

# Residents duped in land scam

**CHARLENE SOMDUTH**

THE Department of Human Settlements and Public Works in KZN and police are investigating a slew of bogus property developers involved in the sale of privately-owned land in the city.

Spokesperson Kiru Naidoo said large syndicates have been selling off land for millions of rand and they were steadily bringing them to book.

He said that, last year, Zithulele Zondi was arrested for land and housing fraud and sentenced to three years imprisonment. "These cases pop up frequently with poor people being conned into parting with money for houses or land. If it sounds too good to be true, it is a scam."

The sale of government land, he said, would take place via advertised open public notifications.

In a recent case, two businessmen were charged with fraud after allegedly swindling 16 people, including pastors, out of more than R2million.

The accused allegedly pretended they were selling their victims homes and vacant land to build churches in Phoenix.

One of the businessmen is expected to appear in the Commercial Crime Court today, while his accomplice's involvement is being investigated.

Victims, who declined to be named, spoke about being scammed.

A businessman claimed he was duped into parting with R1.5m for 14 vacant plots. He said he met the accused last February and was taken to the sites. "He had supporting documents from the eThekweni Municipality showing the land was on sale. Everything looked legitimate and I began depositing money into his Cedarbiz Investment account."

Nine months later, after the R1.5m was fully paid, he said he did not hear from the accused. He later found out the City was not selling off the land, and opened a case of fraud.

Another victim said he and the accused attended the same church.

He said he was interested in buying a home and was taken to a housing development in Fiddlewood Crescent, in Woodview. The three bedroom home was priced at R600 000.

"He said they were selling the properties on behalf of six directors from a company called Cedarbiz Investments in uMhlanga."

The man deposited R50 000 into the account as requested and was told once he acquired the property, he would need to pay off the remaining amount within seven years.

Everything, he said, appeared above board



**RESIDENTS** outside the housing development owned by Madupha Construction. | TUMI PAKKIES/AFRICAN NEWS AGENCY/ANA

until the accused stopped taking his calls.

Last November, he returned to the property and a building contractor said the developer was Madupha Construction and was owned by Beauty Ntoeela.

She had not heard of the accused nor his company and he subsequently opened a case of fraud.

Said Ntoeela: "This is a scam. They are using my housing development to swindle people out of money."

An elderly couple claimed they parted with R30 000 in November 2014. The accused allegedly told them the Department of Human Settlements intended on building free-standing homes, each valued at around R580 000, in Grove End.

Due to them being pensioners, they only had to pay R280 000. The accused took the couple, aged 72 and 69, to view the plot, and to secure the land they had to pay R30 000.

"Our children gave us this money and we paid it into their account. We tried to contact him since but the calls were unanswered."

They currently reside with their daughter in a two-bedroom rented council flat.

A pastor, 42, of Whetstone, said he invested R111 000.

He met the accused and his alleged partner in November 2016. He was shown land in Croftbury.

"On one site I intended building a church and on the other two homes." He deposited the funds but nothing, he said, had materialised.

Another pastor claimed he purchased land for R470 000 in Grove End and Sunford.

Police spokesperson Colonel Thembeke Mbele said a case of fraud was being investigated against the accused.