

QUESTIONS AND ANSWERS

What is the date of the home owners meeting for my complex?

Please see the attached invitation for the exact date of the first home owners meeting for your complex. Additionally, a letter will be sent to your address in Turkey.

Why is the notice period of the meeting so short?

Mecitoglu aims to assist maximum participation of the owners in the meetings. Therefore, even though a letter to your address in Side would meet legal requirements, we have also sent homeowners e-mail notifications.

Although Mecitoglu have been considering leaving the maintenance business for some years now, the actual decision has been taken quite recently and all measures have been taken to inform owners as quickly as possible. We have ensured the notice periods are within the legal requirements. If you are unable to attend any of the meetings, then you can still be represented. You can nominate someone to do your proxy voting for you on the issues that were listed in the notification email.

Why are the meetings set up between 25th of April to 01st July? Can we change the Homeowners Meeting dates?

We unfortunately can't change the meeting dates. Mecitoglu will stop offering maintenance services (for 22 developments) by the 1st of July 2014. We are forced to have 2 meeting dates for each development (in case a majority can't be obtained in the first meeting, the meeting will be held again at the 2nd date). We don't have enough time to reschedule the meeting dates.

When will the management of each complex be in charge?

In the first or second meeting, the owners committee and the management will be set up for each development. However, Mecitoglu will keep on offering its services until the end of July for a smooth transition.

Even though there will be separate meeting days for various complexes, the responsibility of the new maintenance company (Lotus M or an alternative, whatever the owners decide in the meeting) will be starting as of 01.07.2014. This means that the meetings to set up the owners committees will be taking place between the 25th of April and the 30th of June.

Once the management for a complex is set up, can the owners decide which maintenance/management company they want to work with?

Certainly, a joint majority of owners will have the authority to decide the maintenance company.

Why is there a proposal from Lotus M in the budgets?

Mecitoglu have put forward a proposal from Lotus M to avoid disruption of the service that customers receive. This has been done, rather than Mecitoglu ceasing to act as the Managing Agent and leaving all the owners to try to organise a replacement. The owners will be deciding whether they accept this proposal. Each year the owners will again have the opportunity to make this decision.

What is the proposal of Lotus M for maintenance and management services?

Lotus M has prepared a proposal quote for each development. You can see the proposal for your development on the budget.

Does Mecitoglu have a partnership with the new maintenance company?

Yes, Mecitoglu will be in partnership with the new maintenance company to avoid possible disruption of services and to maintain the level of service offered to our customers previously. We have created this partnership to support Lotus to expand in order to efficiently deal with the handover of a large number of complexes. However, the Managing Partner of Lotus M is Özgür Kaya who is the sole authority to represent Lotus M.

How do I contact Lotus M and Özgür Kaya with questions?

Please email to info@sidelotus.com or call: 00 90 242 753 23 73

What is the process of getting a management service from Lotus M?

If homeowners vote to work with Lotus M for the maintenance services, Lotus M will be offering the management services as well as the maintenance services.

Option 1: As TCL Article 41, you can vote to choose Lotus M as the Management Manager of the development and give an authorization. A controller or controller board shall be chosen from homeowners.

Option 2: If the homeowners vote to work with Lotus M but also would like to choose the Management Manager from homeowners; the chosen Management Manager will need to give authorization to Lotus M at the notary. A controller or controller board shall be chosen from homeowners.

Does Lotus M have enough staff and material capacity to take over the maintenance of 22 developments at once?

All the maintenance teams and equipment of Mecitoglu (gardeners, watchmen, pool men, cleaners etc.) will be handed over to Lotus M, so the maintenance services will continue without a hitch if Lotus M will be hired.

What will be the contract period between developments and the new maintenance company?

The contract period will be for maximum 1 year as per Turkish Condominium Law. The homeowners should choose the management every year at the Annual Homeowners Management Meeting, even if they are choosing the same management.

Will the management board be set up at the Homeowners Meeting?

Yes, according to Turkish Condominium Laws, the homeowners will set up the management board by choosing the management manager (Board of managers) and a controller (or Board of Controllers).

What is the process of electing a Management Manager (or a board of managers)?

TCL-ARTICLE 34. – Condominium owners may entrust the management of the main property to a person or to a committee of three persons to be chosen from among themselves or outsiders. The said person shall be called “manager” and the committee “board of managers”.

What is the process of electing a Controller (or Board of Controllers)?

TCL-ARTICLE 41.- Condominium owners may entrust the duty of control to a person or to a committee of three persons who should be homeowners. The said person shall be called “controller” and the committee “board of controllers”.

Does setting up an owner’s community make decision making an easier process?

Certainly, it will be more practical to make new decisions for the sake of the complex. Enforcement of decisions taken by the owners committee is backed by Turkish Condominium Law.

What rules dictate which decisions are taken forward from the Owners meeting?

A majority of the participants (including the persons who are being represented by the proxy votes) have the power to make decisions. (acc. to the TCL)

Will there be some cost implications of this new system on the monthly amount that I will be paying for the maintenance of my property?

There will be some changes in the monthly fees. Especially due to the increase that will take place in the number of watchmen staff. (Approximately 7000 € annually per staff). This increase is mandatory due to the changes in the Turkish Employment Law. No working shift is to be longer than 8 hours. Thus, any complex that would like to continue with 24 hours security will have to increase the number of their watchmen.

However, owners might want to vote for only two watchmen based on 2 shifts and 16 hours. In this case extra security measures are advised e.g. equipping the complex with security cameras.

Are we paying for water and electricity costs of the café’s and staff accommodation in the developments?

No, the café’s and the staff pay their own water and electricity costs. Each café and staff accommodation has a separate water and electricity meter where we can read their exact usages. These meters are connected to the main meters of developments, so the bill amounts will be paid by the café’s and staff to the developments’ account. Due to this the café and staff’s usage is not included in the budgets.

Do the cafés within the developments pay rent to Mecitoglu?

No, Mecitoglu never received any rents from the café’s. We only enabled use of the site cafes to support the quality and variety of facilities offered.

Will Mecitoglu still be responsible for existing on-going construction issues, incomplete or malfunctioning devices?

Mecitoglu Homes liabilities as a developer have nothing to do with the management and maintenance of the complexes. This will continue as previously.

Will I still be able to use my online account that was provided to me by Mecitoglu Homes?

Yes. However, you will only be able to see the details of your balance concerning the period which Mecitoglu Homes was responsible for maintaining your complex.

The new maintenance company will however set up their own online account system to order airport transfers, cleaning or view the details of your balance.

How will I pay my electricity and water bills for my property?

If you are an existing client, you must already have organized an automatic payment order with your bank for your electricity bills. If not, Mecitoglu Homes can easily help you to organize this.

You will be able to organise your water bills with Mecitoglu Homes until an alternative way will be available. Please make sure you have sufficient credits on your online account for this purpose.

How will I pay for the utility bills that cannot be organized automatically with the bank such as yearly property tax and Insurance?

Mecitoglu Homes will keep on organising these for you if requested. Please make sure you have sufficient credits on your online account for this purpose.

As these are only annual payments you can also arrange to pay these bills during your visits to Side.

Will the new company offer a property Management service for individual apartments for rental purposes such as tenant finding and rental management?

The new company and Mecitoglu Homes will continue to offer long term tenant finding service. For holiday rentals it is recommended you employ a letting agency or specialised websites.

Will Mecitoglu still do apartment cleaning or airport pick-ups?

Mecitoglu homes will eventually stop offering cleaning/laundry services and airport pickups. These services will be offered to you however by the new maintenance company.

How will I pay my maintenance payments to the new company?

After the Homeowners Management Meeting of your development, the new company will open a bank account in the name of the development. The new company will inform all homeowners of the account details. You can pay your maintenance fees direct to the account or you can pay cash at the maintenance company office and receive a receipt. The new company is in the process of setting up an online payment system.

Will I be paying the maintenance fees on a monthly basis or can I pay at the end of the year?

By Turkish law, the penalty fee for non-payment of maintenance fees is 5 % per month. You can still pay monthly but because of the high penalty fee we recommend you pay every 6 months in advance. (The penalty fees are used eventually for the complex).

Will I still be able to pay the maintenance fees securely online with a credit card?

Yes, we think this will be possible. However, arranging an automatic payment order from your bank in Turkey to the specified bank account of your complex will be more advisable.

What happens if I do not pay my maintenance?

In Turkish Condominium Law, the homeowners are responsible for paying their share of the maintenance of the developments. The management has power to take legal action to recoup the unpaid fees, together with interest.

If I have already paid my maintenance to Mecitoglu for the whole year of 2014, do I need to pay the new maintenance company again?

If you have money on your Mecitoglu Customer Account at the change over time: 1st July 2014, Mecitoglu will forward the overpayment to the new company on your behalf.