

**MINUTES OF THE ORDINARY GENERAL ASSEMBLY OF CO-OWNERS,
CIVIL ASSOCIATION DESCANSO HOMES A.C.**

Being nine hours of September 15th, two thousand twelve, in accordance with the notice dated August 8, 2012, meeting facilities Fraccionamiento El Descanso clubhouse, with registered office located at kilometer fifty-five point four of the Tijuana-Ensenada scenic road, in the municipality of Playas de Rosarito, held the Ordinary General Assembly of co-owners, of Descanso Homes AC, which discussed the following items on the Agenda.

1. Appointment of scrutineers
2. Attendance and compute
3. Reading and contribution of the Agenda
4. Report of the board activities and projects of the 1st semester
5. Design Committee
6. Budget Presentation 2nd. Semester 2012
7. Presentation of financial statements for 1st Semester
8. Report of the commissioner
9. Election / appointment of 3 directors to replace Sonny Salimi and Eliahu Barak. Eve Duran is running for election again.
10. Appointment of Commissioners.
11. Any other business
12. Closure of the Assembly and Minutes

The first item on the agenda, we asked participants to name among the scrutineers. - Being this work by Messrs. Giuliano Iannotti and Pedro Menses.

List computing assistance, and installation of the Assembly. - The meeting was presided by Deborah Salimi in his capacity as President of the Board, calls for initiation of assembly was held in the club house facilities. The first call in about nine hours, declaring void for lack of quorum, the second call at about nine-thirty hours, declaring void for lack of quorum, and taking out a third call in about ten hours, seek attendance lists, signed by the 33 members present who are current in paying their maintenance fees and 3 powers given (are attached). Having given opportunities for partners that had any past due, make payment, prior to the start of the assembly. So according to the law, and the regulations in third call is declared the Assembly legally installed. He introduced the members of the Board, and the representative of PromoCasa, Victor Manuel Maldonado Calzadilla.

Deborah Salimi read the Agenda, which was adopted having no comment.

Report of the Board activities and projects of the 1st semester.- Gave all Owners, information concerning expenses and incomes of First Semester of 2012, Sergio Ramirez prepared the report. Details of movements are recorded; they will get further information from the expenses submitted via email to all Owners.

Design Committee. - Deborah Salimi start the subject, referring to hours of work for staff, and employees of the association, and commenting that the information was given to the homeowners in

writing (see attached) refers to a extract the most important rules, which contains the General rules of Rest Homes, it has been changed to over the last four years.

So were addressed included the following talks by the partners, and were asked to review, and attention from the board: Maintenance of the pool temperature of the kiddie pool, cleaning water quality in homes, maintaining the water supply tank.

PromoCasa, reports that will track these points to their attention, also disclosed that in the northern slope place a mesh and concrete lining required, submitted by erosion, also, that the pedestrian gates and private access will be ready the following Wednesday.

PromoCasa will conduct a census on the placement of water meters, they were already registered in the names of the owners, so it is requested to review the following receipt, and any questions or comments please approach Victor Maldonado of PromoCasa or send their comments via email.

Is requested by a condo owner inspect installation of the gateway in the privada, as it is known more homes sold in this privada. Victor Maldonado of Promocasa, reportedly already being designed, and will be placed in the near future. Jerome Kocher stated that the work of the Design Committee is to facilitate the care of the image and overall harmony, sometimes their work is difficult, but is necessary because not only takes care of the image, if not the equity in the homes.

Budget Presentation 2nd. Semester 2012, Presentation of financial statements 1st. Semester, Report of the Commissioner. - This information was mentioned, and gave in writing the balance of the period of October 2011 to August 2012. It also was noted that the numbers presented to the audit is being conducted by the supervisory committee and is not yet concluded.

Election / appointment of three counselors to replace Sonny Salimi and Eliahu Barak. Eve Duran is candidate for new elections. It was agreed unanimously Eve Duran continued in the position of Secretary of the Board.

Appointment of Commissioners. - It was agreed unanimously to include two commissioners, falling this position in Mr Oscar Peraza and Francine West. Those who accepted that role.

Any other business. - Participants are notified that it was necessary to hire a police trade in 10 hours time that this facilitates a link of El Descanso with a direct line of communication with the police and emergency which recruitment was necessary due to circumstances that are not acceptable and will leave the established order. To date we have had to lay off two maintenance employees. It is suggested to analyze the situation of the presence of armed police in the community, and that is being generated among some homeowners a situation of distrust for being unfamiliar elements and the fact of being armed, and that to date not submit any situation which in his opinion requires this. It will have to revisit this issue at a meeting of the board. Condominium owners suggest that this situation provide experience for future agreements that will vote this issue and that henceforth them notice and vote by mail.

It was proposed by the Assembly, to vote for a term of two weeks, the conclusion of the contractual relationship we have with the policia comercial. Also ask the board to present alternatives for emergency care and to train existing guards, and find ways to care for eventualities without requiring the presence of armed guards, for tranquility and confidence residents and their families. This point is unanimity with the responsibility to inform the Board as appropriate.

Closure of the Assembly and Minutes .- No further business being 12.35 pm on 15 September 2012 was adjourned the Assembly, providing the time necessary for the formalization of the Minutes, and append the agenda that was sent to members, and lists for assistance. Also, in this act is instructed by the Board to the company RS & MB Asesores Inmobiliarios, S.de R.L de C.V, to make the process of logging and recording meeting minutes, through the legal representative, Lilia Ruth Sastre Ibarra, who accept such entrustment.

Signed under the Members of **the Board Elected.-**

Deborah Salimi.- President

Eve Duran .- Secretary

Scrutineers

Giuliano Iannotti

Pedro Meneses