



Dunas Douradas Owners Association December 2021 Newsletter

Dear Fellow Dunas Douradas Property Owners,

It has been a while since our last Newsletter, for which I apologise/ Due to the extraordinary situation since March 2019 there has of course been less activity and less to report on. Last summer the situation normalised somewhat. I understand that overall activity this last autumn has been very good indeed for most tourist facilities in our area. In addition, it seems the property market is booming. Unfortunately, we now see more uncertainty with new "variants". Hopefully this is the last "wave" and we will see a return to normality over the next few months.

The 2021 AGM was well attended. We were unable to hold a normal AGM in September 2021 so I am happy for a return to normality on that front. The minutes are posted in the members area <https://ddownersa.com/members-area/>. Please contact us if you are not registered.

Management Matters

There is not much specific to report on in relation to the day-to-day running of the resort.

There have been some security issues as reported separately by the Resort Manager. I am happy to see that IBC are continuing to provide an effective service in the resort. Whilst a large number of Property Owners have individual contracts in addition with IBC or other security companies, I encourage those who do not to consider this.

As I mentioned in my report to the AGM, we are not happy with the general up-keep of roads, pavements, street lighting etc. compared to neighbouring resorts. This is mainly the responsibility of Infralobo and we are therefore from time to time pointing out shortfalls to the Resort Manager who is the recognised point of contact for Infralobo. We also encourage owners to do the same or use Infralobo's app for this purpose.

We have also pointed out to the Resort Manager the importance of pruning trees and treating them against caterpillars. Infralobo is treating trees in common areas but each owner is responsible for its own property. For both this reason and to avoid unnecessary fire hazards we also encourage owners to ensure that pine trees in particular are pruned. This is also considerate vis-à-vis your neighbours.

As I also commented in my report to the AGM, we have still not completely finalised the audit of the 2019 and 2020 community charge. This task is now vested with the Fiscal Board and some progress is being made both in this respect and agreeing a 2021 budget with the Resort Manager. We expect costs to be in line with this year and indeed the last couple of years. Most of the costs are fixed but it is important to ensure owners are treated according to the terms of the letter and spirit of the management conditions that form the basis for the annual community charges.

Communal Pool

The pool project was successfully completed last year and the running of the pool is by and large going according to plan. We are now in the process of replacing the sun loungers which will be completed this spring. This will be funded by the Reserve Fund and the cost is within the scope of the management board's discretion. We believe this will add significantly to the appearance of the pool area. The old sunbeds will be made available to owners free of charge (charity donation preferred) when the new beds arrive. We will advise when this can happen.



2021/22 Budget and Finances:

This month, following agreement on the 2022 budget you will receive notice of the 2022 Community Charge and DDOA contribution. In the past, there have been some questions why the payment was split in two. The main reason was to avoid any unnecessary risk of exposure to unfavourable VAT treatment from the relevant tax authorities. The simple explanation is that the community fee payable to the resort manager is subject to ordinary VAT whilst the Reserve Fund and DDOA contribution is not. Bundling the payments increases the risk of either DDOA being deemed to be a "commercial" entity or the authorities imposing VAT on the contributions to the Reserve Fund.

Historically, we are encouraged by the prompt payment of the Community Charge by the large majority owners and we would encourage all to pay as soon as possible. This modest charge allows Dunas to be maintained and operated to a high standard which is valuable for all owners. The cost has been more or less constant for a several years now and we hope that the role of DDOA is a major contributor in this respect.

Other Matters:

As I said in my report to the AGM, a well-functioning resort management function and common services like reception, security and the common pool area is benefitting the resort tremendously and thereby indirectly the value of your property. The property market in our area seems to have taken a major leap forward recently and we expect expectations of owners may change as a result. We do note however that neighbouring resorts offer services, albeit on a voluntary basis, on a much wider basis than contemplated in the Management Conditions and as we move forward, we will engage with the Resort Manager to explore the potential and interest for similar models. This is also a reflection that within Dunas Douradas requirements of owners vary considerably depending on the type of property they own and other factors. This process needs to be undertaken both with the owner of the Central Facilities and the Resort Manager.

Social Events and 2022 AGM:

We expect a resumption to normality with regard to the social events this year and the Owners Spring week end is expected to be held during week end following Easter and the Autumn week end and AGM the last week end in September.

More detail will be provided nearer the dates.

Thank you for reading this newsletter, we welcome your feedback and look forward to further positive progress in the coming months.

Wishing you all a Healthy and Prosperous New Year.

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President of the Management Board
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Dunas Douradas, 10 January 2022