

CONSTITUTION

ADAM PLACE HOME OWNERS ASSOCIATION

1. NAME

The name of the Home Owners Association created in terms of the provisions of the Land Use Planning Ordinance No. 15 of 1985, in respect of the subdivisions of **Erf 8183 (A PORTION OF ERF 8181) GONUBIE**, shall be the "**ADAM PLACE HOME OWNERS ASSOCIATION**".

2. MEMBERS

Membership of the Association shall be limited to the registered owners of the subdivisions of **Erf 8183 (A PORTION OF ERF 8181) GONUBIE**, as well as the remainder of the said erf, provided that :

- 2.1.1. A person who is entitled to obtain a title deed to any of the aforementioned erven, shall for the purposes of this Constitution be deemed to be the registered owner of such erf;
- 2.1.2. Where any such owner is more than one person, all the registered owners of that erf shall be deemed jointly and severally to be one member of the Association.
- 2.2. When a member ceases to be the registered owner of an erf, he shall ipso facto cease to be a member of the Association.
- 2.3. A member shall not alienate an erf unless it is a condition of such alienation that the transferee becomes a member of the Association and shall ipso facto upon registration of transfer be a member of the Association, subject, bound and entitled to the provisions of this Constitution.
- 2.4. A registered owner shall, so long as he is the registered owner of at least one of the abovementioned erven, remain a member of the Association, and may not resign as a member of the Association.
- 2.5. The rights and obligations of a member shall not be transferable and every member shall abide by and be subject to the provisions of this Constitution, further the objects and interests of the Association, and shall observe all by-laws and regulations made by the Association, provided that nothing contained in this Constitution shall prevent a member from ceding rights in terms of this Constitution as security to the Mortgagee of the respective members' erf.

3. OBJECT

The objects of the Association shall be :

- 3.1. to control, maintain, repair and keep in good order the roadway, stormwater and sewerage system and all services common to and/or which serve and relate to the aforesaid erven as well as the general maintenance of all common areas, and to promote the common interest of the members as registered owners of the aforementioned immovable properties;
- 3.2. to do all things necessary to ensure compliance with the reasonable and lawful requirements of the Local Municipality of Buffalo City;
- 3.3. to enforce the observance of the rules of the Association and the provisions of the Constitution and to deal with an infringement thereof;
- 3.4. to open and operate a banking account, and to do all such other lawful things as are incidental or conducive to the attainment and performance of the objects of the Association;
- 3.5. to invest any moneys of the Association not immediately required for any of these objects or purposes in such manner as may from time to time be determined.

4. LEVIES

- 4.1. The Association shall make levies upon the members for the purpose of meeting all expenses which the Association has incurred or may reasonably incur by way of maintenance, repairs and improvements to the common areas and common facilities, payment of all rates and other charges payable by the Association in respect of the common areas and/or the services rendered to it and/or for payment of salaries and/or wages of the employees of the Association and generally for the payment of all expenses necessary or reasonably incurred in connection with the management of the Association, the common area and the Association's affairs. In calculating levies, the Association shall take into account, income, if any, earned by the Association. Each owner of the land shall be levied to the extent of his proportionate share in respect of the expenditure aforesaid as determined in accordance with clause 4.3. below;
- 4.2. Should it at any time become apparent to the members that the anticipated expenditure estimate is inadequate or should it become necessary for the Association to incur extraordinary expenses, it shall be entitled to require its members to pay an additional levy to cover such extraordinary expenditure.
- 4.3. The liability of members to make contributions for the purposes as set out in Clause 4.1. above, shall be determined by the management committee from time to time.

5. MEETINGS

- 5.1. The first members meeting of the Association shall be held within 3 months from the date on which the first erf in the development has been transferred by the Developer to a Purchaser, at which meeting a management committee consisting of a minimum of 2 and a maximum of 4 members will be elected. The management committee will be responsible for the implementation of all decisions taken at members meetings as well as for the day to day running of the Association.
- 5.2. Further meetings shall be convened by the Management Committee by giving 7 days written notice to members, provided that the members may all agree to dispense with such notice in respect of any such meeting. Provided that not less than 1 meeting shall be held in each and every year.
- 5.3. Upon the written request of at least 5 members of the Association, the Management Committee shall be obliged to convene a meeting in accordance with clause 5.2 above.
- 5.4. A quorum at all meetings shall be deemed to be at least 50% (fifty per centum) of the membership at such time. In the event of a quorum not being present at any meeting, the meeting shall be postponed for a period of 3 working days to the same venue. The representatives present at the subsequent meeting shall constitute a quorum.
- 5.5. All resolutions shall be passed by simple majority.
- 5.6. The Management Committee shall hold office for one year after which a new Management Committee shall be elected. Retiring members of the Management Committee shall be eligible for re-election.

6. LEGAL PERSONALITY AND INSTITUTION OF ACTION

It is recorded that this Association constitutes its own legal persona, quite separate and distinct from the members who constitute the Association. The Association shall be entitled to institute action out of any Court, having jurisdiction for all or any of the obligations and duties imposed upon the members in terms hereof.