



Dunas Douradas Owners Association June 2019 Newsletter

Dear Fellow Dunas Douradas Property Owners,

The main focus of our latest newsletter is naturally the outcome of the well attended EGM, held at the Ria Park Hotel 26th April 2019. I also highlight some comments and "takeaways" following the EGM discussions and the long list of questions and answers received beforehand already distributed to all of you and posted on our Web Site.

I am happy that all three resolutions tabled were passed by an overwhelming majority (details of the voting results are provided in the minutes). We are now in a good position to move forward. The minutes from the EGM are posted in the Members Area on your DDOA website under "Owners Meetings". Below are some further comments and clarifications.

Pool Maintenance Project

Some 75% of all votes cast supported the proposed resolution. Both prior to the EGM and during the meeting itself a number of concerns and questions were raised and addressed. I summarise below some of the most important clarifications.

As confirmed at the EGM the Board regards the €80 000 capital cost to the Reserve Fund approved by members as a maximum. We will of course work closely with the Project Manager, to be appointed, to reduce costs within the scope of the work agreed. We expect to appoint the Project Manager shortly.

Over the next 4-6 weeks we expect to be able to select the preferred contractor and will have further discussions including selection of finish. A draft contract will be negotiated shortly thereafter and we expect to present the project in more details to owners with the distribution of AGM papers. We anticipate the contract will be formally awarded after the AGM in September with works expected to commence in November.

As reported, the owner of DDSI has agreed to make a contribution to the overall costs. We will also ensure that necessary agreements are entered into and that DDOA is not exposed to any default. Furthermore, the legal rights of owners relating to the use of the pool will be clarified either through a covenant registered on the freehold property or an improved and registered lease. There is no disagreement on this between any of the parties and DDSI has formally agreed to certain clarifications we believe are useful in the short term. Some legal work remains before we can conclude on the optimal solution that will safeguard owner's rights and obligations related to the pool in the long term.

Accounting issues

We expect to have a draft of the 2018 accounts available shortly and will then clarify any unanswered questions regarding the Reserve Fund. Just to be clear, the Reserve Fund is an accounting term and does not define the funds sitting in the bank account named "reserve account". These funds do not take into account accruals and committed expenses or amounts due. A preliminary draft of the Reserve Fund statement as of 31st December 2018 will be posted on your website.

Following the resolution to clarify the roles of the individual members of the Management Board and after a long and bureaucratic process, we can finally confirm the DDOA banking arrangements are now approved and in full compliance with all legal requirements. We will discuss with the bank to ensure we have a system where similar problems are avoided in the



future. The revised Internal Rules & Regulations approved by 75% of members make it clear that board members are responsible for effectively managing the upkeep of these accounts and transfer of their responsibilities to new board members.

Misinformation and abuse of members e-mail addresses

Prior to the EGM we understand that a member and previous Board member distributed e-mails to owners on an open mailing list in her possession either as a result of former Board membership or obtained through somebody else's mistake. This is clearly not acceptable and at the outset should be viewed as a breach of such member's obligations under the statutes of DDOA and could lead to disciplinary action as described under the DDOA statutes.

Furthermore, I am very concerned that certain members continue to misrepresent legal facts about our rights as owners and rights to the privately owned freehold property (Central Areas), in some cases by distributing irrelevant documentation stating such documents are something other than what they are. As an example, distributing a company certificate of DDSI purporting this is proof of different legal ownership in the land registry is outrageous and can only be described as a conscious attempt to spread false information. The owner of DDSI has already shown sufficient evidence that DDSI is the registered owner of the freehold comprising the central facilities.

It is a good principle that "the map should be drawn according to topography" and not the other way around and this is the basis on which this Board intends to operate; i.e. defend owners' interest as well as possible but within the letter and spirit of the law and hence not pursue legal conflicts that cannot be won or create unnecessary conflict at the expense of everyone concerned.

Other Matters:

With a conclusion on the pool project forthcoming and other major legal and financial issues taking priority since last year's AGM, the Board wishes to now focus on other matters relevant to the daily running of our resort as mentioned in previous newsletters such as:

- Improving the general standard of up-keep in the areas managed by Infralobo to the same as that seen in Val do Lobo;
- Security matters
- Improved offers to owners from various service suppliers such as Lazer.

As most of you have noticed there is a large amount of construction work going on in Dunas at present. We are aware there has been quite a high number of complaints regarding noise from construction companies not respecting the DDOA Internal and Camara rules on quiet periods. IBC is helpful in enforcing these rules but owners are encouraged to make sure contractors are aware of and respect these particularly now that we are approaching the busier summer period.

We have also received a formal complaint from a group of owners related to speeding and reckless driving in the resort. There has been damage to parked cars as a result and the pet cat of an owner was found dead in the road. The roads are public and rules have to be enforced by the relevant authorities but again owners are strongly encouraged to talk to their contractors to make sure incidents are avoided and that everyone acts safely, respecting their neighbours. We will also discuss this with the resort manager and Infralobo as appropriate.

Save the Dates:



We confirm the following dates. The notice for the AGM will be sent out end July and you will also receive an invitation for the September social events referred to below.

- **2019 Owners Autumn Social Events:**
 - Friday 27th September – Cocktail Party – approx. 6pm
 - Saturday 28th September – Dinner Dance (Xenia) – 7pm
- **2019 AGM: 29th September 2019, 9.30am Ria Park Hotel**

As always we encourage your participation, more detail is provided in the events section of the DDOA web site.

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

I hope you all have a good summer.

Christian L. Holst,
President of the Management Board
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Dunas Douradas, 26th June 2019