

YAS ACRES – THE ASPENS

Service Charge Information Pack 2023



TABLE OF CONTENT

03

Executive Summary

08

Community Overview

10

Service Charge Rate

12

Budget vs Actual

14

Budget Breakdown

15

Community
Achievements

16

Community Events

18

Our Commitment



Executive Summary

The purpose of this document is to provide homeowners with information related to the structure of the 2023 service charge budget, the association financial position, ongoing operations, and scheduled plans through 2023.

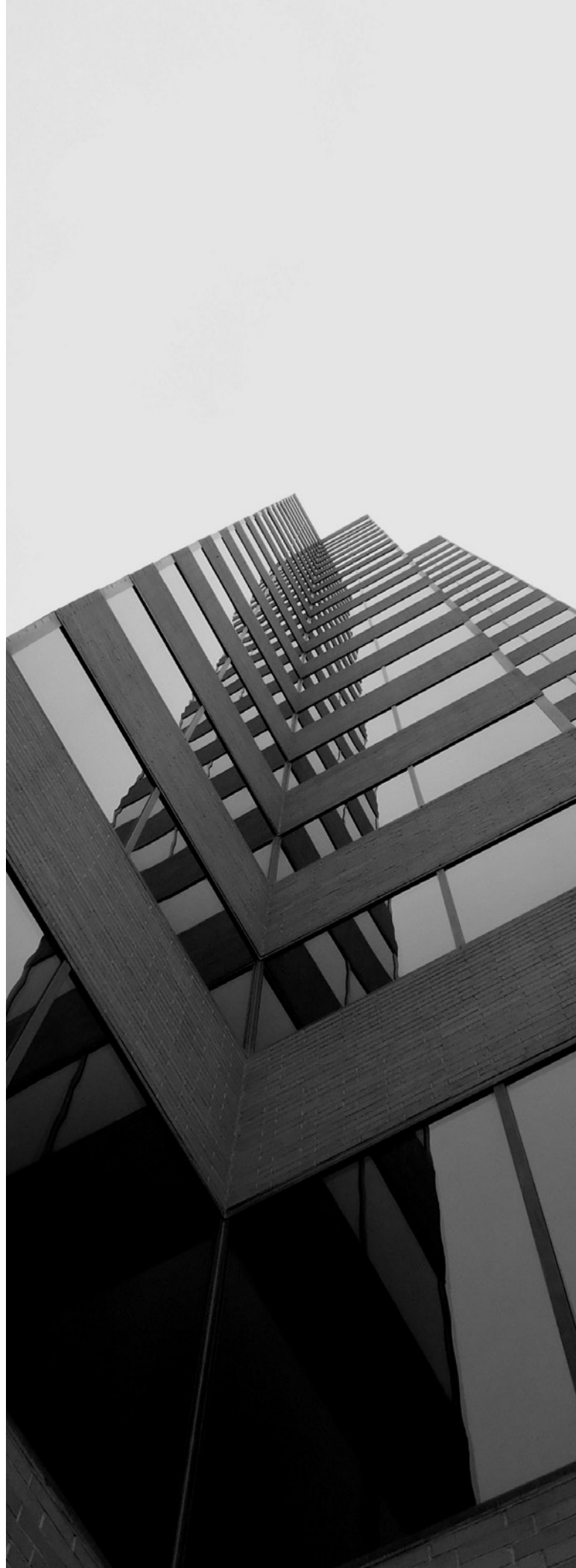
2023 service charge budget has been carefully calculated to ensure that the association is able to meet its obligations to provide maintenance and services aimed not only to maintain the property value, but also, to boost the property value over time by implementing improvement plans based on feedback and introducing latest industry innovations in terms of efficiency and sustainability.

What is the Service Charge?

The service charge forms an integral part of community livelihood and reflects the unit owner's proportionate share of the operating expenditures, management, maintenance, repair, replacement, management and control of the common areas, common facilities and the owners' association. The service charge is based on the "unit entitlement" which is represented by the area of each unit as an indication of the total area. The service charge encompasses residential use and shared cost (primary common space) charges, together with contributions to the reserve fund.

What is the Residential Service Charge?

The residential service charge refers only to expenses directly associated with the operation, management, maintenance and administration of the residential common areas and constituency services. The computation of this charge is per unit + balcony.



General Fund

The General Fund (GF) is in place to cover all day to day operation that includes common areas expenses such as maintenance, utility supply, pavements, walkways, common area landscaping, pools, gym maintenance, security and access control, waste collection, pest control, insurance, management, and administrative expenses.

Reserve Fund

The Reserve Fund (RF) is in place to cover future costs incurred by replacing capital assets. Having a healthy fund (RF) is essential to not only ensure the smooth operation of the community, but also to minimize unforeseen future expenses for capital replacement.

Reserve Fund can include but is not limited to:

- Replacement of assets that have reached the end of **their life cycle (heat pumps, lifts etc.)**
- Expenses to maintain or extend the life of cycle of assets (e.g. refurbishment of major parts)

Principle Common Area (Shared) Service Charges

The community is a mixed-use development including both retail and residential units and has been structured so that the different components may function together seamlessly. The principal common area service charge (PCA) helps to operate, manage, repair and maintain the common and shared facilities used by the retail and residential units. The PCA service charge allocation will be included in the residential building service charge as a shared cost.

VAT and its effect on Service Charge Fee

Value Added Tax (VAT) is one of the most common types of consumption tax found around the world, applied on most goods and services. Effective from January 2018 all suppliers and service providers were required by law to collect a levy of five percent (5%) as VAT on certain goods and services they provided. In this respect, VAT has an impact on your Community Service Fees (CSF) as it includes several items such as maintenance services, utilities, insurance, etc. This means that the VAT collected as part of your service charge fee will then be paid to the Federal Tax Authority.

Service Charge Collection

Payment of the service charge, either in full or on time, shall be the liability of each owner as set forth in Law No. 3 of 2015 relating to condominium ownership. Late payment charges shall be incurred if payment is not received by the due date. Any unpaid balance will incur a 1% per month late payment fee. If the payment remains unpaid, additional fees for the collection agency and court costs will be levied based on the collection policy.

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.



General Fund

Day to day operating and administrative expenses used to maintain your community.



Reserve Fund

Costs incurred in the repair and replacement of significant capital items.

Service Charge Allocation

In accordance with Article 42 of the Department of Municipal Affairs Chairman's Resolution No. (245) of 2015 issuing the Executive Regulations on Jointly Owned Properties and Owners Associations in accordance with Law No. (3) of 2015 on the regulations of the real estate sector in the Emirate Of Abu Dhabi stating the following:

- Each owner of a property unit shall pay its share of the service charges to the owners' association, as applicable, to cover the costs of management, operation, maintenance, and repair of the Common Areas. Such share shall be determined by the ratio of the volumetric space of the unit and the total area of the jointly owned facility. The developer shall bear his share of the service charges for unsold Units.
- No unit owner may waive out his/her interest in the common areas to evade paying his/her share of the service charges.
- A property owners' association cannot impose a service charge on an owner for the management, operation, maintenance, and repair of common areas unless and until it has obtained approval from the department on the service charge and the department may amend its approval from time to time.



Community Overview



The purpose of this document is to provide the homeowners with information about the 2023 service charge budget as well as other general information regarding ongoing plans to ensure the financial health, longevity, and high quality of the community.

The service charge has been carefully calculated to cover not only the costs involved in keeping your community running smoothly but to also make improvements, based on your feedback and to introduce the latest industry innovations in terms of efficiency and sustainability.

We worked hard to bring about a number of improvements which ultimately increased the level of service provided to residents within the community.

Summary of Community Initiatives in 2022

- Installation of cats feeding stations in each of the three precincts
- Cat cages have been procured to encourage TNR (Trap Neuter Release) Program in the community
- The sports facility boundary fence height has been enhanced with an elevated chain link fence for added safety and privacy
- Football ground gets a new gate to facilitate easy access to users
- Fairy lights installation on palm trees at all the main entrances of the community to provide a vibrant grand experience
- Make A Wish donation boxes have been installed adjacent to all three precincts community clubs
- Community Gym doors have been tinted to provide privacy for Ladies and cloth hanger installed for Abaya wear
- All the community gyms have been installed with music systems and punching bags
- Addition of Table tennis and Foosball tables in all the community clubs
- Concrete benches in the community gets an enriched appearance with Inspirational Quotes
- Provision of two paddle courts to enhance the residents' living experience
- Installation of Multipurpose sports net, residents can now book the courts to play different games such as volleyball and badminton
- Visitors / Residents Lane signage installed at all the community entrances to define the vehicle pathways and ease traffic
- In our continuous effort to promote road safety and curb pedestrian hazards, signages have been installed by the entrances of all the communities
- Wayfinding made easier with the ADM villa numbers installed on the external walls of the villa
- Pool lift for POD is provided in each precinct



Your 2023 CSF rate is at AED 4.28 per square foot of your property



Sustainable initiatives to improve energy efficiency



2023 to bring more improvements within the community



More community initiatives focused on safety and security to be introduced

Service Charge Rate 2023

The Abu Dhabi Municipality (ADM) and The Department of Municipalities and Transport (DMT) approved the 2023 service charge budget at AED 4.28 per square foot. The figures below represent a comparison of the residential portion of the budgets for 2023 and 2021.

BUDGET	YEAR	
	2023 (AED/SQ. FT)	2021 (AED/SQ. FT)
General Fund**	3.59	4.49
Reserve Fund	0.69	0.14
Total Assets	4.28	4.63

* 2023 CSF rates are based on net internal area + 25% balcony areas

↓

3.59 AED
per sq.ft.
General fund

↑

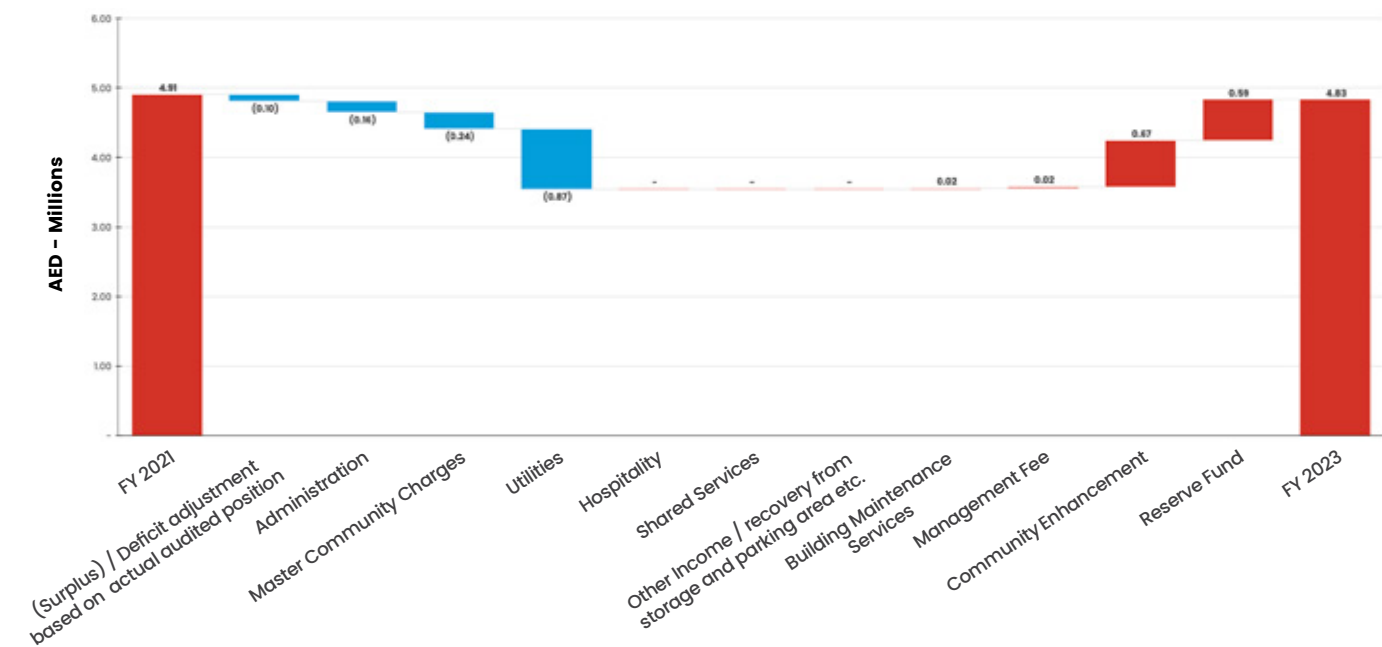
0.69 AED
per sq.ft.
Reserve fund

↓

4.28 AED
per sq.ft.
Approved 2023
total service charge budget

Amount is inclusive of 5% VAT

2021-2023 Community Budget Evolution By Category



2021 - 2023

↑**Building Maintenance Services**
Building maintenance services increased following the end of DLP and cost allocation study result.

↓**Utilities**
Utilities decreased after revision of the actual cost.

↑**Reserve Fund**
Reserve fund increased as per the reserve study result.

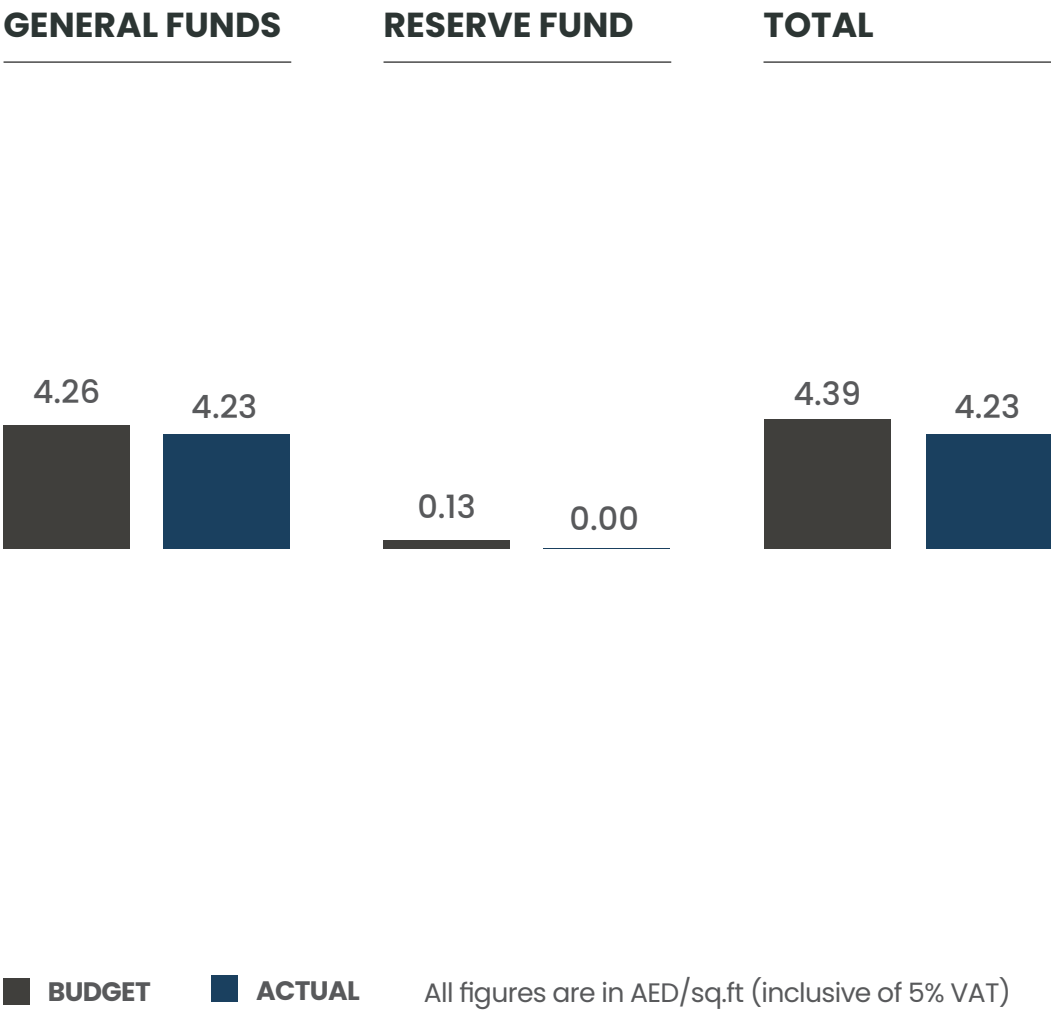
↑**Administration Fees**
Administration increased due to the increase in insurance fees and the cost allocation study result.

↓**Surplus/Deficit**
Surplus adjustment added following FY 2021 Audit Report.

↑**Management Fee**
Management fee increased in line with the agreement and due to the cost allocation study result

Budget vs Actual Expenditure Summary

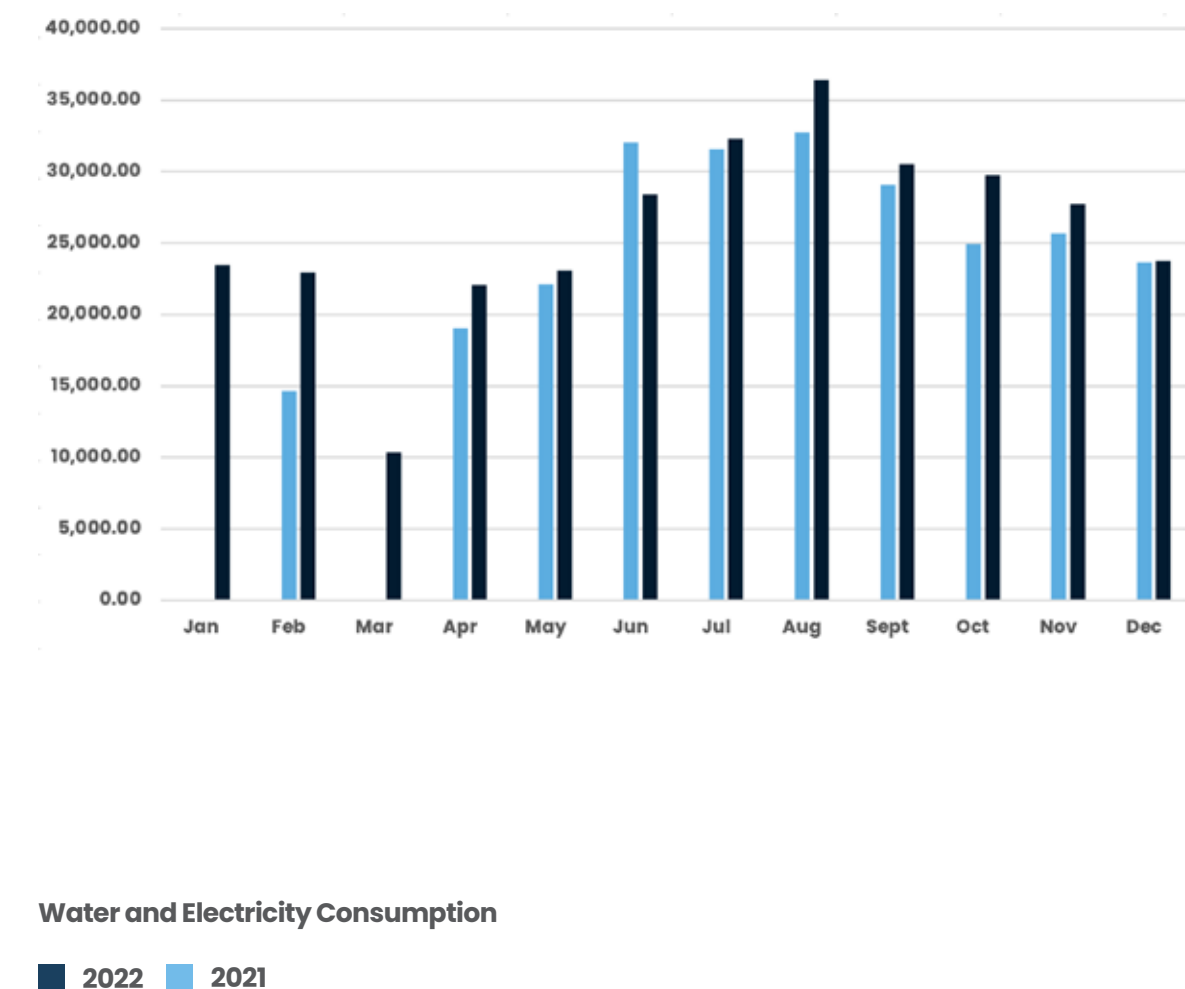
Below is a comparison of the 2022 budget versus the actual expenditure as per the audited financial statements.



Utility Consumption

The table shows a comparison of consumption for 2021 to 2022.

AED 310,874.45



Budget Breakdown 2023

Service Charge budget of Yas Acres has been determined and approved by DMT at AED 4,538,646 or AED 4.28 per square foot of net internal area + balcony of the residential units.

SERVICE CHARGE BUDGET 2023		
Residential		
	Cost - AED	Cost AED/Sqft
Building Maintenance Services	2,566,929	2.43
Utilities	149,477	0.14
Administration	185,001	0.17
Management Fee	628,119	0.59
Community Enhancements	621,574	0.59
Gross general fund service charge for the year	4,151,100	3.92
Surplus Credit Back	(349,236)	(0.33)
Net general fund service charge for the year	3,801,864	3.59
Reserve Fund Service charge for the year	736,782	0.69
Total (General Fund + Reserve Fund)	4,538,646	4.28
Service charges for invoicing	4,538,646	4.28

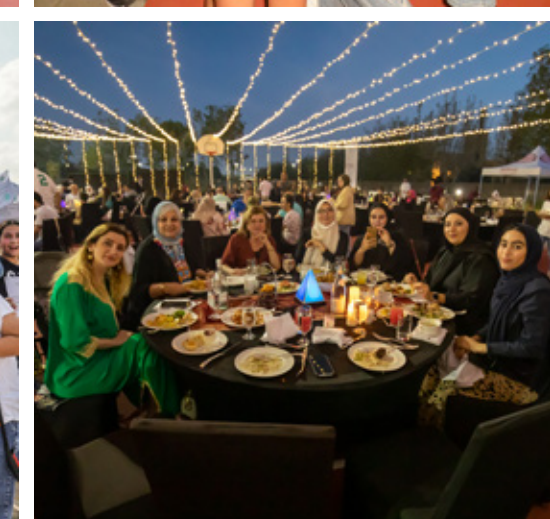
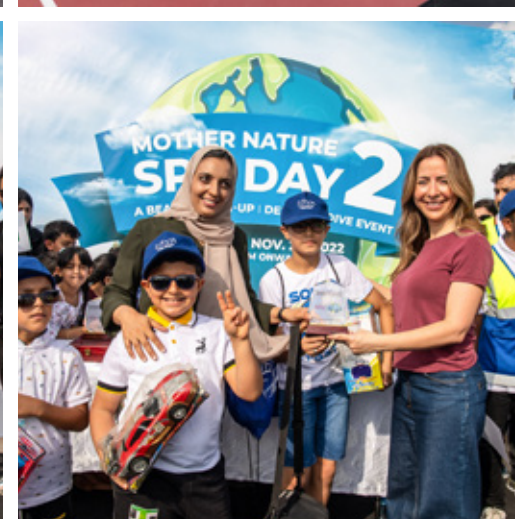
Amount is inclusive of 5% VAT

Planned Improvements in 2023

We are committed to improving your community for the long-term benefit of all owners and residents. In line with this commitment, in addition to normal day-to-day management, we proactively and continuously seek to identify areas for improvement. Below are some of the improvements we planned for 2023:

- Football grass replacement.
- Installation of super dynamic cameras behind Cedars community boundary wall.
- CCTV surveillance at play areas.
- ANPR (automatic number plate recognition system) at all the community entrances
- Spartan obstacle park.
- Outdoor trampoline park.
- Installation of Community notice boards at common areas.
- Installation of Pet litter waste bins with signage at Yas Acres.
- Supply and installation of Litter bins in the common area cycling path and park areas.
- Installation of Swimming pool lift for people of determination.
- Supply and installation of tabletop speed humps inside the community.

Community Events



Our Commitment



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 UN 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.



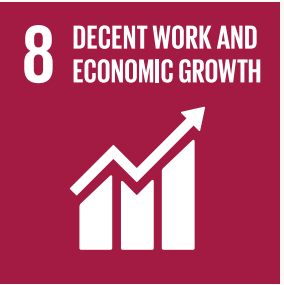
Innovation and digitization is at the core of everything we do. Our objective is to enhance the experience of our stakeholders and support sustainable practices through innovation. Our technology driven estate management approach encapsulates innovation.



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.

**We're always here to serve
you. Get in touch with us
today on 600505056.**

