

**MINUTES OF THE GENERAL ORDINARY ASSEMBLY FOR THE CO-OWNERS OF THE CIVIL
ASSOCIATION OF DESCANSO HOMES**

On May 26 2012 at 9 o'clock a.m. and reunited on the grounds of the Descanso Club House whose legal address is kilometer 55.4 Carretera- Escenica (Scenic Highway) Tijuana-Ensenada in the municipality of Rosarito the general assembly for the Descanso Homes A.C. took place with the following order or business.

1. Roll Call and Call to order based on the summons dated May 8th 2012
 2. Introduction and meeting overview
 3. Naming of the vote counters and count registered of the homeowners present
 4. Naming of the responsibilities for Promocasa, Santana Family and Descanso Homes A.C.
 5. Architecture and design updates-Jerome Kocher
 6. Security
 7. Maintenance
 8. Concierge Project
 9. Communication
 - a)Newsletter
 - b)Website
 - c)E-mail
 - d) Extend an invitation for homeowner participation in future committees
 10. Financial Statement
 - a) Status from September 2011
 - b) Tom Thomas former board treasurer will be present to answer any questions regarding financial activity from 2008 to September 2011
 11. Announcement of the next general meeting assembly to be held Saturday, September 15 for elections
 12. General business matters/ question and answer session—15 minutes
 13. Meeting Adjourned
- 1. Meeting began as stated on the summons dated May 8th 2012.** The meeting was presided by Deborah Salimi the President of the governing board. The calls to order took place on the grounds of the Descanso Homes Club house. The first call was at 9 a.m. and the second call was at 9:30 a.m. and for lack quorum neither took place. The third call took place at 10 a.m. and once having collected the attendance list signed by the 39 associates (homeowners) present , who are current on their dues and given the opportunity to any who needed to make a payment to do so at this time, as stated in the regulation and by law the assembly was declared legally installed. The members of the governing board were introduced and so was Promocasa's representative, Liliana Soledad Almanza Cisneros.

2. **The order of business was read and was approved.** Deborah Salimi as the president of the governing board read the order of business proposed; same that was voted on and approved unanimously by the homeowners present with the right to vote.
3. **The selection of vote counters and official count of the associates.** Afterwards Mr. Julio Ramirez and Henry Alderson were selected among the present as vote counters and they accepted said task. The total of homeowners counted present were 39.
4. **Responsibilities of Promocasa, the Santana Family and Descanso Homes, A.C.** To date there are 143 homes sold and Promocasa only has 63 left, therefore the future of the development will depend on the association. Homes with tenants are 8, rentals are 12, permanent residents are 23 of which 13 are homeowners and the remaining 10 are tenants.

The maintenance of the main access is responsibility of the Santana Family.

The following are responsibilities of the Association:

- Security guards, 4 at night, 3 daytime and six maintenance employees, the local police assists with an occasional visit. A small golf cart was acquired for use of the security staff with lights that facilitate task at night.
- Maintenance of the cul-du-sacs (privadas), trash collection Monday and Friday. It is suggested by some homeowners to have a common area for collection.
- It is suggested that any comments for improvements be sent by e-mail in order to make efficient use of time during assemblies
- Maintenance of the walls that face the main access are painted and kept as part of the association's activities.
- Storage of the patio furniture for homeowner use, can be requested by homeowners when needed
- Suggestions are made for renewable energy for the swimming pool area

The following are responsibilities of Promocasa:

- Maintenance of the swimming pool & lighting, electric bill
- Suggestion of replacement of lighting fixtures with more efficient ones by promocasa, with the argument that the developer can use existing ones in other developments
- Treatment Plant Maintenance
- It is stated that Promocasa will be responsible for the treatment plant and services until 80% of homes are delivered
- The turn-over of the development to the association will be done until all homes are sold and amenities and installations planned are built.
- Question Promocasa about the need to restrict access to unfinished homes, they are unsightly and anti-hygienic

- It is suggested to Promocasa to replace the missing pedestrian access doors, it was requested that the representative take note of the petitions and observations.
5. **Architecture and Design.** Jerome Kocher reminds all homeowners to fill out a form before initiating any expansion or modification to their homes, not only to make sure guidelines are followed but to have control over the outside personnel entering the development as well. He also informs homeowners of the correct shade of white that all homes should be painted, templates are available in the administrative office and color name and brands can also be consulted on the website descansohomes.org . Jerome also suggest maintenance of doors and frames and has made a list available of possible service providers. Jerome announced that he will not be available for consultation from mid-june to the end of July and has instructed anyone with petitions to consult Jose Luis or Roger Baldwin
 6. **Security.** It is announced that the security booth now has a phone line, 614-0832. It was commented that the security guards are fulfilling their duties; they are always willing and attentive with the community's needs. It was cleared up that any comments of an external security service provider being considered are untrue. It is requested to remind everyone using the pedestrian access to keep doors closed at all times.
 7. **Maintenance.** This has already been commented under the association's responsibilities.
 8. **Concierge Project** Now 25 families considered, there are future plans to purchase a vehicle to serve homeowners, emergencies, rides to airport etc...
 9. **Communication—News bulletin, Website, E-mail, volunteers are welcomed** Homeowners are reminded to use e-mail as means of communication with the board , the website has been updated recently and homeowner participation in encouraged for future committees as well to support the existing board.
 10. **Financial Status.** The board explained in detail the financial activities from September 2011 through April 2012

The funds that were received from the previous administration (board) was a total of \$8,765 of which \$7,400 corresponded to the reserve funds. From September through April the amount of \$97,745 dollars have been collected. During the month of January and February a 10% discount was offered to homeowners who paid a year's dues. The balance sheet is explained in detail, which will be attached to this document and a copy has been provided to homeowners present. It is informed that homeowners can pay their dues in pesos at a special rate. It was made know that a new bank account has been opened with Rabo bank in the United States under the name of Descanso Homes A.C.

Payments can be made with credit or debit cards both in the administrative offices or the security booth.

There is a record book with all the minutes that have been duly formalized (6) since the association was created. In a month's time all modifications made will be consolidated in order to modify the existing document.

11. Announcement of the next General Assembly—Saturday September 15th for elections

The next meeting date was announced and elections will be held for two positions.

12. General business It is instructed by the governing board that the company RS&MB Asesores Inmobiliarios, S. de R.L. de C.V. will be responsible to deliver drafted minutes to the corresponding entity to be formalized (Notary) and afterward to be taken to the Public Registry of Property record to be duly recorded. The company's legal representative, Ruth Sastre Ibarra accepts such task.

13. Meeting Adjourned At 12:18 p.m. the assembly concluded. The minutes were drafted including the order of business and the attendance sheet.

Signature of members of the governing board

Deborah Salimi	President
Eve Duran	Secretary
Sergio Ramirez	Treasurer

Vote counters Julio Ramirez, Henry Alderson

(This document has no legal validity---this is just a translation)

