

Newsletter January 1999

January statements

As reported in the previous newsletter all non freeholders are to pay an extra £12 per year towards the rent on the caretakers flat. This is reflected in the current statement. You will note that the vote to increase the rent was near unanimous and that it is the intention of the company to increase this rent every two years as is permitted by the lease.

Creditors to the company

This means the leaseholders who are reluctant to pay their service charges. The directors have a policy of putting as much pressure on these individuals as the law will allow. This philosophy was echoed by the floor at the Annual General Meeting.

Roof

Attached to the minutes of the AGM is a report by the managing director of Challock Developments, the company that renewed the roof on the south block. Please read this report and be aware that unless most of the arrears are paid within the next few months the north block may have to be closed and all the flats vacated.

Closure of the North block

Those who live in the North block will have received a letter from Shepway District Council health department requesting that they inspect the flat. The condition of the North block roof has become so critical that many flats are uninhabitable. The council inspection is a preliminary review to ascertain the condition of each flat. It is likely that the whole block will have to be closed if the dissidents do not pay their service charges within the next few months. If the North block is closed then the entire burden of maintenance payments will fall on the South block owners. This is likely to nearly double the payments.

AGM attendance

Very few leaseholders made the effort to attend the AGM yet many have complained during the year that things are not to their liking. It is perhaps significant that with one exception all who attended were fully paid members of the company and the vast majority had purchased their freehold, the creditors did not bother to attend. You have the legal right once a year to express your views and hear what progress has been made during the year, make sure that you do not waste this opportunity next year. The next Annual General Meeting is to be held on Saturday 15th January 2000 at the Light Railway Restaurant in Hythe.

Cost of borrowing

The cost of upkeep of a rather inadequately maintained old building is currently higher than can reasonably be recouped by means of service charges. Some things can be left until later but many are now urgent. The whole history of Pavilion Court has been one of overcharging and poor value for money. We now have to pay the cost of past mistakes and as some leaseholders think that they should make no contribution whatsoever we must borrow money to pay for urgent maintenance. This is an expensive business and the entire cost of such borrowing will be passed to those who refuse to pay. It will be apportioned in proportion to the amount outstanding. It is quite probable that these individuals will never pay, but eventually they will have their property repossessed by the company.

Share certificates

The shareholders present at the AGM had in general not received a share certificate and, as issue had been haphazard in the past, it was decided to reissue all share certificates. Your new share certificate can be collected from the caretaker who will require a signature and sight of a service charge statement indicating a zero balance. If perchance you have an old share certificate please return it when collecting the latest issue as this will help to avoid confusion when your property is sold and the share is transferred to the new owner. Please ensure that you store the new certificate in a safe place, perhaps with your title deeds which may well be held by your solicitor or building society. A duplicate certificate will cost £30 and is essential when you sell your property.

Your share certificate will be posted to you on receipt of an A4 SAE (324 x 229 mm) together with an appropriate service charge statement.

Pavilion Court Ltd is a mutual 'not for profit' Company

Financial hardship

The directors are well aware that there are a number of individual leaseholders who are unable to pay their charges and yet fall into the trap of not being eligible for DSS payment. To alleviate the problem the directors are proposing a surcharge of 96 pence per week on those who let their property (note that this includes all the directors), to be levied as a single payment at the start of the financial year. All the proceeds will be used to selectively alleviate the financial hardship caused to those who do not receive state help. Please can we have your thoughts on this proposal within the next month. Failing a protest from the investment fraternity the scheme will be implemented in September.