INTRODUCTION TO THENANT RIDGE
PHASE II & III, DESPATCH

The size of the property in Campher Park, Despatch for Phase II is 1,2697ha and for Phase III 1,5399ha.

Thirty two 2 & 3 bedroom townhouses in single and double storey for phase II and Thirty two 2 & 3 bedroom townhouses in single and double storey for phase III will be build (more information on page 14 – Property Information).

The development will be registered as a Hybrid Scheme.

![Image](image1.jpg)

![Image](image2.jpg)
INVESTMENT OBJECTIVES

SPEC Holding Trust is looking for investors that are seeking long-term investments with an expected return greater than market interest.

SPEC Holding Trust seeks investments to fund construction, marketing and selling of this development. The anticipated date for construction to start is from May 2016 up until selling of the complete complex.

Investments will be secured by forming an Investment Company (Pty) Ltd executed and administered by Grant Thornton Auditors (Port Elizabeth).

A R500,000 portion investment will give you:

- Return on investment guaranteed at minimum 20%;
- Shareholding in the above investment company according to the portion of investment;
- Investment amount to be R500k, R1mil, R1,5mil, etc;
- Long term investment for at least 5 years and until completion per phase;
- Money payable on date of signing contract where a share certificate will be issued; and
- Contract agreements signed by all investors within above company.

THE RELEVANT MARKET

SPEC Holding Trust embarked on an extensive market research to provide a perspective on the viability and potential of this project. The research included questionnaires completed by employees from local businesses as well as businesses in the broader Metro, meetings with two local estate agencies for their point of view as well as information from ABSA, FNB, Lightstone Property and Tivvit.

Despatch is a popular area to buy residential property as it provides a high value for the money invested. Campher Park in Despatch is also close to big industrial factories and ± 25km from Port Elizabeth.

Currently most of the buyers and investors are from “outside” Despatch which has various advantages for the local economy.

Market research showed that 65% of people prefer residing in a complex, 69% prefer single storey, 84.6% prefer a 3 bedroom house and 76.9% would buy a property in Despatch/ Uitenhage.

The 60+ age category which forms a substantial part of the buying market prefer 2 bedroom single storey houses. Levies must however be affordable. Uitenhage currently has a surplus of 2 bedroom
townhouses and thus provision should be made for 3 bedroom houses to accommodate this market.

Similar developments are currently taking place in Port Elizabeth and by learning from them we could do better at a better price range.

The planning for Thenant Ridge Phase II and III will be a new market for Despatch. Currently townhouses in Despatch are very low priced and vary between R450,000 and R600,000 for 2 bedroom houses. Our market will be for the higher income group. The 2 bedroom and 3 bedroom houses will be well planned with high end features, bigger floor spaces and even bigger yards. Our market will be between R900,000 to R1,500,000 depending on what size house you purchase.
DESPATCH Town Trends – 5 years

CAMPHER PARK Suburb Trends – 5 years

Percentile 25 - low value / Median - middle value / Percentile 75 - high value

CAMPHER PARK Suburb Registrations: Full Title – Last 5 years

<table>
<thead>
<tr>
<th>Sales</th>
<th>Year</th>
<th>Value</th>
<th>High</th>
<th>Low</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>2015</td>
<td>10,468,000</td>
<td>1,200,000</td>
<td>555,000</td>
<td>872,500</td>
</tr>
<tr>
<td>14</td>
<td>2014</td>
<td>12,115,660</td>
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<td>145,660</td>
<td>837,500</td>
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<tr>
<td>11</td>
<td>2013</td>
<td>6,080,000</td>
<td>880,000</td>
<td>230,000</td>
<td>630,000</td>
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<tr>
<td>12</td>
<td>2012</td>
<td>7,489,020</td>
<td>910,000</td>
<td>291,320</td>
<td>595,000</td>
</tr>
<tr>
<td>12</td>
<td>2011</td>
<td>8,125,000</td>
<td>1,130,000</td>
<td>220,000</td>
<td>700,000</td>
</tr>
</tbody>
</table>
CAMPHER PARK Residential Information

Full Title

Points of Interest up to 5 Km Radius

Schools - Frans Conradie Primary School, Susannah Fourie Primary School, Despatch Pre Primary School, Despatch High School

Services - Total Manor Heights, Veterinary, Beauty Salons, Municipality

Shops/Entertainment - Sport Grounds (rugby, tennis), swimming pool, Total La Boutique, Friendly 7 Eleven

CBD - Engen, Shell, Spar, Shoprite, Clicks, Doctors (medical practitioners & dentists), Klinicare Pharmacy
UITENHAGE Town Trends – 5 years

VANES ESTATE Suburb Trends – 5 years

VANES ESTATE Suburb Registrations : Full Title – Last 5 years

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
<th>Value</th>
<th>High</th>
<th>Low</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>29</td>
<td>25,181,000</td>
<td>1,600,000</td>
<td>50,000</td>
<td>850,000</td>
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<tr>
<td>2014</td>
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<td>29,948,383</td>
<td>1,300,000</td>
<td>50,000</td>
<td>750,000</td>
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<tr>
<td>2013</td>
<td>42</td>
<td>36,465,000</td>
<td>1,625,000</td>
<td>50,000</td>
<td>900,000</td>
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<tr>
<td>2012</td>
<td>40</td>
<td>28,431,500</td>
<td>1,500,000</td>
<td>50,000</td>
<td>780,000</td>
</tr>
<tr>
<td>2011</td>
<td>40</td>
<td>26,717,700</td>
<td>1,500,000</td>
<td>110,000</td>
<td>715,000</td>
</tr>
</tbody>
</table>

Percentile 25 - low value / Median - middle value / Percentile 75 - high value
VANES ESTATE Residential Information

Full Title

Combined (Full Title, Sectional Title & Complex)

WINTERHOEK PARK Suburb Trends – 5 years

Percentile 25 - low value / Median - middle value / Percentile 75 - high value
WINTERHOEK PARK

Suburb Registrations: Full Title – Last 5 years

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
<th>Value</th>
<th>High</th>
<th>Low</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
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<td>13,950,178</td>
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<td>490,000</td>
<td>1,400,000</td>
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<td>2014</td>
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<td>13,320,000</td>
<td>1,700,000</td>
<td>800,000</td>
<td>980,000</td>
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<td>2013</td>
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<td>2,499,000</td>
<td>420,000</td>
<td>200,000</td>
<td>310,000</td>
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<td>2012</td>
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<td>1,500,000</td>
<td>280,000</td>
<td>972,500</td>
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<td>2011</td>
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<td>6,510,000</td>
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<td>860,000</td>
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</tbody>
</table>

WINTERHOEK PARK Residential Information

Full Title

Combined (Full Title, Sectional Title & Complex)
PORT ELIZABETH Town Trends – 5 years

LORRAINE Suburb Trends – 5 years

Percentile 25 - low value / Median - middle value / Percentile 75 - high value

LORRAINE

Suburb Registrations: Full Title – Last 5 years

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
<th>Value</th>
<th>High</th>
<th>Low</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
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<td>136,240,826</td>
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<td>900,000</td>
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<td>132,701,731</td>
<td>1,580,000</td>
<td>120,000</td>
<td>855,000</td>
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<tr>
<td>2013</td>
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<td>114,256,453</td>
<td>1,350,000</td>
<td>111,000</td>
<td>740,000</td>
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<tr>
<td>2012</td>
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<td>106,813,485</td>
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<td>680,000</td>
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<td>2011</td>
<td>111</td>
<td>120,132,094</td>
<td>1,565,000</td>
<td>71,000</td>
<td>705,000</td>
</tr>
</tbody>
</table>
LORRAINE Residential Information

Full Title

![Bar chart showing buyers age grouping for the last 5 years with categories: Up to 24, 25 to 34, 35 to 44, 45 to 54, 55 Plus.]

Complex

![Bar chart showing buyers age grouping for the last 5 years with categories: Up to 24, 25 to 34, 35 to 44, 45 to 54, 55 Plus.]

Combined (Full Title, Sectional Title & Complex)

![Bar chart showing buyers age grouping for the last 5 years with categories: Up to 24, 25 to 34, 35 to 44, 45 to 54, 55 Plus.]

THE BUILDING TEAM

SPEC was established in 1971. We have a building team that build and do refurbishment of houses and buildings.

SPEC engages in building, refurbishment, waterproofing, rehabilitation of houses, buildings and structures. The various building functions include:

- Building of concrete supports
- Refurbishment of all brick, cement and concrete structures
- Installation of fencing and services such as roads, water, electricity, and sewer lines
- Painting

Completed projects are:

- 8 x units refurbish at Thenant Ridge phase I. Currently renting out to tenants
- Groot Brak & Kloof Bridges – concrete and refurbishment. Client was Mossel Bay Municipality
- Houses repair and painting. Client was Municipality Churchill Dam
- Refurbish of monument – Chimney in Despatch. Client was Nelson Mandela Municipality
- One 2 bedroom and one 3 bedroom duplex at Phase I, Thenant Ridge
- Two 2 bedroom single storey units at Phase I, Thenant Ridge
- Extentions to house in Cannonville
- Extentions to factory and offices at SPEC

Recent projects are:

- Currently busy with two 2 bedroom single storey unit at Phase I, Thenant Ridge
- New warehouse, carports, paving, concrete and floors at SPEC

The CIDB ratings for SPEC are 7ME PE, 7CE PE, and 5EP PE. SPEC is also a Level 2 contributor in terms of BBBEE.

SPEC will be the BUILDER for phase II & III for Thenant Ridge, Jansen Street, Despatch which consists of sixty four 2 & 3 bedroom houses.
WHAT MAKES THENANT RIDGE SPECIAL?

- Very accessible – Thenant Ridge is situated close to the R75 highway;
- Close to main industrial factories in Uitenhage (VW, Good Year and the Nelson Mandela Bay Logistics Park), 10 minutes’ drive from Perseverance and ± 25km from Port Elizabeth;
- The complex is situated in Campher Park which is a well established residential area in Despatch;
- Relaxed and a country environment;
- Option between a modern upmarket 2 & 3 bedroom townhouse with all the bells and whistles;
- Spacious homes with easy maintainable yards;
- Little maintenance for the first few years on this newly built home;
- Privacy and exclusivity at very competitive rates;
- Child and pet friendly environment;
- Garden services for each townhouse included in levies;
- 3 minutes’ drive to Frans Conradie Primary School;
- Secured complex;
- Affordable levies;
- Eco friendly houses; and
- Buying a house in Thenant Ridge II & III is a great investment.

HISTORY

Up to the 1960’s these grounds was used for agriculture and thereafter for residential. Fourteen houses were build and used as “bus houses”. The bus service ran between Uitenhage and Port Elizabeth and the bus drivers overnight in these houses. In those years the R75 highway did not exist and Jansen Road was the main road between Uitenhage, Despatch and Port Elizabeth.

SPEC Holding Trust bought the property in 2008 and 8 of the 14 houses on phase I was refurbished into 2 bedroom houses. These houses were demolished only to the outer shell and refurbished from that into the modern houses. The other 6 houses were completely demolished.
The property is divided into 3 phases. Phase I currently has eleven 2 bedroom single storey houses, one 2 bedroom duplex and one 3 bedroom duplex which are all rented out and owned by SPEC Holding Trust. A total of 28 houses for Phase I were approved by the local municipality.

Phase II and III are currently zoned as Residential 3.

The planning for Phase II and III will each have thirty two upmarket 2 bedroom and 3 bedroom freestanding houses.

Improvements to the properties include:

- High quality material and finishes used;
- Each house will have a build-in braai in a covered area;
- Standard extra’s included are an eco friendly home (see next page for more information), air-conditioning in the living area, prepaid electricity and roll on lawn;
- Selected 2 and 3 bedroom houses will have a splash pool and/or a single carport at additional costs;
- Safe open spaces for children to play / walk your dog (complex is pet friendly to small pets);
- Secured paved parking and driveways;
- Secure entrance with electric sliding gate at main entrance of complex;
- Refuse house at each entrance;
- Neat complex garden and garden services available to each property included in levies; and
- Low levies.
The SPEC Eco Friendly Home

An Eco Friendly Home is an environmentally low-impact home designed using materials and technology that reduces its energy and water needs and in the process saving the home owner money (± 5-8% annually). Our SPEC Eco Friendly Home consists of the following:

- a gas stove;
- solar geyser;
- energy efficient lights & motion sensor lights;
- energy saving air-conditioning;
- stand-by generator serving the entire complex in case of power failure;
- rainwater harvesting (5,000lt tank with filtration system & pump);
- double filter system from municipal waterline to ensure clean water supply;
- reverse osmosis (water cleaning system for drinking water) in the kitchen;
- grey water system (2,500lt tank) to supply water to the toilets;
- Low-flow showerhead; and
- installation of a ‘cool roof system’
UNIT TYPE A
UNIT TYPE D