



Hi All,

March 2009

Building extension...

After a number of queries & requests, the directors of the Home Owners Association tabled this item for discussion at the Directors meeting on the 27th of January 2009. The directors were required to take a decision, in the best interests of the majority of owners in the estate taking the needs of new & existing residents into account.

A unanimous decision was taken to grant an amendment to the sales agreements allowing a one year extension to the building clause without implementing the 5% penalty. This means that building may commence on the 1st June 2010 & be complete by the 1st of June 2011, subject to all owners paying their Vodacom Gated Services connection fee (of R10000 plus VAT) and paying a MONTHLY fibre availability charge of R 250.00 per month starting from 1st of June 2009. This will be added to each owner's (who has not started building by June 2009) levy.



Insurance & Crawford Dougall.

In these difficult times please all make sure that you have contacted Crawford Dougall for your group scheme discounts on your insurance. This applies to both your contents, car & home owners insurance. I have just done my house & the savings more than R 500 per month on both!

Pets & conservation corridors.

As an estate we are constantly reviewing our rules & refining them. After reviewing the situation for a consolidated property (eg. My house) we had our Environmental Control Officer (ECO), Michael Hickman, review the pet policy. Although it was clear that cats would always pose a threat to our abundant bird-life, the case with dogs was quite different. According to Michael, dogs on any property posed no threat to the wildlife on condition they are securely fenced or walled in. Therefore where a fence or wall does not detract from the aesthetics of the estate almost all sites could accommodate dogs. We will therefore be reviewing the policy in due course and if necessary will be opening the decision to a vote of all members. In the mean-time all written correspondence in this regard will be welcome.



The economy & 2009...

I have been asked a lot lately about what I think of the economy & whether now is the right time to build, buy or sell. I thought I would give you my views on where we are & how I feel. Firstly, we know for a fact that we are not presently at the top the of the property cycle! We also know that as interest rates start to come down locally (as they have & are expected to continue doing in 2009) that this will bring about a turn in the cycle & we will be experiencing the bottom of the cycle during this year. When exactly this occurs is less important than understanding how the cycle will turn and what to do about it. If possible now is not the time to sell but rather the time to buy, especially if you can sit on your investment for a year or so. Secondly, with rates coming down this is the highest your bond payment is likely to be for a while, so make sure that you are comfortable with your current rate of debt & that you consolidate your debt or reduce it if it is unaffordable. The rule of thumb is to start with the most expensive & unnecessary credit and try to minimise these costs or cut them out completely. This means that you sell your house LAST as it is your most vital asset, with the cheapest credit & the least likely to massively reduce in price (as against a car, clothing etc). If you can afford to, now is also a great time to build as builders are more competitive, even though building materials are not getting any cheaper. As the market starts to recover, land & building costs will again start to increase even though this is not expecting to happen until late 2009 or early 2010.



Regards
Brendan Falkson

Hulett Development Company (Pty) Ltd.