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1 March 2021

The Kikuyu Residents' Association  
Old Pretoria Main Road  
Waterfall  
Midrand  
1685

Dear Kikuyu Members

**RE: Notice of Levy Increase – Effective 1 March 2021**

In terms of the budget approved at the Kikuyu Annual General Meeting on 23 February 2021, the levy payable to the Kikuyu Residents' Association will increase as from the 1st of March 2021 from R10.50/m<sup>2</sup> to R12/m<sup>2</sup> per month.

Kindly refer to the attached explanation of the increase which was included in the AGM Notice.

Fees payable to CSOS and Effluent charges will be adjusted as per the relevant regulations and directives issued by CSOS and the local authority, respectively.

Every effort has been made to keep the increase as low as possible whilst meeting the needs of our homeowners and our Estate.

Kind Regards

**Elgaru At Waterfall**  
Estate Management



## INCOME & EXPENDITURE INCREASE EXPLANATION

Dear Kikuyu Residents

The Budget proposed is based on an average 14.3% increase from 1 March 2021. This will increase the rate/m<sup>2</sup> from the current R10.50/m<sup>2</sup> to R12/m<sup>2</sup>.

Please take note of a detailed explanation below which serves as a motivation for the increase.

The deduction of common area utility costs (total of R140/unit/month) which used to be added to your individual wallets monthly, was stopped in January 2020. This resulted in a decrease of monthly contributions by Residents, and costs were in the interim absorbed by the Association.

The proposed increase from March of 14.3% average will therefore result in an overall decrease / minor increase (for the larger units) in levies explained in the following illustration whereby a comparison is shown for the 4 different unit types:

A			C			A	C
Current Levy based on R10.50/m <sup>2</sup> EXCL common area R140			New levy based on unit size @ R12/m <sup>2</sup> (common area included in new budget)			% Increase when comparing A with C	
Unit Type 1:	R	464	Unit Type 1:	R	530	14.29%	
Unit Type 2:	R	670	Unit Type 2:	R	766	14.29%	
Unit Type 3:	R	1 160	Unit Type 3:	R	1 326	14.29%	
Unit Type 4:	R	1 197	Unit Type 4:	R	1 368	14.29%	

  

B			C			B	C
Current Levy based on R10.50/m <sup>2</sup> INCL common area R140			New levy based on unit size @ R12/m <sup>2</sup> (common area included in budget)			Actual % Increase / Decrease when comparing B with C	
Unit Type 1:	R	604	Unit Type 1:	R	530	-12.20%	
Unit Type 2:	R	810	Unit Type 2:	R	766	-5.47%	
Unit Type 3:	R	1 300	Unit Type 3:	R	1 326	1.98%	
Unit Type 4:	R	1 337	Unit Type 4:	R	1 368	2.32%	



This comparison clearly indicates that taking into account that Residents no longer contribute the R140 (R60 water & R80 electricity) monthly for common area consumption on your STSS wallets, but incorporating the costs in the Association's budget (where it belongs) and implementing a 14.3% increase, place Residents in a similar / better financial position than prior to any changes.

We trust this explains the high % increase and puts the actual effect on our Residents pockets into perspective.

You are most welcome to contact us should you require any further explanation or clarity on this calculation.

Kind Regards

Elizah Knipe

**Estate Management**