



## La Canaria News Letter #12

Dear owners

**Information meeting was held on November 21<sup>st</sup>**



About 50 people attended the information meeting in our conference room.

The hotel manager held a presentation on key figures for the hotel operation. The President continued with information on LCHO explaining owners cost center including the Costas rental fee. For additional comments on Costas issues, see separate section below.

The hotel manager informed about renewal of contracts, new projects and changes in our resort. A new hotel standard for making beds was explained. The owners should know, however, that they can specify the old set-up for bedding in their occupation period by making separate arrangement with the reception.

The hotel manager's presentation is published on our website [www.lacanaria.es](http://www.lacanaria.es) under the tab "owners area," using your login with username and password.

### **Owners cocktail**

More than 60 people attended the cocktail party for owners with families and friends. It was a nice evening with a very good atmosphere among the participating individuals.

### **Owners of La Canaria explore Gran Canaria**



On November 22<sup>nd</sup> a group of 28 owners had a very nice trip to different places on the island. As usual, Øystein Eide was the perfect guide.

We followed in the footsteps of the first English tourist when they arrived the port of Las Palmas in steamships and stayed in the first hotels build in Las Palmas and Santa Brigida. That was way back at the end of the 1800 century. We joined in the same excursion route up to the centre of the islands north side.

Our visit started in the village of La Atalaya located in the municipality of Santa Brigida. La Atalaya is famous for the potters better known as “loceros” and pottery known as “loza” produced using ancient techniques. We visited a settlement of cave houses that dates back to pre-Hispanic time.

We continued to a great historical wine yard that goes back five generations located in the classic wine district of Monte Lentiscal. We were guided by the owner of the



wine cellar, Bodega San Juan de Mocanal. We were guided through the wine yard, the winery, the wine cellar and finally concluded with a nice wine tasting.

Restaurant Casa Martell offered homemade food, wine and deserts. After almost three hours the meal was concluded with muscatel desert wine and coffee.

### **La Canaria Hotel Operation - key figures 2018**

The total revenue of our hotel was 12,746,000€ YTD (incl. November). This is 691,000€ behind budget and 836,000€ behind last year. However, the costs are reduced in the same period. The operating profit YTD is 1,113,000€ which is 41,000€ behind budget and 46,000€ behind last year.

The total occupancy is 76,7% YTD compared to a budgeted 83,3 and last year 82%.

### **Costas follow-up**

Concerning our effort to reduce the Costas fee, the LCHO lawyer has formalized and submitted the first appeal to Coastal Authorities in Las Palmas. LCHO has to wait for an answer in 1-2 months. The forward procedure will be: If the answer is negative a new appeal will be forwarded to the Coastal Authorities in Madrid and if Madrid also respond negatively, a final appeal will be delivered to the Court and will then be solved by the Court.

The board has focus on building a new restaurant replacing the demolished one. The reports from our lawyers' meetings with Costas/Las Palmas on this question do not give clear answers. We get different and even conflicting information from time to time. We have the impression that personal interpretations of rules and regulations in Costas occurs. The board agreed to await the situation for some months before we approach Costas with detailed plans.

### **Change in operation of sports area and tennis court**

The contract with Andrea Passoni expired October 31<sup>st</sup>. A new contract for 4 months was however established in order, for both parties, to prepare for the new situation. From March 1<sup>st</sup>, all bookings are to be made with hotel reception. Any authorized user of the tennis court can invite a tennis teacher for lessons at their own cost.

### **Water neutral project**

The project “**EU life, Water neutral hotel**”, initiated by Radisson Group, had come to an important milestone by the end of this year. The project was approved for EU funding, and the purpose of the project is very environmentally friendly. However, the investments on the part of LCHO, the hotel operation, could reach up to 1 mill € over a 3 year period. The benefits of these investments could not defend the commitment. The board advised LCHO not to take part in the project, and that became LCHO's conclusion.

**Dates for next meetings:**

February 12<sup>th</sup> 2019, Board meeting LCC and  
Advisory Committee meeting LCHO

**Ordinary Owners' Meeting 2019**

The ordinary owners' meeting for 2019 will be  
held on April 25<sup>th</sup> 2019 in conference room 1<sup>st</sup>  
floor in La Canaria.

***The board would like to wish all  
owners and their families  
a Merry Christmas and a Happy New  
Year!***

**On behalf of the board, December 20<sup>th</sup> 2018  
Nils Willy Gulhaugen  
President of La Canaria Community**

