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C SMART ATTORNEYS

Your Ref:

Our Ref: /Andre/M29640

Date: 02 October 2019

WITHOUT PREJUDICE

Dear Corli,

RE: HIGH COURT APPLICATION: LA CONCORDE AND STELLENBOSCH MUNICIPALITY AND OTHERS

1. I refer to the abovementioned matter, our meeting on 18 July 2019, as well as our telephonic discussion yesterday.
2. As discussed at our said meeting, the current litigation not only frustrates the Municipality's constitutional competency as far as municipal roads are concerned, but also renders development approvals granted by the Municipality in the Paradyskloof area impossible to implement.
3. Our Client has been advised by Senior Counsel that in the circumstances of this matter, it cannot be conscientiously submitted that the land comprising the extension of the Schuilplaats Road and associated infrastructure is not required for municipal roads purposes and this is an issue which we will deal with comprehensively in our answering affidavit.
4. The proposed extension of the Schuilplaats Road and associated infrastructure covers a negligible extent of the property, which is currently vacant and has for all practical purposes not been used by your Client since the commencement of the lease agreement. The exclusion of the land comprising the extension of Schuilplaats Road and associated infrastructure will not, in our Client's view, prejudice your Client.

Attorneys Notaries & Conveyancers

Directors: Jonathan Steytler (Managing) | Stoffel Ackermann | Martin Bey | Jacques Bignaut | Steven Borwick | Maryna Botha | Darren Brander | Michael Bromley | Luthfeya Cassim | Tim Chase | Annetjie Coetzee | Melanie Coetzee | Thabisile Dlamini | Refqah Fataar Ho-Yee | Hanlie Ferreira | Niel Grundlingh | Bev l'Ons-Raeburn | Van Wyk Jooste | Belinda Lewis | Robert Mathlare | Corlene Mostert | Hennie Mouton | Nikhail Munsamy | Martine Newman | James Phillipson | Cris Riego de Dios | Martin Sheard | Roshana Solomon | Nicole Stevens | Philip Steyn | Lauren Sullivan | Maritze Swart | June Theron | Andreas Tsangarakis | Annemarie van Vuuren | Shereen Volks | Allan White

Senior Associates: G Barends | D Du Plessis | H Dyssel | D Els | J Foxcroft | J Greyling | J Hamers | L Mace | N Mentoor | B Mostert | H Nauschutz | K Richards | D Thompson | A Wiese | M Williams

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5. Considering the above, a rational basis on which to settle this matter will be the following:
 - 5.1 That an addendum to the lease agreement be entered into on the basis that the land comprising the extension of Schuilplaats Road and associated infrastructure be excluded from the lease agreement.
 - 5.2 The lease agreement will therefore continue to be in force on identical terms in respect of the remainder of the property.
6. If the matter cannot be settled on the abovementioned basis, our Client is of intent to consider the cancellation of the whole lease agreement. In its founding papers your Client submitted that should our Client require any portion of the property for municipal purposes, that it was constrained to cancel the whole agreement and not only exclude a portion of the leased land from the agreement.
7. We are instructed that our Client will not consider settling this matter on the basis that any form of joint development of the land between the proposed Schuilplaats Road extension and the R44 might be undertaken with your Client.
8. I would like to remark that our Client has been advised by external consulting engineers that the extension of Schuilplaats Road is a current need that exists from a roads capacity and safety perspective. Furthermore, the Western Cape Department of Transport and Public Works has insisted on the extension of Schuilplaats Road before any further development in the Paradyskloof area can be undertaken. It is for this reason that recent development approvals granted by our Client in the Paradyskloof area were made subject to the condition that Schuilplaats Road is extended.

Will you kindly revert to us by return email with your final instructions.

Kind regards

STBB | SMITH TABATA BUCHANAN BOYES

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