

## La Canaria News Letter #5

Dear owners

### **Costas concession**

We have received clear signals that we will get a longterm concession for the Costas area of our resort. A written confirmation is expected within weeks, after the Spanish holiday in August. We do not know, however, on which terms and assumptions we will get the concession. The uncertainty includes what the yearly cost will be. The board expect the cost to increase. The beach restaurant may have to be demolished because it is not legalized since 2009.



### **La Canaria Hotel Operation (LCHO) has good results**

July was a good month, and the operating revenue as per July is € 8,384,000 which is € 244,000 (3%) above budget and 5.1% better than last year.

The net operating profit is € 687,000 which is € 29,000 (4.4%) above budget and 24.4 % better than last year.

The average occupation rate (including owners occupation) as per July is 80.9% which is 0.8% lower than budget and 2.1% lower than last year. The increase in rates affects the occupancy rate. The economic effect is however positive.

### **Projects and improvements in the resort**

- The refurbishment of the pool area starts now in the last week of August.
- Meeting room downstairs will be enlarged and upgraded within November.
- New pillows and mattresses on balconies have been ordered and will be delivered in 2017.
- A certain cleaning of the promenade outside our resort is done by Radisson Blu every Tuesday although this is the responsibility of the Municipality of Mogan.
- The pool tables will be repaired or changed.

### **Report on purchase of commercial sections 2016.**

The present board have initiated a review with the purpose of identifying all relevant facts regarding the purchase contract for the commercial sections and to evaluate the purchase process and consequences of the transaction. A summary of the report is sent to all owners together with this newsletter. The full report will be available on La Canaria website, [www.lacanaria.es](http://www.lacanaria.es) owners area, login.



#### **New sidewalk**

Construction work is going on to replace the sidewalk on upper level from Patalavaca to Sunwing. Traffic lights are set up because and one lane is closed on this stretch.

#### **New promenade**

Construction work has started on a new promenade from Arguineguin (*picture to the left*). Hopefully this means a new nice promenade all the way to our area, including the promenade in front of our resort.

### **Articles and organization**

The board continues to analyze and discuss the articles of association and the way our two organizations are set up. Improvements can be done and the articles must conform with the Spanish law. Fundamental changes, however, will be difficult to implement.

**Information meeting**

On 15<sup>th</sup> November at 17.00-18.30 there will be held an information meeting for owners in La Canaria. At 19.00 hours all owners and their families are invited to cocktail party in the pool area.

**Dates for board meetings:**

2017: 9<sup>th</sup> October, 13<sup>th</sup> November

2018: 5<sup>th</sup> February, 5<sup>th</sup> April

The next ordinary general meeting in La Canaria Community is taking place on 6<sup>th</sup> April 2018.

**On behalf of the board, 7<sup>th</sup> September 2017**

**Nils Willy Gulhaugen**

**President of La Canaria Community**