

**Associação de Proprietários da Quinta da Encosta Velha APQEV)
(Quinta da Encosta Velha Owners Association [OA])**

Minutes of General Meeting

13th November 2016

Brown's, St.Martin's Lane, London

Attendance and apologies

The list of members attending and those who had sent apologies is attached to the minutes.

1. Welcome and Introduction

Ken Edis Chairman of the General Assembly Board welcomed those attending and referred to the apologies that had been received.

He also referred to the papers circulated in advance of the meeting and said that, for the purposes of presentation and discussion of the issues, it would be assumed that the papers had been read.

2. Report of the Management Board

Tim Cooke, Chairman of the Management Board, referred to the contents of the written report and gave a short update on various aspects of the activity of the Management Board and Committees. He described the responsibilities and membership of the various Committees of the Association and thanked those who served on them and discharged the work of the Association. Noting that the current Officers and Committee members will not be in a position to carry on indefinitely he emphasized the need for more members to participate in the work of Committees and strongly encouraged members to come forward and offer their services.

He gave an update on progress with the CCTV/Internet project saying that, after difficulties with the contractors and considerable pressure from the Estate Manager and the Management Board, an internet connection had been provided to first ten houses in the previous week. A total of seventy houses have requested internet connection and, since the contractors ought to be able to complete four to five connections per day, the timescale for completion of the houses currently signed up should be around fifteen working days.

The Estate Manager confirmed that he would notify owners individually as houses are connected and provide the necessary password for the router. Owners who have not yet signed up but wish to have an internet connection were invited to notify the Management Board Secretary (and pay the requisite installation fee). It was noted that the internet service will only be provided to owners who are up to date with the C&U.

The CCTV installation should be finished by the end of the calendar year.

3. Budget for the year to 31st December 2017

The Treasurer referred to the draft budget and explanatory notes circulated with the papers and said that the recommendation of the Finance Committee was that the budget as presented should be approved and that the amount listed as “Overall Total Costs” (€168,800) should be billed as C&U charge with the other items – provision for external painting and for non C&U legal – subject to a separate cash call as and when expenditure is incurred.

He answered questions on the detail of the security professional costs lines and said that the proposed increase in the allocation for gardens next year is intended to support and enhance the significant improvements achieved during the current year.

In response to questions on the purpose of the provision for non C&U legal, the Chairman said that it referred principally to legal expenses that might be incurred if the Association resolved to support and facilitate further work on the possible purchase of the pools and/or the reception block but that he would expect, if any such purchase went ahead, that the Association would subsequently be reimbursed by the company set up to purchase the assets.

A discussion followed on the treatment of the provision for external painting and whether it would be more appropriate to include the provision as part of the annual C&U charge and building up a reserve (as had been the case when Vigia administered the development) rather than leaving it to owners to decide whether to make an annual contribution towards painting or to meet a cash call for the full contribution when it was needed.

Jenny Marshall reported that, at a recent meeting of Condominium owners, it had been resolved that the Condominium owners should maintain and manage their own external painting fund.

Various views were expressed and the meeting noted the significance, under the new Articles and Rules, of determining exactly what constituted the C&U charge and what other liabilities might be separately treated and invoiced. Payment of “the C&U charge” will be the passport to the rights and privileges of membership of the Association.

The Chairman and Treasurer reminded members that it is the nature of a budget that expenditure will not be incurred exactly according to the original budget and that the Finance Committee had now established a good record of managing the Association’s activities at or under the agreed budget. They invited members to approve the overall budget as presented and, if they wished, give additional direction to the Finance Committee on what parts of the agreed budget should be included in the C&U charge.

At the conclusion of the discussion it was proposed that the budget should be approved; that the sum of €208,800, including the provision for external painting, should be the basis of the 2017 C&U charge; and that the provision for external painting should be held in a separate “external painting reserve fund”.

The motion to approve the budget for 2017 was carried overwhelmingly on a show of hands with one member voting against.

On the motion to direct the Finance Committee to include the external painting provision in the C&U charge for 2017 and to place the money collected into a reserve fund a poll was requested.

The Chairman advised that five members present were holding a general proxy from other members which could be voted but that specific proxies (ie an instruction to vote a particular way on the two resolutions circulated before the meeting) could not be voted on this (new) motion.

On a poll, the votes recorded on the motion (including general proxies) were 311 in favour and 216 against with no abstentions. The motion was carried.

4. Membership Fee for 2017

The proposal made by the Chairman of the Finance Committee (Alan Midgley) that the following membership fees for 2017 should be approved was carried unanimously.

1 or more outright properties	*€80
1 quarter fraction	€40
2 quarter fractions	€60
4 quarter fractions	*€80
1 twelfth fraction	€20
2 twelfth fractions	€30
3 twelfth fractions	€40

* Maximum from any one owner

5. Acquisition of the Pools and Reception Block

The Chairman introduced the paper, prepared largely by Frank Sharpe and Peter Smith, on the possible acquisition of the pools and reception block and noted that it took the process further by setting out a potential framework and structure for an acquisition and by providing indicative (not final) figures in relation to the possible cost to owners.

The purpose of the paper, and of the discussion at the meeting, was to ascertain whether the Association should continue to commit time and resources to support and facilitate plans to acquire some or all of the assets. The recommendation of the Management Board is that we should continue to investigate purchase of all the assets but that, if there is not sufficient support for that recommendation, that we should investigate purchase of the pools alone.

Reaction to the paper and to the Management Board's recommendation was generally supportive and several owners emphasized the value (to the development and to their own property) of taking control of all the assets in order to operate and maintain them to a standard which benefited the whole community. It was also noted that acquisition of the assets through the proposed Newco would prevent their acquisition by a third party who might subsequently commercialise and exploit them in a way which would not be to the benefit of owners.

There was some discussion of whether acquisition of the assets would make it easier to implement a gated community – an objective which had considerable support in the room –

but the position on that remains unclear and achieving that objective is not a primary purpose of acquisition.

Some owners raised the question of how the proposed Founder share might be priced and made available to fractional owners where there is disagreement (or disinterest) amongst owners in the same property about whether to participate or where some fractions remain unsold. That was noted as a difficult point to be considered in further refinement of the possible structure.

The discussion concluded in unanimous agreement that the Management Board should continue with plans for acquisition of the polls and reception block together as the preferred route and should revert to members with firm proposals for the next steps in the process.

6. Other Business

a) Payment of Invoices in Euros

The Treasurer referred to the current volatility of exchange rates and noted that the exchange rate risk is currently being taken by the Association in accepting payment of invoices rendered in Euros in sterling at the owner's option. He proposed that, in future, owners should be required to make payment in Euros and that the option to pay in sterling should be removed.

His proposal received unanimous support.

b) Garage Spaces

Tim Cooke mentioned that the underground garage spaces, repossessed by the Bank, were on sale at PPI at inflated prices. He suggested that if there were a group of owners each interested in acquiring a garage space, better terms might be achieved by acting as a group rather than individually and asked any interested owners to be in contact with him directly..

Members agreed that the Chairman could sign the Minutes on behalf of those present and the meeting concluded at 1.45pm.

Chairman..... Ken Edis Date:

Secretary..... Peter Smith Date: