

## **Media Release:**

### **Sea Point, Fresnaye and Bantry Bay Ratepayers' Association urges property owners in the area to object property valuations**

Date: 17 April 2019

Release: Immediate

Recent valuations conducted by the City of Cape Town sees property owners in the Atlantic Sea Board facing up to a 34% hike in rates, which was the average valuation for the entire City Council. In many cases however, the valuation is far in excess of the average and has caused alarm amongst our members.

The Sea Point, Fresnaye and Bantry Bay Ratepayers' Association (SFB) attended a meeting hosted by Deputy Mayor Ian Nielson and Ward Councillor Nicola Jowell at the City of Cape Town this week, to voice the concerns of property owners in our area and obtain a better understanding of the process.

#### The process and legal framework

The City collects information on all properties in Cape Town to perform general valuations every three years. These valuations define the market value of each property and, consequently, the property's monthly rates.

The 'market value' of a property is calculated by applying the average value of sales that have taken place in a particular area using a 'multilinear regression model' to arrive at the figure. The model consists of 13 attributes including suburb, erf size, view, age of property, number of bedrooms and bathrooms to name a few.

The average value of sales is plotted onto a graph, with a 'best fit line' applied through the data and then a valuation of each property in the suburb is determined.

Calculations are done by the City Council's in-house valuation specialists and they are audited by an accredited International valuation group who consult to the City Council.

Alderman Nielson confirmed that the "City's values are as accurate as they can be to the best of their knowledge," following the announcement of a clean audit by the International Property Institute who deemed the model appropriate for the circumstances.

#### Where does this leave property owners?

Admitting that anomalies do exist, the City of Cape Town has implemented a process for citizens to object, and if necessary, appeal, against a valuation of their property in terms of the GV2018 General Valuation Roll.

With in-person objections now closed (as of 30 March 2019) objections can still be made via email or eServices up until 30 April 2019. For the relevant form click [here](#) or visit [www.capetown.gov.za](http://www.capetown.gov.za) for more information.

It is up to you, as the objector, to prove that the market-value assessment is wrong. Objections need to be supported, with the City stating that neighbouring valuations cannot be used as a motivation for objection.

Motivation for objections can include:

- a valuation of your property from a private valuation consultant (recommended, even though the property owner will have to bear the expense);
- looking at the property's original sales price (which can be retrieved from the deeds office) vs the new valuation and comparing it to local sales data in the months close to the valuation date, which was 2 July 2018.

Nielsen mention that it could take until December for people to hear whether or not their application has been successful and that there is an appeal process should it not be.

The SFB strongly urges citizens who believe their valuation is incorrect to object before the 30<sup>th</sup> of April 2019, to ensure a healthy and fair real estate ecosystem is maintained.

ENDS

501 words

ISSUED BY: Yellow Door Collective

ON BEHALF OF: Sea Point Fresnaye Bantry Bay Ratepayers and Residents association <http://www.sfb.org.za/>