

27 June 2024

## CHAIRPERSON'S REPORT ELISENHEIM OWNERS ASSOCIATION

Dear Stakeholder,

### 1. YEAR IN REFLECTION

The Board of Trustees is pleased to present to you the Financials for the year under review and to reflect on the business of the Elisenheim Owners Association for the year ended February 2024.

### 2. ECONOMIC CLIMATE

The growth of the Estate is closely tied to the overall economic activity, particularly the demand for undeveloped erven. Despite an estimated economic growth of 4.2% in 2023, the property market experienced a significant downturn in sales, primarily due to the high interest rates that prevailed.

Looking ahead, better expectations are envisioned for this financial period. With inflation projected to continue its decline, it is anticipated that interest rates will also decrease. These favorable conditions, along with an expected expansionary fiscal policy, should lead to a marked increase in demand for erven on the Estate.

Moreover, there is a persistent housing backlog in Windhoek, positioning the Estate well to meet this demand effectively.

### 3. ESTATE MANAGEMENT

The Board of Trustees heads the overall management of the Estate. The Board is supported with representatives from each of the phases on the Estate.

#### BOARD OF TRUSTEES

The Board of Trustees as at 29 February 2024 were:

Le Hugo van Rooyen	Chairman	Developer
Lindie Verwey		Developer
Lizette Da Fonseca		Developer
Pieter Senekal	Vice Chair	Owner
Suretha van Schalkwyk		Owner

#### REPRESENTATIVES

Each phase/extension is represented by a Board of Representatives comprising of 5 members. Two representatives are elected by the members of each phase/extension to represent the interest of the residents. Three representatives are appointed by the Developer. The representatives appointed by the developer are the same three representatives on all the boards of representatives for all the phases/extensions.

It remains the policy of the Trustees to invite the representatives for each extension to all the Trustee meetings in order to have more participation in the management of the estate and for better transparency to the members. The Representatives for the various extensions were:

<b>PHASE 1 Ext Proper</b>	<b>PHASE 2 Ext 7 -</b>	<b>PHASE 3 EXT 5 &amp; 6</b>
Phillie vd Merwe	Hugo van Niekerk	Simeon Shivute
Conrad vd Westhuizen	Pieter Senekal	Suretha van Schalkwyk

Many of the Trustee and Representatives serve on sub-committees to assist with the management of the Estate. The Trustees and Representatives are not remunerated for their services to the EOA and I take this opportunity to thank my fellow Trustees and Representatives for their dedication and co-operation throughout the year.

I extend my gratitude to the Trustees and representatives for their dedicated commitment to serve the interests of Elisenheim Owners Association.

### **ESTATE MANAGEMENT**

The management of the Estate is divided into two divisions, Operational (Estate Management) and Administrative. The administrative function is performed by EON Property Services.

Please note that the **preferred method of communication is via e-mail**. ***Please reserve telephone enquiries / communications for urgent matters and issues where time is of the essence.***

Office hours Mon – Fri is from 07:00 – 13:00  
 14:00 – 17:00  
 Please note: Payday Fridays: 07:00 – 12:00

### **Estate Staff – Contact Details**

<b>ESTATE MANAGER</b>	<b>OPERATIONS MANAGER</b>
<b>CHANTAL DE JAY</b>	<b>GIEL BOSHOFF</b>
<a href="mailto:elisenheim@eonproperty.com">elisenheim@eonproperty.com</a>	<a href="mailto:elisenheim1@eonproperty.com">elisenheim1@eonproperty.com</a>
Cell: 0811411638	Cell: 0811439966
General Management of the Estate	General Operations of the Estate
1. Articles of Association	1. Estate Rules & Compliance
2. Estate Financials	2. Accidents/Security Issues
3. Trustee and Managing Agent Liason	3. Public Open Spaces
4. Co-ordinating Sub-committees	4. EOA Workforce
5. Appeals procedures-AEM &DRC	5. Booking of TLB/Tipper
	6. Communal areas

<b>DRC OFFICER</b>		<b>OFFICE ADMINISTRATOR</b>	
	<b>WALLACE BESTER</b>		<b>JUANITA BEZUIDENHOUT</b>
	<a href="mailto:DRC@eonproperty.com">DRC@eonproperty.com</a>		<a href="mailto:assistant@eonproperty.com">assistant@eonproperty.com</a>
	Cell: 0811602265		Cell: 0811602266
General Design & Review Enquiries		General Estate Enquiries	
	1. Design Manual		1. Resident Entrance Discs
	2. Architectural Guidelines		2. Entrance Contractors
	3. EOA Compliance Certificates		3. Taxi Entrance Discs & Access Cards
	4. Contractor Compliance		4. Contract Workers/Domestics/Gardeners
	5. Contractor's code of conduct		5. Booking of recreational area

### **Member communication**

Members are encouraged to communicate regularly with management to ensure complaints, concerns and/or suggestions are brought to the attention of the management in order to improve the lifestyle experience at Elisenheim.

Members are reminded that it is the responsibility of the member to register at the Estate Office and to inform Estate Management of their correct contact and e-mail details.

The intercom system at the visitor's gate is working very well and visitors to the Estate must obtain a code from the Resident who they are visiting. This code will be entered into the intercom system by the security. The intercom system will then automatically call the resident.

### **Design Review Committee**

During the period January 2024 to June 2024, a total of 30 new builds and additions and alterations have been approved by the DRC Officer.

Also, during the same period, a total of 39 DRC approvals have been done. DRC approvals are done where developed properties are being sold.

We remind members:

- i. Newly constructed properties may not be occupied and/or utilized if a Design Review Clearance has not been issued.
- ii. It is the responsibility of the EOA via the DRC officer to review and inspect new dwellings, extensions, alterations and sold properties, in order to confirm that they comply with the regulations.

### **Security**

- i. The electrified perimeter fence has been upgraded. There have been 20 incidents of burglaries reported and due to this a new service provider, Xiphos has been appointed.
- ii. Cameras have been installed at the main entrance gate and contractor's entrance. At a trustee meeting it was resolved that camera's will be installed on the estate but will be financed from the arrears collected. The main entrance and contractors entrance development plans has been put on hold, pending finalization of development plans with City of Windhoek.

## **Maintenance of the Estate**

Cleaning of the estate remains a priority and vandalism of our play park infrastructure remains a concern. We urge members to report any person(s) that vandalise the structures or who dumps waste on the estate.

Members may request Management to remove garden refuse on their behalf at no cost.

Blocked sewers seem to be a reoccurring occurrence. After thorough investigation it became apparent that the main cause of the blockages is due to dumping of products which are not suitable for the sewers.

It should be noted that the dumping of such materials is the main cause for repairs to the pump stations. The cost for repairs in the past year to the pump stations amounted to N\$130 000-00. These unnecessary costs increase levies and members are urged to refrain from dumping foreign objects into the sewerage system.

## **4. FINANCIAL**

### **a. Auditors**

- i. The financials were prepared and audited by Hamilton Chartered Accountants for the financial period ending February 2024.
- ii. The audit was placed on tender and Hamilton Chartered Accountants were appointed for the financial years ending on February 2023, 2024 & 2025.

### **b. Financial Position**

- i. The financial position of the Estate remains healthy and the Board and Management is committed to attribute resources where needed and to maintain sufficient reserves to guarantee a preferred lifestyle desired by residents.
- ii. The net income for the financial period was N\$758,690-00

### **c. Accumulated Reserves**

The accumulated reserves of the EOA as at 29 February 2024 amounted too N\$10,309,699-00 made up as follows:

<b>ASSETS</b>		
Property Plant & Equipment		5,675,895.00
Trade & Receivables		1,853,857.00
Cash and Cash Equivalents		4,553,730.00
		<u>12,083,482.00</u>
<b>LESS:</b>		
Provisions		453,087.00
Accounts Payable		1,320,689.00
<b>NETT ACCUMULATED FUNDS</b>		<u><u>10,309,706.00</u></u>

**d. Arrears**

Arrear levies remain a major concern for the board. The total arrears as at year end amounted to N\$2,559,699-94 and include an amount of N\$110,895-39 attributed to unallocated funds. Consideration must also be given to the fact that 1,76 million of the arrears is concentrated between 50 members that have not paid levies for a long time, some from inception. Interest is collected on arrears at 11,75%. The interest that accumulated on these arrear accounts contributes approximately N\$1 million of the total N\$2,55 million outstanding.

The total arrears expressed as a percentage of total levies invoiced to date = 3,38%.

The board continuously monitors the situation and has an aggressive policy to collect arrears through debt collectors. In most instances, arrear settlement arrangements are entered into for members to repay the arrears. Members that we cannot trace or do not heed to our calls for payment are handed over to Attorneys for collection.

Unfortunately, the legal processes to collect the arrears is tedious and collection may take more than 12 months before default judgement and warrant of execution can be issued and monies collected.

**e. Levy Income**

The buyer of an erf automatically becomes a member of the EOA and becomes liable for levies, meaning that levy income continuously grows when erven are sold, however the growth in erven immediately places an extra burden on the expenses to manage and maintain the newly incorporated erven.

The budget presented accounts for the extra income but also considers the increased expenses.

**5. BUDGET**

The budget is attached together with a schedule with notes to the budget to better explain every line item

**Current Erven Analysis**

<b>Levy Income</b>				
<b>Phase 1</b>				
	Residential Erven		397.00	
	General Residential UNITS		562.00	
	Business Erven		1.00	
<b>Phase 2</b>				
	Residential Erven		274.00	
	General Residential UNITS		65.00	
	Business Erven		-	
<b>Phase 3</b>				
	Residential Erven		271.00	
<b>Levy Rates</b>			<b>3%</b>	<b>New Levies</b>
	Residential Erven	650.56	19.52	670.08
	General Residential UNITS	325.28	9.76	335.04
	Business Erven	5,031.66	-	5,031.66
<b>TOTAL LEVIES COLLECTED</b>		<b>823,110.86</b>		<b>857,034.31</b>

**f. Increase in Levies – 1 October 2024**

With regard to the budget presented, the Board recommended a levy increase of 3.00% for the 2024/25 financial year which increase will be submitted for approval at the Elisenheim Owners Association (EOA) AGM meeting and to be implemented on 1 October 2024. This equates to a monthly increase of N\$19.52 for single erven and N\$9-76 for general residential units. The business rate will not increase until such time that business improves for the Lifestyle Centre.

The increase is incorporated into the budget from 1 October 2024 onwards.

**6. ACHIEVEMENTS DURING FINANCIAL YEAR 2023/2024.**

**a. Public open spaces.**

The Trustees have identified that Erf 1011 be developed for recreation. In January 2023 erf 1011 was developed as BMX track, a mini basketball court, a sandpit and swings.

Also installed on erf 1011, along with all the other 3 recreational areas, were rock gardens, populated with succulents from the nursery.

Cleaning of the public open spaces is a continuous process.

**b. Offices for the Elisenheim Owners Association**

The target date for the finalisation of the project was end of the 2024 Financial year. Due to various incidents that breached the security the estate, the development of the EOA office has been put on hold. The concept drawings have been obtained from the Architect. The time earmarked for the development will be for the 2025/2026 Financial year.

**c. New maintenance yard for EOA/trailer park & contractor's yard.**

The EOA and Contractors yard has been relocated successfully.

In addition, the Trustees have also made available a section at the EOA maintenance yard for the parking of trailers that normally are parked on the estate in contravention of estate rules. This service is rendered at no cost to the residents of the Estate.

**d. City of Windhoek/City Police.**

The Trustees, with support from the EOA management is in ongoing talks and discussions with the City of Windhoek regarding the following aspects and is an ongoing process:

- i. The installation of speed humps in the main access road onto the estate and leading through to the Elisenheim Guest farm. This piece of road attracts regular cases of speeding and presents a real danger to residents on the estate. This is an ongoing process and we are in discussions with City of Windhoek on the matter.
- ii. The updating of road markings and traffic signs, especially in Phase 1, is still ongoing.
- iii. The finalisation of street names, for Phase 1, will be finalised and will be done in this financial year 2024. Sufficient funds have been allocated in the budget for this project.
- iv. The accommodation of a satellite police station at Elisenheim, with benefit not only for the estate, but also to the grater Brakwater area. It is an ongoing progress. We have received confirmation from Nampol commissioner.

**7. AGAEM MEETING**

Members are reminded that it is at the AGAEM meetings that members will be able to provide input and raise queries to the nominated representatives, whom in turn will deliver the input and queries to the AGM meeting that is scheduled soon after the AGAEM meeting.