PARLAMENT TA' MALTA

IT-TNAX-IL LEĠIŻLATURA

P.L. 8281

Dokument imqiegħed fuq il-Mejda tal-Kamra tad-Deputati fis-Seduta Numru 471 tat-18 ta' Jannar 2017 mill-Onor. Chris Cardona, bħala President tal-Kumitat tal-Kontijiet dwar l-Uffiċċju Nazzjonali tal-Verifika.

_____

Raymond Scicluna
Skrivan tal-Kamra

Rental Valuation Report

Sliema Wanderers Football Pitch and Ancillary Facilities

Tigne Point, Sliema

Rev 1

Perit **WILLIAM LEWIS** B.E.&A. (Hons.), M.Sc. Road Eng., A.&C.E.

83, Triq il-Gdida, Qormi, QRM2122
Tel. / Fax: 21444845 Mobile 79444845 E-mail: william@peritilewis.com

This report is used to estimate the commercial rental value of the Sliema Wanderers Football Pitch and Ancillary Facilities described below, to be leased by il-Kunsill Malti ghall-iSport.

Basis of Valuation

Definition of Rental Value

> *'The fair rental value of the property is the amount which, in a competitive market, a well-informed and willing lessee would pay and which a well-informed and willing lessor would accept for the temporary use and enjoyment of the property.'*

Property Address

Sliema Wanderers Football Club, Tigne Point, TP01 Sliema, Malta

Instructing Party

Instructions were received from Kunsill Malti ghall-iSport, to undertake a current commercial rental value of the property for leasing purposes.

Date of Valuation

The property was inspected on Thursday, 10th April 2014.

The Facilities

The football pitch which was previously located in Tigne area, was the training ground for the Sliema Wanderers Football Team and the Sliema Wanderers Nursery, gave way for the area development by MIDI in the late 2000 which saw the mostly run-down area make way for the Tigne Point Development.

The construction of the new Sliema Wanderers Sports Complex was completed in 2010 and officially inaugurated on Saturday 12th February 2011. The sports complex now accommodated a full size football pitch, a fully equipped gym, lecture room, committee/technical staff rooms, dressing rooms, Nursery quarters and two indoor multi-purpose pitches that can house a number of sports disciplines.

Location & Planning Considerations

These facilities are part of Tigne Point Project which were constructed by MIDI, the project also includes 'The Point' shopping mall, situated beneath the pitch, and the car-free Pjazza Tigne. According to the Sliema and Tigne Point Policy Map the area is marked as Tigne Area Development Brief.

Planning applications which were traced on the MEPA website are listed in the table below;

Case Number:	Description of works:	Decision:	Decision Date:
PA/02135/94	Mixed development for residential, commercial, tourism, recreational, cultural and marina-related use (in accordance with the development brief published by the Government of Malta, December 1992).	Grant Permission	07 October 1999
PA/04255/08	Amended plans for Block T2, commercial and sports facilities	Grant Permission	30 July 2009
PA/06480/03	Amended plans for block T2 including underground car-park, cinema complex, retail facilities and sports facilities including football pitch	Grant Permission	06 October 2005
PA/00386/01	Excavation of site in connection with application PA5326/00	Grant Permission	04 April 2001
PA/04291/01	Full development application for Tigne sports phase in connection with PA 02135/94, Outline development plan, as described in accompanying documentation.	Grant Permission	21 June 2002
PA/05326/00	Reconstruction of elevations of Victorian Barracks and erection of accomodation for relocated Tigne residents, "Assocazzjoni Sportiva Tigne"and Sliema Wanderers FC, including football pitch.	This application for development permission has been withdrawn at the request of the applicant.	
PA/04941/00	Demolition of derelict buildings and dismantling of elevations to be constructed as per outline permit	Grant Permission	18 December 2000
PA/01967/10	To sanction addition of canopy and increased size of supermarket in shopping mall	Grant Permission	14 October 2010
PA/07208/06	Amended plans for block T2 commercial and sports facility.	This application for development permission has been withdrawn at the request of the applicant.	
PA/00621/05	Amendment of master plan (Tigne` North) approved in outline development permit.	This application for development permission has been withdrawn at the request of the applicant.	

Description

The entrance to the Sports Complex at ground level is adjacent to the side entrance of 'The Point' shopping complex. A number of offices are located on either side of the entrance at Ground Floor level. Access to Level -1 and 1 is through the lift and staircase located with the entrance. At level -1 there are two indoor 5-aside football pitches, dressing rooms and shower and toilet facilities. Level 1 comprises of the full size outdoor football pitch and its ancillary facilities which mainly include a lounge area, dressing rooms, toilets, lecture hall, gym and aerobic studio.

Below is a list of all the rooms on each level;

Level Piazza 0 – Total Floor area 1630m^2

Entrance, Staircase and Lift 50m^2

Office Space 176m^2

Offices Space 170m^2

Emergency Exit Staircase Left 35m^2

Shafts 44m^2

Level 1 – Total Floor area 8565m^2

Full size Football Pitch (66m x 100m)

Other facilities 1284m^2

- Lecture Hall
- Gym
- Aerobics Studio
- 2 Offices
- Nursery Room
- Kids Area
- Bar
- Equipment Room

- 2 Dressing Rooms
- 2 Box Rooms
- 2 Toilet Rooms

Staircase and Lift 53m^2

Emergency Exit Staircase Right 44m^2

Emergency Exit Staircase Left 41m^2

Service Shafts 38m^2

Level -1 – Total Floor area 1630m^2

2 Indoor 5-aside football pitches (30m x 18.5m each)

Other facilities 357m^2

- 3 Dressing Room
- Accessible toilet and shower room
- Laundry Room
- Supporters Room & Dressing Room
- Room
- Office

Staircase and Lift 43m^2

Emergency Exit Staircase Left 35m^2

Service Shafts 40m^2

The areas indicating above were obtained from the AutoCAD plans provided by Kunsill Malti ghall-iSport. The drawings in appendix C indicated the total floor areas above. These areas are in conformity with the Legal Notice.

Tenure

The property will be subject to a temporary emphytuesis of 49 years.

Repair and Condition

The property was recently constructed and is in a good state of repair and regularly maintained.

The electricity, water and drainage networks are installed and in operation. All bathroom is tiled with ceramic tiles. All external apertures are in aluminum and the internal apertures are in timber.

Contract

The contract (attached in Appendix D) between the Commissioner of Lands and Midi plc. carried out on 20th August 2010, imposes the following conditions;

Clause E of this contact states *'The Sports Facilities are being transferred with vacant possession, free from encumbrances except that such premises shall remain subject to such rights of servitude or otherwise in favour of any part of the other immovable granted on temporary emphyteusis in virtue of the Emyphyeutical Deed, which may exist or which may become necessary as a result of the position of that part of the property and subject to the obligation to maintain and not to change the external appearance and decoration of the said premises and facilities and the obligation not to affix any signs on the external facades or on the roofs of the premises and facilities and the obligation not to hang anything from the windows or balconies of the premises and facilities. These immovable are subject to the restriction that the premises and facilities shall not be used for retail and catering purposes.'*

Valuation Conclusions

In view of the above clause E, which results in the following restrictions;

- Football grounds cannot be rented and are to be used for training purposes.
- These premises and facilities cannot be rented to third party.
- No catering facilities allowed on these premises and facilities.
- No retail facilities allowed on these premises and facilities.

- No advertising allowed on these premises and facilities.

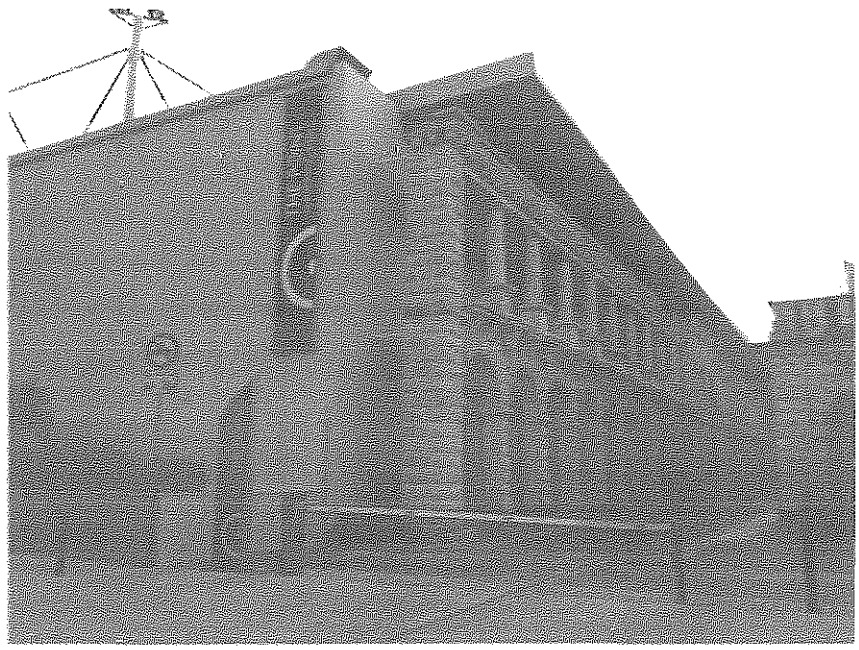
I hereby certify that, in my opinion the total rental value of the property is seventeen thousand five hundred Euro, €17,500 per month, based upon my independent analysis and the exercise of my professional judgment. The rate is revisable every 5 years based on increases in the cost of living, as measured by the Consumer Price Index.

Confidentiality

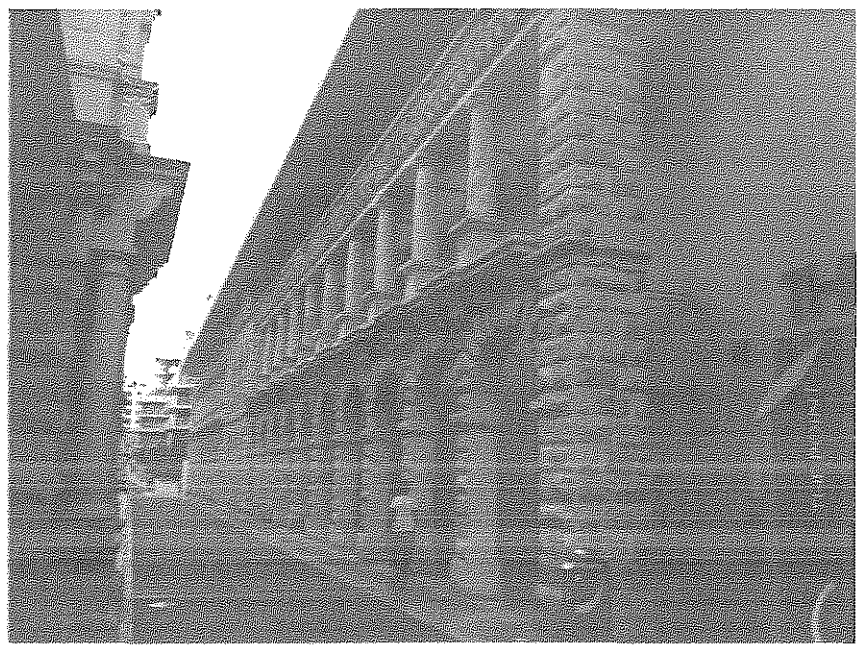
This report is being submitted solely for use by the Kunsill Malti ghall-iSport and I accept no liability for its use by any third party. Neither the whole nor any part of this report, nor any reference thereto, may be included in any published document, circular or statement nor published in any way without the prior written approval of the form and context in which it may appear.

Appendix A

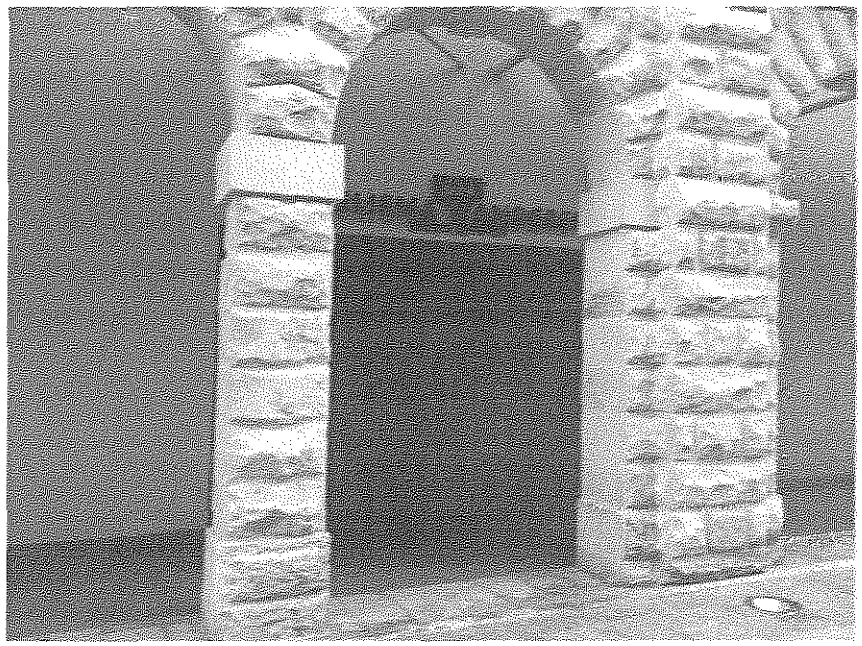
Photos



Sliema Wanderers Sports Complex- left side



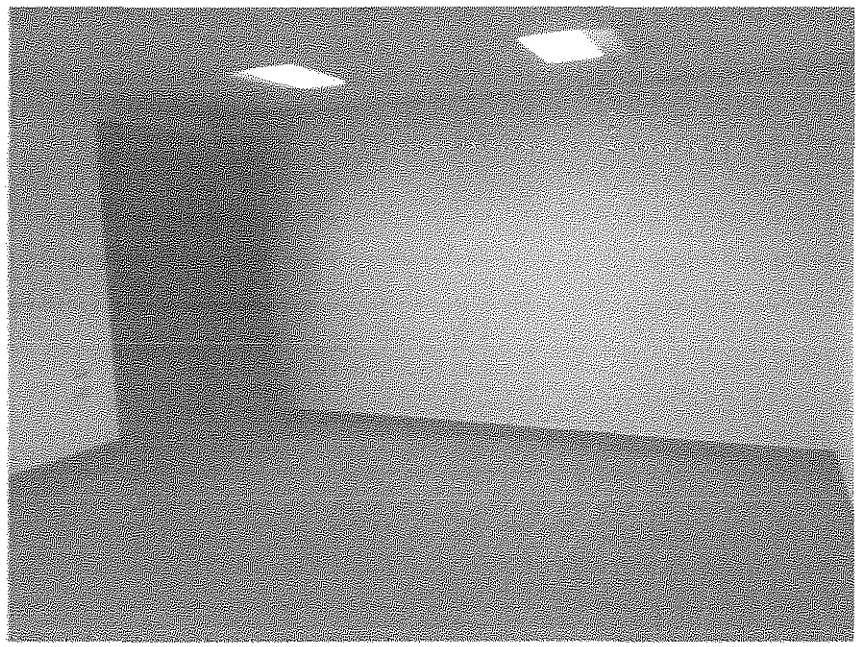
Sliema Wanderers Sports Complex – right side



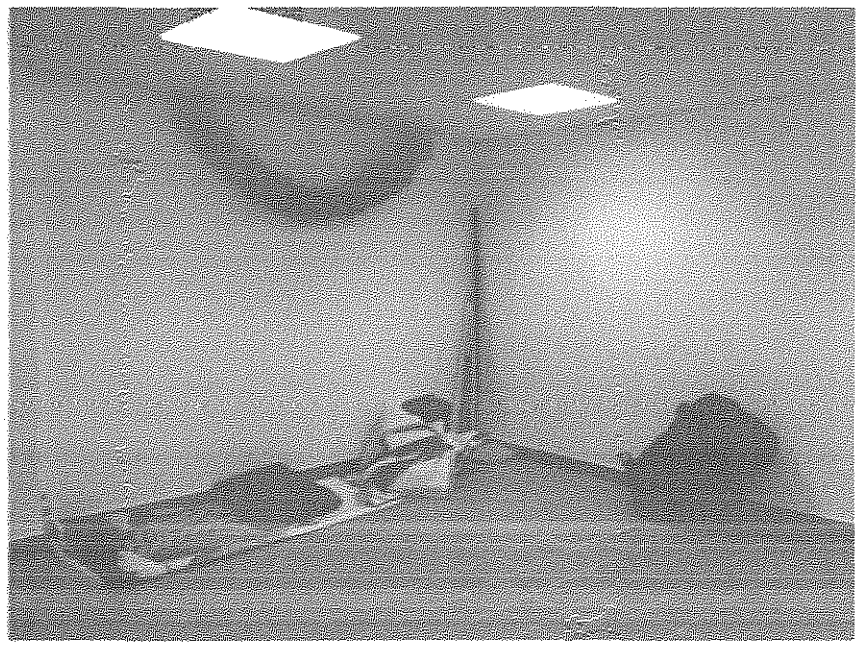
Sliema Wanderers Sports Complex Entrance



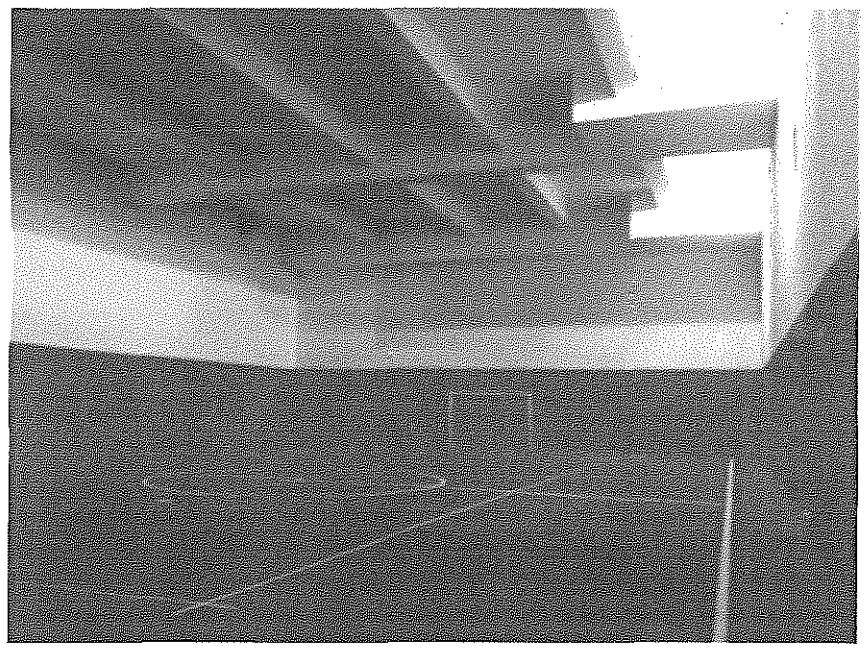
The corridor at Level -1



Store Room at Level -1



Supporters Room at Level -1



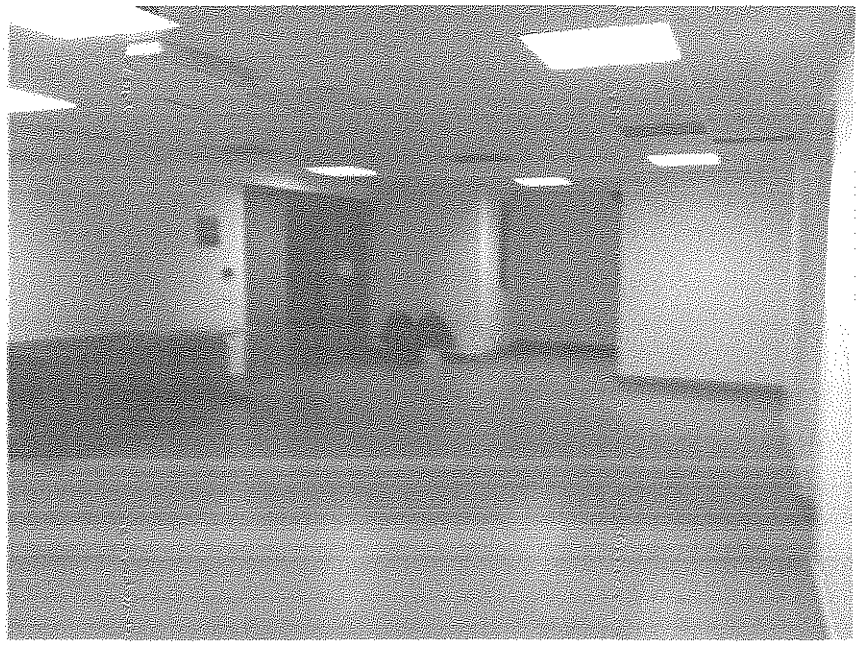
Indoor 5-aside football pitch at Level -1



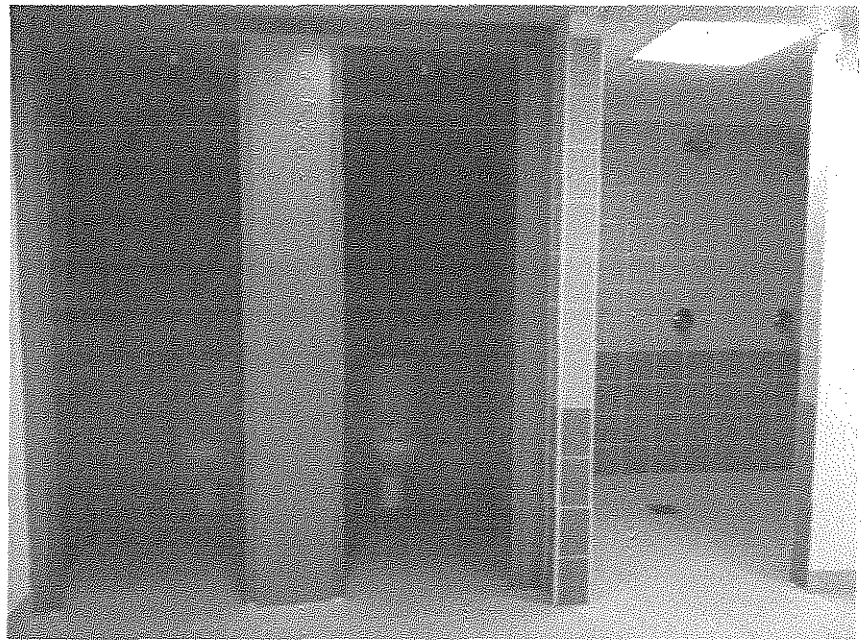
Indoor 5-aside football pitch at Level -1



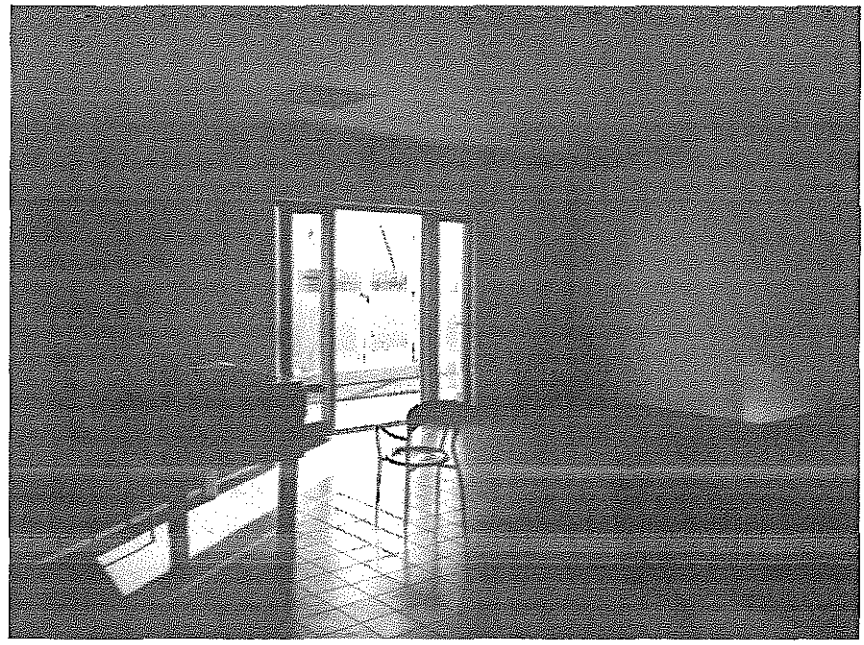
Accessible Toilet at Level -1



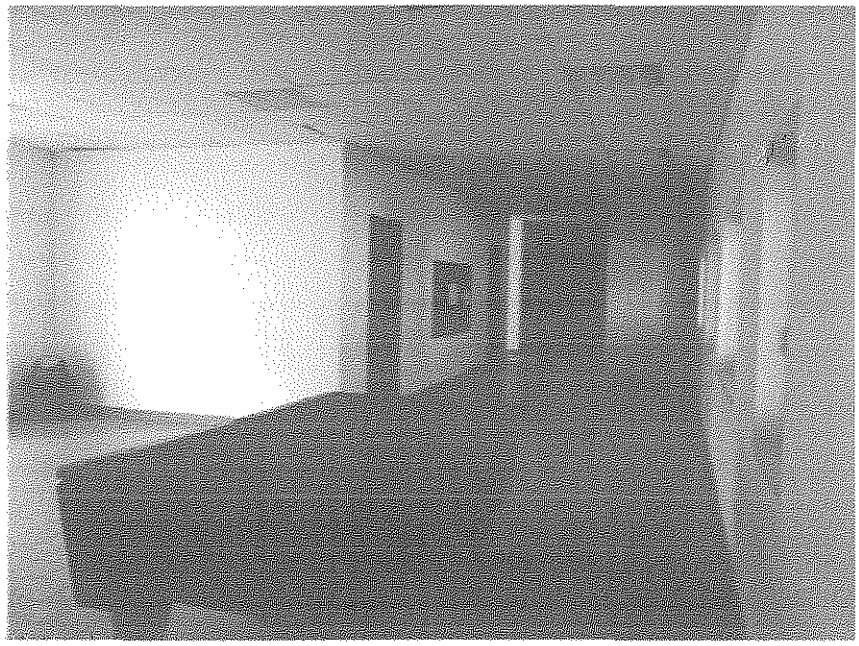
Area outside the indoor pitches at Level -1



Toilets and Shower Facilities at Level -1



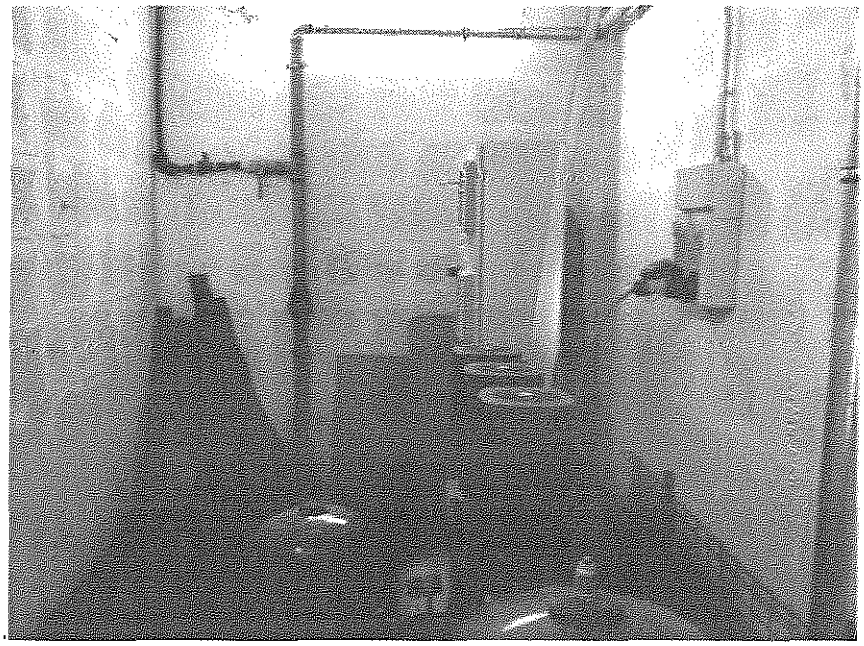
Lounge Area at Level 1



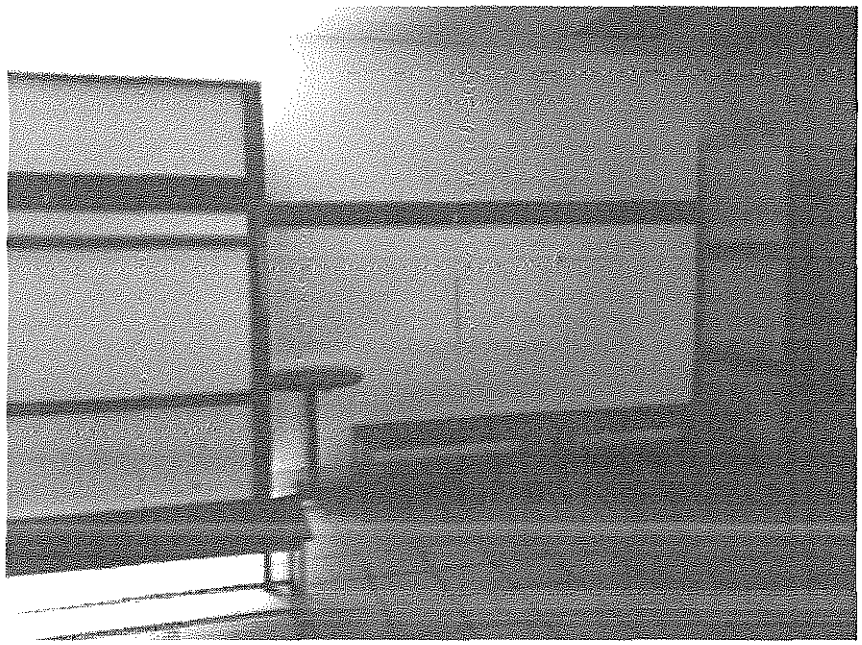
Lounge Area at Level 1



Emergency Staircase at Level 1



Pump Room at Level 1



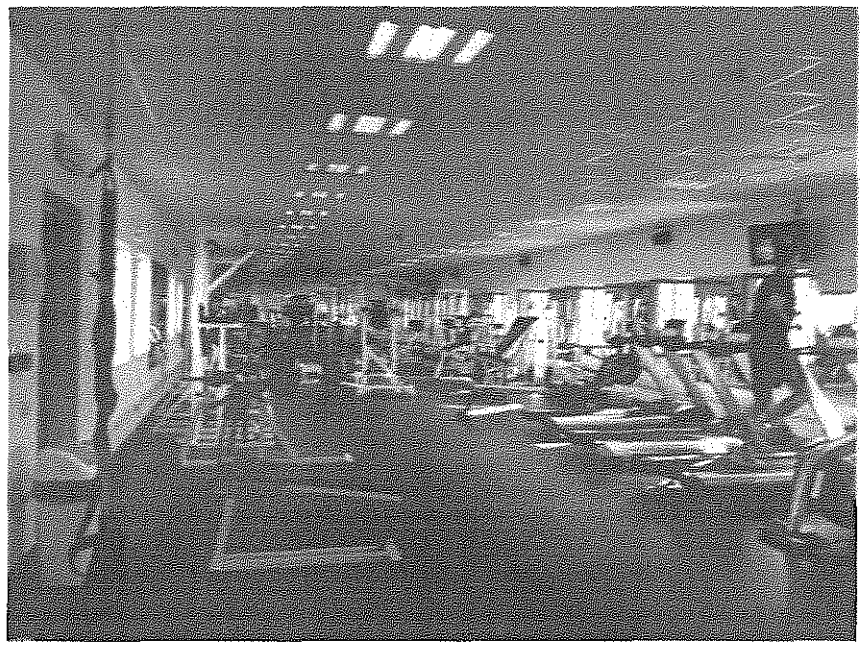
Dressing Room at Level 1



Dressing Room at Level 1



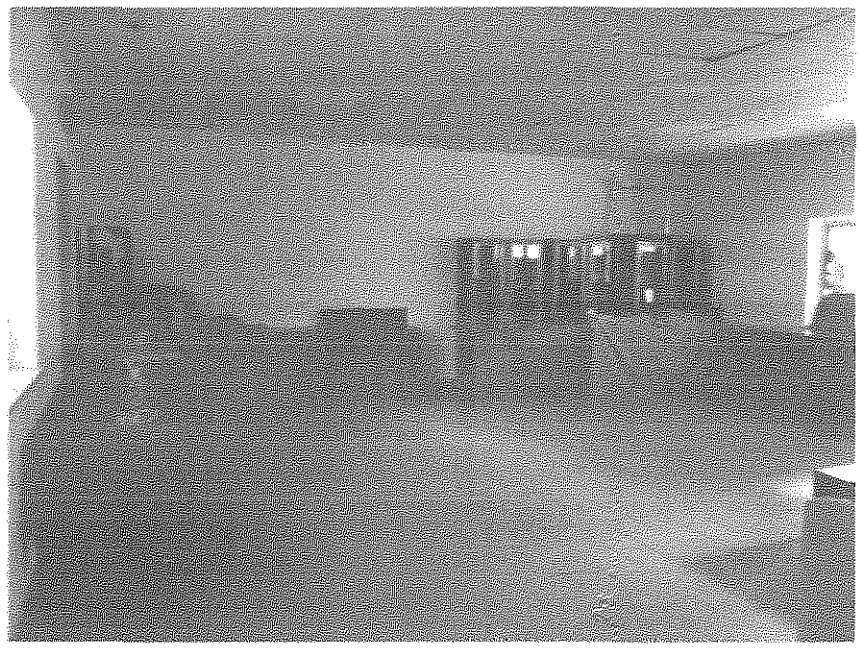
Outdoor Area at Level 1



Gym Facilities at Level 1 overlooking Pjazza Tigne and the football pitch



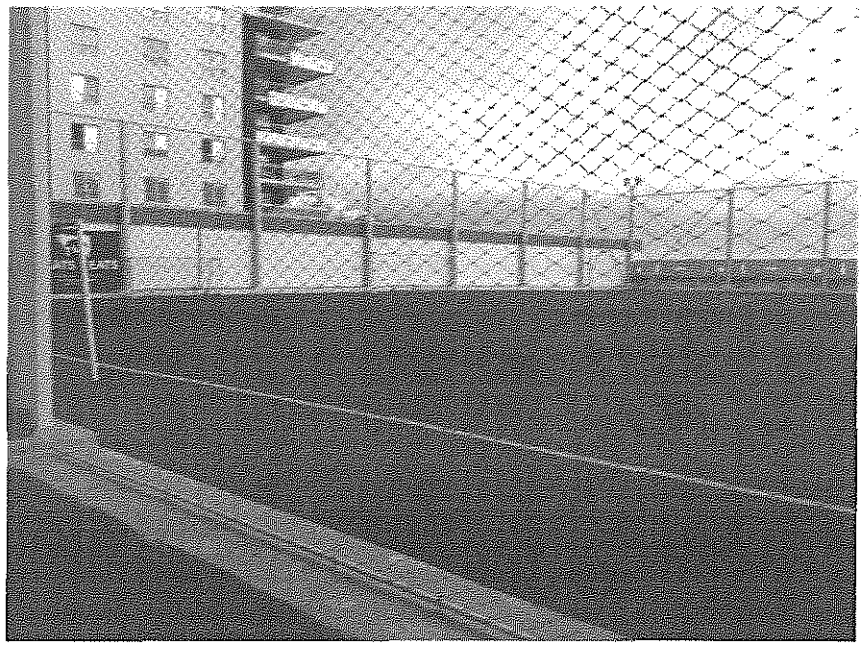
Aerobic Studio at level 1 overlooking Pjazza Tigne and the football pitch



Lecture Hall at Level 1 overlooking Pjazza Tigne and the football pitch



Lecture Hall at Level 1 overlooking Pjazza Tigne and the football pitch



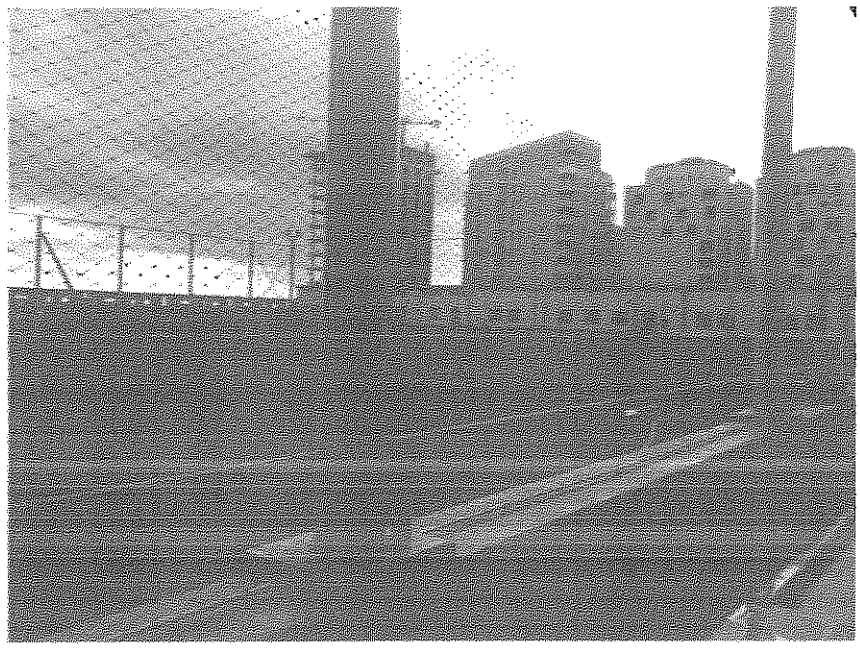
Full size football pitch at Level 1



Full size football pitch at Level 1



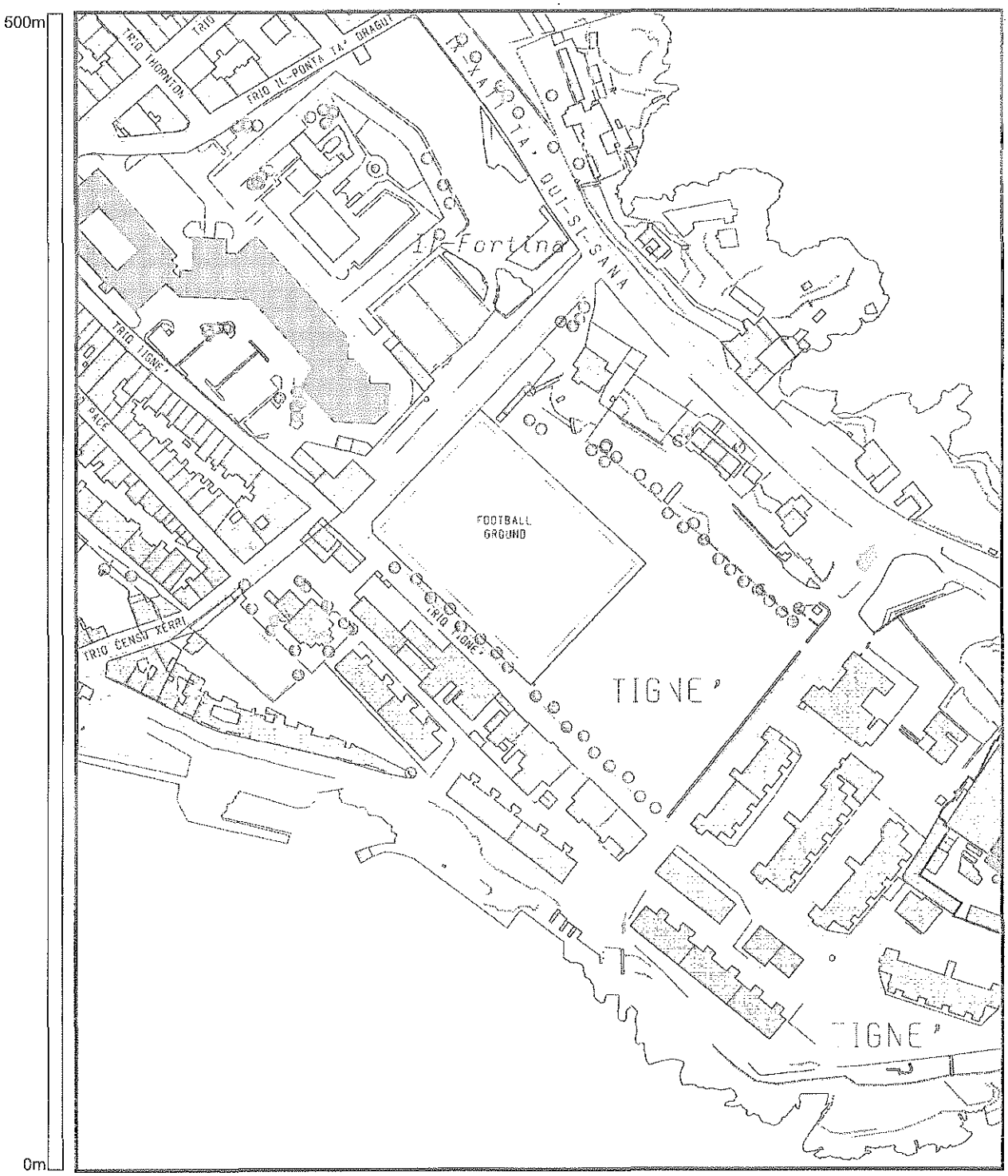
Full size football pitch at Level 1



Full size football pitch at Level 1

Appendix B

Site Plan



Min Easting 55696.75, Min Northing 73744.13, Max Easting 56096.75, Max Northing 74244.13

0m 400m

MEPA - www.mepa.org.mt

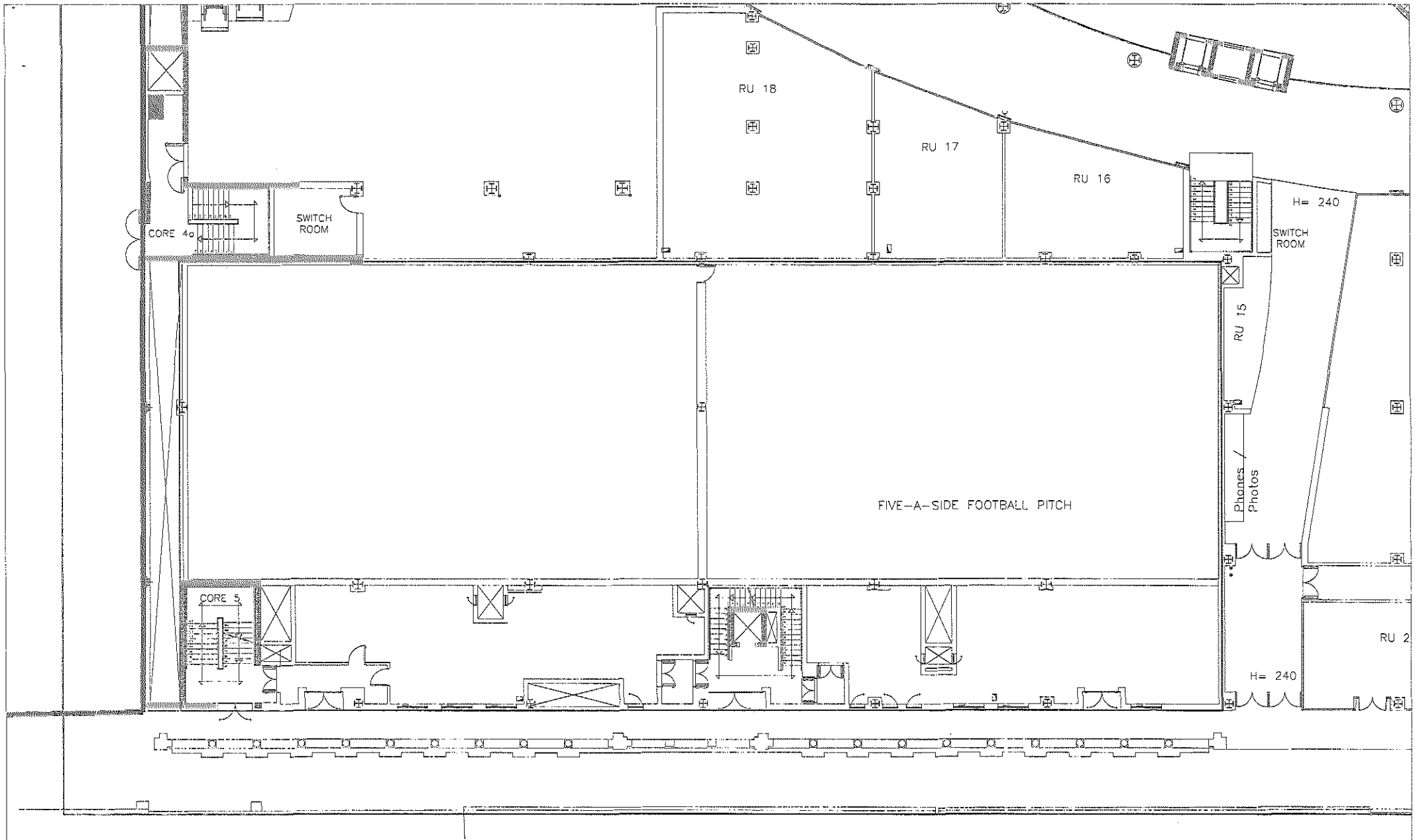
St. Francis Ravelin
Floriana FRN 1230, Malta
PO Box 200, Marsa MRS 1000, Malta
Tel: +356 2290 0000 Fax: +356 22902295

Site Plan, Scale 1:2500
Printed on: Friday, April 25, 2014

Not to be used for interpretation or scaling of scheme alignments
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Appendix C

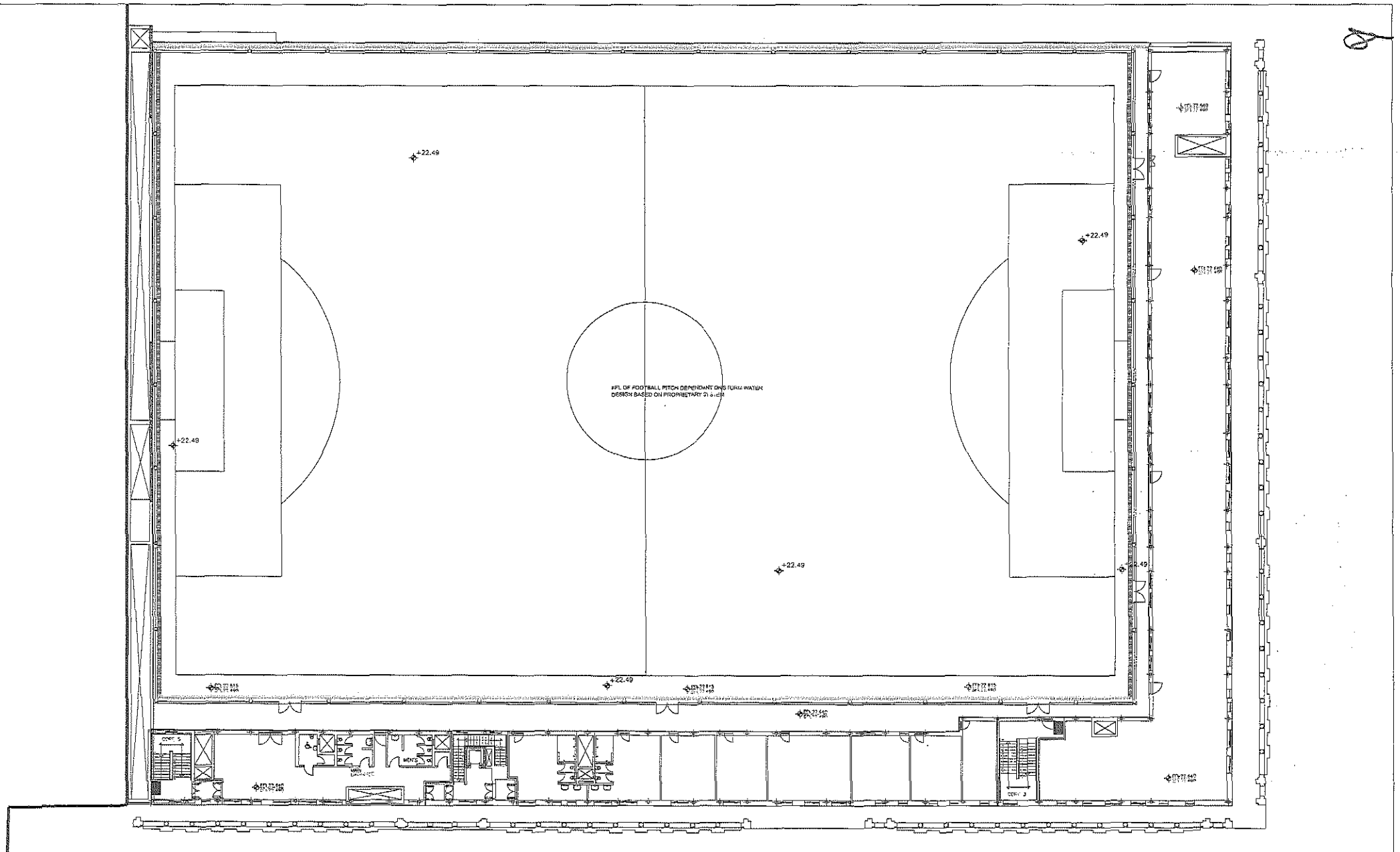
Plans



Rev:	Date:	Description:

Scale: Not to Scale	Date: 24.04.2014	Client: Kunsill Malti ghall-iSport
MEPA Ref:	Drawn By:	Works: Sliema Wanderers Sports Complex
Job No: KMS001-002	Drawing No: 2	Rev:
		Dwg Title: Plan Level 0

Architect & Civil Engineer:
PERIT WILLIAM LEWIS
B.E.&A. (Hons.), M.Sc. Road Eng., A.&C.E.
83, Triq il-Gdida, Qormi, QRM2122
Tel. / Fax: 21444845, Mobile: 79444845
Email: william@peritilewis.com



Rev:	Date:	Description:

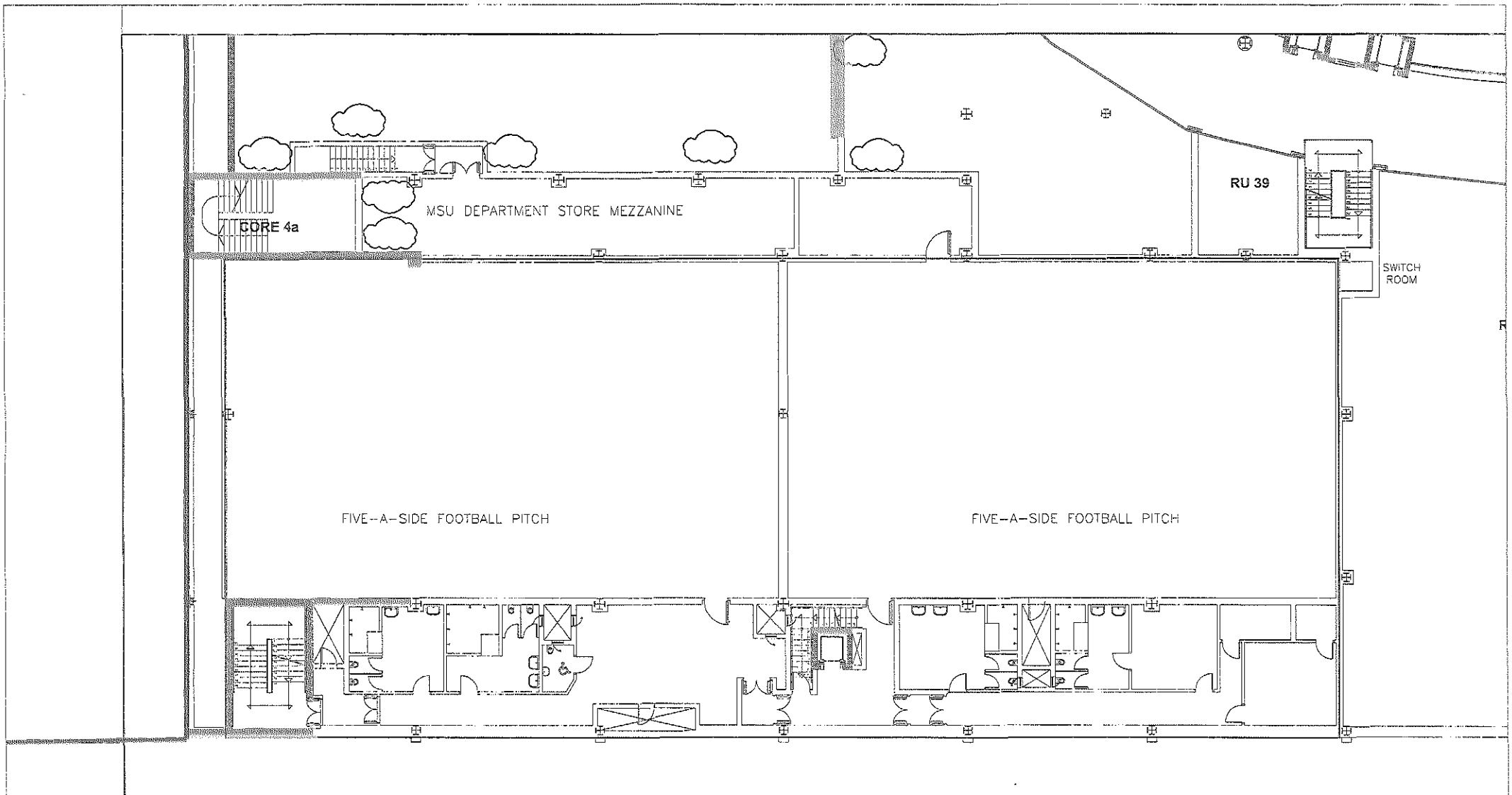
Scale: Not to Scale	Date: 24.04.2014	Client: Kunsill Malti ghall-iSport
MEPA Ref:	Drawn By:	Works: Sliema Wanderers Sports Complex
Job No: KMS001-002	Drawing No: 3 / Rev:	Dwg Title: Plan Level 1

Architect & Civil Engineer:

PERIT WILLIAM LEWIS

B.E.&A. (Hons.), M.Sc. Road Eng., A.R.C.E.

83, Triq il-Gdida, Qormi, QRM2122
Tel. / Fax: 21444845, Mobile: 79444845
Email: william@peritilewis.com



Rev:	Date:	Description:	Scale: Not to Scale	Date: 24.04.2014		Client: Kunsill Malti ghall-iSport
			MEPA Ref:	Drawn By:		Works: Sliema Wanderers Sports Complex
			Job No: KMS001-002	Drawing No: 1	Rev:	Dwg Title: Plan Level -1

Architect & Civil Engineer:
PERIT WILLIAM LEWIS
B.E.S.A. (Hons.), M.Sc. Road Eng., A.&C.E.
83, Triq il-Gdida, Qormi, QRM2122
Tel. / Fax: 21444845, Mobile: 79444845
Email: william@peritilewis.com

Appendix D

Contract

48

FILE COPY

Act 168
Reversion Back
Enr.
Vol. I

Today, the twentieth day of August of the year two thousand and ten (20/8/2010).

Before me Diana Charles, Notary Public at the Government Property Division have personally came and appeared: -

OF THE ONE PART Albert Mamo son of Anthony and Rose nee' Pace, born in Sliema and residing at Swieqi and whose identity card bears number 37151(M), Commissioner of Land, who is appearing hereon for and on behalf of the Government of Malta (hereinafter referred to as "the Grantor" or "the Government") as duly generally authorised in virtue of a minute bearing date the seventh day of February one thousand nine hundred and sixty two on papers marked Secretariat number two hundred and forty one of the said year 1962, related papers marked Land number one hundred and sixty one bar two thousand hereinafter referred to as the **"Government or the Grantor"**.

AND OF THE OTHER PART Benjamin Muscat, chief executive officer, son of Anthony and of Theresa nee' Micallef, born Floriana and residing at San Gwann and having identity card number 447054(M) who is appearing hereon for and on behalf of **MIDI p.l.c.**, a limited liability company duly incorporated under the laws of Malta with its registered office situated at North Shore Manoel Island limits of Gzira and Company registration number letter 'C' fifteen thousand eight hundred and thirty six (C15836) (hereinafter referred to as **"the Company" or "the Emphyteuta"**) duly authorised to appear heron by virtue of a company board resolution here attached and marked as letter "A".

Definitions

In this deed unless otherwise expressly stated or the contrary intention appears and in addition to any other definitions made elsewhere in this deed the following terms shall have the following meanings respectively assigned to them:

"Building" means the building without official number which forms part of the Midi Project at Tigne' Point, Sliema, which building is constructed on the T2 Site, has a main unnumbered entrance which abuts onto the pjazza known as the Tigne' Pjazza and several other entrances which abut onto the roads, driveways, pathways,

passages, stairways and open spaces constructed or still to be constructed on the Tigne Point Site which shall link with the public road network including Tigné Seafront and Triq Censu Xerri of which some shall constitute Public Areas and others shall be private and is bounded on the North-West by property of GAP Developments p.l.c. and on all other sides by the remainder of the Tigne' Point Site.

"Emphyteutical Deed" means the notarial deed in the Records of Notary Vincent Miceli of the fifteenth day of June of the year two thousand (15/6/2000) together with all the schedules and other documents annexed thereto.

"Midi Project" means the development which the Company is bound to complete in terms of the Emphyteutical Deed at the Tigne' Point Site, consisting generally of apartments, shopping mall, offices, garage complexes and various other residential and commercial buildings and developments and includes the Building.

"Public Areas" shall have the same meaning assigned to the term in Sub-Article Two of Article Eight (8.2) of the Emphyteutical Deed.

"Sports Facilities" means the divided part of the Building shown on plans incorporating, a survey sheet, Property Division two thousand and ten underscore two hundred and forty-seven underscore A (P.D.2010_247_A) annexed to this deed and marked as Document "X" which is physically divided from the remainder of the Building and has its own independent unnumbered entrances situated on the ground-floor level of the Building, which entrances abut onto a covered colonnade which forms part of the remainder of the Building and which runs parallel with and is accessible from an unnamed pedestrian walkway situated in the Tigne' Point Site which interconnects that part of the Tigne' Point Site known as the Pjazza with Triq Censu Xerri, which road and pjazza are now property of the Company but which shall revert to the Government as part of the Public Areas. The Sports Facilities consists of (i) an outside football pitch, club house and ancillary facilities situated on the first floor of the Building shown on the abovementioned plan of a total area of approximately eight thousand, nine hundred and seventy square metres (8,970 m2) and bounded on the North East, South East and South West the remainder of the Building being property held on temporary emphyteusis by the Company in terms of the Emphyteutical Deed and (ii) other sports and ancillary facilities also shown on the abovementioned plan situated at the ground floor level and the immediate underlying basement level of the Building of a total area of approximately three thousand, two hundred and thirty-six square metres (3,236 m2) bounded together (being contiguous) on the North East, South East and South West by the remainder of the Building being property held on temporary emphyteusis by the Company in terms of the Emphyteutical Deed. The Sports Facilities overlies the remainder of the Building. The Sports Facilities enjoys a right of free pedestrian access at all time from and to the unnamed

pedestrian walkway situated in the Tigne' Point Site which interconnects that part of the Tigne' Point Site known as the Pjazza with Triq Censu Xerri over those of the covered colonnade forming part of the remainder of the Building directly in front of the entrances of the Sports Facilities which abut onto the said covered colonnade. The remainder of the Building enjoys a right of free pedestrian access at all time through the stairwell marked on the aforementioned plans as "core five (5)" from and to the aforementioned unnamed pedestrian walkway, from basement level to ground floor level for access to and from the street.

"Tigne' Point Site" means the divided portion of land at Tigne Point, Sliema having an area of approximately one hundred and eight thousand four hundred and twenty square metres (108,420sq.m.) bounded on the South, North and South-East by the foreshore as shown bordered in red on the plan Land Drawing letter 'L' letter 'D' one hundred and seventy five letter 'A' bar ninety nine (LD175A/99) annexed to the Emphyteutical Deed as Schedule One (1) (*Tigne' Point Plan*), in the Emphyteutical Deed referred to as "Tigne Point", including any areas occupied by streets, roads or public spaces and the buildings, structures and constructions all without number existing in, on or under the said land.

(A) In virtue of the Emphyteutical Deed, the Government of Malta granted The Tigne Point Site to the Company, by title of temporary emphyteusis for a period of ninety-nine (99) years commencing from the date of the Emphyteutical Deed, under the terms and subject to the conditions set out in that Emphyteutical Deed,

(B) In virtue of Article ten sub-article two (10.2) of the Emphyteutical Deed, the Company bound itself to construct, finish and complete the premises and facilities described in Schedule Twenty (20) attached to the Emphyteutical Deed within the time limits and according to the specifications therein mentioned and this as an obligation assumed by the Company in the Emphyteutical Deed.

(C) In virtue of the said Article ten sub-article two (10.2) the Company bound itself to transfer back to Government the Sports Facilities as described in paragraph four (4) of Schedule Twenty (20) annexed to the Emphyteutical Deed without any diminution or reduction of groundrent as the fulfillment of its obligation undertaken in virtue of the Emphyteutical Deed.

(D) The parties have agreed that the Sports Facilities are complete in all respects in terms of paragraph four (4) of the aforesaid Schedule Twenty.

(E) The parties agree that the Sports Facilities are as shown bordered in red on the plan incorporating, a survey sheet, Property Division 2010_247_A annexed to this deed marked Document letter "X".

Now therefore, in virtue of this deed the Company is selling and transferring to the Government which purchases and acquires the temporary utile dominium of the Sports Facilities for the period which remains of the ninety-nine (99) years which commenced on the fifteenth day of June of the year two thousand (2000)

For the avoidance of doubt the parties agree that the remainder of the Building is held on temporary emphyteusis by the Company in terms of the Emphyteutical Deed and shall not revert to the Government

As agreed in the Emphyteutical Deed the temporary utile dominium of the Sports Facilities is being transferred to the Government without the burden of any ground rent stipulated in the Emphyteutical Deed and since the Government is the owner of the temporary directum dominium of the Sports Facilities and of the absolute ownership thereof after the termination of the temporary emphyteutical grant made in virtue of the Emphyteutical Deed, the ownership of the Sports Facilities is consolidating in the Government.

The Sports Facilities are being transferred with vacant possession, free from encumbrances except that such premises shall remain subject to such rights of servitude or otherwise in favour of any part of the other immovables granted on temporary emphyteusis in virtue of the Emphyeutical Deed, which may exist or which may become necessary as a result of the position of that part of the property and subject to the obligation to maintain and not to change the external appearance and decoration of the said premises and facilities and the obligation not to affix any signs on the external facades or on the roofs of the premises and facilities and the obligation not to hang anything from the windows or balconies of the premises or facilities. These immovables are subject to the restriction that the premises and facilities shall not be used for retail and catering purposes.

This transfer of the temporary utile dominium to the Government is being made and accepted in consideration of the nominal price of five euro (EUR 5) which sum is being paid by the Government to the Company now on this deed. The Company accepts the said sum and gives due receipt thereof in full and final settlement

The Company hereby warrants peaceful possession and real enjoyment of the temporary utile dominium of the Sports Facilities

and declares that that there are no privileges or hypothecs encumbering the Sports Facilities.

Fees and expenses in respect of this deed are to be borne by the Government.

Statutory Declarations

(A) For the purposes of the Duty on Documents and Transfers Act, Chapter three hundred and sixty four (CAP.364) I, the undersigned Notary, declare that:

i. the Company acquired the land on which it *inter alia* constructed the Sports Facilities by title of temporary emphyteusis from the Government by virtue of a deed in the Records of Notary Vincent Miceli of the fifteenth day of June of the year two thousand (15/06/2000).

ii. no duty is due on this act as the Government is exempt from the payment of duty.

(B) For the purposes of the Income Tax Management Act, Chapter three hundred and seventy two (Cap.372) of the Laws of Malta and the Income Tax Act, Chapter one hundred and twenty three (Cap.123) of the Laws of Malta:

i. The Company declares that since the Sports Facilities forms part of a development (the Development) which is situated in a Special Designated Area in terms of the Immovable Property (Acquisition by Non-Residents) Act, Chapter two hundred and forty six (CAP.246) it has the option to elect and has already elected on the deed in the Records of Notary John Gambin dated the twelfth day of March of the year two thousand and seven (12/03/2007) when it made the first sale of property forming part the Development after the first day of March of the year two thousand and six (1st March, 2006) to make the provisions of article five capital A (5A) of the Income Tax Act not applicable to transfers of properties forming part of the Development and consequently also to this transfer of the T2 Building made by virtue of this deed and that it is making these declarations after I the undersigned Notary warned it of the importance of the truthfulness of the declarations and of the consequences in case of false or erroneous declarations.

ii. The Company declares that for the purposes of sub-article twelve (12) of article five capital A (5A) of the Income Tax Act, it has declared to the undersigned Notary all the facts that determine if the transfer is one to which the aforesaid article 5A applies or otherwise and that are relevant for ascertaining the proper amount of tax chargeable or any exemption. The Parties declare that in their opinion the consideration as stated on this deed is correct in view of the fact that sports facilities

had previously existed on the land (transferred to the Company) on which the Building and the Sports Facilities are now situated, that the previously existing sports facilities were removed by the Company to enable the construction of the Building as part of the Midi Project, and that that the Company bound itself, within the time and according to the conditions and specifications stipulated in the Emphyteutical Deed, to construct and complete the Sports Facilities intended for use by the Sliema Wanderers Football Club , and to transfer it to the Grantor, and this deed of transfer is being done in performance of this obligation assumed by the Company in the Emphyteutical Deed. The Parties make these declarations after I the undersigned Notary warned them about the importance of the truthfulness of the declarations and of the consequences in case of false or erroneous declarations.

iii. On the basis of the above made declarations, I the undersigned Notary declare that provisional tax on this transfer amounts to thirty five euro cent (EUR0.35) and that since this is less than one euro (EUR1) no provisional tax is due on this deed.

For the purposes of the Land Registry Act, it is hereby declared that the land sold in virtue of this deed is already registered at he Land Registry.

For the purposes of Chapter two hundred and forty six of the Laws of Malta the Government hereby declares that it does not need any permit to acquire property after I the undersigned Notary warned the parties of the importance of the truthfulness of such a declaration, according to law.

For the purposes of Legal Notice five of the year two thousand and five (2005) Benjamin Muscat nomine declares that the Company namely MIDI p.l.c. is a company registered in Malta.]

This deed has been done and published after I the undersigned Notary have explained the contents of this deed to the parties here in Malta, Valletta, Saint Sebastian Street, at the Land Department.

Signed: Benjamin Muscat
Albert Mamo
Diana Charles
Notary Public in the Government Property Division