



MY SHOT ***(Prince's Grant Newsletter)***

May 2007

Our chairperson, Don Schoeman, indicated in the April newsletter that it would be the last newsletter from the “chairman” and henceforth the CEO will be responsible for the Prince’s Grant newsletter. Don will certainly not cease all communication with homeowners but we felt it more appropriate that the monthly newsletter be authored by the CEO.

In contemplating this task, and in particular how to ensure the newsletter does not contribute to your junk mail, I thought it would be helpful to develop an independent identity for the newsletter. The title “*my shot*” came to mind as it:

- will be a familiar term amongst golfers;
- indicate our desire that this newsletter should not be considered the only form of communication but rather one of the many communication tools we will use to communicate on a regular basis with homeowners;
- gives me the “freedom” to express an opinion that should not be construed a legally binding position taken by the Board or the HOA.; and
- in the event of you perceiving some of the news or views to be too “preachy” (I hope not) you can dismiss it as “his view”

The purpose of this newsletter is to keep homeowners informed about our plans and perhaps more importantly the successful execution of those plans. Furthermore, we will attempt to provide some relevant information which homeowners might consider useful in respect of neighbouring developments, property values and the odd occurrence that is peculiar to life on a golf Estate. Finally, we will use this newsletter to communicate important announcements and notices to homeowners

With this introduction, let us get to the news!

1. *Finances – the 2007/2008 budget*

The budget for the financial year 01 April 2007 to 31 March 2008 reflects largely the priorities for the forthcoming year. As discussed in the April newsletter we considered the protection of the Estate's income as a major and immediate priority in April 2006. Although we remain vigilant in this regard the current position is that at 31 May 2007 our 90 day debtors are for the first time, possibly since the inception of Prince's Grant, less than R15 000 (R441 688 on 31 March 2006). The risk related to non-payment of levies are therefore closely monitored and managed.

With all homeowners contributing diligently, it allows us the opportunity to keep our levies within reasonable parameters. Our levy of R1 617 per month including family golf membership and "free golf" compares favourably with other residential estates in the area:

ESTATE	LEVY	GOLF	TOTAL	REMARKS
Mount Edgecombe	R969	R333.33	R1 302.33	Single golf member. Members pay R100/ round
Zimbali	R1620	R395.83	R 2 015.83	Members pay R115/round
Umhlali	R870	R309.16	R 1 179.16	Single golf member. Members pay R80/ round
Prince's Grant	R1 020	R597	R 1 617.00	Family membership. Members pay R15/ round

The success of the 2006/2007 financial year also allowed us to increase our reserves from R1,3m in March 2006 to the current R3,5m whilst at the same time financing all equipment and projects of a capital nature, from our own funds.

Our 2007/2008 budget makes provision for a further increase in our reserves to a more comfortable level of approximately R3,9m. Not everyone will agree on the optimum amount that should be retained as "reserves" for an estate of this nature. After careful consideration and a comprehensive assessment of our infrastructure, the finance committee considers a reserve of about R5m to be prudent.

The budget also makes provision for approximately R2,4m to be expended on "once off" projects also referred to as Capital expenditure. This includes the replacement of some vehicles and equipment as well as infrastructural upgrading work on both the Estate and the Golf course.

2. *Golf Carts*

One of the issues that seem peculiar to golf estates, includes the usage of golf carts by homeowners and their visitors. After extensive consultation with homeowners and considering the "best practices" in use at other golf estates, it became clear that the rules and regulations in respect of the usage of golf carts needs to be revised.

Any rule can only be effective if one can enforce its implementation and the current regulations in this regard proved unenforceable and were considered by many homeowners as incongruous with the lifestyle expected at Prince's Grant.

The Board therefore decided to amend the rules pertaining to the use of golf carts at Prince's Grant. The most significant changes are as follows: (Please see attached publication for full set of rules)

- Any person over the age of 13 who do not have a valid drivers licence, can only drive a golf cart if such a person obtain a "Prince's Grant golf cart licence" from our golf director.
- All golf carts at Prince's Grant will be "licensed" and will have to display a clear "licence no", which number will be provided by the HOA.

For the above rules to be effective, their enforcement has to be unconditional. Our security will therefore be relentless in ensuring compliance and we can only hope that all homeowners and their visitors adhere to these rules and ensure a safe and harmonious co-existence for all at Prince's Grant.

PLEASE NOTE: IMPLIMENTATION DATE IS 22 JUNE 2007

3. ***Speed control at Prince's Grant***

Another significant amendment to the regulations applicable to the Estate is a change to the maximum speed limit. After more than 300 "speed checks" taken from the Prince's Grant roads, it became very clear that the current maximum speed limit of 25km/h is not adhered to at all, and is actually unrealistic. With this knowledge, the Board decided to increase the speed limit to 40km/h on all roads, with the expressed expectation that road users will comply. Prince's Grant is a family estate where no one should be concerned that it might be unsafe for their children to use the roads. Although 99% of road users will abide by the speed limit, we will unfortunately have those that won't. To ensure the safety of everyone using our roads, whether walking, driving a golf cart, riding a bicycle or using a motor vehicle, we are obliged to enforce the speed limit. We will therefore set up speed measuring checkpoints, from time to time and unfortunately, will impose the current fines on those that find it not possible/practical to adhere to the speed limit. We sincerely hope that this "relaxation" on the speed limit will make it possible for all users of the roads to comply with the speed limit.

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4. ***Upgrading work currently undertaken***

Apart from the amendments to the rules that are necessary from time to time, we are also busy with various infrastructural upgrading and/or rehabilitation work on the Estate and the Golf course. On the Estate, Vani and her team is currently busy with the following tasks:

- the building of a beach toilet at the southern beach access;
- the rehabilitation of the internal road edges, particularly around corners;
- the provision of Telkom cabling.

(We refer to Roy's building team as "Black Cat Construction" – they build for peanuts)

Bruce and his garden maintenance team is about to commence with the clearing of large areas below Blink Bonnie Road. The idea is to open up some areas below the tree canopies. The

“undergrowth” on most of Prince’s Grant was important for the establishment of trees and other indigenous vegetation. We are now however at a stage where certain areas need to be managed to ensure that these “primary vegetation” do not stifle the development of the larger trees and deny homeowners the amenity of these areas originally designed as open spaces. We will also extend the “lagoon walk” to these areas.

Bruce have also commenced with some upgrading work at the Prince’s Grant entrance, which should, once completed, be a welcome improvement.

On the golf course, Garth and his team has commenced with the upgrading of our irrigation system. This work is set to continue over the next three years with six holes per year. They have also commenced with some restructuring work on the 13th hole as per our custodians committee’s directive. Members will also enjoy the new course furniture that will be on our tees from the middle of June 2007.

5. *External news*

5.1. Rates

At the time of writing this newsletter, I unfortunately have no further “news” to report in respect of the KwaDukuza Municipality’s plans to levy rates from 01 July 2007 in terms of the new Municipal: Property Rates Act, 2004. The treasury department at the Municipality is of the view that the “Rate randage” on developed residential properties will be R0, 01 and on undeveloped residential properties R0.0175. A general rebate on developed residential properties of 60% and on undeveloped residential properties of 25% is also proposed. Prince’s Grant homeowners will receive a further rebate of 15% because of the fact that the Municipality provide no services within the Estate. The above is recommended by the KwaDukuza Municipality Treasury Department and will have to be confirmed by the KwaDukuza Council before we could say with certainty what the rates impact for the new year will be.

5.2. Developments around Prince’s Grant

The Elan Group as developers of the Blythdale Coastal Estate is in the process of lodging an appeal against their own town planning approval from the DFA tribunal. They are confident that the appeal hearing will be held shortly where after they will commence with the services for phase one.

The Proposed Hyde Park Development on the Western and Northern boundaries of Prince’s Grant are apparently busy with their environmental impact assessment and has not yet submit a DFA application for Town planning Approval.

We will keep a close eye on these developments and keep homeowners informed.

6. *Some interesting information*

- There are currently 198 houses completed at Prince’s Grant;
- We have 35 houses currently under construction

- For the first quarter of 2007 (Jan to April) 22 properties at a total value of R28 025 000 were sold at PG.

7. *Conclusion*

My apologies for the rather verbose newsletter, I guess we have a lot to tell. Please diarise the weekend 21 – 23 September 2007 for our AGM, we hope to see as many homeowners as possible during this weekend. Our management team, with the able assistance of Don, had the opportunity to prepare a “Credo” that we will use to guide us in our daily tasks. I attach herewith a copy of the Credo for your information, please judge our performance accordingly. Finally, please feel free to stop by at our offices for a chat.

Please look at our Website under princesgrant.co.za for all the news. Note that all referred attachments can be found on our website.

Regards

Chris

. THE WAY LIFE SHOULD BE LIVED.

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