



MINUTES OF EXTRAORDINARY GENERAL ASSEMBLY FEBRUARY 23, 2019

1. ATTENDANCE LIST, DECLARATION OF LEGAL QUORUM AND INSTALLATION OF THE ASSEMBLY.

Being 10:00 a.m. of February 23, 2019, it proceeded at Third Call, with the presence of 32 partners listed in the register which is appended, to **Declare the existence of QUORUM LEGAL**, settling formally the Extraordinary General Assembly, so that the works developed are valid and legal, as well as determinations and agreements they take, informing that Mr. Oscar Manuel Cobián Yee, Secretary of the Association shall preside at absence of Mr. Pablo Bravo Delgado, President of the Association. Likewise, Mr. Ricardo Ascencio will make the English translation for those who do not speak Spanish.

2. READING AND APPROVAL OF THE AGENDA.

Mr. Oscar Manuel Cobián Yee, gives reading to the Agenda:

1. List of attendance, Declaration of Legal Quorum and installation of the Assembly.
2. Reading and approval of the agenda.
3. Appointment of 2 scrutineers.
4. Process of election of 1 member of the Vigilance Committee.
- 5 Financial report presentation and proposal for increase of the maintenance fees by the Treasurer.
6. Questions and answers about the report and proposal.
- 7 Voting process for approval of the increase in the maintenance fees.
8. Designation of delegate, closing of Assembly and lifting of the Minutes.

Once the reading of the Agenda is done, Mr. Oscar Cobián Yee, puts up to vote the approval of the Agenda, taking the following:

A G R E E M E N T

RESOLVED by unanimity of the votes of those present, the published agenda in the call that was made to the present Extraordinary General Assembly is approved.

3. APPOINTMENT OF TWO SCRUTINEERS.

Required by part that presides over the Assembly, that as section 3 of the Agenda is to choose two Scrutineers, who as we all know are responsible to carry out the vote counting in the cases where voting is carried out , so it is asked for those who are wishing to apply to speak, to what is obtained as proposals of the attendees Mr. Benjamín Bernabé Flores Hernandez, Mr. Pedro Macías Meneses and Ms. Roberta Gieseja Joy, and so after not having more candidates is put to vote the proposals on economic voting, resulting in the following

A G R E E M E N T

RESOLVED by unanimity of the votes of those present, approve of the designation of Mr. Benjamín Bernabé Flores Hernández and Mr. Pedro Macías Meneses as scrutineers of the present Assembly.

As appointed scrutineers, these make the count of attendees and confirm 32 Homeowners.

4. PROCESS OF ELECTION OF 1 MEMBER OF THE SUPERVISORY COMMITTEE.

At this point, Mr. Oscar Manuel Cobián Yee explained the reason of the resignation of Mr. Eduardo Ainslie Larriñaga, and that complying with our statutes it is necessary to fill the vacant, as well as the importance of run on a voluntary basis and not feel committed to the be nominated by someone more and subsequently not to complying with the obligation acquired. Mr. Cobián also explains the function of the members of the Vigilance Committee, as it is to attend to the monthly and extraordinary meetings that are summoned by the President of the Board, to monitor that every activity and decision is being made accordingly to the Statutes, and so the members of the Vigilance Committee can develop their activities report for the next Assembly. The Lawyer of the Association, Mr. José Manuel Grijalva Gómez informs those present that it is an indispensable requirement to formalize the Minutes to the Public Notary,

and that the people interested in filling the vacancy, must deliver to the Board of Directors in printed form their "Fiscal Situation Record"

Mr. Carlos Francisco Fuchen Ramos, Homeowner of Islay L-3, is the only candidate for the position, unfortunately he informs that he can not deliver his "Fiscal Situation Record"; taking the following

A G R E E M E N T

RESOLVED the Vigilance Committee position remains vacant from March 2019 to September 2019.

5. PRESENTATION OF FINANCIAL REPORT AND PROPOSAL FOR INCREASE OF MAINTENANCE FEES BY THE TREASURER.

Mr. Jesús Alberto Pastrana Rodríguez, Treasurer of the Association, takes the floor, explaining that this issue has been addressed in the last two Assemblies, in September 2018 some neighbors requested that in order to be in agreement with the increase of the fees, the projects to develop and what was their cost should be exposed. With screen projection the Treasurer presented the following information:

Projects in order of priority

PRIORITY	PROYECT	COST
a	LIQ. OF THE POOL REPAIRS	38,906.40
a	WALL AND HANDRAIL BEHIND THE CLUBHOUSE	19,680.00
a	SALARY OF GUARDS AND ADMINISTRATION STAFF	
a	RADIOS FOR THE GUARDS (5)	20,425.00
a	RECHARGABLE FLASHLIGHTS FOR THE GUARDS (5)	16,149.05
a	GUARDS BOOTS	15,957.72
a	GREEN AREA ELECTRICAL WIRING	58,266.30
a	10LBS ABC EXTINGUISHER (4) NO GABINET	2,737.60
a	HANDRAIL FOR RAMP	12,010.00
a	DIGITAL PRINTED SIGNS	4,524.00
a	LUMINAIRES LED LAMPS	128,140.00
a	UNIFORMS LIQUIDATION	15,517.03
a	SCAFFOLDING FOR PALM TREES AND LUMINAIRES	
a	ROOF IN THE ACCESS OF HOUSE CLUB AND OFFICE	19,350.00
b	TRAINING GUARDS	18,900.00
b	PROTECTION CLOSE TO RAMP	4,032.00
b	MOUNTAIN BICYCLE FOR GUARDS	2,280.00
b	MAINTENANCE EQUIPMENT	88,278.00
b	MAINTENANCE TOOLS	91,618.00
c	2 PUMPS 2 FILTERS POOL US \$ 5,046	95,874.00
c	EMPLOYEES' BATHROOM NEAR THE POOL AREA	12,176.00
c	CONSTRUCTION OF WAREHOUSE	149,278.00
c	TOOLS TO BUILD THE WAREHOUSE	5,800.00
d	OUTDOOR DECORATION OF CLUB HOUSE	30,750.50
TOTAL \$ 850,649.60 pesos		

These are the most relevant projects to improve the installations.

The Bank Statement is:

BANKS UP TO JANUARY 31 st 2019	EXCHANGE IN DOF \$19.1623
BANAMEX US\$ 55,097	\$1,055,785.24
BANAMEX PESOS	\$ 54,781.52
PAYPAL PESOS	\$ 2,743.84
TOTAL, IN BANKS	\$ 1,113,310.60
- RESERVE FUND US\$ 21,800	-417,738.14
- PAID FEES 2020 US\$ 1,072.30	-20,547.73
CASH AVAILABLE	\$ 675,024.73

ACCOUNTS RECEIVABLE FROM FEB TO DIC 2019

Note: Income is subject to everyone paying their dues on time.

	INCOME	EXPENSES
FEBRUARY	11,653.32	350,000.00
MARCH	14,707.29	350,000.00
APRIL	15,938.84	350,000.00
MAY	16,628.10	350,000.00
JUNE	16,904.01	350,000.00
JULY	17,456.35	350,000.00
AUGUST	17,539.29	350,000.00
SEPTEMBER	17,539.29	350,000.00
OCTOBER	17,539.29	350,000.00
NOVEMBER	17,753.63	350,000.00
DECEMBER	17,753.63	350,000.00
TOTAL IN DOLLARS \$	181,413.04	
PREFERENTIAL CHANGE RATE 17.50		
TOTAL IN PESOS	\$ 3,174,728.20	\$ 3,850,000.00

SUMMARY (amounts in pesos):

BANKS	\$ 675,024.73
INCOME 2019	\$ 3,174,728.20
	\$ 3,849,752.93
MINUS THE EXPENSES	<u>-3,850,000.00</u>
= CLOSING DECEMBER 2019	\$ (247.07) DEFICIT

In the Expenses, only normal expenses such as electricity, water, payroll, taxes, etc. are being taken into account, projects are not being considered. The proposal for an increase is 10% on the fees that are currently being paid, this income would represent \$ 317,472.82 pesos, which is much lower than the total of the projects that are being presented, that is why they have been given a priority to execute them. short, medium and long term.

An analysis of the numbers was made with the support of the Savings Committee composed by Ricardo Ascencio and Roberta Giese; to consider the items in which you can save money.

The floor was given to Mr. Ricardo Ascencio to explain to those present his participation in the analysis of saving and reduction of expenses, who states that one of the main projects for saving was electricity consumption, an electrician came and detected a leak in the area of courts that was resolved; Another important expense is the pump of the swimming pool, which is a very inefficient pump that works 24 hours a day and is more than ten years old, and there are currently more efficient equipment's; Another area is that a lot of water is being wasted due to the fracture that the pool has around it, since it has to be filled constantly; Another proposal is the change of the lamps in the luminaries of the streets since the cost is approximately five thousand dollars and although the initial investment is high it can be recovered in a year approximately. The group worked to identify the items in which spending can be reduced.

6. QUESTIONS AND ANSWERS ABOUT THE REPORT AND PROPOSAL.

The space is open to those present for questions and answers about the report and proposal for increase.

Camalú E-2 Manuel Rubio - When will the Camalú luminaire be repaired, which has been shut down for approximately 5 months? Answer: The Private Camalú has not been delivered to HOA, it is still the responsibility of Promocasa, it was reported, repaired and failed again, Promocasa promised that next week they will come to repair it.

Amul B-25 Elia Bernal - On security, she mentions that she was affected in the robbery a year ago, that many things were stolen, assuring that the Board of Directors did nothing. Answer: The robbery was in January 2015, there were other members in the Board of Directors, at that time the guards had 12-hour shifts with a lower performance. The

new administration changed to 8-hour shifts, there were layoffs, it was increased to three shifts of guards, anti-drug tests are applied, owners are required to notify of their visits to allow access, they have been asked to be careful who they are they give key to their house, measures have been taken to improve security.

Islay L-5 Roberto Salas - Who takes responsibility for a current robbery, if he is paying a security fee? Answer: The Board of Directors is the Administrator of the maintenance fee that is paid monthly, the Board treats as humanly possible to avoid thefts, nobody can ensure 100% security. The Association is not responsible for thefts and can not pay for the items stolen from the houses. What the fee covers is the maintenance of the common areas, the maintenance of the grass in front of the house, the garbage collection and the surveillance of the access to the development. Legally, the responsibility lies on the person who commits the theft, and those in charge of resolving it are the Investigating Authorities who are responsible for determining who committed the crime so that the person pays for the damages.

Cactus C-3 José Manuel Pérez - Supports that Owners must be more careful who we put into our homes, take care of ourselves and take care of our neighbor and report any anomaly. Suggests reinforcing with a manual to know what should be done in case of seeing a stranger, have control of the entrances and exits, check trunks, have a protocol that keeps us alert.

Tamarindo M-3 Christine Nagy - Where is the warehouse planned to be built? Answer: It is projected in the space that is going down the access ramp to the recreational area, on the right side. The objective is to build a warehouse that is safe, painted white, that harmonizes with what has already been built.

Islay L-3 Carlos Fuchen - What was the criterion or how were the priorities of the projects determined? Answer: The "a" are security aspects that, if not carried out, can deteriorate what we currently have; the "b" are necessary, but not immediately are those that have an impact if they are not carried out, and the "c" are necessary, but not urgent.

Islay L-3 Carlos Fuchen - Instead of increasing monthly fees, why not ask for a special contribution to cover the projects? Answer: We had two times to ask for an extraordinary fee, the first was when the CESPT pipeline burst along the free highway and we didn't have water for two months, so we had to buy water pipes, paid from the Reserve Fund, but that money had to be returned with an extraordinary fee that to date has not been fully recovered; the second was for the floor of the clubhouse, because Promocasa delivered it with polished cement, some did not agree and there are currently ten owners who have not paid the extraordinary fee of \$ 16.00 USD. The recovery is exhausting and there is a lot of struggle for recovery, for that reason the extraordinary fee is not considered to be the right path.

Islay L-1 Fernando Miranda - He has also been a representative of a neighborhood board, he knows it is difficult to get along with people. It hurts their pockets. The entrance to the subdivision is very dark, security cameras could be installed and personnel could be reduced, etc. We could give some ideas if we were sent the information. Answer: Your ideas are appreciated and you are invited to participate in the upcoming elections so that your projects and good ideas are carried out.

Camalú E-2 Manuel Rubio - He supports the proposed increase, he is aware that it has ten years without increasing the fees and it is necessary because he wants to take care of the added value of our development. Requests that the 1-month discount on the annual payment be implemented again. Answer: Your proposal will be reviewed for the May Assembly.

Amul B-3 Arturo Padilla - Supports the increase of the maintenance fees, already lived the bad experience in another fractionation that deteriorated by not accepting an increase in twenty years and is currently paying the triple because of the delayed increase.

Mr. Grijalva (Lawyer) - The increase in fees has not occurred in ten years, if the fees had increased gradually every year this would not be happening, because no one likes to propose the increase, but they are necessary. They should be aware that it is not an expense that you are doing, it is an investment. You, yourselves who acquired their houses some years ago, in most cases they have gone to double their value, they have paid more in money than what they have paid in installments.

Without further questions, we will proceed to the vote.

7. VOTING PROCESS FOR APPROVAL OF THE INCREASE IN MAINTENANCE FEES.

Mr. Oscar Manuel Cobián Yee, who chairs the Assembly, requests that a list of the quorum present before the vote be taken, with 32 Homeowners present. Once the quorum is confirmed, the process for approval of the increase of

the maintenance fee begins, which will be applied as of the 1st of March, 2019. For what is submitted to vote of those present, taking the following:

A G R E E M E N T

Resolved, with 26 votes for YES, 4 votes for NO and 2 abstentions from those present, which is approved the increase of 10% on the current maintenance fees, as of March 1st, 2019.

8. APPOINTMENT OF DELEGATE, CLOSURE OF ASSEMBLY AND LIFTING OF THE MINUTES.

It is resolved by the Assembly that the Manager Jannette Mateos Bernal is the delegate in charge of protocolizing the respective Minutes that, on the occasion of this Assembly, is drawn up.

At 11:41 hours on February 23rd, 2019, Mr. Oscar Manuel Cobián Yee, who presided over the Assembly, adjourned the present Extraordinary General Assembly.

BY THE BOARD OF DIRECTORS,

OSCAR MANUEL COBIAN YEE - SECRETARY / PRESIDES THE ASSEMBLY IN THE ABSENCE OF C. PABLO BRAVO DELGADO PRESIDENT OF THE ASSOCIATION.

JESUS ALBERTO PASTRANA RODRIGUEZ- TREASURER

MANAGER OF "DESCANSO HOMES, A.C."

JANNETTE MATEOS BERNAL