



## CYCAD ESTATE HOME OWNERS ASSOCIATION

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10 March 2017

### Dear Resident

#### **Important information regarding the new CSOS Levy:**

The Community Schemes Ombud Service (**CSOS**) was launched by Government on the 7<sup>th</sup> of October 2016, and was established in terms of the Community Schemes Ombud Service Act, 2011 (Act 9 of 2011) to regulate the conduct of parties within community schemes and to ensure their good governance.

This act was gazetted by the Minister of Human Settlements, Lindiwe Sisulu, and is constitutional.

All residents that live in a community scheme – sectional title complex, home owner's association, retirement villages and share blocks – are obliged to register with the scheme.

The purpose of CSOS:

- To provide a legal structure with which to monitor and control the administration of private and common areas in all community schemes.
- To deal with disputes that may arise in such schemes between owners, occupiers, interested parties and the management of the body corporate.
- CSOS introduces an effective and affordable dispute resolution service - an alternative, independent and impartial service for the resolution of unresolved disputes in community schemes.

Previously where a dispute between owners and the body corporate would have been referred to court, the Ombud will now have jurisdiction – this preferred method of dispute resolution is thus outside of the courts and is a speedier and more cost-effective way of resolving disputes.

Ombud Levy payable (charged monthly and payable to the scheme quarterly):

- 2% of the schemes monthly levy – the first R500 of which is exempt.
- This amount is payable from January 2017.
- **IF THE SCHEME DOES NOT REGISTER WITH CSOS, IT WILL BE PENALISED AND INTEREST WILL BE CHARGED ON THE AMOUNT OUTSTANDING**

As a courtesy to the Home Owners of Cycad Estate for the lack of earlier notification regarding this matter, the amount payable for the first quarter, January – March, will be absorbed by the HOA. With effect from April 2017, the payable amount of R20 per month will be covered by the annual levy increase.

For more information on eligible applications and procedures, please contact the management office or visit [www.csos.org.za](http://www.csos.org.za)