualifying bidder. All efforts will be made to ensure that the offer is received by the next qualifying bidder.

The date of sale in this regard shall be the date of signature of on behalf of the SELLER (Municipal Council of Windhoek).

## 10

### CANCELLATION OF ALLOCATION

10.1 Failure to comply with the payment conditions will result in the sale being automatically cancelled with no extension. The Erf will then automatically be allocated to the next qualifying bidder inline.

10.2 The **ninety (90) days** period will strictly be applied and non-compliance will not be condoned. Under no circumstances will extension be granted beyond the **90 days** from the date of sale. The onus shall, therefore, be on the purchaser to ensure that the payment of the full purchase price together with interest is paid before the expiry of the 90 days period.

10.3 Should the sale be cancelled, after a Deed of Sale has been signed, either on request by the purchaser or due to non-payment any monies paid in respect of the purchase of the Erf will be refunded to the purchaser less 20% of the purchase price as a defaulting penalty.

## 11

### PAYMENT CONDITIONS

Prospective purchasers are cautioned to make arrangements with their financial institutions to make sure that their finances are in order prior to the registration and bidding as failure to abide by the payment conditions will result in an automatic cancellation of the allocation, as no other arrangements will be entertained or accepted.

Direct Electronic Fund Transfer (EFT) payments into the account of the Municipal Council of Windhoek are acceptable, provided that they comply with the payment conditions. For EFT payments the **Erf number and name of purchaser** should be used as the reference.

➤ ***Payment of price by cash***

Cash price to be paid within **60 DAYS** from the date of sale. Should purchaser fail to pay within 60 days, interest at a rate of 15% per annum will be charged from the expiry of the 60<sup>th</sup> day until date of payment. This implies that an automatic extension is granted for payment of the full purchase price together with interest thereon is to be made within 90 days from the date of sale, failure which the sale is automatically cancelled and allocation extended to the next qualifying bidder.

➤ ***Payment Bank Guarantee***

To be provided within **70 days** from the date of sale. Interest at a rate of 15% per annum will be charged on the full Purchase price from the **61<sup>st</sup> day** from the date of sale until date of payment. This implies that payment of the full purchase price together with interest thereon is to be paid

within 90 days from the date of sale, failure which the sale is automatically cancelled and allocation extended to the next qualifying bidder.

➤ **Transfer**

Instructions for transfer to be given upon receipt of proof of payment/Guarantee, provided that the Guarantee has been provided/submitted **twenty (20) days** before the 90<sup>th</sup> day from the date of sale to allow sufficient time for transfer and payment to take place within the 90 days. No transfer instructions will be given after the **70<sup>th</sup> day** from the date of sale where the full purchase price together with interest has not been paid and no guarantee will be accepted after the **70<sup>th</sup> day** from the date of sale. If payment of the full purchase price together with interest is made within 90 days from the date of sale, transfer instructions will be given without any hindrance whatsoever.

In addition to the payment of the purchase price of the Erf an amount is payable against the signing of the Deed of Sale which will be credited towards the rates and service account of the Tenderer.

## 12

### TRANSFER PERIOD

All properties must be paid for in full and transferred into the names of the respective purchasers within 90 days from the date of sale. Refer to 8.2 above and 18.1 for Date of Sale.

No extension of the date of payment or date of transfer of the property will be considered. If the purchaser cannot meet the deadline for the transfer of the property, the transaction will be cancelled without the need to give any further notice to the purchaser.

## 13

### GENERAL

The Conditions of Sale and the site plan can be obtained from City of Windhoek (Town House Customer Care Centre, Independence Avenue), upon registration. The sale is subject to various restrictive conditions.

**The Erven will be sold to the highest bidders for Natural Persons and General Residential and to the average bidder for Offer to purchase (kindly refer to 7.3 above on how average is calculated), and Erven will be allocated on the basis of one erf per person/bidder irrespective of having registered to partake in all three (3) SALES.** The Bidder/Prospective purchaser takes note that he/she shall not be entitled to resell, donate or in any way alienate (with the exception of a mortgage bond in favour of a financial institution) the unimproved property. The purchaser agrees to register this condition against the Title Deed of the property in favour of the City of Windhoek at his/her/its own costs.

The restrictive resale condition implies that the purchaser of an Erf will not be able to transfer the subject property to a third party prior to the property having been improved to the minimum value in line with the Windhoek Town Planning Scheme.

The purchaser will not be given the opportunity to nominate a nominee, therefore the purchaser must ensure that the Registration Form is completed in the name of the party into which the property will be transferred. **No substitution of purchasers will be considered.**

Council shall not tolerate under any circumstances any process whereby the purchaser of the property will be allowed to nominate a third party as the eventual purchaser of the property.

## 14 TERMS & CONDITIONS

- 14.1 It is a condition of the Acceptance of the Bid that only the offers above the upset price be considered,
- 14.2 A bidder from any entity other than a natural person will not be considered (for single residential Erven).
- 14.3 A bid from a non-Namibian citizen will not be considered.
- 14.4 Only one erf per successful bidder will be allowed.
- 14.5 The Council reserves the right to reject bids containing information which is deemed incomplete or unsatisfactory.
- 14.6 No proxies, substitutions, agents, representatives or persons purported to be agents of the Bidder will be entertained without a duly signed Power of Attorney.
- 14.7 An acceptance of an offer/bid assumes the general contractual status. This stipulation only applies once the allocation has been approved accepted by the Bidder or duly appointed representative.
- 14.8 In the event of the Bidder not fulfilling its obligations as stipulated in this document and/or the Deed of Sale, and the subsequent contractual terms following the acceptance of the bid, the Bidder shall be liable towards the Council for damages suffered or alternatively for a penalty amount which may at the Council's option be determined.
- 14.9 All prices quoted and payments shall be in Namibian Dollar.
- 14.10 Bidder must take note that the successful bidder has to bear all the costs with regard to transfer and stamp duties, tendering, planning, design, connection, construction costs of additional improvements, on the Property.
- 14.11 This Closed Bid Sale is subject to the Municipal Council of Windhoek's Standard conditions of sale contained in this document and as will be fully described in the Deed of Sale, as well as to the Windhoek Town Planning Scheme. Should the purchaser not fulfil any or all of the conditions required in terms hereof, the Municipal Council of Windhoek reserves the right to cancel the transaction without the need to place the purchaser on terms.
- 14.12 The purchaser is from date of sale entitled as well as obliged to take possession of the erf and from the said date accepts the sole risk of the destruction of or damages to the erf as well as the obligation to pay all rates and taxes, sanitary fees, water charges and any other fees to which the Municipal Council of Windhoek may be entitled to in accordance with statutory regulations as if the erf was transferred into the purchaser's name on date of sale.
- 14.13 The erf is sold "voetstoots" and in the condition it presently is or shall be at the date of sale. Council gives no warranty or guarantee, whether express or implied, oral or tacit, as to the



suitability of the lay-out or situation or subterranean composition of the property or any improvements thereon. Council also does not warrant that the services installed at the property are suitable for the use intended by the purchaser. It is therefore the obligation of the purchaser to verify that the installed electricity, sewage and water connections are suitable for the intended use of the property.

14.14 The Municipal Council of Windhoek shall not accept any responsibility for any upgrading work of the erf.

14.15 Availability services plus the relevant property taxes will be payable by a purchaser for the property acquired at the Closed Bid Sale as from the date of sale of the erf and be so calculated on the municipal valuation of the erf.

## 15 LAND USE ZONES

The Purchaser shall take note of the land uses as per the Table below:

**TABLE B: LAND USE ZONES**

USE ZONE (1)	PRIMARY USES (2)	CONSENT USES (3)	PROHIBITED USES (4)
<b>I Residential</b>	Dwelling units	Residential buildings, Places of public worship, Places of instruction, Social halls, Institutions, Special buildings, Bed-and-breakfasts, Resident occupations and Heritage buildings (For details refer to Table H)	Other uses not under columns 2 and 3
<b>II General Residential</b>	Dwelling units, residential buildings	Places of public worship, Places of instruction, Institutions, Special buildings, Hotels, Resident occupations, and Heritage buildings (For details refer to Table H)	Other uses not under columns 2 and 3

## 16 CONFIDENTIALITY & COPYRIGHT

16.1 Documents issued by or on behalf of the City of Windhoek shall remain within the copyright of the City of Windhoek.

16.2 Bidders/Prospective Purchasers shall treat all aspects pertaining to this sale as confidential and shall not disclose details to third parties except for bona fide tendering purposes.

## 17 LEGAL SYSTEM APPLICABLE

*The Gateway to Endless Opportunities*



- 17.1 The legal system applicable to this sale and any agreements arising there from will be that of Namibia. The elected domicilia of any agreement will also therefore be that of Namibia.
- 17.2 In the case of reference to any legislation in this document or any documents accompanying same, such reference shall also include the reference to any possible amendment thereto or legislation coming into the place of the existing legislation.

## 18 DEFINITIONS

- 18.1 “Date of Sale”**, for the purposes of this sale, the date of sale shall mean the date on which the Deed of Sale has been signed by the Manager: Property Management or an official Acting as the Manager: Property Management.
- 18.2 “Letter of Undertaking”**, for the purposes of this sale, the Letter of Undertaking shall mean the letter issued by a Law firm which is represented by a board of executors or a trust company or any other company which invests, keeps in safe custody, controls or administers any trust property.
- 18.3 “Previously or Racially disadvantaged persons”** i.e. all persons who belong to a racial or ethnic group which was or is, directly or indirectly, disadvantaged previously as a consequence of social, economic, or educational imbalances arising out of racially discriminatory laws or practices before the Independence of Namibia and if black empowerment group the shareholding of the company must be listed under motivation to determine if the majority shareholders indeed qualify
- 1.2 **“Disabilities”** in relation to a person, include any persistent physical limitation, which restrict such person’s preparation for entry into or participation or advancement in, employment or occupation as attested to with a certificate preferably from a medical practitioner to be attached as proof of such claim.
- 1.3 **“First time Offeror or buyers”** for the purposes of the Offer to Purchase, a First time buyer is a person who currently does not own or have registered a property in his or her name in Windhoek.

### **Contact Persons at Customer Care Centre, Independence Avenue. City of Windhoek Head Office:**

Mr. R. Van Rooi	+264 61 – 290 2045. Email: <a href="mailto:rvr@windhoekcc.org.na">rvr@windhoekcc.org.na</a>
Mrs. RN Luyenu	+264 61 – 290 3303. Email: <a href="mailto:mnr@windhoekcc.org.na">mnr@windhoekcc.org.na</a>
Mr. Louis Beukes	+264 61 – 290 3411. Email: <a href="mailto:Louis.Beukes@windhoekcc.org.na">Louis.Beukes@windhoekcc.org.na</a>
Ms. W. Cloete	+264 61 – 290 3008. Email: <a href="mailto:wcm@windhoekcc.org.na">wcm@windhoekcc.org.na</a>