



12 September 2017

Dear Valued Home and Property Owners,

2017-2018 – St Francis Links – Our Second Decade – Community!

In December 2016, we celebrated 10 years! While our early years were challenging at times, the great news is that we are growing in stature and reputation – nationally and internationally. We are growing through homebuilding with more than 54% now permanent residents. We are growing financially with strong reserves and a solid asset management plan. Our lifestyle choices attract investment and keep our community amongst the best in South Africa (for which we received accolades as a top-10 Golf Estate).



Our 10-Year Anniversary Celebrations in December 2016

Managing the entire estate and all your investments means managing the assets. Our long-term strategy for repair and replacement is ongoing and updated yearly. We are proud of the condition of our entire estate – our buildings, our equipment, from maintenance machines to pool pumps, electrical stations to water reticulation and kitchen equipment to clubhouse furniture. Our programmes include preventative maintenance to avoid the "pay me now or pay me (more) later" scenario.

During the year, we upgraded our main pump station by adding new filters within our operational budget, made major repairs to the electrical infrastructure (some to be covered by insurance), resurfaced the swimming pool with new flowcoat and have purchased new rollers for the cover. Our security fence was upgraded by lifting it and creating a boardwalk at the R330 corner with further security improvements to access

control. The perimeter fence is maintained with patrols running day and night. We are happy to say that there were no breaches in security in the past year and we remain vigilant. A reminder however that security starts at home and we continue to encourage our owners to install alarm systems and manage security at home as if they were living outside a gated community.

Building on the estate continue on a steady pace with 20 new homes completed thus far this financial year, 12 currently under construction, approximately 14 in the planning or submission stages, more than 40 transfers registered and 13 transfers currently pending. Whilst vacant stand resale prices remain low, mostly as a result of early speculators deciding not to build and thus off-loading, we are happy to say that those folks choosing to buy at St Francis Links now are doing so to build and live here.

New construction occupational health and safety compliance protocols were introduced through a lengthy educational and induction process. These new measures were put in place to ensure that those who construct homes on our estate do so in accordance with the OHS Act. Ultimately, these new measures protect the HOA and its members against possible liability.



Our golf course continues to gain national and international recognition. The quality of the course and its year-round excellent condition, has contributed to a rise in international play and the return of many golfing groups here and abroad. We host the SA PGA Tour again this year as well as the Oakley X-over. Both featured top SA golfers and successful sportsmen and both featured St Francis Links in television shows on Super Sport. In addition to these, we continue to support local and national amateur golf hosting the EP Champs in January, The Nomads National Junior Order of Merit in June and the Pam Golding Ladies' Open Weekend in November. Charity was the winner again this year with record-setting fundraiser for our local Kouga Hospice, local schools and area causes. Even our ultimate Par-3 course featured in special days for the Kromme Enviro Trust event which raised more than R100 000 and the Talhado School where R67 000 was raised in 67 minutes

of extreme golf on Mandela Day! At St Francis Links, we pride ourselves in contributing what we offer for the benefit of others.

The clubhouse operations continue to grow year on year with the addition of Chef Jon Hodder guaranteeing an improved presentation and more consistent, quality meals. His wine paired dinners and other evening options are a hit and will ensure continued growth in the operation, attracting top functions, conferences and weddings. Once again, we have a stellar line-up of events for the December 2017 holiday season and all indications point to another banner year. Accommodation options are scarce as holiday makers return to one of SA's best destinations. Follow our facebook page for event updates.

2017 / 2018 Subscriptions and Levies

1 October 2017 sees the start of our new financial year and as such, this letter also serves to announce that:

We have kept the overall increase for subscriptions and levies combined to an average of 6,71% for this forthcoming year. This reflects a balanced budget with nearly R2,45 million set aside for depreciation and R2,25 million for reserves.

(We are forecasting nett reserves to exceed R15 million after we anticipate using reserves to replace water meters with smart meters on completed homes and upgrade the main electrical station).

At least one Principal club subscription levy is compulsory and payable per erf. Additional membership options are available for spouses, family etc and are listed below. We are pleased to say that, except for gold memberships which are in line with principal memberships, all categories remained the same as last year. Please ask us for an explanation should you be interested in any of these options:

Category
Secondary Member (spouse)
Family Member over 21: Annual fee with unlimited green fees and use of all facilities
Fractional Membership: Once off fee per fraction in addition to the monthly fee (available only to parties who own the property) Per Fractional Principal Member (1 to 6) Per Fractional Principal Member (7 to 12)
Fractional Spouse
Gold Members

Use of the Leisure Centre by adult children (aged 21 and older) of the principal members on properties at the Links, who have not taken up the golf-inclusive family membership option as set out above, may have access to the Leisure Centre for a fee of R320 per person per month or R535 per family per month, payable in advance, per calendar month

and not to be pro-rated. If you as registered principal member at the Links wish to take up this option, please do so by contacting Patricia in our HOA department.

If you pay your club subscriptions ANNUALLY ...

you will be receiving another e-mail later this week with your annual subscription account in the amount of R15 204.00 (strictly payable annually in advance to Links Golf Club (RF) Limited by 1 October 2017). If you wish to change to monthly payments (only available by way of a debit order instead of a lump sum payment at the beginning of the year), please contact Patricia in our accounts department.

If you pay your subscriptions MONTHLY ...

by way of debit order, your subscriptions are invoiced monthly at R1267.00 on your HOA invoice. HOA invoices will follow on Friday, 30 September 2017.

Green fees for members' accompanied guests will be R325 per round. Members' referral guests (unaccompanied) will be R450. Principal members (along with the optional memberships as set out above), do not pay green fees at all. We encourage our members to bring their guests and take advantage of group rates and packages including accommodation as well as our Itec Open Wednesdays, usually the second Wednesday of each month, when we offer very special guest rates.

If the course is closed for maintenance or a special event, special rates are arranged for our members at surrounding clubs and at times, we also arrange road trips with some of our golf professionals for instance when we host a tournament with St Francis Bay Golf Club and both courses are unavailable. I am proud to say that we have continued a great working relationship with several other fine clubs in South Africa. Our sister Nicklaus Signature courses, Pearl Valley, Simola, Pecanwood, Pearl Valley, Serengeti and Houghton along with Arabella, Pezula, Oubaai, Humewood, Pinnacle Point, Wedgewood and St Francis Bay, offer special rates for our members.

Monthly Levies

The monthly levies are strictly payable in advance by the 7th of each month, to the St Francis Links Home Owners Association. Some home owners are on a stop order (as opposed to a debit order) and we ask that you please contact your bank to adjust the stop order amount to the new monthly invoiced amount (see your October 2017 invoice for the amount). If you have in the past settled the account after the 7th of the month, we ask that you kindly adjust the payment date to reflect in our account by the 7th of the month so that no interest is applied.

Herewith the breakdown of the monthly levy payable to the HOA on vacant even, excluding subscriptions below:

Vacant Erf	Under 1000m2	Over 1000m2	Increase Month
Levy	1,761.00	1,761.00	(1 Oct each year)
Water Availability	136.00	136.00	(1 July each year)
Electrical Availability	241.00	241.00	(1 July each year)
Sewerage Availability	95.00	95.00	(1 July each year)
Alien Eradication Levy	54.00	86.00	(1 Oct each year)
CSOSA Levy	22.70	22.70	(per government)



For those on debit order, the levy account will also include the principal member monthly subscription levy of R1 267.00.

These levies are valid from 1 October 2017 until 30 June 2018. In July of each year, Municipal increases take place at which time, the line items above (as determined by the Municipality) will be adjusted in accordance with their fees. For a breakdown on your levy account for your improved property (where a home has been built), please contact Patricia on hoa@stfrancislinks.com.

Please note that our golf and security staff will follow the instructions from the accounts department meaning that, should your levies or subscriptions be in arrears, access to the golf course, as well as other member privileges will be suspended until you have paid in full. In addition, interest penalties will apply and we work on a mandate from our board of directors that accounts in arrears are handed over for collection at 90 days and all legal fees pertaining to this, will be for the homeowner's account. It is therefore in your interest to pay your levies on time. If you have any questions regarding your obligations, please contact Ruan Deysel, our financial manager.

Access Cards

Access cards are currently required to open all internal and external boom gates. Only property owners in good standing have access cards that will open these gates on the estate. Please note that, for security reasons and to assist us with access control, these cards may not be given to employees, contractors, friends or family. We are currently investigating other access management options at the entrance and internal boom gates and will hopefully be able to upgrade our systems soon.

Communication

As always, we invite you to follow us on:

**Twitter (@stfrancislinks) | Facebook (www.facebook.com/stfrancislinks)
Website www.stfrancislinks.com | Download our St Francis Links app!**

If you are not yet receiving our weekly newsletter or would like to add other addresses, please e-mail me (j.clause@stfrancislinks.com) to add you to the database.

For now, thank you for taking the time to read this. We are available should you require any clarity or assistance in any matter, so please do not hesitate to contact us. On behalf of the directors and our team, we welcome you to join us in sharing the pride we all have for our great estate!

Thank you all for being members here at St Francis Links!

Jeff Clause
CEO