

OFFICIAL MANAGING AGENT FOR THE ELISENHEIM HOME OWNERS ASSOCIATION

1 June 2016

CHAIRMANS REPORT ELISENHEIM "PROPER"

1. YEAR IN REFLECTION

Phase 2 in the Elisenheim Estate started to register since November 2015. We will soon call the AGAEM for Phase 2, meaning that the Estate will have two approved extensions. The past year also afforded the Trustees the opportunity to better communicate with the members and to implement the office of the Estate Manager together with his support staff.

During the year the Disciplinary, Security and the DRC and Building Committees were established to deal with various aspects concerning each committee to alleviate the burden on the Trustees and to assist with the overall management of the estate.

The year also presented us with a number of security breaches when burglars cut the perimeter fence and on other occasions gained access to the estate to try and burgle homes. These were dealt with swiftly and also resulted in the estate spending N\$500,000-00 per annum to boost security systems to further improve the security on the estate.

Cell phone communication was a disaster before the MTC tower was installed. We are pleased to report that after the new tower was installed the Wi-Fi and cell phone services are functioning properly.

More and more people appreciate the benefits of the Life Style Concept and concurrently the demand for erven in Elisenheim remains strong.

The Representatives and the EOA Trustees remain fully committed to the Elisenheim Life Style concept, seeking ways to continuously improve the Life Style experience for all members with an emphasis on a secure environment.

2. Representatives

The representatives for the year under review were:

Name	Position	Representative
Prof. Elizabeth Amukugo	Chairperson	Home Owner
Wayne Mc Teer	Vice Chair	Developer
Monica Pienaar		Developer
Max Inyala		Developer
Corine Brink		Home Owner

3. FINANCIAL

The financials were prepared and audited by Hamilton & Partners for the financial period ending 28 February 2016.

4. Levies

Levies invoiced for the period amounted to N\$3.404 million. There were no changes in levies charged.

5. Accumulated funds - Reserves

The accumulated funds amounts to N\$3,4 million of which N\$1.48 million is in the form of accounts receivable (Arrears). It was noted at the previous AGM that the owners association will boost the reserves with a further N\$500,000-00. EPDC still has a claim against the Owners Association of approximately N\$210,000-00 but the amount cannot be quantified exactly because we are waiting for the final figures from the COW for the calculations on the waste water treatment. After the claim the reserves should be in excess of N\$3 million for the period ending 28 February 2016

The policy of the Trustees remains to strengthen the reserves of the Owners Association that will benefit members. This year's budget forecasts that an amount of N\$544,000-00 will be used to further strengthen reserves.

The reserves will be used as follows:

- a. Installation of security lights on the security fence, especially along the "river side" of the estate – the cost for the installation will be N\$500,000-00
- b. The EPDC was given an amount of n\$1,7 million by the previous developer for improving the lifestyle on Phase 1. The EPDC is in the process to develop a master plan for the estate that will include a master plan for the "Life Style" concept. The master plan standards will be higher than the current life style plan for Phase 1 and in order to meet the same standard than the rest of the estate an amount will be required from reserves to meet the same standards
- c. The Trustees are mindful that the Municipality may not meet the expected levels of service and that the EOA may have to use own resources to meet the standards expected

6. Arrears

A strict arrears collection policy is followed with continued success.

The table below illustrates the levies collected against arrears and the total outstanding as a percentage of the total levies collected.

One debtor owes N\$280,000-00 which amount we expect to recover soon. When the amount is recovered – the outstanding levies would be N\$798,233-96. This amount includes interest and lawyers' fees that are in excess of N\$300,000-00 – leaving an arrears amount of N\$498,000-00, or expressed as a percentage of total levies = 7,2%

We urge members to timeously pay their levies to avoid unnecessary costs

DATE	LEVIES INVOICED FOR MONTH	TOTAL INVOICED TO DATE	TOTAL ARREARS AT MONTH END	ARREARS AS % OF TOTAL
30-Jun-14	277,200.00	277,200.00		
31-Jul-14	277,200.00	554,400.00		
31-Aug-14	277,200.00	831,600.00	614,750.00	73.92%
30-Sep-14	277,200.00	1,108,800.00	683,010.00	61.60%
31-Oct-14	277,860.00	1,386,660.00	762,350.00	54.98%
30-Nov-14	285,170.00	1,671,830.00	709,193.49	42.42%
31-Dec-14	694,463.00	2,366,293.00	822,972.07	34.78%
31-Jan-15	284,710.00	2,651,003.00	857,112.63	32.33%
28-Feb-15	283,790.00	2,934,793.00	911,042.68	31.04%
31-Mar-15	284,250.00	3,219,043.00	957,512.80	29.75%
30-Apr-15	284,250.00	3,503,293.00	1,002,124.54	28.61%
31-May-15	284,250.00	3,787,543.00	1,227,866.36	32.42%
30-Jun-15	284,250.00	4,071,793.00	1,125,994.96	27.65%
31-Jul-15	284,250.00	4,356,043.00	1,211,366.56	27.81%
31-Aug-15	284,250.00	4,640,293.00	1,241,487.79	26.75%
30-Sep-15	284,250.00	4,924,543.00	1,372,780.07	27.88%
31-Oct-15	284,250.00	5,208,793.00	1,388,027.39	26.65%
30-Nov-15	284,250.00	5,493,043.00	1,482,091.01	26.98%
31-Dec-15	284,250.00	5,777,293.00	1,581,459.94	27.37%
31-Jan-16	284,250.00	6,061,543.00	1,587,124.38	26.18%
29-Feb-16	284,250.00	6,345,793.00	1,401,670.36	22.09%
31-Mar-16	284,250.00	6,630,043.00	910,582.70	13.73%
30-Apr-16	284,250.00	6,914,293.00	1,053,667.82	15.24%

7. Budget

The EOA Trustees have prepared the budget for the period 1 March 2016 to 28 February 2017. The budget takes into account the incorporation of Phase 2 into the income pool. The notes to the budget better explains the motivation behind the figures but the emphasis remain to strengthen the reserves of the Owners Association

The levies are not increased and remain the same.

8. MANAGEMENT

The Management of the Estate is divided into two divisions – administrative and operational.

8.1. Administrative

8.1.1. On the administrative side we have had good results to collect arrear levies when arrear accounts were handed over to the attorneys for collection.

8.1.2. Together with the Elisenheim Property Development Company we are busy to create a “Global Information System” that will allow members to access erf data and other important information on the estate. The EOA is also in the process to update the Web Site in order for members to readily access new and historical Circulars, Notices and other important information. It will also provide a gateway for members to inform the EOA of any address changes that we must record.

8.2. Operational

8.2.1. Disciplinary Committee

Disciplinary matters at Elisenheim are dealt with in a corrective, rather than a punitive manner. All disciplinary issues were referred to the ESTATE MANAGER, that were dealt with either telephonically or via e-mail. With the exception of a very few matters, all the residents as well as Contractors accepted the disciplinary measures metered out in good faith. This is a daunting task that will be much easier to deal with if all our residents revisit the original concept of a nature estate, governed by rules.

Since the inception of the Office of the ESTATE MANAGER Rules and Regulations were distributed to all the home owners with specific reference to Environmental Compliance and the keeping of pets.

8.2.2. Security Committee

Security is contracted with Tephcor and is like the disciplinary work also a constant matter of concern. Three aspects are dealt herewith:

- a. **Access control:** The new entrance building has been designed but due to budgetary constraints, it is postponed indefinitely.
- b. **Electrical Fence** is made up of the perimeter fence around the total Elisenheim Estate and the fence that surrounds Elisenheim "Proper". EPDC is responsible for the perimeter fence. The fence is functioning properly and monitored on a daily basis. Two areas of the fence present "weak" points:
 - a. The entrance area that is not fenced but the security at the entrance gate monitors the situation
 - b. A part of the fence on the Dobra road side where there is a gap under the fence. The security guards of NEC and Tephcor monitors this weak spot on a continuous basis
- c. **Patrol of the Estate:** The four by four patrol motorbikes have been doubled to increase response time in three directions as well as visibility and intervals when patrolling the perimeter fence. Four extra foot patrol guards and two bicycle patrol guards had been introduced.

8.2.3. DRC and Building Committee

Environmental Compliance and Design requirements are a continuous process that receives daily attention from the Office of the ESTATE MANAGER. The Office of the ESTATE MANAGER is available for advice and "non-official" inspections if Homeowners needs it.

Fines are imposed for non-compliance of the rules of the Estate.

8.2.4. Street Names

The installation of the street names is delayed by the approval of the City of Windhoek; The Sign Shop prepared a quotation for street names as well as the re-doing of all the old bill boards on the access road.

8.2.5. Road Construction

Phase 1 which is the single carriageway access road is complete. A contractor has been appointed to assist with the section of the road by the weighbridge – EPDC will bear the cost of construction.

Phase 2 is the construction of a dual carriageway.

9. FUTURE DEVELOPMENT

9.1. Phase 2 (Extension 7)

The Phase was approved as a township and the process of transferring the erven in phase 2 to the new owners is almost complete.

The AGAEM for Phase 2 will be held soon and at the AGAEM two representatives will be elected to represent Phase 2 at the AGM of the Owners Association

9.2. Phase 3

The transfer of erven in Phase 3 will commence soon

Chairperson