



oe Stijl

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## gariep hotel

(Revised 9th September  
2008)

A Sectional Title Hotel on  
the shores of Gariep Dam  
- The largest inland water  
mass in South Africa



### Typical Room Phase II

A number of totally refurbished and new hotel rooms and apartments are on offer for ownership in a sectional title scheme. A hotel pooling system is optional. Whole ownership allows you the freedom to utilize your unit when you please, with the benefit of generating income when you are not there.

The owner belonging to the hotel pooling scheme will enjoy the following benefits:

- A fully furnished apartment within a sectional title scheme
- 24hr Security thus ensuring the safety of your investment
- Full cleaning and gardening service by permanent hotel staff
- The use of hotel facilities including restaurant, private lounges, functioning facilities, conference facilities, sun deck, pool, gym, a spa and business facilities.



## About Gariep Dam

Gariep Dam is situated in the centre of South Africa, roughly 700km from Johannesburg, 700 km from Cape Town and 500 km from Port Elizabeth and East London. The town is situated on the main road routes between these centres namely the N1 and R58. Further it is situated on the shores of the largest inland water mass in South Africa making it a premium water-related sports location. The Gariep Dam/ Colesberg vicinity is the preferred halfway stopover for Holidaymakers from Gauteng travelling to either the Eastern or Western Cape.

Tourism plays an important role in the area. Gariep Dam is a host to a multitude on national and international sporting events. The Gariep Nature Reserve alone had 8000day visitors and 4500 visitors using their overnight facilities last year. A recent survey revealed 32.46% of visitors to the area are repeat visitors. This figure continuously rising as much emphasis has been placed on tourism infrastructure development by both government and the private sector.

Gariep Dam has become a popular conference, functioning and team building venue due to it's central location, privacy and ample activities that is offered in and around the town. It is particularly popular with government as Gariep Dam forms the centre point of three provinces namely the Eastern, Northern Cape and the Free State. Our new conferencing facility has hosted 9 conferences since it's induction during August 2008.

18 Vacant 800m2 plots adjacent to the hotel have recently been sold at R480 000 per plot and are now reselling in the low R 600's.



### The Rental Pool Concept

This unique concept is based on a leasing company that will manage the leasing of apartments and hotel rooms.

Tariffs (Room Rate) will be levied for 3 Seasons, namely:

- Peak Season (2 weeks Easter Holiday, 4 weeks from Mid-December to Mid- January)
- Mid Season (School Holidays excluding Easter and December Holidays)
- Low Season (All other, excluding school holidays)

Reservations will be managed by the hotels front office. The rental pool formula allows for even distribution of income taking into account the number of participating units in a specific month. A detailed description of the calculation of the rental pool dividends is available on request. .

The leasing company will be responsible for day to day running, marketing, leasing, administration, cleaning of units, washing of linen etc.



Room Interiors  
Phase II



**Lease income generated per unit will be distributed as follows:**

**Distribution / Application**

- 40% Toward Administration and cleaning (Hotel Services)
- 3% Toward a Marketing Campaign including for brand development and continuous market ing
- 7% Toward the maintenance account for replacement of linen etc. etc.
- 50% Paid to owner on a monthly bases

Marketing will be outsourced to a Professional Advertising Company that will promote the hotel via the Internet and various published mediums. Target marketing will be done via the various clubs and associations that organize sporting functions and cultural events in the Gariep Dam area. Conference co-ordination will be outsourced to national conferencing agencies on a commission basis.

We are currently negotiating with local coach operators and International tour operators to include the hotel as overnight stop on their standard routes.

## Historic Occupancy and Projected Income

### Accommodation Income and Rental Pool Distribution per unit (past 12 months Oct 07 to Sept 08)

Month	Accom Income	40% Ad-min Fee	3% Marketing Allowance	7% Main-tenance allowance	50% Owner distribu-tions	Individual unit gross	Less lev-ies etc.	Individual unit nett
08 - Oct	147144	58857.6	4414.32	10300.08	73572	3503.429	850	2653.429
08 - Nov	173452	69380.8	5203.56	12141.64	86726	4129.81	850	3279.81
07 - Dec	224754	89901.6	6742.62	15732.78	112377	5351.286	850	4501.286
08 - Jan	171418	68567.2	5142.54	11999.26	85709	4081.381	850	3231.381
08 - Feb	145655	58262	4369.65	10195.85	72827.5	3467.976	850	2617.381
08 - Mar	165830	66332	4974.9	11608.1	82915	3948.333	850	3098.333
08 - Apr	123705	49482	3711.15	8659.35	61852.5	2945.357	850	2095.357
08 - May	135320	54128	4059.6	9472.4	67660	3221.905	850	2371.905
08 - Jun	119740	47896	3592.2	8381.8	59870	2850.952	850	2000.952
08 - Jul	128080	51232	3842.4	8965.6	64040	3049.524	850	2199.524
08 - Aug	182530	73012	5475.9	12777.1	91265	4345.952	850	3495.952
08 - Sep	117225	46890	3516.75	8205.75	58612.5	2791.071	850	1941.071
Annual Income per unit								33486.98
Average monthly income								2790.581

### Projected Income and Rental pool Distribution per unit (Oct 08 to Sept 09)

Month	Accom Income	40% Ad-min Fee	3% Marketing Allowance	7% Main-tenance allowance	50% Owner distribu-tions	Individual unit gross	Less lev-ies etc.	Individual unit nett
08 - Oct	215050	86020	6451.5	15053.5	107525	3503.429	850	4270.238
08 - Nov	275825	110330	8274.75	19307.75	137912.5	4129.81	850	5717.262
07 - Dec	378675	151470	11360.25	26507.25	189337.5	5351.286	850	8166.071
08 - Jan	295460	118184	8863.8	20682.2	147730	4081.381	850	6184.762
08 - Feb	198220	79288	5946.6	13875.4	99110	3467.976	850	3869.524
08 - Mar	237490	94996	7124.7	16624.3	118745	3948.333	850	4804.524
08 - Apr	192610	77044	5778.3	13482.7	96305	2945.357	850	3735.952
08 - May	160820	64328	4824.6	11257.4	80410	3221.905	850	2979.048
08 - Jun	177650	71060	5328.5	12435.5	88825	2850.952	850	3379.762
08 - Jul	188870	75548	5666.1	13220.9	94435	3049.524	850	3646.905
08 - Aug	237490	94996	7124.7	16624.3	118745	4345.952	850	4804.524
08 - Sep	196350	78540	5890.5	13744.5	98175	2791.071	850	3825
Annual Income per unit								45396.07
Average monthly income								4539.607

Statements are sent to the owner on a monthly basis.



## The Renovation / Refurbishment

The entire hotel has undergone extensive renovations and extensions with some 810m<sup>2</sup> being renovated, 1200m<sup>2</sup> totally remodelled and 1800m<sup>2</sup> new floor space being created.

### Main Design Criteria has been:

#### 1) Facilities Planning includes:

- 45 single hotel rooms, apartments and suites to accommodate 130 people
- Spacious reception areas
- A gym and spa
- 3 conference / function venues accommodating 24, 80, 300 delegates
- 2 restaurants kitchen areas able to cater for up to 300 guests
- Sundeck
- Swimming pool and pool deck
- Service facilities to support above

#### 2) Environmental / Life cycle costing:

Effort has been made to ensure environmentally friendly design with regards water and energy usage, waste disposal etc. This automatically reduces operational cost the to the benefit of the owners.

- Shower heads discharging 12 litres per minutes as opposed to 17-21 litres per minute.
- All electrical/plumbing wiring and tubing has been replaced, the building has been wired into six separate compartments allowing switching off of phases during low occupancy periods.
- Almost all light fittings are energy saving, geysers are connected to timers and careful consideration has been the order of the day selecting heavy Kw consuming devices.
- Carpeting has been reduced to the minimum and replaced with coloured concrete finishes offering efficient thermal qualities during our predominantly "hot" Karoo climate. Major saving is possible if one considers having to vacuum 4000m<sup>2</sup> on a daily basis as opposed to mopping on a 5yr period.

#### 3) Ergonomics, functionality, amenities

Specific planning towards all modern requirements and amenities such as wireless internet/ hotspots and conference/office support services as well as paraplegic access on mobility etc.

## Style, Interior Decoration and Grading

The theme throughout the architectural design and interior appointment is based on the "de Stijl" art movement. We aimed at creating a contemporary, distinctly modern and clean feel with optimal spatial design and flow. We will obtain a high three or four star grading. The overall feel achieved is modern chic uncluttered thus allowing minimum damage/theft to internal fittings/furniture.

## Pricing and conditions of Sale

Sales are subject to signing of a purchasing agreement and a 10% deposit. The prices include VAT and transfer duties. Please note that the purchase price includes for complete furnishing of the units. Allowance of R80 000.00 for the two bedroom self catering units and R40 000.00 for hotel rooms have been made. A complete list of furnishings is available if required. Please note that the purchaser is able to claim the 14% value added tax levied on the transaction as this is deemed as an income generating investment. Depreciation is allowed on furnishings.



## Schedule of units

Nr	Apartment Type	Apartm. Size	Floor	Constr. Phase	Occu. Date	Price incl.	Notes
101	Hotel Room	45m2	G-Flr	Phase 1	Occupied	R 650,000.00	
102	Hotel Room	45m2	G-Flr	Phase 1	Occupied	R 650,000.00	
103	Hotel Room	45m2	G-Flr	Phase 1	Occupied	R 650,000.00	
104	Hotel Room	45m2	G-Flr	Phase 1	Occupied	R 650,000.00	
105	Sold						
106	Sold						
107	Hotel Room	45m2	G-Flr	Phase 1	Occupied	R 650,000.00	
108	Sold						
109	Hotel Room	45m2	G-Flr	Phase 1	Occupied	R 650,000.00	
110	One Bedroom Suite	Appr 90m <sup>2</sup>	G-Flr	Phase 111	Aug 2008	R 1,300,000	
111	Two Bedroom Suite	Appr 135m <sup>2</sup>	G - Flr	Phase III	Aug	R 2,000,000	
201	Sold						
202	Sold						
203	Sold						
204	Re-offered	100m <sup>2</sup>	1st	Phase 1	Occupied	R 1,250,000	
205	Sold						
206	Sold						
207	Hotel Room	50m2	1st	Phase 3	Aug 08	R 650,000.00	
208	Sold						
209	Hotel Room	50m2	1st	Phase 3	Aug 08	R 650,000.00	
210	Hotel Room	50m2	1st	Phase 3	Aug 08	R 850,000.00	
211	Hotel Room	50m2	1st	Phase 3	Aug 08	R 650,000.00	
212	Sold						
213	Hotel Room	50m2	1st	Phase 3	Aug 08	R650,000.00	
214	Hotel Room	50m2	1st	Phase 3	Aug 08	R850,000.00	
215	Hotel Room	50m2	1st	Phase 3	Aug 08	R850,000.00	
216	Re-offered	60m <sup>2</sup>	1st	Phase 2	Occupied	R 850,000	
217	Sold						
218	Re-offered	65m <sup>2</sup>	1st	Phase 2	Occupied	R 1,250,000	
219	Sold						
220	Sold						
221	Hotel Room	50m2	1st	Phase 2	May 08	R 850,000.00	
222	Hotel Room	50m2	1st	Phase 2	May 08	R850,000.00	
301	Hotel Room	45m <sup>2</sup>	2nd	Phase 4	Oct 08	R 850,000.00	
302	Hotel Room	45m <sup>2</sup>	2nd	Phase 4	Oct 08	R 650,000.00	
303	Hotel Room	45m <sup>2</sup>	2nd	Phase 4	Oct 08	R 650,000.00	
304	Hotel Room	45m <sup>2</sup>	2nd	Phase 4	Oct 08	R 650,000.00	
305	Hotel Room	45m <sup>2</sup>	2nd	Phase 4	Oct 08	R 650,000.00	
306	Hotel Room	45m <sup>2</sup>	2nd	Phase 4	Oct 08	R 650,000.00	
307	Hotel Room	45m <sup>2</sup>	2nd	Phase 4	Oct 08	R 650,000.00	
308	Hotel Room	45m <sup>2</sup>	2nd	Phase 4	Oct 08	R 650,000.00	



**Red** – Confirmed Sales (guarantees delivered/registered)

**Blue** – Units subject to special offers (MH Mellet)

Please do not hesitate to contact us should you require any further information. Contact numbers are as follows:

Marketing and Contracts: Danie van Huysteen 0833084475 or lakegariep@mweb.co.za

Technical and Construction: Marcell Mellet 0833097340 or marcell@mellet.co.za

A special offer is valid for a limited period on the remaining units in Phase I – please contact us or Danie Van Huysteen (0823370785) for details.