

EDEN ESTATE HOMEOWNERS' ASSOCIATION
DEFINITIONS AND ROLES SUMMARY



This document serves to confirm the following important aspects of being an owner in Eden Estate Homeowners' Association.

Date: _____

Client/s name: _____

Stand/Unit number: _____

Please note the following important information and initial each block:

1. HOA

The Homeowners Association (HOA) consists of all the property owners (members) in the estate. Buyers agree to become members of the HOA when they sign the agreement of sale and become members of the HOA when their property registers in their names. It is compulsory. The HOA is structured as a non-profit company (NPC). A Section 21 Company.

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2. Role of the HOA

Maintaining common property (roads, sidewalks, curbs, access control, security and security equipment, perimeter fence, parks, gardens, sidewalks, streetlights, etc.).

Ensuring that conduct rules are followed and enforced.

Finances - managing the budget and collecting compulsory members' contributions (levies).

Managing the estate upkeep and maintenance and ensuring that design standards are kept (municipal by-laws, building alterations, garbage control, garden services, etc).

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3. MOI

The memorandum of incorporation (MOI) is the constitution of the non-profit company (NPC). These rules govern the conduct of the company (such as meetings, voting rights, etc). The MOI also sets out the rights, duties, and responsibilities of its members and directors.

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4. Conduct Rules

Conduct rules set out general guidelines to members for good neighbourly conduct. It is the owner's responsibility to read, know and follow the conduct rules. Residents of units, as well as their visitors, must always respect one another's privacy and not disturb one another with noise of any sort.

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5. CSI / The Developer / HOA

The managing agent is an independent contractor appointed by the HOA to help manage the finances (collection of levies and payment of bills), manage HOA meetings (arrange meetings, taking and distributing minutes) and general HOA administration.

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6. Levies

Members' contributions towards the HOA funds are called levies.

The levies collected belong to all the members of the HOA and may only be used for HOA expenses.

Levies are determined by the annual budget as determined by all the members present at the annual general meeting (AGM).

Special levies can be determined from time to time where unexpected expenses arise that were not budgeted for.

Levies are payable on the 1st day of every month (no automatic grace period). Levies are paid in advance.

If a member does not pay their levies on the 1st day of the month they will be in arrears, a collection process will begin, and collection charges will apply.

NB! Levies are paid from date of Registration.

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7. Directors of the HOA / Development period

The responsibilities of the directors are set out in the MOI.

During the development period, the developer has the majority of directors on the HOA board, as well as the majority votes at any HOA meeting, after which the developer will no longer have directors on the board.

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The development period starts when the developer starts selling properties and ends when the developer has registered the last property in the estate.

8. Meetings

An annual general meeting (AGM) is held once a year to report on the financial state of the HOA and to set the budget for the next 12 months. At the AGM appointments of service providers as well as directors are also confirmed.

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Signed at _____ on _____

Owner/s Signature: _____

Witness:

Name: _____

Signature: _____

Owner's contact details:

Work phone no: _____

Home phone no: _____

Cellular phone no: _____

E-mail: _____