



NOTICE TO TENDERERS NO: 2

21 July 2026

TENDER NUMBER: 256P/2025/26

DESCRIPTION: CALL FOR PROPOSALS FOR THE SALE AND DEVELOPMENT OF ERVEN 168872, 108958 AND PORTION OF REMAINDER ERF 168871 SITUATED THE CORNER OF KROMBOOM ROAD AND SEVENTH AVENUE, RONDEBOSCH-EAST
CLOSING DATE OF TENDER: 29 July 2026

BOX NUMBER: 201

Dear Sir/Madam

RESPONSE TO REQUEST FOR CLARIFICATION RECEIVED FROM A TENDERER

The following request for clarification has been received from a prospective tenderer in respect of the above-mentioned tender:

Request for Clarification no.1:

We respectfully request that the tender closing date be extended by 60 days. Due to the scale and complexity of the proposed development, additional time is required to complete the necessary technical, commercial and financial due diligence, to submit a comprehensive submission.

The response from the City of Cape Town ('City') is as follows:

The City is taking this request into consideration. A formal response regarding this matter will be provided in due course.

Request for Clarification no.2:

We would like to raise a concern regarding the requirement under Clause 2.2.1.1.3(a) for bidders to provide proof of debt funding in the form of a letter from a financial institution specifying the quantum of funding to be provided.

Commercial lenders generally do not issue funding approvals or term sheets before the project has been approved. Development funding is subject to the bidder being appointed as the successful developer, together with the completion of the funder's due diligence, valuation, and internal credit approval process.

As a result, experienced and financially capable developers who rely on institutional development finance may be unable to provide this information at tender stage, despite having established funding relationships and a proven track record of successfully securing development funding.

We therefore respectfully request that the City reconsider this requirement. We will be able to provide a letter of intent from our funders, together with evidence of previous developments successfully funded.

The response from the City of Cape Town ('City') is as follows:

Your attention is specifically drawn to the following amendment, which is to be made to the Tender Document for the above in terms of the following:

1. Clause reference to Compliance with additional requirements of CCT, page 7

ADDENDUM NO. 1 TO TENDER DOCUMENT

ATD1 Replace Clause 2.2.1.1.3 a) bullets two (2) and three (3) with the below:

- Proof of Debt Funding should be substantiated by a letter from a credible financial institution;

- Proof of equity investment should be substantiated by a letter of intent from the bidder's equity partner;

BOX NUMBER: 201

Dear Sir/Madam

Your attention is specifically drawn to the following amendment to the Tender Document, Section C6: Special Conditions of Sale (page 41). While Clauses 1.1 to 1.6 were included in the original document, the remaining provisions were inadvertently omitted. The omitted text has now been incorporated by way of an addendum to the notice.

Tenderers are to return a signed copy of this notice/addendum with the submission of their Tender (See Schedule 14 of Tender Document). Failure to return a signed copy of the Addendum may result in the Tender being declared non-responsive.

RESPONSE TO REQUEST FOR CLARIFICATION RECEIVED FROM A TENDERER

The following request for clarification has been received from a prospective tenderer in respect of the above-mentioned tender:

Request for Clarification no.1:

Sale of Property versus Land Availability Agreement (LAA): We wish to enquire whether the City would permit bidders to propose an alternative disposal structure whereby the land is made available on the basis of a Land Availability Agreement, provided that the bidder can demonstrate, through a comparative feasibility model, that such an approach materially enhances affordability and supports the City's affordable housing objectives.

The response from the City of Cape Town ('City') is as follows:

The tender was advertised and issued on the basis that the successful bidder would acquire the property through a sale transaction, with the rights, obligations, risk allocation, pricing structure, and contractual framework set out accordingly. Replacing the Sale Agreement with a Land Availability Agreement would constitute a material amendment to the fundamental terms and conditions of the tender.

During the contracting stage, the parties may negotiate appropriate contractual mechanisms and conditions precedent that align the timing of transfer and payment obligations with key development milestones. Such provisions could assist in mitigating carrying costs and improving project cash flow, thereby contributing toward the affordability objectives of the development.

Yours faithfully,



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For: Adiel Bloew

Director: Supply Chain Management

WRITTEN ACKNOWLEDGEMENT OF RECEIPT

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CITY OF CAPE TOWN

BOX NUMBER: 201

for

TENDER NUMBER: 256P/2025/26

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CLOSING DATE OF TENDER: **29 July 2026**

Kindly acknowledge receipt of this Addendum by e-mailing this to JacquesFredlin.VanWyk@capetown.gov.za.

We acknowledge receipt of the above Addendum and confirm that any tender we submit will take account of the instructions detailed therein.

Signature..... Date.....

Legal and full name of tendering entity:

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