

ASSOCIATION OF HOUSE OWNERS

Quinta do Paraiso

Founded: October 3, 1981

Minutes of Annual General Meeting for House Owners Association (HOA) at Quinta do Paraiso (QdP)

Held Saturday April 9th 2016 14:00hrs

Present Board: Alan Jenkins, Chairman HOA
Aart de Groot, Secretary HOA
Piet van den Berg, Treasurer HOA
Tracey Francis, Boardmember HOA
Djurre Siccama, Boardmember HOA was not present

Present QdP: Conceicao Firmino, Director QdP
Patricia Burer, Director QdP

Members present: 26 persons representing 16 houses (board members included)

Minutes

1. Opening

Mr Jenkins opened the meeting and welcomed those present, including the new members. He firstly apologised that Mr. Siccama, Boardmember was unable to attend due to the death of his father in law, Mr. van Loveren, one of the founders of this association.

Mr Jenkins also thanked QdP for serving the excellent lunch.

2. Minutes of AGM March 28th 2015

The minutes were briefly reviewed and were then accepted.

3. Secretaries report 2015

The report was summarised, one member asked how many houses are available for renting out these days. This question was answered by Mrs Burer who stated that this was presently around 120 units.

Mr Jenkins reported on his meeting of 7/12/15 with Mr H Pinheiro, Founder and MD of Medal insurance brokers, further to item 8.a in the HOA Newsletter, October 2015. Carmo Garcia also attended on behalf of QdP.

Mr Pinheiro confirmed that the Victoria 'habitat+' policy is the best available for House Owners at QdP, for several reasons including:

- Cover is broader than most other similar policies
- Premiums are competitive, for Earthquake cover in particular
- Claims experience is good
- Policy wording is available in English, due to Victoria's heritage (ex Commercial Union of the UK).
- On Public Liability cover in particular, MEDAL has secured an increase in the standard cover from €125,000 to €500,000, at no extra cost to House Owners. It should be noted that strict responsibility has to be provable for any Public Liability claims.

Additionally, Mr Pinheiro confirmed there is no requirement under the Victoria 'habitat+' policy for House Owners to have their chimneys swept. The HOA nevertheless continues to endorse the advice given by QdP Management in item 8.b of the HOA Newsletter, October 2015.

No further remarks or questions from members present.

4.Experiences with the new law on Alojamento Local (Decreto-Lei No 128/2014 de 29 de Agosto 2015)

The Board and the tax representatives used by the Board are slowly finding their way in these new rules and their interpretations.

Developments are followed closely and meetings with Sovereign will be held frequently to find the correct way of dealing with this set of requirements.

Income can now be split over 2 parties in case the income exceeds EU 10.000,-- such to avoid VAT registration (the HOA Bulletin, November 2015, refers).

Details of required paperwork can be handled by one's local tax representative.

5.QDP Presentation:

The Board stated once more that they are very positive over the press release issued by Carvoeiro Clube on November 16th 2015 stating that they have taken over Quinta -do-Paraiso central facilities.

Following this statement Mrs Burer gave a presentation

- Mrs Burer is now CEO of the total Carvoeiro Clube group consisting of:
Carvoeiro Clube
Monte Carvoeiro
Algarve Clube Atlantico
Monte Dourado
Quinta do Paraiso
Presa de Moura

Mrs Burer stated to begin with that she is very positive over this take over as it gives lots of new possibilities both in marketing/rental/financial / management, and in improvements / investments to focus on the quality of services.

A solid media plan has been made up to promote the new group (leaflets were handed over to those present in the meeting).

All group members will use the same house style and signs.

Carvoeiro Clube will become the management focal point for the group.

- Mrs. Firmino will be the first point of contact for all QDP house owners, as she is responsible for the daily management of QDP.
- A first achievement of the new group is the very recent take over of the Carvoeiro Clube de Tennis.
- The management of the total group will be located in the reception area of Monte Carvoeiro for the time being.
- In total in excess of 250 staff members are employed.
- Prolongation of the season will get a higher priority.
- Trattoria Olivieira will stay open during the winter season 2016/17
- The majority of staff will be employed 12/12 month
- A new website has been made.

Detail improvements for 2016 QDP:

Pool bar renovation

New toilets in the pool area

New sunbeds

New sail shades

Interior pool area now back to white paint (outside to follow next spring)

Kids club renovation

Playground area renovation (as commenced in 2015)

Kitchens in restaurant will have new equipment

Potential plans for 2017 QDP:

Pool solar heating

Pool pavement Perhaps facilities for soccer

Mrs Burer hopes that some owners, who have not been making payments towards the Central Facilities, will now be inspired to contribute in the future.

Finally the outlook for 2016 was presented , due to restrictions in many countries bookings for Portugal are going up considerably, also more flights per day to Faro are now scheduled from all European countries (as an example from Zurich to Faro there are now now 5 flights per week). March is already better then in 2015; With Easter QDP had 160 guests, May and June are up by 40 % compared with 2015.

A Member asked if this good outlook could lead to increases in the 'price chart' from 2017. Mr Jenkins stated the Board had already raised this point with QDP Management. Mrs Burer said that some costs would also need to be increased. This will be an issue for the 2017 management contract.

6. Further general announcements:

Monthly report on Bookings has new format and will be sent to Members on request. Membership card is issued giving 15 % discount in Oliviera and Poolbar at QDP, and QDP is also exploring potential discounts /rewards deals with external suppliers (Note :Card is not valid in other CC parks as the restaurants in the other parks are not owned by these parks).

Carvoeiro Club will from 2017 offer tax representative services (as Sovereign) to those owners requiring them.

Later this year a possibility will be introduced for house owners to look on-line at their financial statement - this facility will be tested by the Board members before release.

For reservation information please contact Conni (as usual) since it is now also possible for guests to book a specific house (as advertised on the website). The Board will explore with QDP if the sources of bookings can be included in 'snapshots'.

Guests feedback will be sent to the owners if and when applicable; QDP suggests owners to put a guestbook in their house for more direct feedback.

Recycling facilities are still on the Townhalls "to do " list, no money is available so far (It was announced that all owners in Clube Atlantico have combined forces to arrange this on private account).

7. WIFI

Present system to be continued at least for 2016.

PT telecom is working on fiber-optics throughout the Algarve (scheduling / realisation/ consequences as yet unknown).

As roaming charges for mobile phones will be reduced from 30/04 onwards, and abolished in July 2017, this could also lead to a reduced use of the QDP WIFI system.

8. Questions from members

Question:

Are my interests secured under the new management group and being part of a larger entity?

Answer:

QDP will remain individual branded due to its unique points.

Question:

Cleaning staff/ house keeping amount and quality is already a problem?

Answer:

Problem is known and acknowledged, more staff will be employed in 2016; also staff can now be exchanged between CC group members.

Finally the Chairman thanked Mrs Burer for the extensive amount of new information and complimented her and the QDP staff with the achievements.

He also asked the members not to forget the HOA's own website and especially the new 'bulletin board' on that website as a source of information.

9. Any other business:

No subjects were brought forward.

10. Place and date 2017 AGM

After discussions it was agreed that the 2017 AGM will be held at QDP on :
Saturday April 1st 2017 (2 weeks before Easter)

Second part of AGM - members only

1. Financial and Audit Reports

- The Treasurer presented and explained the financial and audit reports and the estimate for 2016. No further remarks / questions from members present. The report and audit are attached to these minutes.
- The Audit committee (Mrs Marga de Groot & Mr Koetsier) is satisfied and proposed to discharge the Treasurer. The members agreed.
- The Audit committee for 2016 will again be Mrs Marga de Groot and Mr Koetsier. Spare members will be Mr Kool and Mr Basnett.
- The Board clarified the results of the audit carried out on the CF costs in January 2016 and have accepted the calculation as the basis for the 2016 CF budget.

2. Renewal of HOA's powers of:

- Audit on bookings and reservations
- Audit on CF costs
- Delegation to the Board to negotiate and agree CF payments for 2017

All powers were unanimously renewed with thanks.

3. Election new board members

Mr de Groot retired by rotation and was unanimously re-elected (applause).

4. Any other business.

It was discussed that fixed contracts are having priority on bookings, this guarantee system is already in the present contract--> no further action (any owner can ask for such a guarantee).

Despite the many benefits of the merger ,a general concern was raised on the new picture related to the stress on the management from the view that bigger is not always better.

One Member felt that the lighting in some cluster areas is inadequate, even when all working properly. The Board will raise this issue with QDP Management.

Finally there was a general concern around the security level al QDP.

This will be an issue for the 2017 management contract.

No further matters arising, the Chairman thanked those present and closed the meeting at 17:00hrs.