

**VALUATION REPORT OF A PROPERTY ON FARM MEASURED 2006 ACRES
AT MSOWERO, KILOSA DISTRICT COUNCIL FOR TRANSFER OF A RIGHT
OF OCCUPANCY PURPOSES.**



PREPARED FOR:

**CHINA STATE FARMS AGRIBUSINESS (Group) CORPORATION
P.O BOX 4921
DAR ES SALAAM.**

May,2020

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SECTION ONE: INTRODUCTION

Instruction and purpose of valuation:

We were instructed by **CHINA STATE FARMS AGRIBUSINESS (Group) CORPORATION** of **P.O.BOX 4921, DAR ES SALAAM** to carry out an inspection of the property on plot no Farm measured 2006 Acres at msowero, Kilosa District Council and thereafter prepare valuation report indicating **Current open market value** of the property for **Transfer of right of occupancy purposes.**

Accordingly, we have carried out the said exercise and the contained in this booklet is our valuation report.

Structure of the report.

- Section one: Introductory notes.
- Section two: General description of the property.
- Section three: Appendices and Enclosure.

Method of valuation used.

We have in this appraisal used the **comparative method.** By using the comparative method the valuer equates the value of the property under appraisal to the value of a known comparable property where by the letter's value is taken to be the best price that can be obtained by the property being valued with due adjustment made for value affecting differences between the two properties such as condition, location, level and amount of services,

accessibility, plot size, planning and zoning regulation, date of transaction, motive of sale, tenure and expired term. This method can be only used where there is plentiful evidence of comparable sale.

Definition and explanation of the terms used.

A MARKET

Is the environment in which goods and services trade between buyer and seller through a price mechanism. The concept of market implies that goods or services may be traded among buyers and sellers without undue restriction on their activities. Each party will respond to supply-demand relationship and other prices setting factors as well as to the party's own capacities and knowledge, understanding of relative utility of the goods and/or services and individual needs and desire. A market can be local, regional, national or international.

Value

Is an economic concept referring to the most likely price to be concluded by the buyer and seller of a goods or services that is available for purchase. Value is not a fact but an estimate of the likely price to be paid for goods and services at a given time in accordance with particular definition of value. The economic concept of value reflects a market's view of the benefit that accrue to one who owns the goods, or receives the services as of the effective date of valuation. There are many types and associated definition of value It is therefore paramount to use and understanding of valuation that the type and definition of value be clearly disclosed and that they be appropriate to the particular valuation assignment. A change in definition of value can have material effect on the value that would be assigned to properties.

Market value

Is the most common type of value associated with property valuation. The value concept contemplates a monetary sum associated with transaction. However, actual sale of the property valued is not a condition requisite to estimating the price for which property should sell is it were sold on the date of valuation.

Open market value.

Is defined as the estimated amount for which a property should exchange on the date of valuation between willing buyer and a willing seller in arm's length transaction after property marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. Real property is distinguished from most goods and services because of the relatively longer period required to market what is relatively an illiquid commodity in order to achieve a price that represents its market value. This characteristically longer exposure period, the absence of "spot market" i.e. a market in which commodities are available for immediate sale, and the nature and diversity of the properties and the property market give rise to the need for professional valuers and valuation standards.

Transferor:

The transferor of the property is one **TANGANYIKA SISAL ESTATE LIMITED of KILOSA.**

Transferee:

The transferee of the property is **CHINA STATE FARMS AGRIBUSINESS (Group) CORPORATION of P.O.BOX 56, CHINA.**

Ownership and Tenure

The interest on the land is held under long term right of occupancy for 99 years with effect from January 23rd, 1935. The certificate of occupancy was registered in the name of **TANGANYIKA SISAL ESTATE LIMITED of KILOSA** with **Title No 13245**. The same transferred to **FARMLANDS TANZANIA LIMITED** of P.O BOX 2293 DAR ES SALAAM.

Its zoned for **Agricultural and Pastoral purpose** only.

Encumbrances.

The certificate of Title is free from encumbrances.

Date of inspection and valuation

The property was inspected on **May 2020** and valuation expressed therein are those current on that date.

Standard limiting conditions.

Statutory Notices:

We have not been informed of existence of any statutory notices and have therefore assumed that the property is unaffected by any such notices and that neither the property nor its uses gives rise to contravention of any statutory requirements.

Third part information

Where information was given to us by the third part and we have had sufficient reason to believe such information to be true and reliable, we shall not accept and responsibility should it prove to be otherwise.

Confidentiality

This report is confidential to **Kilosa District Council**, and client **CHINA STATE FARMS AGRIBUSINESS (Group) CORPORATION** of **P.O.BOX 4921, DAR ES SALAAM** , for the specific purpose to which it refers.

Statement of values.

A value is never static, it is all the time 'floating' in response to change in prevailing condition relating to value affecting factors; at a particular time. The sum as value is the approximate expression in monetary terms of the "point" at which the value is. It is by taking this in mind that we use the expression "our opinion" when expressing value and also qualify our value by saying that the value is "in the order of Tanzania shillings" secondly, the values contained in the report are those that were prevailing at the time of valuation.

SECTION TWO: GENERAL DESCRIPTION OF THE PROPERTY.

Type of property.

This is undeveloped plot that cover an area of **2006 Acres**.

Location and locality.

The property is specifically identified as Farm Measuring 2006Acres at Msowero in Kilosa District Council.

Opinion of value.

Taking into account the value affecting factors of the property, we are of the opinion that the market value of the property on Farm Measuring 2006 acres at Msowero, Kilosa District Council for transfer of a right of occupancy purpose is in the order of **Tanzania shilling One Billion Six Hundred Million (1,600,000,000/=) only**



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PETRO M.KAPAYA
(VALUER I)
BSc (LMV), UCLAS-UDSM
VRB/PRV/226/2019

SECTION THREE: APPENDICES AND ENCLOSURE:

VALUATION ANALYSIS.

Area	2006acres
Multiply by rate per sqm	80000
market value	1,604,800,000
	Say 1,600,000,000

**PLATE OF MEASURED FARM 2006 ACREAS AT MVUMI IN KILOSA
DISTRICT COUNCIL.**

