

PROPERTY PERFORMANCE REPORT

GMH & Zoeinc (Pty) Ltd

Property: 73 Oxford Street, Ferndale, South Africa, 2194

Reporting Period: March 2025 – February 2026



Satellite view



Unit-1 B4 & After



Unit-1 B4 & After Side View



Unit 2 after construction



Unit 2 after construction



View of units 3 and Unit 1 (Rem) after remodel

1. Executive Summary

The reporting period focused primarily on **subdivision, infrastructure development, and asset repositioning** of the property into standalone plots for resale to homebuyers.

While **rental income was intentionally reduced** to accommodate redevelopment, significant capital improvements were made to enhance long-term value.

2. Property Overview

- Total Land Size: 2,503 sqm
 - Subdivisions: 4 plots
 - Portion Remainder (REM) – Existing house with 4 bedrooms- Existing house with 4 bedrooms under development into 4-bedroom duplex
 - Portion 2 – Stand under development into a 4-bedroom duplex
 - Portion 3 – Existing house with 3 bedrooms, under development to 4 bedroom duplex
 - Portion 4: Existing with 4 bedrooms- Existing house with 4 bedrooms under development into 4-bedroom duplex
 - Current number of Rooms: 12
 - Total number of rooms after development: 16
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3. Key Highlights for the Year

Subdivision & Legal Structuring

- Successfully subdivided the property into **four standalone plots**
 - Each portion now positioned for **individual sale or development**
 - Potential offtakes identified for some of the units.
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Development Progress

Portion REM

- Submission of building plans for approval
- Ongoing remodeling works

Portion 2

- Construction drawings approved by City of Johannesburg
 - Major infrastructure progress:
 - Water and sewer works initiated
 - Site grading and preparation completed
 - Full perimeter fencing installed
 - Gate installations completed
 - Procurement of preliminary materials
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General Property Improvements

- **~95% fencing completion** across all subdivided portions
 - Ongoing upgrades to existing structures:
 - Internal remodeling (kitchen, bedrooms, ceilings, floors)
 - Installation of floor tiles
 - **Security upgrades:**
 - CCTV system installed
 - Armed response coverage extended
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Utilities & Sustainability Investments

- **Solar Installation:**
 - 3 × 5kW systems installed (Total: 15kW)
 - Includes inverters, batteries, and panels
 - **Water Infrastructure:**
 - Water tanks installed
 - Borehole preparation underway
 - Water piping upgrades completed
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Tenancy Strategy

- Occupancy intentionally reduced to allow construction
 - **Reopened in January 2026 at ~50% capacity**
 - Strategy ensures:
 - Safety during construction
 - Minimal disruption to redevelopment
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4. Financial Summary (March 2025 – February 2026)

Income and Expenses Summary:

Income

Item	Amount (ZAR)
Income	57,902.54
Rentals	
Electricity refunds	
Total Income	57,902.54

Spending

Item	Amount (ZAR)
Capital spending	
Purchase/ conveyancing	1,562,000.00
Architectural	62,935.00
Town planning	246,082.42
Water and Sewer	220,296.00
Site Prep	38,500.00
Renovations	50,462.00
Solar Energy	161,328.49
Water Supply	10,000.00
COJ	
Total Capex spending to date	2,351,603.91
Operational Spending	82,383.29
Total Spending	2,433,987.20

Key Expense Drivers

Major cost categories observed across the report:

- Property maintenance & repairs
 - Cleaning and garden services
 - Utilities (water, electricity, refuse)
 - Security (armed response)
 - Insurance
 - Renovation-related costs
 - Ongoing redevelopment expenses
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5. Interpretation for Shareholders

This reporting period reflects a **deliberate investment phase**, not an income-maximization phase.

Key Insights

- Negative cash flow is intentional and strategic
 - Capital deployed into:
 - Subdivision (value creation)
 - Infrastructure (sale readiness)
 - Energy & water independence (long-term savings)
 - Rental income was temporarily deprioritized
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6. Redevelopment & Exit Strategy

Next Steps

- Completion of:
 - Water & sewer infrastructure
 - Power installations
- Market rollout of subdivided plots

Sales Strategy

- Individual plot sales to homebuyers
- Strong early interest already secured

Exit Outcome

- Sale of completed units or serviced plots
 - Value realization is significantly higher than current holding phase
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7. Outlook

The property is transitioning from:

Income-constrained redevelopment phase → Value realization phase

With:

- Subdivision complete
- Infrastructure nearing completion
- Market interest building

The next reporting cycle is expected to show:

- Increased occupancy OR
 - Initial property sales and revenue inflows
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8. Conclusion

This asset remains a **high-potential redevelopment project** within the GrowMyHome ecosystem.

Despite short-term losses:

- The underlying asset value has significantly increased
- The project is on track for profitable exit or refinancing