



GATE & ARC

YOUR COMMUNITY
SERVICE CHARGE
INFORMATION | ARC A

This document is only intended for the
homeowners in this community.

CONTENTS

Executive
Summary



2



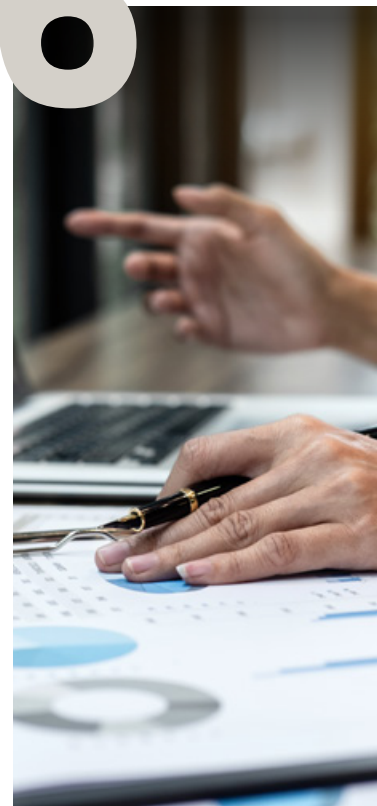
Service Charge
Budget in Detail

Service Charges
Payment Methods



5

6



Service
Charge 2024

7

2023 Budget vs
Actual Expenditure
Summary and
Utility Consumption



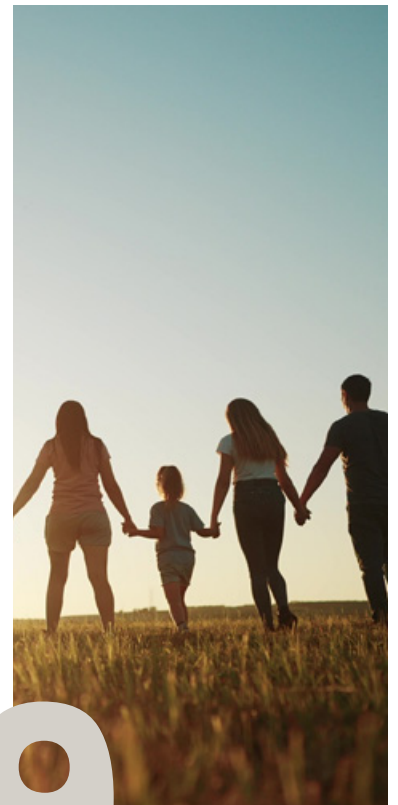
8



Budget Breakdown
2024

9

Our Commitment
to Serve and Enrich



EXECUTIVE SUMMARY

Welcome!

This document is designed to inform homeowners about key elements concerning the 2023 service charge budget, our association's financial health, ongoing operations, and the plans set for 2024. The service charge budget for 2024 has been crafted to ensure the association meets its commitments. Our focus goes beyond routine maintenance; we aim to enhance property value by implementing improvement plans based on resident feedback and integrating the latest industry innovations for enhanced efficiency and sustainability.

Thank you for your continued support in maintaining and elevating the value of our community.

SOME COMMUNITY INITIATIVES IN 2023

- Refurbishment of Gate Tower 2 gym flooring
- Wooden Floor polishing and painting of Arc Tower Recreation Room
- EV charger stations
- Upholstery of gym equipment
- Repainting of Squash Court in Arc Tower A Level 4
- Renovation of the Arc A Female Sauna Room
- Modification of the doors for the garbage chutes in all floors by adding a safety chain
- Arc main swimming pool renovation work has been completed
- Installation and configuration of intercom in Gate Towers Barrier
- Supply of fresh flowers and new set of dispensers and tissue box in the lobbies
- Lobby Area Scent Diffusers
- Uniform Standardization for Community Staff
- UAE Pass Feature Now Live on Provis App and Portal
- Supply, Installation, Testing & Commissioning of Double Interlock Pre-Action System of Lift Machine Room

Your 2024 CSF rate has been reduced to AED 13.13 per square foot of your property

2024 to bring more improvements within the community

Sustainable initiatives to improve energy efficiency

More community initiatives focused on safety and security to be introduced

SERVICE CHARGE DETAILED

What is service charge?

Services charges are a vital component of community life, symbolizing the unit owner's equitable contribution to the operational expenses, management, maintenance, repair, replacement, and control of common areas, facilities, and the owners' association. Calculated based on "unit entitlement," it correlates with each unit's area, representing the total space. This charge includes contributions for residential use, shared cost (common spaces), and allocations to the reserve fund.

Service charge structure

Service charge rates are based on the estimated annual expenditure needed to sustain the operation and maintenance of common areas.

Principal common area (shared) charge

For communities with mixed-use development, seamlessly integrate retail and residential units. The PCA service charges support the operation, management, repair, and maintenance of shared facilities utilized by both retail and residential units. The apportionment of PCA charges is included within the Residential Building service charge.

Master community service charges

All members of the Master Community are required to contribute to service charges, which are vital for the ongoing support and upkeep of the community's broader infrastructure. These funds are allocated to essential services, including the maintenance of roads and drainage, street lighting, landscaping, community facilities, waste management, security, pest control, and general cleaning. Determined annually by the Master Developer, the consistent payment of these charges ensures that the Master Community functions smoothly and without interruption.

Residential service charges

These charges encompass expenses directly linked to the operation, management, maintenance, and administration of residential common areas and services. Calculated in accordance with 'Unit Entitlement,' they are proportionate to the area of each unit, ensuring a fair and equitable distribution of costs.



Components of the service charge budget

The budget is divided into two essential components or funds: the **General Fund** and the **Capital Reserve Fund**.



General Fund

This fund is allocated for daily operational expenses, covering a wide range of needs including maintenance of common areas, utilities, landscaping, pools, gyms, security and access control, waste management, pest control, insurance, and administrative services. It ensures the smooth and efficient management of the community's shared spaces and resources.

Capital Reserve Fund

Established to anticipate future costs linked to the replacement of capital assets, the CRF plays a pivotal role in ensuring the community's seamless operation and minimizing unexpected expenses. It encompasses various aspects, such as the replacement of assets reaching the end of their life cycle (e.g., heat pumps, lifts) and expenses for maintaining/extending the life cycle of assets (e.g., refurbishment of major parts).

A healthy CRF ensures the ongoing well-being of our community and allows us to plan for future capital asset replacements efficiently.





Service charge collection

To guarantee the smooth operation of our community, it is imperative that service charges are paid in accordance with the mandate of Law No 3 of 2015 concerning Jointly Owned Property. Every owner is responsible for fulfilling this financial commitment promptly. Late Payment Fees will be imposed after the due date, with any outstanding balance incurring a 1% per month Late Payment Fee.

Continued non-payment may result in additional charges, including those imposed by a collection agency and costs associated with court proceedings, aligning with our collection policy. Your timely contributions play a vital role in sustaining the well-being of our community.

Budget Development

When developing the service charge budget, a thorough review of all services is necessary for the community to operate efficiently and meet the service standards expected by residents. The following is a description of the major service categories in the Community Service Charge Budget.



Maintenance & Services

Service contract is currently in place with Khidmah Facilities Management for the community facilities maintenance for Hard & Soft FM.



Security

Appointed service provider for the community security is Spark Security. They provide comprehensive services like, patrolling, stationary security personnel, and CCTV monitoring to ensure safety and security throughout the community.



Insurance

Our insurance needs are managed by a specialised team. We have competitively sourced coverage for our built infrastructure and common areas to ensure we have suitable and effective insurance protection.



Utilities

Utility budgets are carefully prepared based on the previous year's costs, allowing us to forecast and manage expenses effectively while ensuring all community utilities are maintained to high standards.

Allocation

In accordance with Article 42 of the Department of Municipal Affairs Chairman's Resolution No. (245) of 2015, which defines the Executive Regulations on Jointly Owned Properties and Owners Associations and aligns with Law No. (3) of 2015 governing the real estate sector in the Emirate of Abu Dhabi, the following rules apply:

Service Charge Obligation: Each property unit owner is required to contribute their share of service charges to the owners' association, covering the costs of management, operation, maintenance, and repair of the Common Areas. This share is determined by the ratio of the volumetric space of the unit to the total area of the jointly owned facility. Developers are responsible for their share of service charges for unsold units.

Non-Waiver Clause: No Owner of a Real Estate Unit may waive his interest in the Common Areas.

Approval for Service Charges: A property owners' association cannot impose a service charge on an owner for the management, operation, maintenance, and repair of common areas without obtaining prior approval from the department. The department reserves the right to amend its approval as needed.

Compliance with these regulations ensures equitable contributions and transparent governance within our community.

Service Charges Payment Methods.

Dear Valued Owners

In order to facilitate payment of service charges, we wish to remind you of the following payment methods that you can avail:



Provis Application or Provis Portal

Provis Application

You can process your service charges payment through the Provis Application. Please click on the below link to view an educational video on how to process your payment through the Provis Application.

[CLICK HERE](#)

Provis Portal

You can also process your payment using the Provis Portal by visiting myportal.provis.ae and clicking on **login**. Please click on the below link to view an educational video on how to process your payment through the Provis portal.

[CLICK HERE](#)



Direct Bank Transfer

You can process your service charges payment using the below bank details:

Beneficiary:

GATE & ARC OA ARC A General Fund

Account Number:

11291794920003

Bank Name:

ADCB

Branch:

Salam Street, Abu Dhabi

IBAN No:

AE190030011291794920003

Kindly make sure to mention your community name and unit number in the bank transfer and kindly send the bank transfer confirmation copy to: gateandarccm@provis.ae



Credit Card Payment

You can also process your service charges payment through a Credit Card Payment by visiting your community's management office. Please click on the below GPS coordinates to view the Community Management office location

[CLICK HERE](#)



Cheques

To pay your service charges payment by Cheques, please visit your community's management office. Please click on the below GPS coordinates to view the Community Management office location

[CLICK HERE](#)

We would like to take this opportunity to highlight that a good cash flow is critical for the seamless operations of your community. The collection of service charges enables us to cover essential maintenance and upkeep expenses for common areas including mechanical, electrical, plumbing, cleaning, security, landscaping, irrigation, utilities cost, and administration fees for common areas, as well for Reserve Fund provisions for the replacement of your community's assets in the future.

Should you require further information or have any inquiries, please reach out to the community management team available in your community or send an email to: gateandarccm@provis.ae

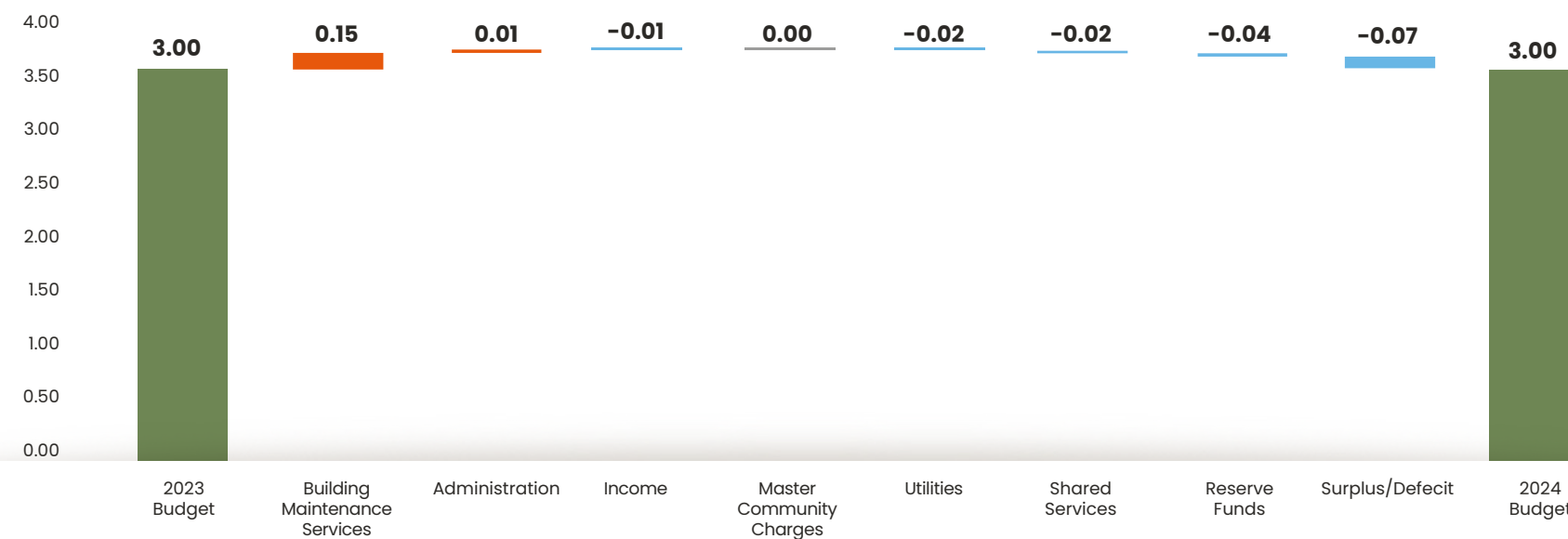
SERVICE CHARGE 2024

The Department of Municipalities and Transport (DMT) and the Abu Dhabi Municipality (ADM) has approved the FY 2024 service charge budget as follows. The figures below represent budgets AED 13.13 per sqft.

Budget Items	Budget 2024 (AED/sq.ft.)	Budget 2023 (AED/sq.ft.)
General Fund	11.27	11.13
Capital Reserve Fund	1.38	1.53
Master Community Levy	0.48	0.48
Total	13.13	13.14

*AMOUNT INCLUSIVE OF VAT

Community budget evolution Service Charge Increments/Reductions in AED in Million 2023 - 2024



■ Increase
 ■ Decrease
 ■ Total
 ■ Unchanged



Building Maintenance Services

Forecasted maintenance requirements for the community.



Administration

Initiation of various consultancy services such as Reserve fund study, cost allocation and structural integrity test.



Income

Increased due to clubhouse revenue share streams, car wash contract and various revenue streams.



Reserve Fund

RF is decreased as per latest third-party reserve fund study. Further, Capex projects are budgeted under reserve fund with long term fund replenishment plan.



Utilities

Based on historical trend analysis of actual consumption which has been reducing due to energy saving projects implemented earlier.



Shared Services

Reallocation of expenses based on cost allocation study where cost under master precinct has decreased.



Surplus/Deficit adjustment

Historical deficit recovery as per FY 2022 statements. Deficit has been carried forward since inception.

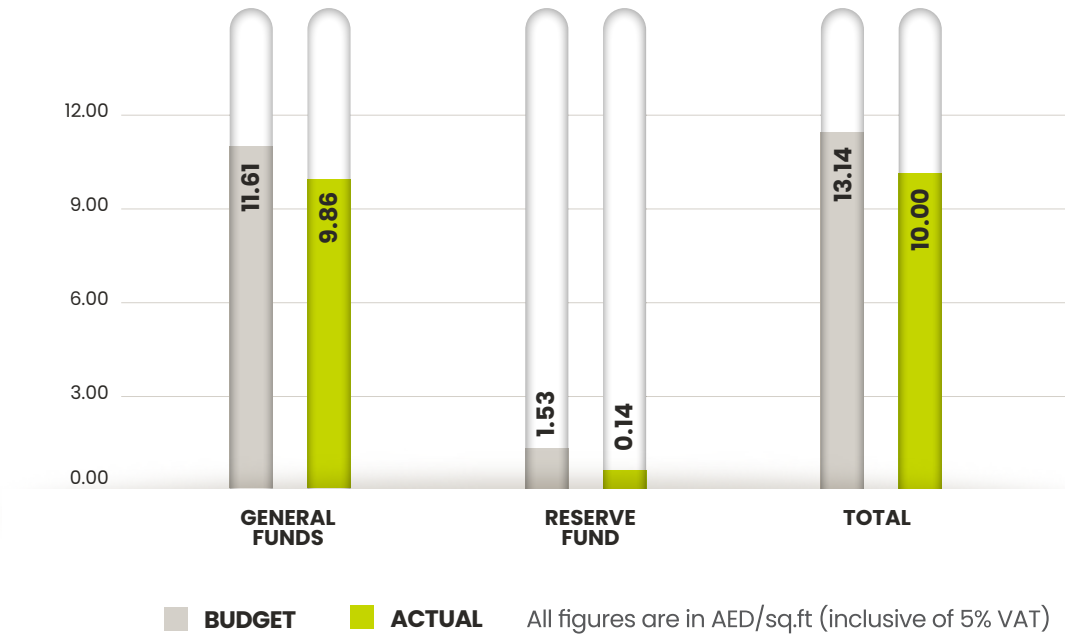
Budget vs actual expenditure | Summary

Below is a comparison of the 2023 consolidated budget versus the actual expenditure as per the audited financial statements.

Description	Budget	AED/Sqft	Actual	AED/Sqft
General Fund	3,057,088	11.61	2,596,878.9	9.86
Reserve Fund	402,553	1.53	36,216.6	0.14
Total	3,459,641	13.14	2,633,095.50	10.00

** AMOUNT INCLUSIVE OF VAT

The Gate

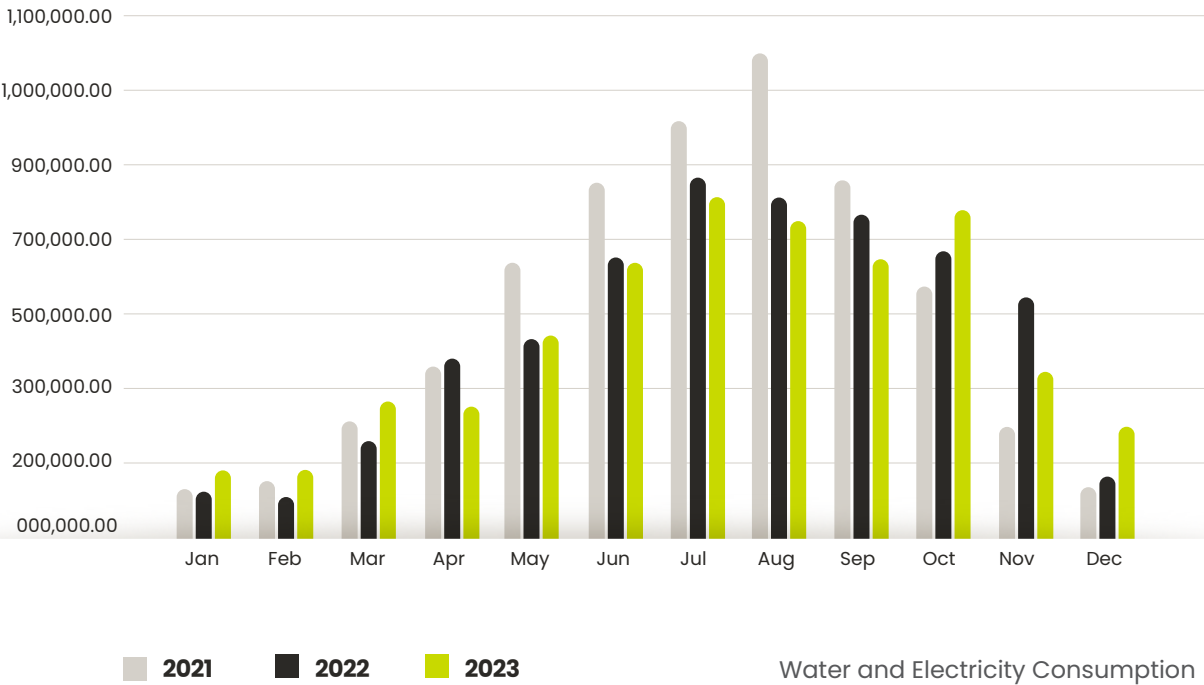


Utility consumption | Summary

The below shows the Consumption in ARC A Tower for 2023.

Description	2021 AED	2022 AED	2023 AED
Electricity & Water	6,549,080.91	5,601,315.73	5,469,018.49

*AMOUNT INCLUSIVE OF VAT





Budget breakdown 2024

We are delighted to announce that the Service Charge budget for Your Community in 2024 has been meticulously calculated and officially approved by the Department of Municipalities and Transport (DMT). The approved budget stands at AED 3,458,717 or AED 13.13 per square foot of net internal area + balcony of the residential units.

Head Category	FY 2024 Budget	FY 2024 AED / Sq.Ft.
BUILDING MAINTENANCE SERVICES	1,143,475	4.35
UTILITIES	856,851	3.25
HOSPITALITY	35,497	0.13
ADMINISTRATION	185,423	0.70
MANAGEMENT FEE	408,302	1.55
COMMUNITY ENHANCEMENT	-	-
SHARED SERVICES	410,429	1.57
MASTER COMMUNITY CHARGES	127,524	0.48
OTHER INCOME	(73,337)	(0.28)
TOTAL GENERAL FUND	3,094,164	11.75
RESERVE FUND	364,553	1.38
TOTAL SERVICE CHARGE	3,458,717	13.13

*AMOUNT INCLUSIVE OF VAT

The DMT

The Department of Municipalities and Transport (DMT), in collaboration with the Abu Dhabi Municipality, plays a vital role in the governance of the AD property sector. This organization ensures the protection of the rights of homeowners, investors, and developers, offering guidance on strategy, policy, and certification related to real estate.

Upon closing the books of account for the year, a financial audit is conducted in accordance with IFRS standards by an independent auditor registered with DMT.



Our Commitment to serve and enrich

Our family

- Made of parents, children, friends, and colleagues
- Believes in doing well by doing good (at the heart of everything we do)
- Aim to create positive change all around us for our workplace and communities.

We care deeply about

- The beautiful communities we live in and serve
- The amazing people we work with
- The natural environment that sustains us all

We are committed

- Individually and collectively – to giving back to the community through a wide range of initiatives
- With a particular passion for energy saving, sustainability, ethical practices, and workplace diversity

Alignment with SDG's Sustainable Development Goals



Our commitment to climate action is embedded in our strategic and operational functions. We are continuously striving to adopt efficient practices in terms of energy, water and carbon emissions. We integrate climate action as a part of our business strategy.



In collaboration with our people and our communities, we are committed to improving education through targeted learning, training and development. The education of our people is instrumental towards achieving our sustainability and corporate goals.



Our approach is geared towards supporting responsible consumption through engagement, education, awareness and rewards. We involve our stakeholders in responsible consumption to widen our impact and contribution towards waste and pollution.



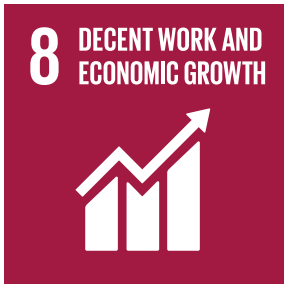
Innovation and digitization is at the core of everything we do. Our objective is to enhance the experience of our stakeholders and support sustainable practices through innovation. Our technology driven estate management approach encapsulates innovation.



The health and well-being of our people remains a paramount focus. We create healthy workplaces and communities for our greatest assets; people. Our human capital and customer experience functions are consciously dedicated to promoting wellness and healthy lifestyles.



Gender equality is an integral part of our corporate foundation. Our commitment to inclusion and diversity ensures we strive for balance and opportunity for all. We create an environment where our people and community can thrive together as one.



Our corporate commitment to enhance economic growth channels a systems value approach, integrating ethical and transparency. As a key part of our commercial success, we support the local economy through our people, partners and the wider community.



We are committed to creating and operating sustainable communities that will enhance the experience and lifestyle of our customers while protecting the environment. We engage our end-users in our sustainability approach to ensure long-term resilience.

