

**320. Il-Ministru għall-Artijiet u l-Implimentazzjoni tal-Programm Elettorali, l-Onor. Stefan Zrinzo Azzopardi, jipproponi illi l-Kamra tad-Deputati tapprova din ir-riżoluzzjoni:**

Billi fit-12 ta' Lulju 2023, tressqet riżoluzzjoni quddiem din il-Kamra dwar bdil fl-użu ta' sit minn wieħed industrijali għal dak kummerċjali, liema sit inkwistjoni jinsab fi Triq l-Iljun fiż-żona magħrufa bħala l-Istabal limiti ta' Ħal Qormi, li għandu qies ta' *circa* 8,220m<sup>2</sup>, muri delineat bl-aħmar fuq il-pjanta P.D. No: 2009\_96\_1. L-Awtorità tal-Artijiet approvat it-trasferiment tal-Utile Dominju temporanju taż-żmien rimanenti mill-konċessjoni enfitewtika viġenti mingħand Nylon Knitting Ltd lill-kumpanija PAVI Shopping Complex Limited;

Billi din il-Kamra approvat il-bdil fil-kundizzjoni tal-użu tas-sit minn wieħed industrijali għal dak kummerċjali versu s-somma ta' €4,881,939, liema somma ntlahaq qbil li għandha tkun pagabbli b'pagamenti annwali ndaqs bil-quddiem fuq perjodu ta' għaxar snin;

U billi wara din l-approvazzjoni parlamentari, l-Awtorità tal-Artijiet giet mgharrfa li l-qies attwali tas-sit li kellu jiġi trasferit huwa ta' 7,983m<sup>2</sup> (li jfisser 237m<sup>2</sup> inqas minn dak approvat) hekk kif muri delineat bl-aħmar fuq il-pjanta P.D. No: 2009\_96\_1\_A;

Illi minhabba dan it-tnaqqis fil-qies tas-sit, kellha ssir reviżjoni tal-valur monetarju tal-bdil fil-kundizzjoni minn użu industrijali għal dak kummerċjali. Il-valur il-ġdid li nkiseb huwa ta' €4,797,783;

Għaldaqstant fld-dawl ta' dawn il-bidliet fil-qies tas-sit inkwistjoni u fil-valur monetarju tal-bdil fil-kundizzjoni surriferita, qed terġa' tintalab l-approvazzjoni parlamentari skont Artiklu 31, subartiklu (ċ) ta' Taqsima III tal-Att dwar Artijiet tal-Gvern (Kap. 573), fejn *huwa maħsub li art li tkun proprjetà tal-Gvern jew amministrata minnu tista' tiġi trasferita (jew jista' jsir tbdil ta' xi kundizzjoni) skont riżoluzzjoni speċjali tal-Kamra tad-Deputati li tkun fis-seħħ fil-waqt tat-trasferiment. (Kliem fil-parentesi miżjud)*. Għalhekk huwa b'dan riżolut illi l-abbozz ta' kuntratt approvat minn din il-Kamra fir-Riżoluzzjoni oriġinali jiġi sostitwit bil-kuntratt kif jinsab hawn anness.

20.11.2024

Enc. P.D. No.: 2009\_96\_1

P.D. No.: 2009\_96\_1\_A

Abbozz ta' kuntratt emendat



Before me Doctor of Laws \_\_\_\_\_, a Notary Public duly admitted and sworn, have personally appeared after having ascertained their identity by means of the official documents mentioned hereunder:

Of the one part:

is appearing on this deed in the name of and in representation of the Government of Malta as duly authorized by virtue of \_\_\_\_\_ for and in representation of the **Lands Authority**,

- Hereinafter referred to as "*the Lands Authority*" and/or "*the Government of Malta*" as the case may be.

Relative papers in respect of this deed are file bearing capital letter 'L' number eight hundred and ninety stroke one thousand nine hundred and sixty-three stroke one (L. 890/1963/1).

Of the other part:

for and on behalf of the limited liability company **PAVI Shopping Complex Limited**, having company registration number letter C four, one, nine, six, two (C41962) and having its registered office at 'PG Group Head Offices', Pama Shopping Village, Valletta Road, Mosta, as duly authorised by virtue of \_\_\_\_\_, - Hereinafter referred to as "*Pavi*" and/or "*the Emphyteuta*" as the case may be.

### **Definitions**

Unless the context otherwise requires and in addition to any other definitions made or made reference to elsewhere in this deed, the following terms have these meanings respectively assigned to them:

"**Deed of Emphyteusis**" means the deed in the records of Notary Anthony Attard dated the third (3<sup>rd</sup>) day of June of the year one thousand nine hundred and sixty-three (1963), by virtue of which the Government granted a plot of land in Qormi on temporary emphyteusis for a period of one hundred and fifty (150) years with effect from the 3<sup>rd</sup> day of June of the year 1963 to Chatillon (Malta) Limited, a limited liability company bearing registration number letter C four, zero, one (C 401).

**“Emphyteutical Land”** means the plot of land denominated ‘Tal-Istabar’ or ‘Tal-Istabal’, in the limits of Qormi, measuring approximately eighty-three thousand six hundred and thirteen square meters (83,613m<sup>2</sup>), bounded on the north west by Manwel Dimech Street, on the south east by Lion Street (*Triq l-Iljun*) and on the north east by property of the Government or its successors in title, as better and in detail described in the Deed of Emphyteusis.

**“Government”** means the Government of Malta.

**“Lands Authority”** means the authority established under Article five (5) of the Lands Authority Act chapter five hundred and sixty-three (563) of the Laws of Malta or any other body or authority established by law in its stead.

**“Parties”** means the Government and Pavi referred to collectively.

**“Pavi”** means the limited liability company PAVI Shopping Complex Limited having company registration number letter C four, one, nine, six, two (C41962) and having its registered office at ‘PG Group Head Offices’, Pama Shopping Village, Valetta Road, Mosta.

**“Site”** means the divided portion of land forming part of the lands known as ‘Tal-Istabar’ or ‘Tal-Istabal’, in the limits of Qormi, Malta, with a frontage on Lion Street (*Triq l-Iljun*) having a superficial area of seven thousand nine hundred and eighty-three square meters (7,983m<sup>2</sup>), formerly forming part of the site named ‘Nylon Knitting’, bounded on the north and north west by property of Pavi Shopping Complex Limited, on the west and south west by property of Nylon Knitting Limited or its successors in title, and on the south east by Lion Street, as shown bordered in red on the plan and site-plan attached to this deed indicated as Property Drawing number two thousand and nine underscore ninety-six underscore one underscore capital letter ‘A’ (P.D. No.: 2009\_96\_1\_A), and marked document letter “B”. The Site was dismembered from the Emphyteutical Land by virtue of a deed in the records of Notary Sam Abela of the twenty seventh (27<sup>th</sup>) day of December of the year two thousand and twenty-two (2022), whereby the temporary utile dominium of the Site was transferred to Pavi.

## **Recitals**

The Parties hereby declare and premise:

Whereas by virtue of the Deed of Emphyteusis, the Government granted on temporary emphyteusis the Emphyteutical Land to Chatillon (Malta) Limited, for a period of one hundred and fifty (150) years with effect from the third (3<sup>rd</sup>) day of June of the year one thousand nine hundred and sixty-three (1963), to be used exclusively for the industrial purposes mentioned in the Deed of Emphyteusis.

Whereas Chatillon (Malta) Limited changed its name to Montefibre Malta Limited on the fourth (4<sup>th</sup>) day of February of the year one thousand nine hundred and seventy-four (1974); and whereas Montefibre Malta Limited in turn changed its

name to Nylon Knitting Limited on the twenty-fifth (25<sup>th</sup>) day October of the year one thousand nine hundred and seventy-eight (1978).

Whereas by virtue of a deed of sale in the records of Notary Sam Abela of the twenty-seventh (27<sup>th</sup>) day of December of the year two thousand and twenty-two (2022), Pavi acquired from the ownership of Nylon Knitting Limited the temporary utile dominium of the Site which was dismembered from the Emphyteutical Land, and this for the remaining period from the aforementioned period of 150 years with effect from the third (3<sup>rd</sup>) day of June of the year one thousand nine hundred and sixty-three (1963).

Whereas Pavi owns and operates the PAVI Shopping Complex in Manwel Dimech Street, Qormi which is adjacent and contiguous to the Site, in this deed referred to as the "*PAVI Shopping Complex*".

Whereas it is the intention of Pavi to develop the Site as an extension of PAVI Shopping Complex, in this deed referred to as the "*Project*".

Whereas in terms of the Deed of Emphyteusis, the Site must be used exclusively for the industrial purposes mentioned in the Deed of Emphyteusis.

Whereas the operations of PAVI Shopping Complex are of a commercial nature.

And whereas Pavi is desirous to modify the Deed of Emphyteusis, in such a way as to modify the permitted use of the Site from industrial to commercial and only insofar as the Site is concerned, and the Government accepts and this under the terms and subject to the conditions contained in this deed.

Now therefore, by virtue of this present deed, the Parties hereby agree and give their consent to modify the Deed of Emphyteusis, specifically to modify the permitted use from industrial to commercial and only insofar as the Site is concerned, as stipulated above, and this under the following terms and conditions:

1. This modification is being made for the consideration of four million, seven hundred and ninety-seven thousand, seven hundred and eighty-three Euro (€4,797,783), in this deed hereinafter referred to as the "*Consideration*". Said consideration is payable in ten (10) equal instalments of four hundred and seventy-nine thousand, seven hundred and seventy-eight Euro and thirty cents (€479,778.30) (in this deed hereinafter in plural referred to as the "*Instalments*" and in singular referred to as an "*Instalment*") over a period of nine (9) years. The first instalment is to be paid today and every other instalment is to be paid on each consecutive anniversary of this deed, provided that the whole balance shall be paid in full by not later than nine (9) years from the signing of this deed.

Now therefore, Pavi is hereon paying to the Government the sum of four hundred and seventy-nine thousand, seven hundred and seventy-eight Euro and thirty cents (€479,778.30) representing the first Instalment on account of the Consideration. The Government is receiving this payment of €479,778.30 and remits due receipt.

No interest shall be paid on the balance of the Consideration provided that the Instalments are paid punctually on the due date; however, should Pavi be in default in any one Instalment, interest shall run on the unpaid Instalment at the highest rate allowed by law, which interest shall run with effect from the due date of such unpaid Instalment, and this in addition to any other right of the Government in terms of this deed and at law.

Should Pavi be in default in the payment of any one Instalment on account of the Consideration and remains so in default for a period of fifteen (15) working days from the date of filing by the Lands Authority for and on behalf of the Government of a judicial letter requesting payment, the Government shall have the right, being stipulated exclusively for its own benefit, to terminate and dissolve the emphyteutical concession of the Site arising from the Deed of Emphyteusis.

2. In warranty of the payment of the balance of the Consideration, the Government is hereby reserving in its favour and Pavi hereby constitutes in favour of the Government a special privilege competent to the Government in terms of Article two thousand and ten (2010) of the Civil Code, chapter sixteen (16) of the Laws of Malta, and this over the Site with all its rights and appurtenances including, but not limited to, the improvements to be constructed thereon. Furthermore, Pavi is hereby constituting in favour of the Government a special hypothec over the same property. The sum of two hundred and fifty thousand Euro (€250,000) is being set for the purposes of inscribing the above mentioned hypothecs. This sum is being accepted only for the registration of such hypothecs and in no way shall limit the obligations and/or the penalties mentioned earlier on in this deed in case Pavi or their successors in title default in one of the conditions mentioned in this same deed.

3. Any clause and/or condition listed in the Deed of Emphyteusis which runs counter to the contents of this current deed and of the present modification, is to be considered null and void *ipso iure*.

Save what was stated above, the Parties hereby confirm the validity and applicability of all the other terms and conditions of the Deed of Emphyteusis published in the records of Notary Anthony Attard dated the third (3<sup>rd</sup>) day of June of the year one thousand nine hundred and sixty-three (1963).

#### **Statutory Declarations**

I, the undersigned Notary declare to have explained to the parties the importance of the veracity of their declarations in respect of the value of the property in question. It is hereby declared that the value given to the property by virtue of this deed is fair and just after I explained to the contracting parties about the importance of this declaration.

For the purposes of Chapter two hundred and ninety-six (296) of the Laws of Malta, it is hereby declared the site is registered with the Land Registry.

For the purposes of subarticle two of Article nine (9[2]) of the Duty on Documents

and Transfers Act, Chapter three hundred and sixty-four (364) of the Laws of Malta, it is hereby being declared by all Parties that the Site is undeveloped, and that there are no buildings nor improvements constructed and/or erected thereon. The Parties make such declaration after the undersigned Notary warned them about the importance of the truthfulness of this declaration of theirs.

For the purposes of the Duty on Documents and Transfers Act, Chapter three hundred and sixty four (364) of the Laws of Malta, it is hereby declared that the stamp duty due by Pavi amounts to two hundred and thirty-nine thousand, eight hundred and ninety Euro (€239,890), calculated at the rate of five percent (5%).

For the purposes of the Income Tax Act, Chapter one hundred and twenty three (123) of the Laws of Malta and for the purposes of the Income Tax Management Act, Chapter three hundred and seventy two (372) of the Laws of Malta, it is hereby declared that no capital gains tax is due since the Government is exempt from the payment of tax.

For the purposes of the Immovable Property (Acquisition by Non-Residents) Act, Chapter two hundred and forty six (CAP.246) of the Laws of Malta (hereinafter referred to as "**the AIP Act**"), the representative of the Emphyteuta declares that the Emphyteuta qualifies to acquire the grant hereby made without the necessity of obtaining a permit under the AIP Act for the reason that the Emphyteuta is entirely owned by citizens of member states of the European Union and that the directors are also by citizens of member states of the European Union and that it is acquiring the grant for the activity of the Emphyteuta as results from the Memorandum and Articles of Association of the Emphyteuta and that for these reasons it may acquire the grant without the need of a permit issued under the AIP Act and that he is making these declarations after I the undersigned Notary warned him of the importance of the truthfulness and correctness of these declarations.

For the purposes of sub article twelve (12) of Article five capital A (5A) of the Income Tax Act, the parties declare that they have declared to the undersigned notary all the facts that determine if the transfer is one to which article 5A applies and that are relevant for ascertaining the proper amount of tax chargeable or any exemption, including the value which, in their opinion, reasonably reflects the market value of the said property, if this value is higher than the consideration for the transfer. The parties make such declaration after the undersigned notary warned them about the importance of the truthfulness of this declaration of theirs.

For the purpose of the second proviso to Sub-Article five (5) of Article eighty four letter C (84C) of the Notarial Profession and Notarial Archives Act, it is being declared that paragraph letter 'd' of the regulation number four (4) of the Legal Notice regarding the 'Examination of Title Regulations', the Notary is exempt '*ipso iure*' from examining the title with regards to the immovable property being acquired by means of this deed and the Emphytueta declares that I the undersigned Notary explained to them the importance and consequences of such exemption.

For the purposes of the Government Lands Act (Chapter 573) of the Laws of Malta, this deed and each one and all its Parts and the transactions contained therein have been approved by the House of Representatives of Malta by special

resolution in accordance with article thirty-one sub-article letter 'c' (31 (c)) of the Government Lands Act, chapter five hundred and seventy three (573) of the laws of Malta, made during the sitting of the twelfth (12<sup>th</sup>) day of July of the year two thousand twenty-three (2023), bearing motion number one hundred sixty-three of the year two thousand twenty-three (163/2023).

This deed was done, read and published after due explanation of its contents according to the law in Malta,





**LANDS**  
Authority

## 1. Dettalji tar-Rapport

### 1.1 Numru tal-Fajl tal-Awtorità

L890/1963/1

### 1.2 Indirizz tal-Propjetà / Sit li Qed Tiġi Valutata

Parti minn sit 'ta' l-Istabal', Qormi

*L-indirizz tal-propjetà, kull fejn applikabbli, għandu jkun fil-forma li l-ewwel l-isem tal-propjetà, in-numru tal-bieb, l-isem tat-triq, l-isem tal-lokalità u fl-aħħar l-isem tal-kunsill lokali. Fil-każ ta' art, l-indirizz għandu jindika l-isem tat-triq pubblika li tagħti aċċess għas-sit. Fejn l-art jew bini għandhom faċċata fuq aktar minn triq waħda, għandu jitnizzel l-isem ta' kull triq.*

### 1.3 Dettalji tal-Perit Inkarigat

Isem:	Paul
Kunjom:	Camilleri
Isem tal-Kumpanija: <i>fejn applikabbli</i>	n/a
Indirizz tal-Uffiċċju:	127, Triq l-Arcisqof, Belt Valletta VLT 1444
Numru tal-karta tal-Identità:	0024555M
Mowbajl:	9942 2000
Indirizz elettroniku:	paul.camilleri@paulcamilleri.eu
Numru tal-Warrant:	125

*[Handwritten signatures and initials in blue ink]*

## 45A

### F'Kaž Li Hemm Aktar Minn Perit Wieħed

Isem:	Joseph
Kunjom:	Attard
Isem tal-Kumpanija: <i>fejn applikabi</i>	n/a
Indirizz tal-Uffiċċju:	163, Triq il-Fortizza, Mellieha MLH 1513
Numru tal-karta tal-Identità:	0090880M
Mowbajl:	9901 1368
Indirizz elettroniku:	josephattard@gmail.com
Numru tal-Warrant:	517

### F'Kaž Li Hemm Aktar Minn Żewġ Periti

Isem:	Edric
Kunjom:	Micallef
Isem tal-Kumpanija: <i>fejn applikabi</i>	n/a
Indirizz tal-Uffiċċju:	159, Triq l-Arznell, Marsaxlokk MXK 1407
Numru tal-karta tal-Identità:	0453577M
Mowbajl:	7965 7547
Indirizz elettroniku:	perit.edricmicallef@gmail.com
Numru tal-Warrant:	446



## 45A

### 1.4 Deskrizzjoni tal-Inkarigu:

Is-sit, suggett ta' dan l-inkariku, hekk kif muri bil-kulur ahmar fuq il-pjanta annessa PD No: 2009\_96\_1 u li ghandu kejl ta' cirka 8,220mk, kien jiffirma parti minn art akbar ta' daqs ta' 82,673mk li kienet inghatat b'cens ghal-150 sena versu ic-cens annwu ta' €866.60, li jiskadi fis-sena 2113. Il-kuntratt tal-koncessjoni emfitewtika jistipula li l-art ghandha tintuza esklussivament ghal-skopijiet inindustrijali.

Gejna inkarigati nhejju il-valur ghal-bdil tal-kundizzjoni tal-koncessjoni emfitewtika li l-art ghandha tintuza esklussivament ghal-skopijiet industrijali ghal-dik li l-art tista' tintuza ghal-skopijiet kummercjali ghaz-zmien rimanenti tac-cens, billi niddeterminaw id-differenza bejn il-valur tal-art bil-kundizzjoni kif imposta fil-kuntratt originali u l-valur tal-art bil-potenzjal tal-izvillup kollhu taghha ghal-uzu kummercjali.

Apparti li r-rapport huwa mhejji skont il-valuri tas-suq kurrenti, u skont il-provvedimenti ta' Artiklu 64 ta' Kapittlu 573 tal-Ligijiet ta' Malt, l-istima tal-prorjeta' giet meqjusa u mwettqa skont il-kodici tal-prattika mahrug mill-Kamra tal-periti fid-dokument intitolat 'Consolidated Document on Property Valuation' ippublikat fl-2017 mill-Awtorita' ta' L-artijiet.

*Il-Perit ghandu jiddeskrivi x-xoghol li tqabbaad jaghmel mill-Awtorita' u jiddikjara li kull informazzjoni li giet pprovdata fir-rapport u f'kull pjanta u/jew dokument iehor anness hija preciza u veritjiera.*

## 2. Dokumenti Pertinenti

Kull dokument anness ma dan ir-rapport peritali ghandu jkun identifikat b'referenza unika.

### 2.1 Site Plan: Annetti

*Ir-rapport ghandu jkollu anness site plan l-aktar ricenti tal-Awtorita' tal-Ippjanar a skala 1:2,500 f'daqs ta' A4 bil-propjeta' in kwistjoni ccentrata fil-pjanta u mmarkata bl-ahmar u li turi, fejn applikabbli, l-limiti taz-zona tal-izvilupp, l-limiti taz-zona ta' konservazzjoni urbana u l-allinjament skemat tal-bini. Fil-kazijiet fejn id-data tal-istima ma tkunx dik attwali ghandha tintuza wkoll site plan tal-eqreb sena lejn dik tal-istima.*

### 2.2 Pjanta tal-Propjeta: Annetti

*Fil-każ ta' bini ghandu jkun hemm pjanta ta' kull sular a skala 1:100 li qatt m'ghandha tkun iżgħar minn A4, jew kif ipprovdati mill-Awtorita'. Pjanti oħra bħal faċċati u sezzjonijiet jistgħu jizjeddu jekk, f'każijiet eċċezzjonali, il-Perit iħoss li jistgħu jgħinu fil-gustifikazzjoni tal-valur tal-propjeta' li jkun wasal għalih u li r-ritratti rikjesti taht paragrafu 3.8 ma jkunux suffiċjenti. Fil-każ ta' art, il-pjanta għandha tkun a skala 1:500 u tkun turi karatteristiċi tas-sit bħal sigar, arbuxelli, kmamar, hitan tas-sejjeġh u attribwiti simili, jew kif ipprovdata mill-Awtorita'.*

## 45A

### 2.3 Orthophotomap: Annetti

Għandha tkun inkluża orthophotomap l-aktar riċenti tal-Awtorità tal-Ippjanar f'daqs ta' A4 bil-propjetà in kwistjoni ċċentrata fil-mappa u mmarkata bl-aħmar. Fil-każijiet fejn id-data tal-istima ma tkunx dik attwali għandha tintuża wkoll l-orthophotomap tal-egreb sena lejn dik tal-istima.

### 2.4 Ritratti tas-Sit: Annetti

Ritratti tas-sit għandhom jittieħdu biex juru l-propjetà in kwistjoni kollha f'ritratt wiehed, ritratt iehor irid juri l-propjetà u l-propjetà fuq in-naħa tal-lemin u ritratt iehor irid juri l-propjetà u l-propjetà fuq in-naħa tax-xellug u ritratti tal-istreetscape. Dawn ir-ritratti jridu jkunu riferuti fuq site plan li turi l-pożizzjoni li ttieħdu minnha.

### 2.5 Ritratti minn Ġewwa: Annetti

Ritratti minn ġewwa għandhom jagħtu mpressjoni ċara tal-istat li tinsab fiha l-propjetà. Għandha tiġi ndikata d-data meta ttieħdu r-ritratti tal-propjetà li ma tistgħax tkun qabel id- data tal-kummissjoni tar-rapport mill-Awtorità.

### 2.6 Kopji tal-Policies u Mapep Minn Pjani Lokali: Annetti

Għandhom jiġu annessi kopji tal-Policies u mapep minn Pjani Lokali u tingħata deskrizzjoni dwar x'impatt kellhom fuq il-valur aħħari. Għandu jkun hemm indikazzjoni jekk il-propjetà' hiex ġewwa ż-żona tal-iżvilupp jew le, x'inhu l-għoli permissibli, eċċ. Għal aktar dettalji ara paġna 8 ta' dan ir-rapport.

### 2.7 Operazzjonijiet Paragunabbli: Annetti mhux anqas minn żewġ operazzjonijiet paragunabbli. L-Awtorità tiriserva d-dritt li titlob għal aktar minn żewġ operazzjonijiet paragunabbli fejn thoss li huwa neċessarju

Il-Perit inkarigat huwa obbligat jannetti mhux anqas minn żewġ operazzjonijiet paragunabbli li fuqhom ġie ibbazat il-valur tal-propjetà in kwistjoni. Il-Perit huwa obbligat li jipprovdi is- sors tal-operazzjonijiet paragunabbli. F'każ ta' espropriu l-operazzjonijiet paragunabbli għandhom ikunu ibbazati fuq kuntratti li għandhom jiġu provduti lilu mill-Awtorità stess. Ara paġna 7 għal aktar dettalji.

### 2.8 Kopja tal-Itra tal-Ingaġġ mill-Awtorità:

Il-Perit għandu jannetti kopja tal-imejl tal-ingaġġ li jkun irċieva mingħand l-Uffiċċju tal-Istimi fi hndan l-Awtorità tal-Artijiet.

**45A**

### **3. Dati Pertinenti**

#### **3.1 Data ta' Meta Inghata l-Inkarigu**

**3 ta' Frar 2022**

#### **3.2 Data ta' Meta Sar l-Aċċess fuq il-Proprietà/sit**

**8 ta' Frar 2022**

*Din id-data ma tistax tkun qabel id-data tal-kummissjoni tar-rapport mill-Awtorità*

#### **3.3 Data tar-Rapport**

**22 ta' Lulju 2022**

#### **3.4 Data li Saret Referenza Għaliha Meta Ġiet Valutata il-Proprietà Fejn Applikabli**

**n/a**

*F'ċertu każijiet stipulati mill-Att Dwar l-Artijiet tal-Gvern (Kap. 573) jew minn xi liġijiet oħrajn preċedenti, ikun meħtieġ li jkun determinat il-valur ta' propjetà f'data speċifika li ma tkunx dik attwali bħal per eżempju fiċ-ċirkostanzi tal-artikolu 44.*



## 45A

### 4. L-Istat li l-Propjetà Kienet Fiha fid-Data li Saret Referenza Għaliha Meta Ġiet Valutata l-Propjetà

*Id-deskrizzjoni f'din it-taqsimha trid tagħmel riferenza għal pjanti, ritratti u dokumenti oħra li jkunu ġew imsemmija fit-taqsimha dwar dokumenti pertinenti paragrafi 2.1 sa 2.6*

#### 4.1 L-attribwiti fiżiċi tal-propjetà fid-data li tkun saret referenza għaliha f'paragrafu 3.2

il-propjeta' illum hija għalqa mitluqa, mhux zviluppata

*Kull rapport għandu jkollu deskrizzjoni ġenerali tal-propjetà bħal minn fejn hi aċċessibbli (triq maġġuri/triq residenzjali jew kummerċjali/sqaaq), kemm fiha livelli taht it-triq, kemm hemm sulari 'l fuq mit-triq, jekk tinkludix btiehi u/jew ġonna u jekk hemmx siġar, data approssimattiva ta' meta nbriet u ftit kliem dwar d-disinn u l-arkitettura tal-bini. Elementi fil-faċċata, bħal lavur, u fuq ġewwa li jkollhom xi valur storiku jew li jistgħu jkunu importanti li jiġu kkonservati għandhom jiġu deskritti b'mod aktar dettaljat.*



## 45A

### 4.2 L-istat tal-istruttura u dettalji oħra

ara para 4.1

*Ir-rapport irid jiddeskrivi ukoll l-istat tal-istruttura u jispjega l-metodu ta' kostruzzjoni inkluż tal-pedamenti fejn possibbli, l-istat tal-aperturi u tal-finishes kollha tal-binja, is-servizzi tad-dawl, ilma, drenagg u telekomunikazzjoni u l-istat tal-bjut u soqfa oħra esposti għall-elementi. Elementi strutturali tradizzjonali bħal hnejjiet, travi tal-injam u soqfa tax-xriek u kileb, u aperturi tradizzjonali tal-injam jew ħadid għandhom jiġu emfasizzati.*

### 4.3 Qisien tal-Proprietà

- (a) tul tal-faccata - 66 metru fuq Triq l-Iljun
- (b) fond massimu mit-triq - 122.5 metru minn Triq l-Iljun
- (c) metragg tal-art - 8,220 metri kwadri

*Ir-rapport irid jinkludi paragrafu dwar il-qisien tal-propjetà kif ipprovdut mill-Awtorità jew minn qisien miġbura minn fuq il-post – it-tul tal-faccata fuq it-triq u l-fond massimu tas-sit, il-metragg kwadrat tas-sit, il-metragg kwadrat tal-bini fuq kull sular, il-qisien tal-btiehi u fil-każ ta' bini residenzjali n-numru ta' kmamar tas-sodda u kmamar tal-banju. F'din il-parti, il-Perit għandu jindika jekk il-qisien humiex konformi ma' regoli u policies li jikkontrollaw tali qisien, partikolarment l-A.L. 227 tal-2016 (Regolamenti dwar l-Ippjanar tal-Iżvilupp (Sahha u Sanita') u jekk le' humiex koperti b'permess tal-iżvilupp jew inbnawx qabel l-1967.*

**45A**

**5. L-użu li kien qed isir mill-propjetà fid-data li saret referenza għaliha meta giet valutata l-propjetà**

Ara para. 4.1

*Il-Perit irid jidentifika l-użu principali tal-binja u mbagħad jiddeskrivi l-uži fuq kull sular kemm taht u kemm 'l fuq mill-livell tat-triq. Huwa mportanti li r-rapport ikun jinkludi wkoll deskrizzjoni tal-karattru tal-madwar estern tal-propjetà, partikolarment uži jew attribwiti oħra li jista' jkollom impatt fuq il-valur tal-propjetà.*



45A

## 6. Informazzjoni Dwar Drittijiet ta' Terzi

ma jidhirx li hemm xi servitujiet fuq is-sit

*Ir-rapport għandu jidentifika b'mod ċar dawk id-drittijiet kollha li jista' jkollhom terzi persuni fuq il-propjetà li jinkludu ċnus u kirjiet eżistenti u l-valur u d-data tal-iskadenza tagħhom, użufrutt, servitujiet u kull piż ieħor li jista' jkollu impatt fuq il-valur tal-propjetà.*



## 45A

### 7. Operazzjonijiet Paragunabbli

#### 7.1 L-ewwel operazzjoni paragunabbli

Rapport ta' John Abela li fih jigbor l-ezempji innizzla hawn taht

#### 7.2 It-tieni operazzjoni paragunabbli

Uzu Kummercjali:

LIDL Malta  
PAVI Shopping Complex  
Centre Park - retail outlet

#### 7.3 Operazzjonijiet paragunabbli oħra

Uzu Industrijali:

Nylon Knitting  
ST



*Qalleb il-pagna biex taqra informazzjoni utli*

## 45A Informazzjoni Utli

Skont l-Artiklu 79 (3) (e) tal- Kap. 573 tal- Ligijiet ta' Malta, ir-rapport ta' Stima Peritali għandu jinkludi: "l-operazzjonijiet paragunabbli, jekk ikun hemm, li l-proprietà tkun giet valutata b'riferenza għalihom". L-Awtorità tal-Artijiet ikkummissjonat ir-rapport: "Consolidated Document on Property Valuation: A Compilation of Information and Examples" li jista' jiġi mnizzel mis-sit elettroniku: <https://landsauthority.org.mt/wp-content/uploads/2018/03/Valuations-Manual-LA.pdf>. F'pagna 54 ta' dan ir-rapport hemm indikazzjoni ta' sorsi lokali li jistgħu jintużaw biex wiehed jottjeni operazzjonijiet paragunabbli: "Useful sources of data include the Central Bank, real estate agents, National Statistics Office, Planning Authority, consideration of development activity in the nearby area. The valuer should also bear in mind the final target consumer and what is required, sought and afforded by this target consumer."

Għalhekk huwa mistenni li meta jiġi pprezentat ir-rapport ta' Stima Peritali, l-operazzjonijiet paragunabbli, inkluż is-sors tagħhom (eż. numru ta' referenza jew identifikazzjoni fil-każ ta' entries minn databases ta' estate agents) iridu jiġu mnizzla wahda wahda, b'mod ċar, L- operazzjonijiet paragunabbli għandhom ikunu rilevanti għal proprietà in kwistjoni, speċjalment li jkunu fl-istess lokalità u b'karatteristiċi simili.

Il-Perit għandu dejjem jagħmel referenza għall-valuri li jkunu indikati fil-kuntratti tat- trasferiment jew akkwist ta' proprietà paragunabbli li l-Perit għandu jottjeni minghand l- Awtorità stess. Jekk tali kuntratti ma jkunux fil-pussess tal-Awtorità, il-Perit għandu jannetti dikjarazzjoni mill-Awtorità f'dan is-sens.

Fejn hu possibli, għandha tingabar informazzjoni minn iktar minn sors wiehed. Sorsi oħra li jistgħu jintużaw jinkludu:

(i) Kuntratti notarili ta' bejgħ ta' proprietà; - Dikjarazzjonijiet ta' Akkwist tal-Art, li jiġu ppublikati fuq il-Gazzetta tal-Gvern; (ii) Deċiżjonijiet tal- Bord ta' Arbitraġġ dwar Artijiet, li jistgħu jiġu mnizzlin mis-sit elettroniku: <https://ecourts.gov.mt/onlineservices/Judgements/Search>

Sorsi differenti jistgħu jstabilixxu valuri differenti (minhabba kummissjonijiet jew senseriji, per eżempju). Għalhekk huwa mistenni li l-Perit jispjega b' mod ċar: (a) kif dawn il-valuri ntużaw biex wasal għal valur aħħari; (b) il-varjazzjonijiet li għamel fuq dawn il-valuri u r- raġunijiet għal dawn il-varjazzjonijiet; (c) u l-kalkoli kollha li qed jiġu kkunsidrati.

## 45A

### 8. Informazzjoni dwar il-"planning site history" u l-"planning policies" li jaffettwaw l-propjeta

#### 8.1 Planning Site History

PA/05236/20 - Installation of Solar Farm with area of 15,500sqm for the purpose of renewable energy generation by means of photovoltaic technology on factory roof tops

PA/06551/18 - Decommissioning of existing Liquid Petroleum Gas Tank and construction of a new 25,000 litre tank and control room

PA/02181/18 - Construction of an extension to existing factory to serve as storage and distribution Class 6A and the formation of a new vehicular access from Triq L-Iljun

PA/06684/06 - Demolition of M&E block (marked as A on block plan) and shifting of production area to cater for new technology employing less personnel but having bigger machinery

PA/07180/05 - Proposed extension to existing factory 'Nylon Knitting' at Qormi

PA/05515/03 - To extend existing container park and build new strengthened boundary wall to withstand flood waters presently invading the factory premises

*F'din it-taqsimha jrid ikun hemm deskrizzjoni tal- "planning site history" li tinkludi fl-ewwel post il-permess tal-iżvilupp tal-propjeta u lista ta' kull tip ta' applikazzjoni li tkun saret fuq il-propjeta (PAPB/PA, DNO, RG, CTB, SE), deskrizzjoni sommarja tal-iżvilupp li kien propost f'kull applikazzjoni u jekk l-applikazzjoni ghadhiex pendent jew jekk gietx deciza u x'kienet d- decizjoni finali tal-Awtorita tal-Ippjanar jew tat-Tribunal ta' Revizjoni tal-Ambjent u l- Ippjanar. Il- "planning site history" ghandha tinkludi wkoll referenza ghall-azzjonijiet ta' infurzar fuq il-propjeta (ECF) u deskrizzjoni sommarja tal-irregolarita' u turi jekk dawn l- azzjonijiet ghadhomx in vigore jew gewx konkluzi.*



## 45A

### 8.2 Planning Policies

Skont il-Pjan Lokali ta' Hal-Qormi, u specifikament il-pjanta 'QOM1 - Qormi Area Policy Map', l-art hija designata bhala 'SME site' soggetta ghal-policy QO08, li jillimita l-uzu ghal-skop indutrijali ta' 'Business and Light Industry', 'General Industry' u 'Storage and Distribution'

*Din it-taqsimha trid tinkludi wkoll deskrizzjoni tal- "planning policies" kollha li jista' jkollhom impatt fuq il-valur tal-propjetà. Ghandu dejjem ikun hemm indikazzjoni jekk il-propjetà hiex gewwa ż-żona tal-iżvilupp jew le; jekk il-propjetà hiex gewwa żona ta' konservazzjoni urbana jew le; x'inhu z-zoning u x'inhu l-għoli permissibbli tal-bini fil-Pjan Lokali, inkluż deskrizzjoni sommarja tal-policy rilevanti. Importanti li jkun ikkonfermat jekk kienx hemm xi reviżjoni tal- policies applikabbli wara d-data tal-Pjan Lokali permezz ta' reviżjoni parzjali jew b'approvazzjoni ta' Planning Control Application. Il-Perit ghandu wkoll jirrelata jekk hemmx xi policy oħra li tista' tintuża biex iżżid (jew tirrestringi) il-potenzjal tal-propjetà bħal policy dwar bini għoli, zieda ta' sulari għal lukandi u djar tax-xjuħ, u d-DC15, skedar u limitazzjonijiet oħra li jinstabu fuq il-geoserver tal-Awtorità tal-Ippjanar.*

## 45A

## 9. Metodu tal-valutazzjoni u l-valur stmat

*L-istima ghandha dejjem tirrifletti l-potenzjal massimu tal-prorjeta' u m'ghandiex tkun influwenzata bl-ebda mod mit-talba li tkun saret ghaliha minn kull persuna.*

L-ewwel metodu li gie addottat sabiex naslu ghal valutazzjoni tal-art in kwistjoni, kienet dik ta' l-operazzjonijiet paragonabbli; izda l-ezempji li nstabu kienu ta' proprjetajiet ferm izghar mill rt li qed tigi valutata u allura wara diskussjonijiet, ittiehdet id-decizjoni li jintuza metodu iehor, dak tal 'Income Approach'.

Sabiex tinhadem din it-tip ta' valutazzjoni, kien hemm bzonn ukoll l-involvement ta' accountant u ghal dan il-ghan, l-Awtorita' tal-Artijiet hatret lis-Sur John Abela sabiex jassistina f'dan it-tieni ezercizzju.

Gew mehuda ezempji ta' artijiet li qed jintuzaw ghall-skopijiet kummercjali u artijiet ohra li qed jigu uzati ghall-skopijiet industrijali u dana sabiex tinhadem id-differenza ta' valuri ta' artijiet bejn dawn iz-zewg tipi ta' uzu. Il-hames ezempji uzati huma ta' proprjetajiet li d-daqs taghhom jikkompara mal-art li qed nivvalutaw. Qed nannettu ma' din il-valutazzjoni r-rapport mahrug mis-Sur John Abela, fis- Sezzjoni 7 (Operazzjonijiet Paragonabbli).

Din l-'Income Approach' tiehu in konsiderazzjoni l-ispejjez li saru sabiex l-artijiet rispettivi jintuzaw ghall-iskopijiet odjerni; izda, ghall-skopijiet ta' informazzjoni biss, ahna l-periti kkalkulajna l-ispejjez li jridu jintefqu sabiex din l-art in kwistjoni tinbena u tibda tintuza ghall-skopijiet kummercjali, u li jammontaw ghal cirka €5,100,000.00 (hames miljuni u mitt elf ewro). Dan huwa bbazat fuq site coverage ta' 70%, u bini ta' sular wiehed.

Il-valuri li jirrizultaw minn dan il-metodu ta' Income Approach ghall-art in kwistjoni huma dawn:

- Uzu industrijali - €482.00/mk (€3,962,040.00)
- Uzu kummercjali - €1,083.00/mk (€8,902,260.00)

Mela allura d-differenza fil-valur bejn dik ta' uzu industrijali u dik ta' uzu kummerjali hija ta' €601.00/mk.

Skont il-formola li biha jinhadem il-valur ta' Ghotja Emfitewtika Temporanja mhux revedibbli, jaghtina l-valur maqsum hekk:

- € 4,881,939.93 ghall-Utile Dominium
- €58,280.07 ghad-Directum Dominium (il-Gvern)

Il-fatt li fadal 91 sena sakemm jaghlaq ic-cens, ifisser li dan il-valur huwa kwazi totali ghal min qed igawdi ic-cens).

Mela allura l-valur sabiex tinbidel il-kundizzjoni li l-art tista' tigi zviluppata kummerjalment huwa ta' €4,940,220.00 (erba' miljuni, disa mija u erbghin elf, mitejn u ghoxrin ewro).



*Din it-taqsimha hija l-aktar importanti fir-rapport peritali u l-informazzjoni kollha li tkun ingabret u giet deskritta fit-taqsimiet ta' qabel ghandha l-ghan ewlieni biex twassal ghal valur tal-propjeta' li jirrifletti b'mod oggettiv u kemm jista' jkun konsistenti, il-valur fis-suq.*

## 45A

Il-Perit għandu jiddikjara l-valur tal-propjetà abbażi tal-metodu tat-trasferiment antiċipat – bejgħ (freehold), xiri assolut, ċens u l-kundizzjonijiet marbutin miegħu, b'kirja u l-kundizzjonijiet marbutin magħha, u f'xi każijiet, pusses u użu, terminazzjoni jew encroachment – u jiddeskrivi l-metodoloġija li addotta, kull kalkulazzjoni li jkun għamel u l-informazzjoni li bbażhom fuqha.

Huwa essenzjali li l-Perit jagħmel użu mir-rapport: "Consolidated Document on Property Valuation: A Compilation of Information and Examples" u jikkwota b'mod preċiż il-paragrafi li jkun uża minnu aktar milli dikjarazzjoni ġenerika dwar l-użu tiegħu.

## 10. Dikjarazzjoni dwar kunflitt ta' interess

Illi b'dan niddikjaraw li ma kellna ebda kunflitt ta' interess fid-data tal-valutazzjoni

*Ir-Rapport ta' stima peritali għandu jkun konkluz b'dikrazzjoni mill-Perit li ma kellu ebda kunflitt ta' interess fid-data tal-valutazzjoni.*


Firma tal-Perit



Firma tal-Perit

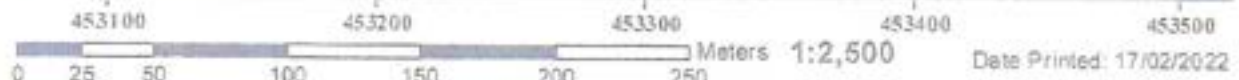
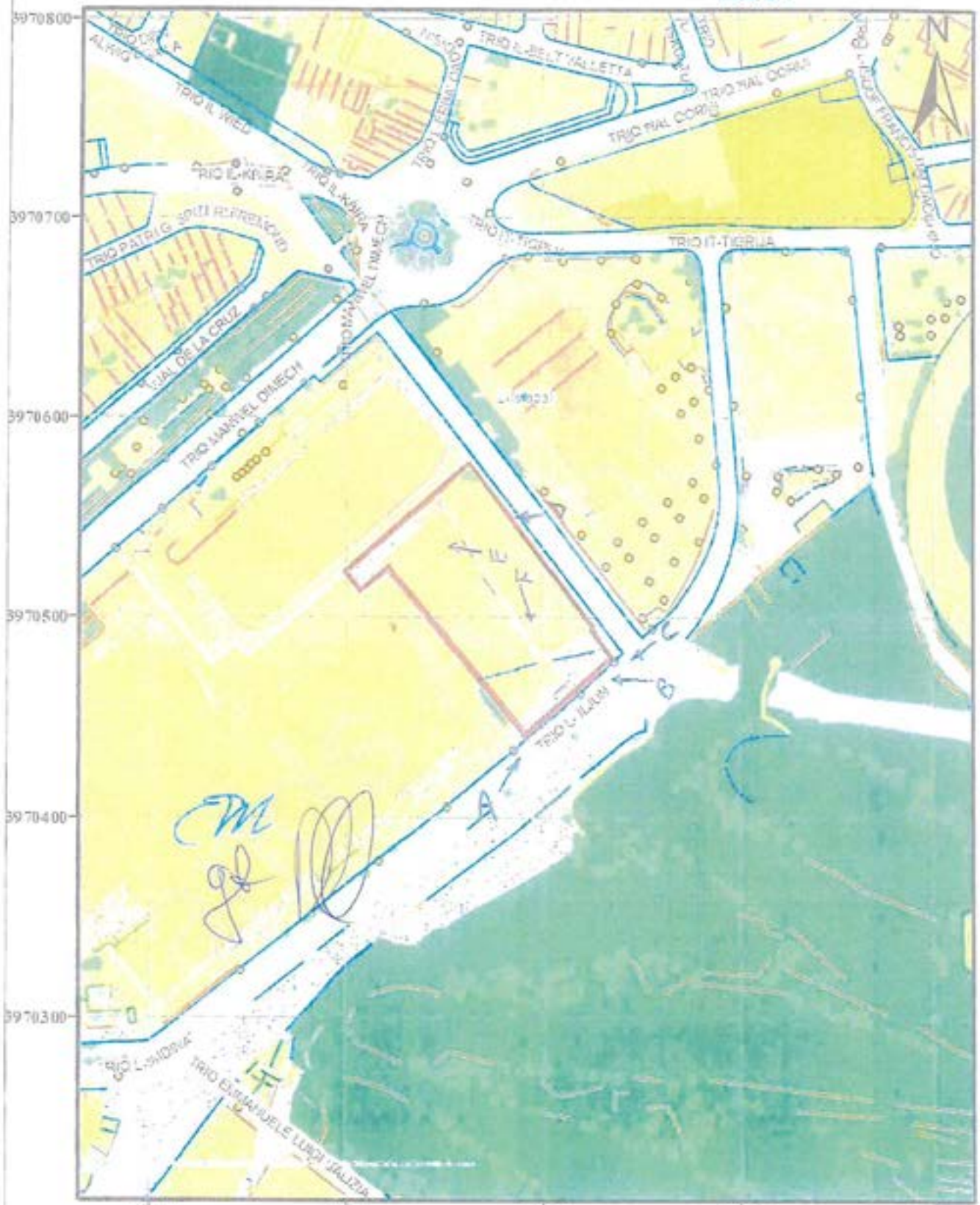


Firma tal-Perit



# 45A

Dok 2.1



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 ERDF 02 030 - Sinigram data, (2018). Developing Spatial Data Integration for the Maltese Islands, Planning Authority  
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 Leader. Data captured from 2016 aerial photography (2022 unclassified aerial vehicles(UAVs))  
 WGS 1984 UTM Zone 33N EPSG: 32855 M S.L. (Mean sea level) Scale factor at the central meridian 0.9996  
 Central meridian has a false origin of 500,000m at 150 East of Greenwich  
 Northern coordinates have an origin of 0m at the Equator  
 Not to be used for interpretation or scaling of scheme alignments Copyright © PA Planning Authority

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45A

	Property No : E270540 Area : 8,220m <sup>2</sup>	<p><b>LANDS Authority</b> Estate Management &amp; Business Development</p>	Locality: QORMI
	P.D. No.: 2009_96_1 Scale: 1 : 1000		File No.: L 890/1963H Drawn by: bugem151
A&CE sgd (S. Scotto)		Date: 22nd January, 2022	

**Site at Triq l-Iljun L-Istabal i/o QORMI**

**Dok 2.2**

Scale 1:1000

Extent interpreted from submitted drawing.

45A

Dokument "2.3" – 2018 Orthophotomap

Parti minn Sit Ta' L-Istabal, Qormi - L890/1963/1

c



Sit immarkata fuq Othophotomap tal-2018 (mehuda mill-Geo-Server tal-Awtorita' tal-Ippjanar)

*[Handwritten signatures and initials in blue ink]*

*[Handwritten signature in blue ink]*

## 45A

### Dokument "2.4" – Parti minn Sit Ta' L-Istabal, Qormi - L890/1963/1 - Ritratti meħudin 8 ta' Frar 2022

Ritratt "A"



Ritratt "B"



# 45A

Ritratt "C"



Ritratt "D"



*Handwritten signatures and initials, including "EM" and "M".*

*Handwritten signature or mark.*

## 45A

Dokument "2.5" – Ritratti minn ġewwa - Parti minn Sit Ta' L-Istabal,  
Qormi - L890/1963/1 - Ritratti meħudin 8 ta' Frar 2022

Ritratt "E"



Ritratt "F"



*Handwritten signature*

*Handwritten signature*

*Handwritten signature*

# 45A

Dokument "2.6" - Qormi Area Policy Map



Handwritten initials in blue ink, including "EM" and a signature.

Qormi Area Policy Map  
1:10,000

Handwritten signature in blue ink.

POLICY FROM CENTRAL MALTA LOCAL PLAN page 142 **45A**

**Q008** **Qormi Industrial Areas**

The SME Sites at L-Istabal, Tal-Bajjad and Tad-Dwieli as indicated in the Qormi Area Policy Map are designated by MEPA for the following land uses:

1. Class 11 (Use Classes Order, 1994), Business and Light Industry;
2. Class 12 (Use Classes Order, 1994), General Industry; and
3. Class 17 (Use Classes Order, 1994), Storage and Distribution.

Development in these industrial areas is subject to the following conditions:

- i. Developments shall not exceed a building height of three floors plus semi-basement;
- ii. Compliance with any required mitigation measures that may be identified during the assessment process of particular planning applications; and,
- iii. It is shown to the satisfaction of MEPA that no deleterious impacts will result from any development.

13.1.25 The TPS (1988) zoning of the established industrial areas at L-Istabal, Tal-Bajjad and Tad-Dwieli is being retained however following specific criteria in order to ensure that no negative impacts arise from such uses.



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Smart decisions. Lasting value.



# Taking your Business Further

Lands Authority  
Qormi Land Valuation  
July 2022

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## Introduction



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## Introduction

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We have been appointed by the Lands Authority to re-examine a valuation already carried out by 3 architects in respect of a site currently part of the Nylon Knitting Complex in Tal-Istabar, Triq l-Iljun, Qormi with an approximate area of 8,220 sqm.

The valuation is required to assign a monetary value to a change in conditions included in the emphyteutical contract that restricts the use of this site from industrial purposes in order for it to be used for commercial reasons in the future.

34

Our Office have been asked to assist the Architects in the determination of rental values which similar large scale commercial developments in the area may yield with a view to obtain a reasonable land value for commercial use.

This document shall serve as a valuation report intended for the use by the Lands Authority only, and may not be quoted, referred to, distributed or in any way be made available to the general public, without the prior written consent of Horwath Malta.



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## Background Information



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## Background Information

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Currently there are ongoing discussions to transfer a portion of Nylon Knitting's land to PAVI Group. The site under discussion has an area of approximately 8,220 sqm and forms part of a larger plot of land with an area of 82,673 sqm which was held under temporary emphyteuses for a term of 150 years from June 1963. The property is unencumbered and can be transferred, hypothecated and sub-leased to third parties.

The property under review is undeveloped and is located in the outskirts of Qormi which is a sought-after area for retail and industrial operations. It is next to PAVI and LIDL supermarkets and in close proximity to Centre Parc Mall.

It must be noted that the area where the land is situated is considered to be flood prone, especially during heavy rains and storms. Certain weather conditions can raise the watercourse level in the valley thus preventing any storm water from draining properly into the sea with the consequence of flooding the entire low-lying surroundings.

45A

## Background Information

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There is also the risk of finding archaeological remains when excavating the area. It is documented in various reports that remains of the mid-twentieth century were discovered in the Qormi Valley and the Marsa inner basin which was part of the marshland in olden times.

Through searches it does not appear that the property is facing any enforcement action and it is being assumed that the property adheres to all relevant statutory considerations and building laws and regulations.



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IFRS 13

Fair Value Measurement

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## IFRS 13 – Fair Value Measurement

IFRS 13 defines fair value as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique.

When measuring fair value an entity shall take into account the characteristics of the asset which include:

- the condition and location of the asset; and
- restrictions, if any, on the sale or use of the asset

An entity shall measure the fair value of an asset using the assumptions that market participants would use when pricing the asset, assuming that market participants act in their economic best interest.

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## IFRS 13 – Fair Value Measurement

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its "highest best use" or by selling it to another market participant that would use the asset in its "highest best use".

An entity shall use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Such valuation techniques include the:

- Market Approach,
- Cost Approach, and
- Income Approach

The market approach uses prices and other relevant information generated by market transactions involving identical or comparable (similar) assets.

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## IFRS 13 – Fair Value Measurement

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The cost approach reflects the amount that would be required currently to replace the service capacity of an asset (often referred to as current replacement cost).

The income approach converts future amounts (cash flows) to a single current (discounted) amount. When the income approach is used, the fair value management reflects current market expectations about those future amounts.

5



45A

# Income Approach Methodology



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## The Income Approach

The income approach assumes that the market value of any property, be it freehold or leasehold, represents the discounted value of the predicted future benefits derived from the ownership of that property.

The value from leasehold properties is established from the grant of a lease by the landlords to a leaseholder. The length of the lease term is critical and will influence the valuation approach.

We are of the opinion that the Income Approach is the most adaptable methodology to be used in quantifying a monetary value to change a condition within the emphyteutical deed that restricts the use of this site from an industrial into a commercial use.

53



45A

## The Income Approach

In our computations (refer Appendices 19 to 28) we have made sure that sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

To this effect we have gathered relevant information through audited financial statements on entities that operate in the vicinity of the land to be valued. These include Nylon Knitting Limited, PAVI Shopping Limited and LIDL Malta Limited.

During our work, we have also managed to review leasehold agreements for a prospective retail operation within Centre Parc Mall and an existing industrial operator within the Bulebel Industrial Zone.



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# Change of Use Compensation

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# Change of Use Compensation

Land Valuation		Land Valuation	Land Area	Value
Commercial vs Industrial Use		€	sqm	€/sqm

## Commercial Land

LIDL Malta (page 19)

28,358,638

27,182

1,043

PAVI Shopping Complex (page 21)

16,100,891

14,100

1,142

⊕ Centre Park – Retail Outlet (page 23)

1,211,167

900

1,346

45,670,696

42,182

1,083

## Industrial Land

Nylon Knitting (page 25)

35,997,100

74,452

483

ST (page 27)

1,153,916

2,590

446

37,151,016

77,042

482

## Difference

601

45A

# Change of Use Compensation

Land Valuation	
Change of Use Compensation	
Totals	

Change of Use Land Valuation (€ / sqm )

601

Area of land to be transferred ( sqm)

8,220

Compensation for Change of Use (€ )

4,940,220

45A

## Change of Use Compensation

A fair value measurement of a property takes into account the market participant's ability to generate economic benefits by using the asset in its "highest and best use" thereby ensuring that the use of the asset is financially feasible.

Financial feasibility ensures that the use of the asset is capable of generating adequate cash inflows and outflows which should also include any extraordinary capital expenditure for converting the asset to that use.

The compensation for the change of use on page 15 of this report does not take into account any such extraordinary costs to convert the asset to its "highest and best use".

25



Smart decisions. Lasting value.

Annexes

45A

# Land Valuation

**LIDL Malta Limited**  
*Land for Commercial Use*

Lease €  
5% Discount Rate

Right of Use Asset Value €

2022 – 2044 79,925,267

48,636,772

00

Terminal Value:

-

Land and Building Valuation

48,636,772

Less: Cost of building

(20,278,133)

Land valuation

28,358,638

Area (sqm)

27,182

Value per sqm

1,043



45A

# Land Valuation

LIDL Malta Limited

Property for Commercial Use

## Assumptions

- 1 Useable area equivalent to 27,182 sqm
- 2 Leased income = €2,766,167 (own) + €690,260 (3rd parties)
- 3 Cost of capital = 5% pa
- 4 Land does not depreciate
- 5 Building depreciation rate = 3% pa
- 6 Inflation rate = 1.5% pa
- 7 No terminal value

51



45A

# Land Valuation

**PAVI Shopping Complex Limited**  
*Land for Commercial Use*

Lease €  
 Discount Rate 3%

Right of Use  
 Asset Value €

2022 – 2044 32,685,303 25,207,791

52

Terminal Value:

Land and Building Valuation -

25,207,791

Less: Cost of building

(9,106,900)

Land valuation

16,100,891

Area (sqm)

14,100

Value per sqm

1,142



45A

# Land Valuation

PAVI Shopping Complex Limited  
*Property for Commercial Use*

## Assumptions

- 1 Useable area equivalent to 14,100 sqm
- 2 Leased income = €1,413,500
- 3 Cost of capital = 2.5% pa
- 4 Land does not depreciate
- 5 Building depreciation rate = over 100 years
- 6 Inflation rate = 1.5% pa
- 7 No terminal value

53





45A

# Land Valuation

Centre Park / Retail Outlet

*Property for Commercial Use*

## Assumptions

- 1 Site area = 900 sqm
- 2 Useable area = 900 sqm
- 3 Rental rate of €170 per sqm
- 4 Administration Cost: 10% of rentals
- 5 Cost of capital = 5% pa
- 6 Inflation rate = 1.5% pa
- 7 Cost of building = €807 per sqm
- 8 No terminal value

55

45A

# Land Valuation

Nylon Knitting Limited <i>Land for Industrial Use</i>		2%	Right of Use Asset Value €
	Lease €	Discount Rate	

2022 – 2044

15,580,379

12,612,007

56

Terminal Value:

-

30,085,773

Land and Building Valuation

42,697,780

Less:

Cost of building

(6,700,680)

Land valuation

35,997,100

Area (sqm)

74,452

Value per sqm

483



45A

# Land Valuation

Nylon Knitting Limited

Property for Commercial Use

## Assumptions

- 1 Site area = 82,673 sqm
- 2 Useable area = 74,452 sqm
- 3 Rental rate of €8.15 per sqm
- 4 Cost of capital = 2% pa
- 5 Building depreciation rate = 12% pa
- 6 Inflation rate = 1.5% pa
- 7 No terminal value

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45A

# Land Valuation

ST Limited

Property for Industrial Use

## Assumptions

- 1 Site area = 2,236 sqm
- 2 Useable area = 2,236 sqm
- 3 Cost of capital = 3% pa
- 4 Inflation rate = 1.5% pa
- 5 Building Depreciation rate = 5%
- 6 No terminal value

59



2/4/22, 9:48 AM **45A**

Gmail - Parti minn Sit Ta' L-Istabel, Qormi - L890/1963/1

F'każ ta' diffikulta' dwar l-inkarigu, inti ġentilment mitlub tressaq il-mistoqsijiet tiegħek għall-attenzjoni tal-Uffiċċju tal-Istimi fi ndan l-Awtorita' fuq l-indirizz elettroniku [valuations.la@landsauthority.org.mt](mailto:valuations.la@landsauthority.org.mt). Ir-rapport finali [flimkien mal-kont relattiv](#) għandhom ikunu konsenjata lil din il-laqsima sa mhux aktar tard [mis-17 ta' Frar, 2022](#).

Grazzi.

Valuations Office – Lands Authority



[valuations.la@landsauthority.org.mt](mailto:valuations.la@landsauthority.org.mt)  
+356 22053322

Accountability | Efficiency | Sustainability

Average 05 Bevere, St. Sebastian Street, Valetta VLT 2000

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3 attachments

- PD No. 2009\_96\_1 - L890\_1963\_1.pdf  
329K
- para 3, Article 79, Chapter 573.pdf  
211K
- Details of Periti.xlsx  
14K

## 45A

**From:** Agius Josef at Lands Authority  
**Sent:** Tuesday, 31 May 2022 09:09  
**To:** 'Paul Camilleri'; joseph attard; Edric Micallef  
**Cc:** 'john.abela@crowe.mt'; Bonnici Louise 1 at Lands Authority  
**Subject:** Site at Triq l-Istabal, Qormi - L890/63/1  
**Attachments:** Valuation L890\_1963\_1.pdf; PD.NO - 2009\_96\_1 - L890\_63\_1.pdf; Parti minn Sit Ta' L-Istabal, Qormi - L890/1963/1; Contact Details.xlsx

Dear Periti,

Reference is being made to the valuation attached above which the Authority requested you to draw up on the February 3, 2022. A copy of the email of engagement is also attached above for ease of reference.

In a nutshell, the assignment consisted of assigning a monetary value to a change in condition included in the emphyteutical contract that restricts the use of this site from industrial purposes in order for it to be used for commercial reasons in the future.

It follows that the Valuations Committee (VC) has reviewed the Valuation and considered that it falls short of a number of technical specifications that may have a bearing on the final value. The VC considered further that the matter necessitates the assistance of a focused specialist in the area. Mr John Abela on behalf of Crowe Horwath Malta is the selected Auditor who shall aid you in the matter.

Going forward, all the three Periti as well as the aforementioned Auditor are required to address the following points:

1. To determine rental values which a similar large scale commercial development in the area may yield with a view to obtaining reasonable land value for commercial use;
2. The circulation area is one of the primary areas which shall be re-examined. It is reasonable to expect that a study of the immediately adjacent similar developments be conducted to determine which percentage rate would be more appropriate;
3. The Periti are required to explain why they chose the 10% circulation rate and not any other rate, as well as to present the relevant workings that helped them achieve this figure.

You are kindly requested to meet and plan way forward. The details of all three Periti and the entrusted Auditor may be found attached above.

The VC expects to receive your clarifications and/or a revised Valuation Report by not later than **June 21, 2022**.

Thank you.



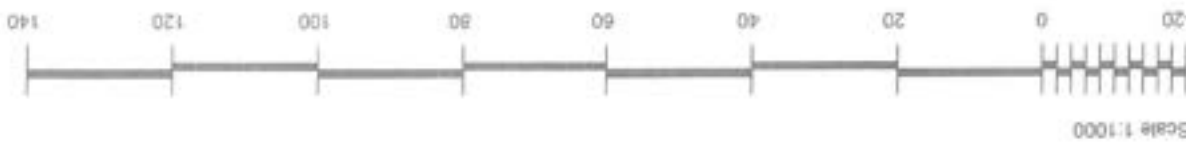
Josef Agius  
Senior Manager - Valuations and Projects  
[josef.agius@landsauthority.org.mt](mailto:josef.agius@landsauthority.org.mt)  
+356 22963012

Auberge de Baviere, St. Sebastian Street, Valletta VLT 2000  
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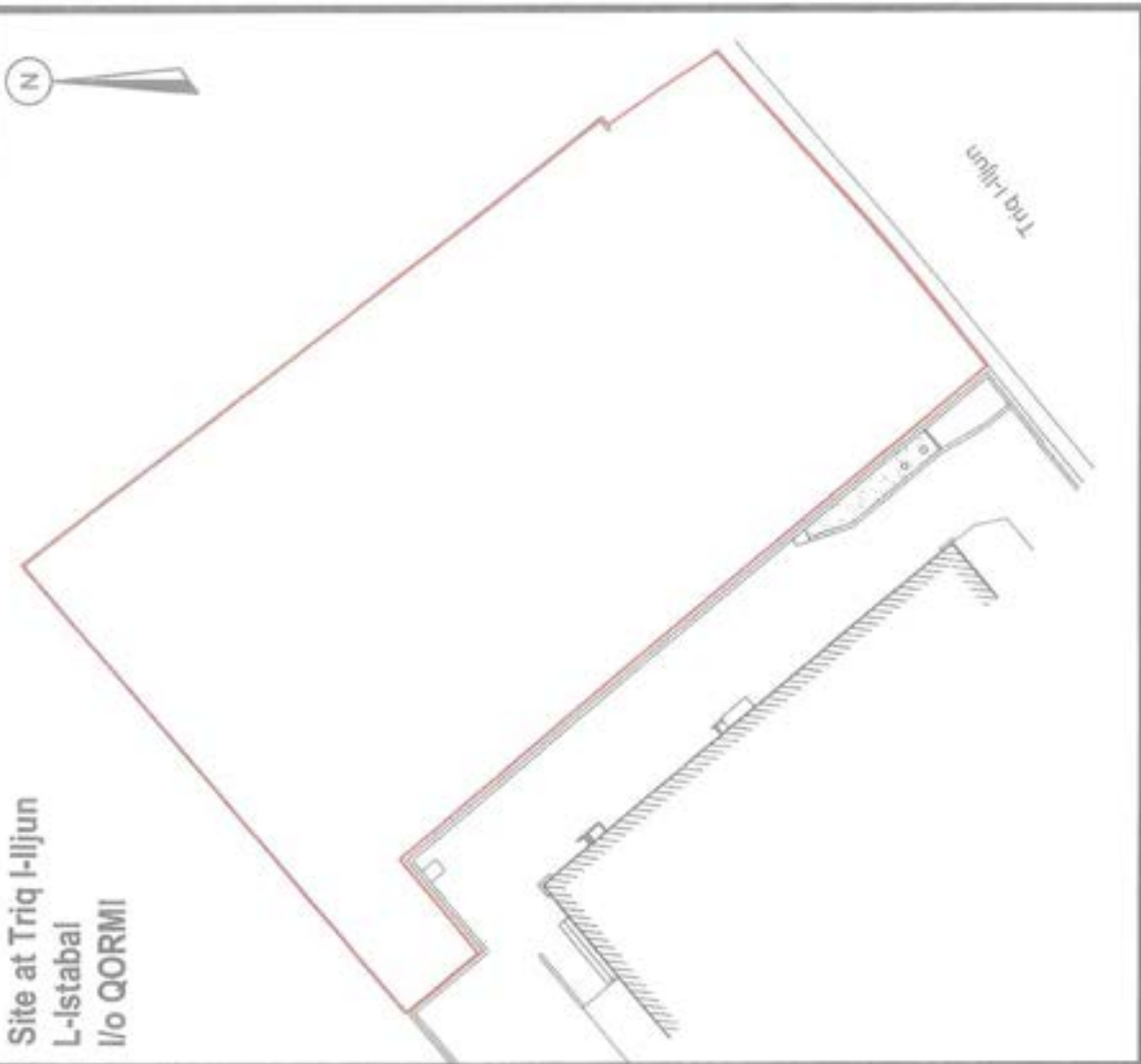
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A handwritten signature in blue ink, located at the bottom right of the page.



Site at Triq l-Ijjun  
L-Istabal  
I/o QORMI



Extent interpreted from submitted drawing.



Site Plan  
S.S. 5270

Scale 1:5000  
Map Ref.: 53174  
70526



Property No : E270540  
Area : 8,220m<sup>2</sup>

**OFFICE COPY**



Auberge de Baviere  
St. Sebastian Str, Valletta  
Phone (00356) 2255 3238/3940/42  
Website landsauthority.org.mt

Estate Management & Business Development

Locality:

QORMI

P.D. No.:

2009\_96\_1

Scale :

1 : 1000

File No.:

L 890/1963/1

Drawn by :

bugem151

A&CE

Date : 22nd January, 2022

51A



Site Plan  
S.S. 5276

Scale 1:5000  
Map Ref.: 52174  
7938 (E256)

453118  
3016429 (W6594)

Property No : E270540  
Area : 7,983m<sup>2</sup>

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**LANDS Authority**  
Estate Management & Business Development

Auberge de Barrière  
St. Sebastien Str. Valletta  
Phone (00356) 2265 3230/264042  
Website landsauthority.org.mt

Locality: **QORMI**

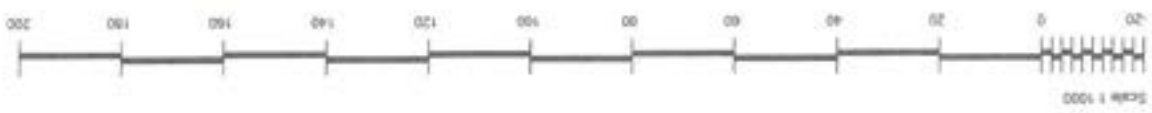
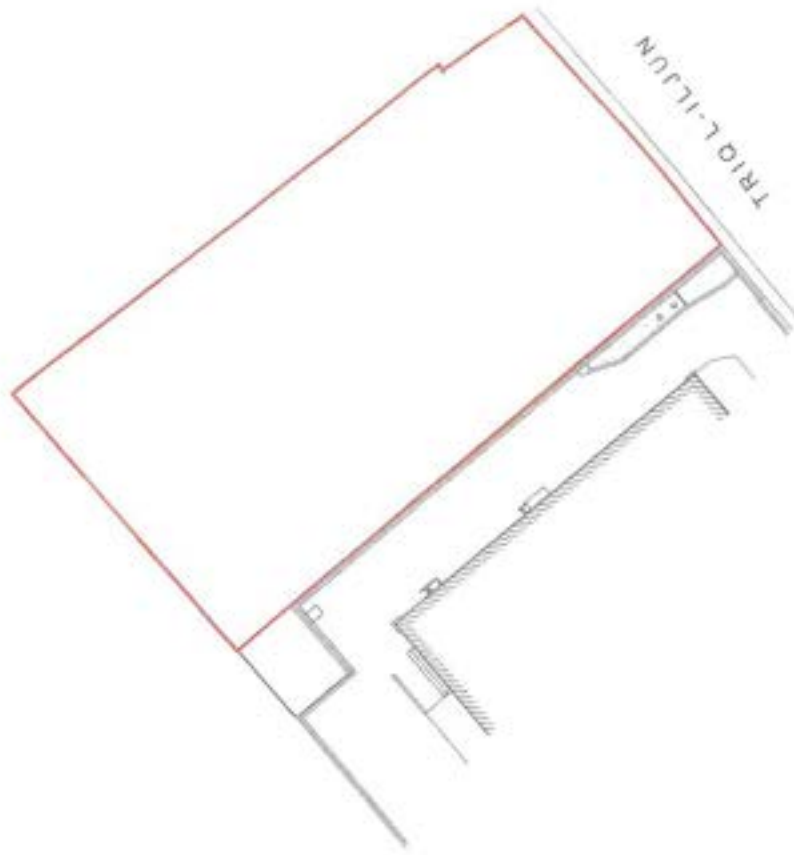
P.D. No.: 2009\_96\_1\_A      Scale: 1 : 1000  
File No.: L/0590/1963/1      Drawn by: bugem151

A&CE



Date: 14th December, 2023

**Site at Triq l-Iljun  
L-Istabal  
I/o QORMI**



Plan interpreted from Drawing No. 191119 submitted by Applicant.

64