

## **MINUTES OF THE ORDINARY GENERAL ASSEMBLY OF MEMBERS, CIVIL ASSOCIATION DESCANSO HOMES A.C.**

Being nine hours on 13 September 2014, in accordance with the provisions of Articles 16, 17, 18, 20, 24 and 28 of the Statute governing the Association, and attachment to the Summons dated August 13, 2014, being gathered on the premises of the Club House Association, located in Privada Mezquite K-3, Fraccionamiento El Descanso, Playas de Rosarito Baja California, held the Ordinary General Assembly of DESCANSO HOMES A.C. Members, which was performed according to the following agenda:

- 1) Legal Quorum Statement and Installation of the Assembly.
- 2) Appointment of scrutineers.
- 3) Reading and agenda approval.
- 4) Reading and Approval of the Minutes of Previous Assembly.
- 5) Election Process of the Board positions
- 6) Presentation and Approval the Financial Report by the Treasurer.
- 7) Board activities Report June-September 2014.
- 8) Tracking Assembly Agreements and Requests to PROMOCASA
- 9) General.
- 10) Appointment of delegates, closing and lifting Assembly Act.

**FIRST ITEM ON THE AGENDA, LEGAL QUORUM STATEMENT AND INSTALLATION OF THE ASSEMBLY.-** This assembly is presided by Oscar Guerra Peraza, in his capacity as President of the Board. Calls to start assembly took place at the premises of the clubhouse, the first call in point of nine hours, declaring void for lack of quorum, The second call in point of nine thirty hours declared void for lack of quorum, and carrying a third call in point of ten hours, collecting the records of attendance, signed by the 29 members present. Opportunity was given to members who have an expired debt, to make the payment before starting the assembly. So according to the law and the regulations under the third call the Assembly declared legally installed.

Mr. Oscar Guerra Peraza in his capacity as President of the Board welcomed the audience and announced the development of it, asking the audience if there were questions or comments, so at not having any, this point was completed.

**SECOND ITEM ON THE AGENDA, APPOINTMENT OF SCRUTINEERS.-** The President of the Assembly Mr. Oscar Guerra Peraza, asking attendees to appoint two Scrutineers for legal purposes.

Intending among those present, Mr. PEDRO MENESES and Mr. MOISES SOTELO, who in the presence of the Assembly have agreed to accept such appointment and the Position that confers on them.

**THIRD ITEM ON THE AGENDA, READING AND AGENDA APPROVAL.-** The president of the Assembly read out the agenda, which was approved unanimously by those present, there were no comments or objections.

**FOURTH ITEM ON THE AGENDA, READING AND APPROVAL OF THE MINUTES OF PREVIOUS ASSEMBLY.-** The Secretary of the Board Eve Duran, reported to the Assembly with the minutes of the previous Assembly, on May 24, 2014, stating that the document was sent as an attachment to the call and is part of the folder mailed and delivered to each of the members present. The President of the Assembly request, express comments or objections to the document above, there are no comments or objections; The General Assembly of Descanso Homes Civil Association, pursuant to the powers conferred on its by-laws, by unanimous vote, approved for all legal purposes such event, the Assembly Minutes of the Previous Regular Meeting held on May 24 2014.

**FIFTH ITEM ON THE AGENDA, ELECTION PROCESS OF THE BOARD POSITIONS.-** The President of the Assembly, stated in relation to this issue during the period July 13 to August 13, 2014, nobody filed a request to run for the seats that would become vacant in this Assembly, a situation which was notified to the all associated through electronic communication dated 26 August 2014 issued by the Administration of the Association. The Assembly President urges the involvement of the associates in the management of the Association, in the next calls.

Exposing detail according to the schedule established by the Assembly last September 2011 two members of the board would be renovated, so given the above, the participants were asked to give their opinions or comments. With no comments or objections will take the following determination.

**RESOLUTION 1-AGO-2014 (13-09-2014).- *The General Assembly of Descanso Homes Civil Association, pursuant to the authority conferred by Article Nineteen Subsection c) of the statute, and once declared deserted the election procedure for two directors, by unanimous vote, were ratified in their positions to each and every one of the members of the current Board, to continue in their positions as to date.***

**SIXTH ITEM ON THE AGENDA, PRESENTATION AND APPROVAL THE FINANCIAL REPORT BY THE TREASURER. -** The Board Treasurer Sergio Ramirez, said that the financial condition of the Association, was delivered electronically and printed in the folders given to the present, explaining in detail the information on the Income and Expenditure for the period; Likewise the Treasurer reported in detail aspects of bank balances, special contingency fund; January-August 2014 Financial Statement; Detail of collections and accounts receivable.

Then the Treasurer answered and clarified situations that were exposed him in the rendered report, noting that the increase in income is because PROMOCASA has sold 18 houses from 2011 to date so we're receiving those fees, and revenue have remained in the same magnitude.

One homeowner asked about variants of revenues between January and August, the Treasurer said that revenue in January is because many of the co-owners took advantage of the discount for one month annual payment. Benefit is only granted in January of each year.

Also asked if PROMOCASA pay fees for the houses that have not sold. It was argued that HOA and Promocasa are working collaboratively. PROMOCASA covers the cost of electricity and water of 7 privadas, maintenance Boulevard and maintenance of the pool, so it is working as compensation.

It discussed above, a vote was taken to approve the financial report submitted by the Treasurer of the Board, to which the Assembly took the following resolution

**RESOLUTION 2-AGO-2014 (13-09-2014).- *The General Assembly of Descanso Homes Civil Association, pursuant to the authority conferred by Article Nineteen Paragraph b) of the statute, by unanimous vote, approved the report submitted by the Treasurer in this point of the agenda.***

**SEVENTH ITEM ON THE AGENDA, BOARD ACTIVITIES REPORT JUNE-SEPTEMBER 2014.-** The President of the Board exposes in detail the actions taken by the Board; highlighting the main actions such as:

### **SECURITY AND SURVEILLANCE**

There are increasing reports of the guards with respect to doors and windows open or unlocked. We reiterate the invitation to check their status before leaving the development. It is noteworthy that the security personnel are not allowed to enter backyards for reviewing doors and windows.

Identification credentials HOA Staff, particular employees, visitors and vehicles were renewed.

Tires and batteries were purchased for security carts.

If you are going to receive guests, tell the Administration by phone or email names, number of people, date of entry and exit. Be sure to give a copy of the rules of the Association.

### **HOA STAFF UNIFORMS**

Uniforms, new lamps and radios for guards and maintenance personnel were purchased.

### **ACCESS DOORS TO PRIVADAS**

Are being installing hydraulic door closers in pedestrian on the 11 Privadas to keep them closed for safety of residents.

HOA contracted to "Automatic Doors" for repairs and maintenance of gates of the 4 Privadas received in March 2014. We also work in conjunction with Promocasa for attend the 7 Privadas that is responsible.

Privada Sauce: It is necessary to replace the key board. We are waiting for the new to install. With charge to Promocasa.

### **LIGHTING (STREETLIGHTING)**

"Sistemas y Equipos Industriales", was hired to repair and / or change of lighting of 14 luminaries on 6 Privadas, boulevard and tennis court.

### **CESPT**

47 new caps were placed in CESPT registers that were damaged in the 11 Privadas.

## **MAINTENANCE GARDENS**

The gardens are fertilizing 3 times a year.

## **ORCHARD Community Garden**

We planted fruit trees that have been donated by residents.

The last 3 plantings had pest problems, rabbits and moles; crops failed. For this reason we did not do the invitation to cut vegetables, as we were doing. The next planting will be on October.

## **CLUBHOUSE**

You can consult the plan of the new clubhouse project, at the HOA office.

## **SURVEILLANCE CAMERAS**

Surveillance cameras were installed in the Clubhouse and Pools area with recording 24 hours a day.

## **TENNIS COURT**

The Tennis Court was restored and painted, green band was placed on the mesh, Gravel was removed because damaged the floor of the court, at the entrance cobblestone was placed.

## **POOLS**

This year is restored pools and Jacuzzi, maintenance continues by Promocasa.

The boards with the Rules were restored in the area pools and placed two more on visible places for the information of all users.

The rail was placed on the access ramp to the recreation area, to prevent accidents, suggested in the May Assembly.

2 antennas were installed to provide Wi-Fi service in the pools area.

In high season, the area must be closed for one day (24 hours) per week, in order that the chemicals do their job, chlorine will be applied at night to close the pools. This is to prevent turbidity of the water. Also request your support for anyone into pools and Jacuzzi with cotton clothing because it absorbs chlorine and destabilizes the water, causing turbidity.

In high season, an element of a Private Security Agency will be hired to support the monitoring of recreational areas.

**EIGHTH ITEM ON THE AGENDA, TRACKING ASSEMBLY AGREEMENTS AND REQUESTS TO PROMOCASA.-** Mr. Javier Oliver Gallego PROMOCASA representative, talked about the treatment they are giving to the guarantees of various homes that have

asked, also explained that the claim proceeds realizing it by writing describing to detail the problems, through the HOA administration. Moreover he said that has preliminary draft for the construction of the new clubhouse, as in this act is exhibited, which explain their distribution and to be complemented by a convenience store and a restaurant, answering various questions relating to the opening of a restaurant to be located in the clubhouse that could be open to the general public.

Also, currently the roofs are being repaired, trying to finish the repairs and leave them closed. With respect to the sale of the remaining houses are plans to end this phase in December 2015.

**NINTH ITEM ON THE AGENDA, GENERAL.-** Who presides this assembly, makes the following general points and requests to be taken as points according to their validity and enforceability of compliance.

### **PROPOSAL FOR THE USE OF POOL**

Our community continues to grow, from October 2011 to June 2014, 18 homes sold Promocasa. We currently have 158 homes sold.

As we know, in the summer increase visitors and users of the pools and recreational areas, as well as Grilling for particular events.

So we can all enjoy these spaces, and better control of the use of these areas, HOA proposes identification passes will be issued for access to facilities.

**ARTICLE 26°.** *The residents should provide the identification determined by the management to enter the Club House, and must be up to date in the payment of their condominium fees in order to be allowed in.*

Therefore tenants only have four passes to use the pool and surrounding areas. You can collect your identification passes starting October 2014, in the HOA office Monday through Saturday from 9 am to 4 pm.

These passes must be given to Guard responsible for this area to enter the facilities and will be returned when leaving. Provide one pass per person.

### **HOUSES FOR RENT**

80% of complaints or problems reported and handled by the HOA staff have been generated by people who rent houses for weekends or short, such as noise, music or partying late night, pets off leash, Vehicles parked on the streets, children playing in gardens of neighbors, dogs barking at midnight, high speed on the streets of Development entry of alcoholic beverages and food to the pool and Jacuzzi, use of pools with clothing that is not swimsuit, excess in the number of people allowed in each unit, etc.

When you rent your home, provide the name of their tenants in the HOA Office, and a copy of the contract.

Be sure to give your tenants, both short and long-term period, a copy of the Rules of the Association and the Rules of pets. You can get them on the web [www.descansohomes.org](http://www.descansohomes.org)

With respect to the garage proposal, and charging for the use of the barbecue area, for the payment of cleaning, gas grill and security, will be addressed at the next meeting in May 2015.

**TENTH ITEM ON THE AGENDA, APPOINTMENT OF DELEGATES, CLOSING AND LIFTING ASSEMBLY ACT.-** Having no further business to discuss, at 12:20 hours on September 13, 2014 was concluded the Assembly, providing the time needed to formalize the Minutes.

Is designated as a delegate of the General Assembly to Julio Menéndez Sánchez, to make the process of formalization by a Public Notary.

**CLOSING:**

These minutes is signed by the President, Secretary, Treasurer and Members of the Board, President of the Audit Committee and appointed scrutineers.

---

Oscar Guerra Peraza  
**President**

---

Eve Duran  
**Secretary**

---

Sergio Ramírez De la Mora  
**Treasurer**

---

PEDRO MENESES  
**Scrutineer**

---

MOISES SOTELO  
**Scrutineer**