

# EXPOSED: Joburg land scandal

## Prime city property sold below value in crooked transactions

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**T**HE CITY of Joburg moved quickly this morning to halt the transfer of 33 tracts of prime real estate, including parks and a nature reserve, which were sold fraudulently, without its knowledge.

Lawyers for the city applied for urgent interdicts to stop the sales process on the properties after it said there was evidence of fraud.

The properties were bought by four companies, which have shared directors. Included are Norscott Koppies and the Kingfisher Nature Reserve in Sandton. The value of the reserve is R14m, but it was sold for R5m. The park's value is R11.6m, but it was sold for R2m to Zambrotti Investments 31 Pty Ltd by Eildoug Investments.

The Mushroom Park Farm in Sandown was sold for R1.1m. About 4 000m<sup>2</sup> of the Ernest Ullman Park was sold for R700 000.

In most cases, transfer took place within a day.

According to a property search, Zambrotti Invest-



Investec more than R1 billion. Part of his company went into provisional liquidation in January. Moti also appears on the list of directors of Zambrotti and Zamien.

Eildoug, which is listed as a financial intermediation company, lists Charlotte Jonck, Ledbury Accounting Services and Wayne Africa as directors.

Salim Bobat, director of Zambrotti and Zamien, confirmed that his companies had bought the property from a third party, Eildoug Investments. He said the transfer was handled by Peet Viljoen Attorneys in Pretoria.

"If Eildoug bought the property from the municipality, we were oblivious. We are aware of some things going on. We've got our lawyers on to it."

Bobat said he didn't know whether the prices asked by the third-party seller were below market value. "My concern is whether Eildoug or the attorneys did something incorrect." Questions needed to be asked about the possibility of the council being involved

ments 31 Pty Ltd bought erf 730 in Fourways from Eildoug on February 25 for R2m, well below the market value of about R11m. Eildoug appears to have bought the property, at the same price, from the municipality the day before. There are two different title deed numbers for the two transactions, but the property was registered to both companies on the same day.

The same applies to the property sold by Eildoug to Zamien Properties on March 15. Zamien bought erf 721 in Plover Street, Fourways, for R5m. But according to property transfer records, the property was sold to Eildoug by the council, for the same price. Property consultants put its value at close to R11m.

A company search showed that Zambrotti and Zamien share directors, while both companies appear to have links to another property firm called Abalengani.

Abalengani was in the news recently when it emerged that its director, Zunaid Moti, owed

in irregular deals, he added.

Attempts to reach Eildoug's directors were unsuccessful.

The Joburg Property Company (JPC), which handles all sales of land, said it knew of illegal sales and transfers of council land by people claiming to act as agents of the council.

"All council land may only be sold after the council has resolved... that a property can be sold or leased. The award of land further has to be approved in terms of procurement processes of the (law) and after approval by the executive adjudication committee of the council," said JPC managing director Helen Botes.

The JPC was obtaining urgent court orders for all the properties it knows of that have been transferred or illegally transferred. Botes said all the documentation was fraudulent and the signatures had been found to be forged. The JPC had contacted deeds offices to stop further illegal transfers.

