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Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL COUNCIL OF PROVINCES

QUESTION FOR WRITTEN REPLY

QUESTION NO. 661

Safeguarding properties

Dr I S Scheurkogel (Free State: DA) to ask the Minister of Trade, Industry and Competition:

- (1) Whether any steps have been taken regarding the three properties that were previously owned by the now insolvent and deceased estate (details furnished) and bonded to and on the asset register of the Industrial Development Corporation (IDC) to (a) safeguard from further vandalism and value decreasing, (b) sell such properties to prevent further losses and (c) prevent criminal activities against neighbouring properties which have been perpetrated by occupants of such properties; if not, why not; if so, (i) what steps and (ii) what are the further relevant details;
- (2) what are the IDC's plans as bondholders on such properties in the future? CW761E

REPLY:

I have been advised by the IDC as follows:

- 1) When assessing the damage that was already on the property, it was the teams view that no security should be appointed as the property was already vandalised.

A Sheriff's Auction was convened on 7 June 2022, resulting in one offer of R125,000.00 which was considerably lower than the forced sale value.

The IDC was engaging with potential purchasers who were offering to purchase the property at between R2.5 million to R5 million but the property is currently under judicial attachment and at this instance can only be sold via the Sheriff's auction. None of the potential purchasers have attended the auctions even when informed of same.

As pertains the safeguarding of the property by the IDC as the bondholder, the IDC, in its capacity as the bondholder, has no obligation to assist with security arrangements and the eviction of the illegal occupiers as it is not the owner of the immovable properties and does not owe a duty, as a neighbour, to ensure that the surrounding farms are protected from nuisance. The mortgage bond clearly places an obligation on the mortgagor i.e. the Tweeloopvlei Trust ("the Trust") to secure and maintain the property. The IDC has on numerous occasions sought a meeting with the Trustee to resolve this however they rejected such meeting.

- 2) The IDC is legally restricted in terms of how it ultimately realises its security as a bondholder. The legal processes that require adherence to, apply to all any bondholders, with no exception to the IDC.

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