

MIAMI GREEN RESORT CONDOMINIUM OWNER'S ASSOCIATION, PENANG

registered at the ROS under association no. 1618

Miami Green Resort Condominium Owner's Association
28 Jalan Pantai Miami ▪ 11100 Batu Ferringhi ▪ Penang

Memo
for our committee members

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26th January 2007

Hon. Vice-Chairman	Mr. Heng Heang Kiang	C-18-2		
Hon. Secretary	Ms. Natalie Chow	A-15-3A		
Hon. Treasurer	Ms. Teresa Lim	D-11-3		
Hon. Asst. Treasurer	Ms. Khim Lyon	A-27-2		
committee members	Ms. Linda Lo	C-18-1	Mr. Alistair J. Black	G-22-3
	Ms. Michelle Leanne	C-12-3	Mr. Barry Lingard	G-13A-2
	Mr. James Yeoh	E-2-1	Mr. Kris Lee	D-13-3
+ our internal auditors	Ms. Fong Khee Theng	A-3-3A	Mr. Siew Weng Kong	C-6-3A
+ the 'speakers' of our	Miami Green Cash Buyers	Action Committee		
	Mr. Robert Dignan	F-4-3	Mr. Gerhard Leschke	C-28-3A
	Mr. Michael Lyon	A-27-2	Mr. Johan Redza	C-18-3

Dear all!

The happenings of the last week give me lots of reasons to let you have a proper responds in form of a written memo in order to change any confusion into a right understanding of things! Before I comment the various points let me show you the bigger picture and say this:

as members of the present Miami Green Owners Association each one of you has a great deal of reasons to be proud on what we are completing during these months, by which we actually make history in Malaysia !!

A sound understanding of the specific laws and regulations and a great support from the National House Buyers Association and the Penang Hi-Rise Unit Owners Association has enabled us till now to follow a strategy towards the developer with a strong mind on basis of best-thinkable legal advice - and sticking to this strategy will also ensure that we will achieve the necessary results concerning the very financial points of interest!

After our meeting on 17th January I asked myself over a few days how best to respond to it. If I chosed to call that special – not to say strange – meeting a *real* committee meeting, it would mean, we had to prepare rather strange minutes about it, and by sending them out to 140 mail-addresses of owners and publishing them on our website might lead to the consequence that those two dear fellow-owners, who torpedoed the meeting with wrong information (!) might feel misinterpreted or attacked even: since my interest however is not to make anyone look bad or lose his face, but solely that our committee completes the preparations for the developers' First AGM I have chosen to respond in form of this internal memo and to call for a *real* committee meeting as soon as possible (maybe however only after March 17th). I do assume this is fine with all of you!

...making our Miami Green Resort the finest on Penang island!

registered add. c/o Finfield Corporate Services Sdn.Bhd. ▪ Suite 701 & 702, 7th floor ▪ 11 Lorong Kinta ▪ 10400 Penang

- 1./ During our meeting on 17th January two dear fellow-owners stressed our association was not entitled to form any sub-committees:
 WRONG. Rule # 9 (ix) of our association explicitly says this:
 “The Committee may form Sub-Committee if necessary and may give instructions regarding any special duties to the Sub-Committee.”

Please recall that since our AGM in May 2006 we talked about forming a “Sub-Committee Social Activities” – what we finally did last December – when our dear Gerhard accepted to head this sub-committee at least for organizing the big party next March!

- 2./ Our future Management Corporation [coming into existence on the developer’s First AGM, consisting automatically of all owners] als would not be allowed to form such sub-committees: WRONG, our future MC will be the supreme authority for our Miami Green Resort – and as such we will be entitled to mutually agree on any bylaws – provided all owners will recognize them to be fair to all fellow-owners, let benefit all owners, will protect all owner’s interests!
- 4./ As chairman I would like our Mr. Barry to head the proposed “Sub-Committee Security & Maintenance” to wash-off my hands from this responsibility & work:
 WRONG. Mr. Barry is simply the most qualified committee-member with an extent of expertise like no-one else (!) The Understanding from the 17th was/is all of us appreciated if we collected definite information about the (extremely important details !) about the status and degree of completion of our resort!

That I should try to avoid any such work for our association by proposing this sub-ommittee ... I believe I don’t have to comment this.

And besides, giving more structure and profile to our association can only be an advantage! “Don’t worry”, no-one is forced to do more than what you are doing already, as further fellow-owners volunteered to commit in this work for the benefit of all us owners!

- 5./ It is *heard* that the developer has obtained the Strata Title: Maybe, but this info is WRONG.
 The *Application* was approved on 01. September 2006 – but “eventually it may take another six months that the developer will actually obtain the Strata Title!”
 This definite information was given to me by the very top director & Vice President of the Penang Land Office, who researched this point personally in my presence on 23rd January - and I liked to say, I was/am thankful for his availability and help, which can be seen as an expression of acknowledgement & respect for our Miami Green Owners Association.

If the developer should receive the Strata Title indeed only in 6 months and “start proceedings” to pass it on to us individual owners... the lawmaker *does not specify the intensity* by which developers shall do so... another six months (why not 9 or 10 years like it happened for three other Belleview developments ???) may pass and it may become January 2008 when only we could insist that our developer materializes this new law and will only then form that “Joint Management Body” requested by the new law.

To form a “JMB Sub-Committee” and to approach the developer with the offer to mutually materialize the new valid law – would certainly be a strong expression of maturity of our association and emphasized our collective readiness to take over responsibility.

- 6./ Future votings for or against new Bylaws proposed by the future Council of our future MC will become null and void, respectively will not be adopted if only 1 owner should vote against it: WRONG, it works by majority vote.

- 7./ Talking about that the developer *had to refill the Miami Green accounts* risks that we as owners association or jk personally might be sued by him:
WRONG,
the developer knows we are right - *at least* regarding the payment for the slope-works!
Surely the developer will always avoid any public dispute about funds to secure an only positive press and a good reputation.
- Please recall, on our AGM in May 2006 a personally expertised committee-member presented the conclusion “that our Miami Green accounts are being depleted systematically”
 - it is not my intention to go public
 - but the strategy, started off in July 2006 on basis of the National House Buyers Associations’ “Strata Title Seminar” is to keep reminding the developer that we are aware of things – giving him all options to take appropriate action in time to avoid a public dispute in form of a legal suit!

- 8./ The developer is allegedly about to “*give Jens the FO*”:
WRONG. The very top Director himself did send me a hand-written Christmas card expressing respect and best wishes!

At all time we materialize our strategy with discretion, respect and courtesy and e.g. – in those few moments of personal encountering (when delivering last year “another love-letter to Mr. Loh”) – of course likewise with that professional mixture of respect and courtesy. Besides, *despite of the ongoing strategy* the same top director expressed he would appreciate or favour if I would remain the chairman of our owners association over some more time, which however is definitely not in my personal agenda!

- 9./ PenangFon
- questions about the why of my limited website-support
 - PenangFon allegedly a (semi-) governmental company
- I personally like the idea of getting internet-access that is 8 to 10 times faster than Streamyx while saving monthly 30% costs in relation to the Streamyx bill.
The government has no shares in PenangFon according to an information from the mgr-in-charge, mentioning the shareholder owns a factory that produces fibre-cables and is also in the property-business.

- 10./ “The committee members have nothing to do, give them something”
WRONG.

The way I see it, the contrary is the case: most of you are obviously indeed committed to our collective preparations – although it maybe ‘actually obvious’ to me only [as you usually email to me only or call me or drop by] and I remain thankful for your support!

For example House Rules: until yesterday I needed almost ten weeks to work them through: *never mind* that some of you have not yet responded, I am fully aware that life is full of responsibilities and everyone of us has to set her/his priorities while committee-work remains a pro bono-work anyway.

From the soon distributed second draft of the House Rules, you will see I took the liberty of adjusting a few things. As the originally drafted version bases on conditions, on a reality and on common practices in the UK I take it a 1 : 1 adoption for Malaysia is realistically not possible.

11./ House Rules

“Why revising Trans-Intan’s summary of 10 points into an 13 (totally 18) pages’ index ??”
Because

- the reality of life, the human nature in general and the various experiences we encountered during the last years prove we do need a more cultivated, more refined specification of what is fair for everyone, benefit everyone, protect everyone!
- also the number of tenants has increased enormously – and they just don’t have neither the S+P Agreement nor (most probably) the House Rules
- while we all want peace and freedom in our resort, everyone must acknowledge our personal freedom ends where we disturb our neighbour with whom we share walls, corridors and the common property - not to forget that reparation of any damages leads directly to costs to be paid from the collectively filled accounts...!

12./ Our Mr. Barry’s weekly short sessions with our Mr. Foo “to make him our best friend and to obtain as much of detail-information about the ongoing management & maintenance-work as possible” – allegedly a pure frustration for Mr Foo:
WRONG, Mr. Foo assured me he does like this idea!

Certainly, we are all very glad to have won Mr. Barry to fill the vacancy in our committee, as his personal expertise in property management including the security-service accumulates from more than 22 years in this business!

During our meeting Mr. Barry’s action on January 2nd/3rd were mentioned = his allegedly too strong reaction in responds to a guards actions against one of us owners:
Meanwhile it is clear to me that whatever was said about this on 17th was far too exaggerated!
Two other fellow-owners, who witnessed the matter, discribed me what actually happened and because of their hints I am sure that concerned fellow-owner, who had faced the problematic situation with the guard, took great comfort from Barry’s spontaneous help!

13./ The Miami Green General Business Conditions

When presenting the final version it was objected they were not pragmatic, their enforcement not possible:
WRONG.

On the contrary, to request service-providers to provide our future Council, respect. the tuture property management company with originally signed & certified true copies of the Forms 24, 44, 48A & 49 is extremely simple and definitely an ongoing practise for all government-busines in order to shrink the possibilities for corruption!
We will enforce these short simple General Business Conditions for same reasons!

14./ The Miami Green Key Policies

When presenting the final version it was said that “we don’t want / don’t need to offer a fee for the future Council-members” – and it was added by one fellow-owner he would be prepared to work for the future Council without requesting any payment of such fee.
Thank you, neighbour, eventually other fellow-owners will do so too - as no future Council-Member will be forced to insist on a fee – while we will however definitely insist that every fellow-owner who is prepared to volunteer for our Council, respect. accepts an nomination for it, will sign that she/he explicitly agrees on executing her/his council-function with full committment to the Miami Green General Business Conditions,
the Miami Green Key Policies,
the Internal Rules of our Miami Green Management Corporation:
what is left to agree on is **the frame** of such fee – e.g. RM 500.- to RM 2,500.- monthly - which the lawmaker specifically suggested in principal without specifying an amount, bearing in mind our resort doesn’t consist of 50 units but 557 units!

Conclusion: none (!) of the comments that torpedoed my presentation can be classified as correct and truthful description of facts and reality !!

- regretablely we lost the entire evening by dealing with this torpedoing, for which the motivation remains unclear
- another question is, whether we as committee should follow the „advice“ coming from these two dear fellow-owners or my recommendations as Chairman > aiming to enlarge the credit and by this the strength of our owners association:
- I do believe, that by looking only for the benefit for all owners each one of you will not have any difficulties to follow my recommendations!!

Future Committee Meetings:

For our future committee-meetings I am considering the options that ensure we will be able to actually discuss the points of the agenda within the committee, although I'd prefer to keep our committee meetings open for all owners.

Equally remarkable like the above is a telephone call I received on **Tuesday 16th January** from a resident (asked me not to mention his name here). He called me up and said he had heard that „on the tomorrow's committee-meeting a bigger group of persons will request for my resignation as chairman, and ideally I should have a spontaneous resignation available once this will turn up“. My immediate responds was that such a reaction was totally excluded for me, I would never do that!“

I would like to add only a few comments on this.

- The volume of appreciation and thanks that I receive since about a half year is enormously encouraging. It tells that our fellow-owners like to see happening what we are doing!
- Some of you have repeatedly offered me *any help at any time when needed* and I do thank you for your support very much!
- Since 1 ½ years our fellow-owners observe more or less precisely what we do: giving-in to the above unfounded + unjustified approach would not only be something which is not in my character – but in my view also a kind of „breach of trust“ towards those fellow-owners who trust in my sincerity - and giving-in into something so „remarkable“ and keep silent would certainly not be sincere – contrary I would load a share of guilt on potentially things that I might not be able to accept or agree to.
- Both top directors of the developer besides, have repeatedly suggested that I should remain the chairman of our owners association, because they would respect the way we are trying to take best care of all owners interests – conveying also that all owners would surely benefit from a further growing experience.
- Even from the Strata Title Department of the Penang Land Office I once got an email saying „...and we must praise you to organize your organization even by the special website“.

The conclusion about the approach I leave to you personally.

BESIDES: despite of the pleasant and encouraging volume of appreciation I do neither intend to volunteer for our future Council nor do I think I could be able to accept any nomination for it = the very reason besides why I vitally promote the lawmakers' proposal for the FEE for Council-Members:

Why? Because I am heading for a kind of „T-junction“ in my life – either I will be able to slow down in business (and can start playing golf and take piano-lessons again) *or contrary* which is a matter I am unable to comment further at this moment.

The encouraging appreciation & acknowledgement from owners, the developer and even the Strata Title Department of the Land Office is the reason why I addressed you on the first page with this statement:

as members of the present Miami Green Owners Association each one of you has a great deal of reasons to be proud on what we are completing these months, by which we actually make history in Malaysia:

Why?

Because likewise everyone in Malaysia does probably know where Batu Ferringhi is located, there is a chance that our owners association might become quite a bit famous in the country: because the Miami Green Resort in Batu Ferringhi will soon (I hope...) have that "blueprint" of our website available as download in form of a ZIP-file – and since the HBA and Penang Hi-Rise will probably publish a hint about the below setup, there is a good chance further residents and owners associations in Malaysia might benefit from y/our personal committee-work !

My personal interests are limited to our mutual best interests:

As I said on page one my only interest is that our committee can complete the preparations for the developers' First AGM to ensure our future Miami Green Management Corporation will get a successful start on that very day:

- creating a forcing set of "good reasons" for the developer to refill our Miami Green accounts = done !
- setting up the Miami Green General Business Conditions = done !
- setting up the Miami Green Key Policies = done !
- setting up the Miami Green House Rules = rev. draft is ready shortly !
- setting up the Internal Rules for our future Miami Green Management Corporation on basis of the Rules of our actual owners association = pending
- preparing the developers' First AGM from us owners position, i.e. to establish the owners' part of the day's agenda) = pending

Being thankful to you for all your support during the last 1 ½ years I also do believe you all do see the necessity to finish our collective work in time:

because if we left things unfinished, if we would enter the developer's First AGM without the above, the risk is very big that the future for our Miami Green Resort might turn out as a "place of constant quarrel & rumors about financial manoeuvres" as the yearly income of approx. RM 1.3 mio would automatically create a huge potential for a non-ethical business approach / conduct!

On the other hand, finishing our term successfully and presenting the above on the developer's First AGM to all fellow-owners with the request to vote and adopt them, will reward us and all owners for ever! I like to believe all of you see the greatness in the above and that you definitely wish to make it real that...

...together we make our Miami Green Resort indeed the finest on Penang island !!

With kind regards,
Jens kehrhahn