

Stratone Court Management Ltd

Azelin Court's Management Company

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1 September 2006

Dear

Service Charges for Azelin Court

I am writing to all owners at Azelin Court on behalf of the directors of the above company. This company exists to enable owners to have a say and participate in the running of Azelin Court. Many years ago the company engaged CPM who are a property management company to manage its affairs and look after the maintenance of Azelin Court on our behalf.

Recently there have been a number of concerns expressed by owners about the level of service provided by CPM and their (increasing) fees. The directors have asked CPM to respond to a number of serious concerns that they have. These include:

1. CPM's fees
2. Unauthorised expenditure by CPM on valuations and safety inspections.
3. CPM's failure to supply information and pursue insurance claims
4. CPM's failure to produce accounts on time in accordance with the terms of the Lease.
5. CPM's claim that despite showing a payment of £4,500 in our accounts for decoration that they paid this money from elsewhere and now want the owners to pay again!
6. Failure of CPM to call AGMs with the proper notice

However, the item of most concern is that on 4 July 2006, CPM issued a Service Charge invoice to owners for £441.42 and stated in a covering letter that the directors had agreed this. CPM in fact knew that the directors were meeting on 5 July 2006 to agree the Service Charge. Following that meeting the directors notified CPM that a Service Charge had been agreed for a nine-month period (to 31 March 2007) of £292.50. On 11 July 2006 CPM were requested to withdraw the unauthorised erroneous invoices and to issue correct invoices and an apology.

CPM declined to do this.

CPM also declined to provide the directors with a list of owners. Therefore this letter is being sent to owners known or suspected of owning property in Azelin Court based on records held at Companies House.

The directors will hold a reconvened AGM on 28 September 2006 to answer questions from owners, provide further information and seek support for a proposal that CPM's contract be terminated. The directors are willing to take back control of the management of Azelin Court and to use money saved by not employing CPM, on maintaining and improving the site. The directors welcome comments from all owners on this issue and urge you to attend the meeting.

The formal AGM notice will be issued in the next few days. Meanwhile the directors would ask that you kindly confirm your contact details by returning the attached sheet.

Yours sincerely

Gary Sumner
Director