

VOLUME EIGHTY-FIVE
DEED NUMBER SIX THOUSAND ONE HUNDRED AND FIFTY

In San José del Cabo, Baja California Sur, United Mexican States, AUGUST TWENTY-THIRD, TWO THOUSAND, I, Attorney RUBEN ALEJO ARECHIGA ESPINOZA, Notary Public of the FEDERAL PROPERTY and Number Ten in exercise in this Federal Entity, with domicile in the Municipality of Los Cabos, I hereby make the NOTARIZATION OF SUBDIVISION and the CONSTITUTION OF PROPERTY REGIME IN CONDOMINIUM "LAS MAÑANITAS", FIRST STAGE, which is granted by this instrument:

BANCO INTERNACIONAL, SOCIEDAD ANONIMA, INSTITUCION DE BANCA MULTIPLE, GRUPO FINANCIERO BITAL, DIVISION FIDUCIARIA", represented by Mr. FRANCISCO JAVIER GARCIA CACERES in his capacity as TRUSTEE MANAGER, by instructions of the TRUST BENEFICIARY "AMARADO, SOCIEDAD ANONIMA DE CAPITAL VARIABLE"; in accordance with the following BACKGROUND and CLAUSES

BACKGROUND

I. On May twenty-ninth, nineteen hundred and eighty-seven, "NACIONAL FINANCIERA, SOCIEDAD NACIONAL DE CREDITO, INSTITUCION DE BANCA DE DESARROLLO", as FIDUCIARY OF THE NATIONAL FUND FOR THE PROMOTION OF TOURISM (FONATUR) and "BANCO INTERNACIONAL, SOCIEDAD ANONIMA INSTITUCION DE BANCA MULTIPLE, GRUPO FINANCIERO PRIME INTERNACIONAL, DIVISION FIDUCIARIA" entered into a PRIVATE TRUST AGREEMENT, regarding the Hotel Unit called "HOTEL NUEVO SOL", located in Lot number ONE, of the HOTEL ZONE, in the Tourist Development of San José del Cabo, Baja California Sur, with cadastral code number 401-001-113-001 FOUR ZERO ONE DASH ZERO ZERO ONE DASH ONE ONE THREE DASH ZERO ZERO ONE with an area of 42,695.34 M. FORTY TWO THOUSAND SIX HUNDRED NINETY FIVE METERS THIRTY FOUR SQUARE CENTIMETERS and the following measurements and boundaries: TO THE NORTHEAST: 242.84 M. TWO HUNDRED AND FORTY TWO METERS EIGHTY FOUR CENTIMETERS, with PATHWAY NUMBER TWO; TO THE SOUTHWEST: 185.79 M. ONE HUNDRED EIGHTY-FIVE METERS SEVENTY-NINE CENTIMETERS, IN A BROKEN LINE, WITH LOT NUMBER ONE DASH F; TO THE SOUTHEAST: 134.28 M. ONE HUNDRED THIRTY-FOUR METERS TWENTY-EIGHT CENTIMETERS, with FEDERAL MARITIME TERRESTRIAL ZONE; and to the NORTHWEST: 246.37 meters. TWO HUNDRED AND FORTY-SIX METERS THIRTY-SEVEN CENTIMETERS, with PASEO SAN JOSE.

II. In Public Deed number SEVEN, Volume One of the Special Protocol, dated May eighth, nineteen hundred and eighty-eight, granted before Attorney ROBERTO FORT AMADOR, Notary Public number Four of La Paz, Baja California Sur, the Trust was formalized, exhibiting the PERMIT number 008291 ZERO ZERO EIGHT TWO NINE ONE, File number 44651 FOUR FOUR SIX FIVE ONE, Folio number 103165 ONE ZERO THREE ONE SIX FIVE, issued by the SECRETARY OF FOREIGN AFFAIRS, appearing as TRUSTEE "BANCO INTERNACIONAL, SOCIEDAD NACIONAL DE CREDITO, at that time, and as Trustor and

as Trustee "NACIONAL FINANCIERA, SOCIEDAD NACIONAL DE CREDITO, INSTITUCION DE BANCA DE DESARROLLO", as FIDUCIARY OF THE NATIONAL FUND FOR THE PROMOTION OF TOURISM, being included within the patrimony of said trust, the Lot that is described in the Antecedent I of this instrument.

III. Prior to PERMIT number 006110 ZERO ZERO SIX ONE ONE ZERO, file number 44651 FOUR FOUR SIX FIVE ONE, FOLIO number 4597 FOUR FIVE NINE SEVEN, dated December fifteenth, nineteen ninety seven in Public Deed number ONE HUNDRED TWENTY FIVE, Volume FOUR SPECIAL OF THE FEDERAL PROPERTY, dated JANUARY SIXTEENTH, ONE THOUSAND NINE HUNDRED AND NINETY EIGHT, before the undersigned Notary Public Number TEN, registered under number ONE HUNDRED AND THIRTY SIX, at page TWO HUNDRED AND EIGHTY SIX, in Volume LXXIX E.P. of Section I of the Public Registry of the Property of this city, the CONTRACT OF ASSIGNMENT OF TRUSTEESHIP RIGHTS was formalized and executed by:

"NACIONAL FINANCIERA, SOCIEDAD NACIONAL DE CREDITO, INSTITUCION DE BANCA DE DESARROLLO" as FIDUCIARY OF THE NATIONAL FUND FOR THE PROMOTION OF TOURISM; "BANCO INTERNACIONAL, SOCIEDAD ANONIMA, INSTITUCION DE BANCA MULTIPLE, GRUPO FINANCIERO PRIME INTERNACIONAL, DIVISION FIDUCIARIA" as FIDUCIARY OF THE NATIONAL FUND FOR THE PROMOTION OF TOURISM; "BANCO INTERNACIONAL, SOCIEDAD ANONIMA, INSTITUCION DE BANCA MULTIPLE, GRUPO FINANCIERO PRIME INTERNACIONAL, DIVISION FIDUCIARIA".

"CORPORACION TURISTICA LOS CABOS, SOCIEDAD ANONIMA DE CAPITAL VARIABLE". AS ASSIGNOR(S) TRUSTEE(S); "AMARADO, SOCIEDAD ANONIMA DE CAPITAL VARIABLE", AS ASSIGNEE(S) TRUSTEE(S); with respect to the real estate described in precedent I of this instrument.

IV. The TRUSTEE "AMARADO, SOCIEDAD ANONIMA DE CAPITAL VARIABLE" managed and obtained from the competent authorities PERMISSION TO SUBDIVIDE the land described in the precedent I of this instrument in three fractions identified with the letters "A", "B" and "C" that are described in the following precedent V and AUTHORIZATION OF CHANGE OF REGIME OF OWNERSHIP IN CONDOMINIUM On fraction "A".

V. SUBDIVISION PERMIT. The General Directions of Human Settlements, Public Works and Ecology and of Planning and Urbanism of the Municipality of Los Cabos, according to Official Letter number 240/PU/99 TWO FOUR ZERO SLASH P U SLASH NINE NINE, dated October twenty-seventh of nineteen ninety nine, which I exhibit and add copy to the appendix, granted the SUBDIVISION PERMIT of the property described in antecedent I of this instrument, to form the three fractions "A", "B" and "C" of Lot number ONE, of the HOTEL ZONE, in the Tourist development of FONATUR in San José del Cabo, Baja California Sur, which are described below:

FRACTION "A" with an AREA of 18,581.79 M2. EIGHTEEN THOUSAND FIVE HUNDRED EIGHTY-ONE SQUARE METERS AND SEVENTY-NINE SQUARE CENTIMETERS,

CADASTRAL NUMBER 401-001-113-001, FOUR ZERO ONE DASH ZERO ZERO ONE DASH ONE ONE THREE DASH ZERO ZERO ONE, AND THE FOLLOWING METES AND BOUNDS: TO THE NORTHEAST: 242.8404 M. TWO HUNDRED AND FORTY-TWO METERS EIGHT THOUSAND FOUR HUNDRED AND TEN MILLIMETERS, WITH WALKWAY NUMBER TWO. TO THE SOUTHWEST: 301.4542 M. THREE HUNDRED AND ONE METERS FORTY-TWO AND FIVE HUNDRED AND FORTY-TWO TEN MILLIMETERS, IN BROKEN LINE WITH LOT NUMBER ONE, FRACTION "B", AND 38.7541 M. THIRTY EIGHT METERS SEVEN THOUSAND FIVE HUNDRED FORTY ONE TEN MILLIMETERS, WITH RECREATIONAL ZONE;

TO THE NORTHWEST: 30.5035 M. THIRTY METERS FIVE THOUSAND THIRTY-FIVE TEN MILLIMETERS, IN BROKEN LINE WITH LOT NUMBER ONE, FRACTION "C" AND 11.1980 M. ELEVEN METERS ONE THOUSAND NINE HUNDRED AND EIGHTY TEN MILLIMETERS, WITH PASEO MALECON "SAN JOSE".

SOUTHEAST: 134.28 M. ONE HUNDRED THIRTY-FOUR METERS TWENTY-EIGHT CENTIMETERS, IN BROKEN LINE WITH THE FEDERAL MARITIME-TERRESTRIAL ZONE.

FRACTION "B" WITH AN AREA OF 23,270.39 SQUARE METERS. TWENTY-THREE THOUSAND TWO HUNDRED SEVENTY METERS AND THIRTY-NINE SQUARE CENTIMETERS, CADASTRAL NUMBER 401-001-113-030, FOUR ZERO ONE DASH ZERO ZERO ONE DASH ONE ONE THREE DASH ZERO THREE ZERO, AND THE FOLLOWING METES AND BOUNDS:

TO THE NORTHEAST: 61.884 METERS. SIXTY-ONE METERS AND EIGHT HUNDRED EIGHTY-FOUR MILLIMETERS, ADJACENT TO LOT NUMBER ONE, FRACTION "C," AND 111.03 METERS ONE HUNDRED ELEVEN METERS AND THREE CENTIMETERS, ALONG A BROKEN LINE WITH LOT NUMBER ONE, FRACTION "A";

TO THE SOUTHWEST: 68.95 METERS. SIXTY-EIGHT METERS AND NINETY-FIVE CENTIMETERS, ADJACENT TO LOT NUMBER ONE, DASH F, AND 78.0869 METERS. SEVENTY-EIGHT METERS AND EIGHT HUNDRED SIXTY-NINE TEN-THOUSANDTHS OF A METER, ADJACENT TO THE RECREATIONAL AREA;

TO THE NORTHWEST: 180.122 METERS. ONE HUNDRED EIGHTY METERS AND ONE HUNDRED TWENTY-TWO MILLIMETERS, ALONG A BROKEN LINE WITH THE ROAD BYPASS, AND 32.0781 METERS. THIRTY-TWO METERS AND SEVEN HUNDRED EIGHTY-ONE TEN-THOUSANDTHS OF A METER, ADJACENT TO MALECON "SAN JOSE";

TO THE SOUTHEAST: 190.0288 METERS ONE HUNDRED NINETY METERS AND TWO HUNDRED EIGHTY-EIGHT TEN-THOUSANDTHS OF A METER, ALONG A BROKEN LINE WITH LOT NUMBER ONE, FRACTION "A".

FRACTION "C," WITH AN AREA OF 843.16 SQUARE METERS. EIGHT HUNDRED FORTY-THREE METERS AND SIXTEEN CENTIMETERS, CADASTRAL NUMBER 401-001-113-039, FOUR ZERO ONE DASH ZERO ZERO ONE DASH ONE ONE THREE DASH ZERO THREE NINE, AND THE FOLLOWING METES AND BOUNDS:

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TO THE NORTHEAST: 27.90 METERS. TWENTY-SEVEN METERS AND NINETY CENTIMETERS, ADJACENT TO LOT NUMBER ONE, FRACTION "A";
TO THE SOUTHWEST: 36.38 METERS. THIRTY-SIX METERS AND THIRTY-EIGHT CENTIMETERS, ALONG A BROKEN LINE WITH LOT NUMBER ONE, FRACTION "B";
TO THE NORTHWEST: 21.92 METERS. TWENTY-ONE METERS AND NINETY-TWO CENTIMETERS, ADJACENT TO MALECON "SAN JOSE";
TO THE SOUTHEAST: 28.11 METERS. TWENTY-EIGHT METERS AND ELEVEN CENTIMETERS, ADJACENT TO LOT NUMBER ONE, FRACTION "B".

VI. CONDOMINIUM PROPERTY REGIME. "AMARADO, SOCIEDAD ANONIMA DE CAPITAL VARIABLE" requested and obtained from the DIRECTORATE OF URBAN PLANNING AND ECOLOGY of the Government of the State of Baja California Sur, the authorization of the Change of Property Regime to Condominium "of what will be the First Stage of the LAS MAÑANITAS" Project located in Fraction "A" described in precedent V above, according to Official Letters number 228 TWO TWO EIGHT and 413 FOUR ONE THREE, dated April twenty-seventh and August twenty-first, two thousand respectively, which are exhibited to me and a copy is added to the appendix.

VII. The GENERAL DIRECTIONS OF HUMAN SETTLEMENTS, PUBLIC WORKS AND ECOLOGY AND PLANNING AND URBANISM of the Municipality of Los Cabos, granted the permission for the "formalization of the Change of Property Regime to Condominium" of what will be the First Stage of the Project "LAS MAÑANITAS" settled in Fraction "A" described in precedent V above, according to Official Letter number 009/PU/2000 ZERO ZERO NINE SLASH P U SLASH TWO ZERO ZERO ZERO, dated May thirty of two thousand, which is exhibited to me and a copy is added to the appendix of this instrument.

VIII. AMARADO, SOCIEDAD ANONIMA DE CAPITAL VARIABLE" built on the fraction of land referred to described with the letter "A" in precedent V above, a residential development called "CONDOMINIOS LAS MAÑANITAS", FIRST STAGE, in accordance with the plans and projects approved by FONATUR and that are in accordance with the MASTER PLAN, which consists of FIFTY TWO residential units of exclusive property contained in SIX buildings, Two Commercial Premises, (One Palapa and One uncovered Terrace with Bathrooms) and FORTY Garages, also of exclusive property.

IX. The Common Property Assets of "CONDOMINIOS LAS MAÑANITAS" FIRST STAGE, are: Land, Vehicular Circulation Areas, Green Areas, Walkways, Swimming Pools, Covered Distribution Corridors in Buildings, Stairs, Elevator Shafts, Service and Maintenance Warehouses, Ducts for Installations, Common Gardens, General Potable Water Installation, Electric Power System, Lighting System, Drainage, Foundations, Structures and Load Bearing Walls.

X. The description of the Exclusive Property and the pro indiviso proportional parts of the Common Property corresponding to each of the FIFTY-TWO residential Units, FORTY Garages, Palapa, Uncovered Terrace, and Common Areas of "CONDOMINIUM LAS

MAÑANITAS," FIRST PHASE, are those indicated in the Authorized Descriptive Memory according to the Letters specified in the previous Backgrounds VI and VII, which are exhibited to me in THREE HUNDRED AND FIFTY-SEVEN letter-sized pages, written only on the front side, which are attached to the appendix hereto, and copies will be added to the testimonies issued from this instrument.

XI. The Cadastral Authority of the municipality of Los Cabos authorized NINETY-FOUR Cadastral Numbers for the residential Units, Garages, Palapa, and Uncovered Terrace in Official Letter number 138/2000, ONE THREE EIGHT SLASH TWO ZERO ZERO ZERO, which is exhibited to me, and a copy is appended to this Instrument.

XII. The Rights and Obligations of the acquiring Condominium owners of Units and/or Garages and/or Palapa and/or Uncovered Terrace in the "CONDOMINIUM LAS MAÑANITAS," FIRST PHASE, shall be governed by the "REGULATIONS OF THE CONDOMINIUM REGIME OF THE PROPERTY 'LAS MAÑANITAS' FIRST PHASE," authorized according to the Letters specified in the previous Backgrounds VI and VII, which are exhibited to me in fifteen letter-sized pages, written only on the front side, appended herewith, and will be transcribed in the testimonies issued from this instrument.

XIII. "AMARADO, SOCIEDAD ANONIMA DE CAPITAL VARIABLE" instructed "BANCO INTERNACIONAL, SOCIEDAD ANONIMA, INSTITUCION DE BANCA MULTIPLE GRUPO FINANCIERO BITAL, DIVISION FIDUCIARIA" the present grant in a letter dated August tenth, two thousand.

XIV. The Fiduciary Delegate of "BANCO INTERNACIONAL, SOCIEDAD ANONIMA, INSTITUCION DE BANCA MULTIPLE, GRUPO FINANCIERO BITAL, DIVISION FIDUCIARIA", authorized the undersigned attorney-in-fact to execute this deed by means of a Letter of Instructions dated August eighteenth, two thousand.

In view of the foregoing, the undersigned hereby grants the following:

CLAUSES

FIRST. "BANCO INTERNACIONAL, SOCIEDAD ANONIMA, INSTITUCION DE BANCA MULTIPLE, GRUPO FINANCIERO BITAL, DIVISION FIDUCIARIA" by instructions of "AMARADO, SOCIEDAD ANONIMA DE CAPITAL VARIABLE", formalizes the SUBDIVISION of the Land Lot granted in trust described in antecedent I to constitute the Fractions described in antecedent V of this instrument.

SECOND. BANCO INTERNACIONAL, SOCIEDAD ANONIMA, INSTITUCION DE BANCA MULTIPLE, GRUPO FINANCIERO BITAL, DIVISION FIDUCIARIA" by instructions of "AMARADO, SOCIEDAD ANONIMA DE CAPITAL VARIABLE", DECLARES ITS WILL TO CONSTITUTE THE CONDOMINIUM PROPERTY REGIME on the fraction of land and buildings determined in the preceding V, item A), VI, VII, VIII, IX and X of this instrument,

known as "CONDOMINIOS LAS MAÑANITAS", FIRST STAGE, located in SAN JOSE DEL CABO, Baja California Sur, with the surface, measurements, boundaries and characteristics mentioned in the Descriptive Memory, which are deemed to be reproduced herein as if inserted verbatim.

THIRD. The destination of each one of the units will be Residential, and its description will be determined in the Descriptive Memory. The Palapa and the uncovered terrace will be used for commercial purposes, and their description is determined in the Descriptive Memory. The purpose of each one of the garages will be solely for parking motor vehicles and their description is set forth in the Descriptive Report.

FOURTH. The relationships that arise between the future condominium owners of the residential Units and/or Garages and/or Palapa and/or Open Terrace that integrate the "CONDOMINIO LAS MAÑANITAS", FIRST STAGE, as well as the group of them before third parties, their rights and obligations, the administrative and maintenance form, will be regulated: by the Civil Code and the Law on the Condominium Property Regime of Real Estate in force in the State of Baja California Sur, by this Deed, and by the "Las Mañanitas Condominium Regulations, First Stage ", referred to in Antecedent XII of this instrument.

FIFTH. This deed, as well as the Regulations mentioned in the preceding clause, may only be modified in the cases and under the conditions determined by the Homeowners Meeting, by means of the percentages established in Article sixty-six of the approved Regulations.

SIXTH. "BAJA PROPERTIES MANAGEMENT, SOCIEDAD DE RESPONSABILIDAD LIMITADA DE CAPITAL VARIABLE" is hereby appointed Administrator of the Condominium for an indefinite term, with all the powers contained in articles thirty-one, thirty-three and other relative articles of the "Law of Condominium Property Regime of Real Estate" in force in the State of Baja California Sur.

SEVENTH. Mr. MICHAEL JOSEPH SCHAIBLE DOYLE, THOMAS SCHAIBLE and KELLY DONALD O'NEAL are appointed as members of the Condominium Surveillance Committee, with the powers established in article thirty-two of the "Law of Condominium Property Regime" in force in the State of Baja California Sur.

EIGHTH. The present or future condominium owners of the Residential Units and/or of the Garages and/or Palapa and/or Open Terrace that make up the "CONDOMINIO LAS MAÑANITAS", FIRST STAGE, shall be obligated to respect at all times the destination of the property and not to make any changes in the construction built thereon that contravene the construction and land use restrictions established for the zone in which the property is located, without prior written authorization from FONATUR, in the understanding that in the deed of acquisition of the land it was agreed that in the event of non-compliance with the above, a daily conventional penalty will be charged in favor

of FONATUR, the amount of which will be calculated by multiplying three hundred fifty times the minimum daily wage in effect on that date in the Federal District, and which will be applied during the entire time that the purchaser fails to correct the works performed, so that the destination of the property and its characteristics are adjusted to the rules established and to the project approved by FONATUR.

Likewise, in any successive transfer of ownership or rights over residential units and/or Parking Units and/or Palapa and/or Uncovered Terrace of the property, the above stipulation shall be included as an obligation of the new acquirer.

If the real estate is sold at any time without adding to the purchase agreement the previous stipulation, the respective transferor will be obliged to pay FONATUR a daily conventional penalty that will be calculated by multiplying three hundred and fifty times the minimum daily wage in force on that date in the Federal District and that will be applied during all the time that the client does not correct the deficiencies that exist or does not perform what is indicated in the paragraph above.

NINTH. In the event that due to violations of the projects and architectural plans a greater number of Units, Premises or Garages than those contemplated therein are built, regardless of any other penalty that may be applicable, FONATUR will be paid a daily conventional penalty whose amount will be calculated by multiplying three hundred fifty times the minimum daily wage in effect on that date in the Federal District and which will be applied during the entire time that the excess of works carried out are not corrected.

TENTH. TRUSTEE'S COMMISSIONS. -The Fiduciary Institution shall receive the amount of US\$300.00 (THREE HUNDRED DOLLARS, CURRENCY OF THE UNITED STATES OF AMERICA) plus Value Added Tax for its intervention and signature of this instrument.

ELEVENTH. The expenses and fees arising from this grant and the registration of its testimony in the Public Registry of Property, will be paid by "AMARADO, SOCIEDAD ANONIMA DE CAPITAL VARIABLE".

PERSONALITY.

The undersigned certifies the existence of "BANCO INTERNACIONAL, SOCIEDAD ANONIMA, INSTITUCION DE BANCA MULTIPLE, GRUPO FINANCIERO BITAL" with Public Deed number TWO HUNDRED SIXTY TWO THOUSAND FOUR HUNDRED THIRTY ONE, Volume number NINE THOUSAND EIGHT HUNDRED NINETY SIX, dated April fifth, nineteen ninety five, before the Faith of Mr. TOMAS LOZANO MOLINA, Notary Public Number Ten of the Federal District, registered under Mercantile Folio number 64053 SIX FOUR ZERO FIVE THREE of the Public Registry of Commerce, of the Federal District, wherein the NOTARIZATION OF THE MINUTES OF THE EXTRAORDINARY GENERAL ASSEMBLY OF SHAREHOLDERS OF "BANCO INTERNACIONAL, SOCIEDAD ANONIMA, INSTITUCION DE BANCA MULTIPLE, GRUPO FINANCIERO PRIME INTERNACIONAL" is

recorded and where prior to Permit number 09006781 ZERO NINE ZERO ZERO SIX SEVEN EIGHT T ONE, File 4100044651 FOUR ONE ZERO ZERO ZERO FOUR FOUR SIX FIVE ONE, Folio number 11374 ONE ONE ONE THREE SEVEN FOUR of the SECRETARY OF FOREIGN AFFAIRS, the CHANGE OF CORPORATE NAME to "BANCO INTERNACIONAL, SOCIEDAD ANONIMA, INSTITUCION DE BANCA MULTIPLE, GRUPO FINANCIERO BITAL" was agreed upon, and wherein are transcribed the articles of incorporation and amendments to the Articles of Incorporation of said banking institution, a copy of which is exhibited to me, which I have had in my possession and which I return to the appearing party.

Mr. FRANCISCO JAVIER GARCIA CACERES accredits his personality for this granting, with the seventh testimony of the Public Deed number TWENTY THREE THOUSAND TWO HUNDRED AND EIGHTY EIGHT, Book number FOUR HUNDRED AND SEVENTY TWO, dated November twelfth, nineteen ninety seven, before the Faith of ROSAMARIA LOPEZ LUGO, Notary Public number TWO HUNDRED AND TWENTY THREE of the Federal District, associated and acting in the protocol of FRANCISCO XAVIER ARREDONDO GALVAN, Notary Public number ONE HUNDRED AND SEVENTY THREE, of the Federal District; instrument in which the SPECIAL LIMITED POWER OF ATTORNEY granted by "BANCO INTERNACIONAL SOCIEDAD ANONIMA, INSTITUCION DE BANCA MULTIPLE, GRUPO FINANCIERO BITAL, DIVISION FIDUCIARIA" is recorded through the attorneys EDUARDO AZCOITIA MORAILA and MARIO ALBERTO ANDRADE MORA, in their capacity as FIDUCIARY DELEGATES as broadly as necessary in Law, so that in the name and on behalf of the principal" "in accordance with prior instructions of a Fiduciary Delegate, sign trust incorporation agreements; transfers of property in execution of trust; partial or total extinctions of trusts; conditional deposits; mandates; operations of fiduciary substitutions or modifications of the aforementioned contracts and operations of assignments of rights that may be necessary to enter into, as well as to be able to carry out any activity inherent to the fiduciary function." Each operation it carries out "shall be subject to the prior written authorization of a Fiduciary Delegate for the granting of the aforementioned legal acts, which authorization shall contain at least the following information: a).-Name of the parties granting the legal act in question; b).-Assets or rights that will be the subject of this operation; c).- General purposes or characteristics of each contract; and d).-Signature of the Fiduciary delegate. "Limitation: for the exercise of the operations of transfer of property in execution of the trust, to withdraw, to compromise and to make assignments of assets and rights, the attorney-in-fact must always act jointly with any Fiduciary delegate or Attorney-in-fact with the same powers."

Declares said representative(s), that the powers with which he (they) appears, have not been revoked or restricted.

I, THE NOTARY, CERTIFY AND ATTEST UNDER MY FAITH:

That what is related and inserted faithfully agrees with the declarations of the parties, as well as the content of the documents that were exhibited for such a purpose.

That the person appearing has read the present document, being aware of its value and legal consequences of its content as an expert in law, and it expressed his agreement with it, ratifying it and signing it in verification.

That the person appearing is personally known to me and the undersigned and to my judgment has legal capacity, and the parties being aware of the penalties imposed on persons who testify falsely, and by their GENERALS said to be: Mexican, of legal age, married, Banking Official and attorney at Law, native of Mexico, Federal District, where he was born on July twenty-third, nineteen sixty-five, neighbor of Cabo San Lucas, Baja California Sur, with domicile in Boulevard "Marina" without number, Plaza "Nautica" Commercial Unit C DASH EIGHT AND C DASH NINE and with Fiscal Registry GACF-650723.

SIGNATURE OF THE PERSON APPEARING. -The Seal of the Notary's Office. - I finally authorized this deed, this twenty-third day of August, two thousand. I WITNESS: Signed.

The undersigned Notary Public records that the following are added to the appendix of the protocol under the number of this deed, the following documents are listed:

- a) Copy of the Assignment of Rights Contract.
- b) Copy of the Subdivision Permit.
- c) d) and e) Copy of the Construction Licenses.
- f) and g) Authorization from the Government of the State of Baja California.
- h) and i) Authorization of the Municipality of Los Cabos.
- j) Descriptive Memorandum of the Condominium.
- k) Condominium Regulations.

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Of the documents marked with letters b) through j), a copy is attached to the present testimony and the one marked with the letter k) is transcribed below:

REGULATIONS OF THE CONDOMINIUM PROPERTY REGIME OF "LAS MAÑANITAS FIRST STAGE"

CHAPTER ONE.- GENERAL PROVISIONS.

ARTICLE 1.- These Regulations are mandatory for every owner or Trust beneficiary of a RESIDENTIAL UNIT, GARAGE OR COMMERCIAL UNIT in the Condominium "LAS MAÑANITAS PRIMERA ETAPA", located in San José del Cabo, Municipality of Los Cabos, State of Baja California Sur.

ARTICLE 2.- The acquisition, occupation, use, possession or lease of a RESIDENTIAL UNIT, GARAGE OR COMMERCIAL UNIT in the CONDOMINIUM necessarily implies the acceptance of the provisions of these Regulations and the agreements of the CONDOMINIUM ASSOCIATION. In case of lease, the provision contained in this Article shall invariably be mentioned in the respective lease agreement.

ARTICLE 3.- These Regulations impose a series of obligations relative to the use and enjoyment of the COMMERCIAL UNITS, GARAGE and UNITS as well as the COMMON AREAS and their services in the CONDOMINIUM "LAS MAÑANITAS PRIMERA ETAPA. Its purpose is to prevent the occurrence of acts or omissions that affect such common goods and services and that the COMMERCIAL UNITS and the UNITS are used in a manner different from that stipulated in these Regulations.

CHAPTER TWO.- DEFINITIONS.

ARTICLE 4. As used in these regulations, the following terms shall have the following meanings, which shall be as follows, shall be equally applicable to the singular and plural forms of the same.

"MEXICO".- Signifies the United Mexican States.

"CIVIL CODE".- Means the Civil Code in force in the State of Baja California Sur, Mexico.

"LAW".- means the "Law on the Condominium Property Regime of Real Estate" in force in the State of Baja California Sur, Mexico".

"REGULATIONS".- Means these Condominium Regulations of "LAS MAÑANITAS PRIMERA ETAPA".

"DESCRIPTIVE MEMORY".- The descriptive memory of the Condominium "LAS MAÑANITAS PRIMERA ETAPA" submitted to the consideration of the Municipal Authorities for the authorization of the Condominium Property Regime, which describe the residential Units, Commercial Units with Pool Area, Garages, parking, services, accesses, stairways and Common Areas.

"CONDOMINIUM".- Means the property called "Condominios LAS MAÑANITAS PRIMERA ETAPA", including the Residential, Commercial, Garage and Common Areas, as described in the Descriptive Memory.

"HOUSING AREA".- The area comprised of fifty-two residential units, located on the First, Second, Third and Fourth Levels of the buildings of buildings "A" to "F".

"UNIT".- Means each residential apartment or office and includes the proportional participation in the COMMON AREAS that correspond to it by reason of its pro-undivided participation in the CONDOMINIUM.

"COMMERCIAL UNIT".- The surface area comprised by the Commercial Unit and "Pool Area", located on the Ground Floor, and adjoining land, and includes the proportional participation in the corresponding COMMON AREAS.

"POOL AREA".- The land and facilities of the pool, the "pool area", Sun deck and shaded areas on the first floor.

"COMMON AREAS".-Common areas means the common areas described in the "Descriptive Memory of the Condominium Property Regime LAS MAÑANITAS PRIMERA ETAPA", and in Article 17 of these Regulations.

"CONDOMINIUM OWNER".- A condominium owner is understood to be the individual or legal entity that, as Owner or Trust Beneficiary, is in possession of the PREMISES or UNITS referred to in Article 3 of these Regulations, and who has entered into a contract

by virtue of which, if the terms of the contract are fulfilled, he/she will become owner or trust beneficiary. In the event of transfer of ownership of any UNIT or the PREMISES to any person, the term HOMEOWNERS shall also include such acquirer, independently of the TRUSTEE, and in proportion to its percentage of acquisition, under the terms of Article 11 of the Law.

"CONDOMINIUM ASSOCIATION".- It shall have the meaning attributed to such term in Article 24 hereof.

"ADMINISTRATION OF THE CONDOMINIUM.- It is the individual or legal entity in charge of the administration, maintenance, and conservation of the facilities of the "Condominium", and of the compliance with the resolutions of the General Assembly of the "Condominium Owners' Association".

"TRUST AGREEMENT".- Means the trust agreement contained in Public Deed number SEVEN, Volume ONE of the Special Protocol of the Federal Property Patrimony, executed on May eighth, nineteen eighty-eight, before Mr. ROBERTO FORT AMADOR, Notary Public Number Four in Baja California Sur, registered under number ONE, to page FIFTY FOUR, in Volume VII E.P., of Section I, of the Public Registry of the Property in San Jose del Cabo, Baja California Sur, modified in Deed number ONE HUNDRED AND TWENTY FIVE, Volume FOUR of the Special Protocol of the Federal Real Estate, passed on January sixteenth, nineteen ninety eight, before Mr. RUBEN ALEJO ARECHIGA ESPINOZA, Notary Public Number Ten of Baja California Sur.

"TRUSTEE".- BANCO INTERNACIONAL, SOCIEDAD ANONIMA, INSTITUCION DE BANCA MULTIPLE, GRUPO FINANCIERO BITAL" Fiduciary Division, in its capacity as Trustee of the CONDOMINIUM, the UNITS and the COMMERCIAL UNITS.

TRUST BENEFICIARY " .- "Amarado, Sociedad Anónima de Capital Variable".

"SECOND PLACE BENEFICIARY".- The individuals or legal entities, national or foreign, to whom Trust Rights are transferred for the use, enjoyment of the CONDOMINIUM UNITS, GARAGE or COMMERCIAL UNITS.

"CONCESSIONAIRE".- The individual or legal entity to whom the concession has been granted to manage and use the facilities of the Swimming Pool and the Sundeck, in the "Swimming Pool Area" of the CONDOMINIUM.

"OCCUPANT".- Means the Condominium Owners, Owners or Trust Beneficiaries and other acquirers of trust rights, lease, or ownership rights, inside or outside of the Trust in connection with the UNITS, GARAGE and COMMERCIAL UNIT, as well as their relatives, guests and any person who by any title occupies such real estate.

CHAPTER THREE.- DESTINATION OF UNITS AND COMMERCIAL UNIT.

ARTICLE 5.- The CONDOMINIUM UNITS shall be used exclusively for habitation and the COMMERCIAL UNIT, exclusively for business or services and for the benefit of the Condominium Regime.

ARTICLE 6.- The PARKING GARAGES shall be dedicated exclusively to the accommodation of vehicles, of the persons who own UNITS.

ARTICLE 7. -The "THE POOL AREA" will be used only and exclusively for recreation, and for the use that corresponds to a Swimming Pool.

ARTICLE 8.- It is strictly prohibited to establish any business of any kind in the UNITS. The definition of business does not include the leasing of the UNITS, as long as it is carried out subject to the provisions of these Regulations and in accordance with the lease agreement forms provided for such purpose by the CONDOMINIUM ADMINISTRATION.

CHAPTER FOUR - PROPERTY SUBJECT TO PRIVATE OWNERSHIP.

ARTICLE 9.- The UNITS and the COMMERCIAL UNIT, as delimited in the DESCRIPTIVE MEMORY OF "CONDOMINIOS LAS MAÑANITAS PRIMERA ETAPA" and the walls or installations of each UNIT, GARAGE or COMMERCIAL UNIT and of those that by destination or by disposition of the Law must be considered as private property of each UNIT, GARAGE and COMMERCIAL UNIT.

CHAPTER FIVE - RIGHTS AND OBLIGATIONS OF THE CONDOMINIUM OWNERS.

Each CONDOMINIUM OWNER shall be the exclusive owner of its UNIT, GARAGE or COMMERCIAL UNIT, as the case may be, and consequently, may use, enjoy or dispose of said UNIT or COMMERCIAL UNIT without any limitations other than those established in the Civil Code, in the Condominium Property Regime Law, in these Regulations and by the resolutions validly adopted by the CONDOMINIUM ASSOCIATION.

ARTICLE 11.-The condominium owner of a UNIT, GARAGE or COMMERCIAL UNIT may use, enjoy and dispose of the same, subject to the limitations and prohibitions of the Law and others established by the authorities, the Deed of Trust Agreement and these Regulations; but no part of the Unit, Garage or COMMERCIAL UNIT may be sold or leased. Failure to comply with this provision may cause, as the case may be, either the termination of the contract or the application of the provisions of Article 59 of these Regulations.

ARTICLE 12.- Any condominium owner may alienate, encumber, lease and enter into all types of contracts with respect to his UNIT and/or COMMERCIAL UNIT, as the case may be, except as otherwise provided in the Trust Agreement, without the need for the consent of the other condominium owners. However, any alienation or encumbrance of the UNIT or the COMMERCIAL UNIT, as the case may be, shall necessarily and invariably include the related rights and obligations with respect to the COMMON AREAS. Every condominium owner is entitled to lease its UNIT, GARAGE or COMMERCIAL UNIT by means of a lease contract approved by the CONDOMINIUM ASSOCIATION, and provided by the Administration. Said Contract shall conform to the provisions of these Regulations. Every condominium owner shall send a copy of any Lease Agreement it enters into to the Administration within five (5) days after its signature.

ARTICLE 13.- Any purchaser of UNITS, GARAGES, or of the COMMERCIAL UNIT, as the case may be, will concomitantly acquire the rights derived from the use of the COMMON AREAS and the obligations that this Regulation establishes in relation to said COMMON AREAS.

ARTICLE 14.- Every transferor of UNITS, GARAGE or COMMERCIAL UNIT is obliged to demand that the acquirer expressly agrees to the clauses of the CONTRACT OF TRUST and of the Deed containing the constitution of the Condominium Property Regime, the stipulations of these Regulations and resolutions validly adopted by the CONDOMINIUM ASSOCIATION.

The transferor undertakes, in any case, to assign to the corresponding acquirer, on the date of the sale, its rights over the Reserve Fund referred to in these Regulations, and shall carry out all acts necessary for the Trustee to recognize said acquirer as a CONDOMINIUM TRUST BENEFICIARY under the terms of these Regulations.

ARTICLE 15.- The OCCUPANTS of the COMMERCIAL UNIT and the UNITS shall be responsible for complying with the provisions of these REGULATIONS.

ARTICLE 16. -Each condominium owner shall have the obligation to maintain the UNIT, GARAGE OR COMMERCIAL UNIT, as the case may be, in good conditions of use and service, in accordance with the following rules:

a).- Each condominium owner has the obligation to maintain and repair by their own account inside your UNIT, GARAGE or COMMERCIAL UNIT.

Each condominium owner shall take care of each UNIT; GARAGE AND COMMERCIAL UNIT, as the case may be, and therefore, is obliged to maintain in good condition the constructions that form it, as well as the elements and structures of said constructions, in the understanding, however, that the maintenance and repair of the walls and roofs of the UNITS, shall be made exclusively by the ADMINISTRATION charged to the account of common expenses, except when the works are a consequence of acts or omissions attributable to the condominium owners, in which case the works shall be charged to the condominium owner in question.

b).- No condominium owner may make alterations or modifications that affect the structure or exterior of the CONDOMINIUM.

c).- Antennas for the reception or transmission of signals of any kind may not be installed, nor may cables be constructed, installed, or maintained, lighting systems or means of communication or transmission of electric energy, telephones, radios, televisions or any other devices other than those approved by the Condominium Administration.

d).- No animals, livestock, reptiles, insects, or birds of any species may be kept, bred, or kept within the Condominium, except for dogs, cats and other domestic animals that may be brought into the residences and Condominium Units, provided that they are not kept or created for any commercial use, or in unreasonable numbers, (no more than two (2)

pets per residence or Condominium Unit may be authorized). Notwithstanding the foregoing, no animals or birds may be kept within the Condominium that in good faith or in the judgment of the ADMINISTRATION would be a nuisance or offensive to other Condominium Owners or Occupants. Animals owned by Condominium Owners or Occupants shall be kept inside the Condominium Unit or on a leash held by hand or by a person capable of controlling the animal. In addition, the Condominium Owner shall be responsible to the other Condominium Owners or Occupants, their relatives, guests, for any unreasonable noise or damage caused by the animal kept or brought into the Condominium by a Condominium Owner or Occupant; it shall be the responsibility of each Condominium Owner and Occupant to clean up after each animal has deposited feces or used any portion of the Condominium. Animals shall not be permitted at any time to be off leash, or to be in the common areas of the main pool in front of the Condominium buildings. Each Condominium Owner or occupant leaving his or her Condominium unit shall go directly to his or her vehicle or outside the property.

e).- It is strictly prohibited for the occupants of the UNITS, GARAGE or COMMERCIAL UNIT to throw or accumulate garbage in the AREAS OF PRIVATE RESIDENTIAL AND COMMERCIAL PROPERTY, or in the COMMON AREAS. In any case, the garbage must be placed and kept in covered containers that must be kept inside each UNIT, GARAGE or COMMERCIAL UNIT from where it will be extracted for its collection. Garbage collection shall be included in the Common Expense Account.

f).- Condominium owners shall be obliged not to incur in acts or omissions that cause nuisance to the occupants of the Condominium.

g).- Each condominium owner or occupant shall use his UNIT, GARAGE or COMMERCIAL UNIT in an orderly and quiet manner. Consequently, he/she may not use it for uses contrary to morals or good customs, nor perform any act that affects the tranquility of the other condominium owners and occupants, or that compromises the stability, safety, health or comfort of the condominiums, nor incur in omissions that produce the same results.

h).- Clothing, bed linen, towels and other similar belongings of the inhabitants of the UNITS, GARAGES shall not be allowed to be hung on railings, windows, balconies, terraces and other places that can be seen from the outside. Nor will it be allowed to place cords used for this purpose, as long as they can be seen from the outside of the UNITS.

i).- Within the Condominium, no signs, such as "for sale", "for rent", etc., or any type of advertising signs or emblems may be placed individually or collectively or Signs of any kind in view of the public in any internal or external part of the UNIT.

j).- Condominium owners shall refrain from placing, installing or operating machinery and equipment that may cause a nuisance to the occupants of other UNITS.

k).- Each CONDOMINIUM may maintain plants within its UNIT, GARAGE or COMMERCIAL UNIT, as the case may be, to the extent that it does not harm the interests of the neighbors or the CONDOMINIUM. This right carries with it the obligation to maintain the proper condition of the bushes and plants, so as not to affect the interests of the other neighbors, nor the good appearance of the UNITS, GARAGE and COMMERCIAL UNIT.

l).- The areas of the Condominium designated for the parking of motorized vehicles shall be used for the parking of motorized land vehicles designated and used primarily for non-commercial transportation: automobiles, designated passenger vans with a capacity of ten (10) or less persons, motorcycles, and pick-up trucks with a capacity of one ton or less. The parking or storage of vehicles other than Authorized Vehicles may not be authorized, including but not limited to recreational vehicles (mobile units, campers, boats, etc.), commercial vehicles (trucks, tank trucks, garbage trucks, concrete trucks, etc). Each authorized vehicle owned or operated by any Condominium Owner or Occupant located within the Condominium shall be parked in the assigned parking spaces or garage to the extent permitted by the spaces. No acts of repair, maintenance or restoration may be carried out on any vehicle within the Condominium except when the Garage door is closed, provided that such activity is not carried on as a business and that such activity is not prohibited by the ADMINISTRATION if the ADMINISTRATION determines that it constitutes a nuisance. The ADMINISTRATION may establish such additional Rules as it deems appropriate in its discretion with respect to parking areas not assigned to defined Condominium Owners, including, but not limited to, parking spaces, guest parking areas, and areas where parking is prohibited as well as limit to prohibit on-street or overnight vehicle parking, and shall have the authority to enforce the parking and vehicular use regulations applicable to the Condominium, including but not limited to guest parking, and areas where parking is prohibited as well as limit to prohibit on-street or overnight vehicle parking; and shall have the authority to enforce the parking and vehicular use regulations applicable to the Condominium, including the power to remove vehicles from any Condominium and to impose penalties on Condominium Owners who violate such Rules, as well as occupants who do so. No Condominium Owner or occupant may leave his vehicle(s) parked in the open parking areas unattended or unused for a period longer than seven days without prior authorization from the ADMINISTRATION. Vehicles left unattended due to the absence of the Condominium Owner(s) or occupant(s) must be placed in a private garage or stored outside the property in a public warehouse. Garage doors must remain closed.

m).- All OCCUPANTS shall refrain from acts or omissions that disturb the tranquility of others, or impede the peaceful use and enjoyment of the COMMON AREAS.

n).- All CONDOMINIUM OWNERS are obligated to maintain in clean condition the stairways, corridors and walkways that are in front of their private property. It will not be allowed to place objects that interrupt the passage of pedestrians.

o).- It is strictly forbidden the use of the GARAGE AND THE UNITS for commercial purposes, including but not limited to it is expressly prohibited the installation of any office for the rendering of professional services, such as massage, professional offices, etcetera.

p).- The installation of the following but not limited to wood, plywood, laminates, cardboard, or objects of any material that alter the harmonic environment of the "CONDOMINIUM" will not be allowed.

q).- The Commercial Unit Condominium Owner may not obstruct or hinder circulation in the walkway or common access areas, nor may he install or construct any type of installation or construction, even of a precarious or temporary type, without the prior

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authorization of the Administration, which must be ratified, if applicable, by the Homeowners Meeting.

r).- The OCCUPANTS of the UNITS shall refrain from placing advertisements or signs of any kind, including political, commercial or religious signs, in the UNITS, if such advertisements or signs can be seen from the outside due to their placement. The following are excepted from this provision:

1. -The announcements or signs required to identify each UNIT, GARAGE, which should not have a surface area greater than 10 cm x 20 cm.(ten centimeters by twenty centimeters).

2. -Those destined to Commercial Unit whose design and material must be approved by the CONDOMINIUM ASSOCIATION or by the ADMINISTRATION.

s). -The installation of ceiling fans, fixed or movable grills is prohibited in the terrace area.

t).- No Condominium Owner may legally or physically subdivide his Condominium Unit in any way. Including, but not limited to, the division of his Condominium Unit to make it a time-share, however, the right of a Condominium Owner to rent or lease his Unit by means of a written lease or rental agreement may not be impeded.

u).- No Condominium Owner or members of his family or Occupants, agents, employees, tenants or visitors, may not at any time, introduce or maintain in all or any part of the Condominium in violation of any applicable Law, Rule, ordinance or Regulation any highly corrosive or explosive substance in solid, liquid, gaseous, chemical, substance or any other material that may be deadly, harmful to health or property, including fireworks and its uses, without the prior written consent of the ADMINISTRATION in each case.

v).- No activities may be carried out in all or part of the Condominium and no Improvements may be made in any Condominium Unit that may be hazardous to persons or property. Without limiting the generality of the foregoing, no weapons or fireworks may be deposited within the Condominium.

w).- Concurrently with the execution of any contract for the sale or transfer of a Condominium Unit whereby the Acquirer shall become Owner or Trust Beneficiary thereof, or within five (5) business days thereafter, the Transferor shall notify the ADMINISTRATION in writing of such sale. Said notice shall contain:

The name of the Assignor and the Assignee.

The domicile of the Condominium Unit acquired by such Acquirer

The domicile of the Acquirer.

The date of sale or transfer.

CHAPTER SIX - COMMON AREAS.

ARTICLE 17.- The following are goods of common use of all the Condominium Owners, the Common areas and other general facilities and common services.

The COMMON AREAS are: The water pumping equipment, the areas used for recreational and ornamental gardens, pedestrian circulation areas, walkways, stairways, sidewalks

and pathways, the strips and fences surrounding the land, water distribution networks, drainage, sewage, electric power system, lighting, telephone, television and any other line, to the extent that constitute by their nature a common good, but not when they connect with the services of each UNIT, COMMERCIAL UNIT, or OFFICE. Also considered as COMMON AREAS are the constructions that exist within the COMMON AREAS, the others that are established in the DESCRIPTIVE MEMORY and in the Constitution of the Condominium Property Regime, and in general, all the areas and constructions that do not form the GARAGE UNITS, Commercial Unit or POOL AREA, and those that by their destination or by disposition of the Law, must be considered common.

ARTICLE 18.- The COMMON AREAS and the assets, services, equipment, installations of common property shall not be subject to division. Each condominium owner will have the character of co-owner of the COMMON AREAS and common services and their rights over them will be equal, in accordance with the provisions of the DESCRIPTIVE MEMORY.

ARTICLE 19.- Each condominium owner may use the common property and enjoy the services and general facilities in accordance with their ordinary nature and destination, without restricting or making more burdensome the rights of others.

ARTICLE 20.- The rights of each condominium owner over the COMMON AREAS are inseparable from their private property, by virtue of which they may only be sold, encumbered or seized together with the property rights of the UNIT or COMMERCIAL UNIT, as the case may be.

ARTICLE 21.- It is mandatory for the condominium owner and occupants to use and enjoy the COMMON AREAS strictly in accordance with their nature and purpose, without hindering the use of the same by others.

ARTICLE 22.- The following shall be common property, only of the adjoining condominium owners, the walls and other divisions separating the UNITS, GARAGE from each other.

ARTICLE 23.- In relation to party walls, the following stipulations shall apply:

a) Condominium owners of contiguous UNITS, GARAGE, shall enjoy the same right with respect to the use of said walls, with no other limitation than that such use does not interfere with the use or enjoyment of the adjacent condominium owners.

b).- In the event that any party wall is damaged or destroyed due to causes attributable to one of the adjacent condominium owner, said condominium owner shall be obliged to repair or rebuild the party wall, at no cost to the adjacent condominium owner, without prejudice to the obligations to compensate said adjacent condominium owners for the damages caused.

The provisions of this paragraph shall apply even when the damage is caused by the negligence of the condominium owner that causes it.

c).- When the party wall is destroyed or damaged by acts or omissions not attributable to the condominium owner, the affected parties shall have the obligation to carry out the repair or reconstruction and to divide the resulting cost in equal parts.

The provisions of this paragraph also apply to deterioration caused by ordinary wear and tear and by the passage of time.

d).- Notwithstanding the provisions of the preceding paragraphs, no modifications may be made to the structure of any party wall without the prior approval of the Condominium Administration.

e).- Appoint and delegate its powers, duties and responsibilities to committees, officers or employees, as may be permitted hereunder Regulations.

f).- To establish reasonable charges for late payment of quotas for the purpose of reimbursing the CONDOMINIUM ASSOCIATION for the interest, losses and expenses and costs (including attorneys' fees) reasonably incurred in its efforts to collect such delinquent payment of assessments, it being understood, however, that the exercise of the CONDOMINIUMS ASSOCIATION's disciplinary powers shall in all cases be in accordance with granting the violator the Right of Hearing.

g).- To take disciplinary measures against any condominium owner or occupant for violations to any of the provisions of the Law, the Trust Agreement, the Deed establishing the Condominium Property Regime, these Regulations or the CONDOMINIUM ASSOCIATION Assembly Resolutions, without prejudice to exercise the right to collect and reimburse the expenses and costs incurred by the CONDOMINIUMS ASSOCIATION or the Condominium Administration, as the case may be, by virtue of such violations in order to repair the damages caused to the common areas or its facilities by such condominium owner or occupant.

h).- Authorize the Condominium Administration to enter into any UNIT, GARAGE or COMMERCIAL UNIT in connection with maintenance or repairs, for which the CONDOMINIUM ASSOCIATION shall be responsible. Such entry may be made only with prior notice to the condominium owner in question (except in the case of an emergency) with the least possible inconvenience to said condominium owner and with the understanding that any damage caused will be repaired by and at the sole cost and expense of the CONDOMINIUM ASSOCIATION.

CHAPTER EIGHT - ASSEMBLIES.

ARTICLE 24.- The Homeowners Meeting is the supreme body of the Condominium. The meetings called to resolve cases affecting only a part of the total number of condominium owners shall be of a group of condominium owners. All other meetings shall be general.

The following preventions apply to one or the other:

I.- The general meetings shall be held at least once a year, and those as well as the group meetings as often as they are convened in accordance with the provisions of the Law and these Condominium Regulations.

II.- Voting shall be personal, nominal and direct.

III.- The Condominium Owners shall participate in their own right in the Assemblies and may be represented by third parties that are accredited by means of a power of attorney or mandate; Tenants shall require a simple Power of Attorney to represent the Condominium Owner.

IV.- The resolutions of the meetings shall be adopted by majority vote, except in those cases in which the Law and the Bylaws prescribe a special majority.

V.- The meetings shall be presided over by the ADMINISTRATION appointed for the immediately preceding year.

VI.- The Condominium Owners shall designate by simple majority vote, the person who shall act as Chairman and the person who shall act as Secretary of each Assembly.

ARTICLE 25.- In the Ordinary Meetings of the CONDOMINIUM ASSOCIATION held on first call, there shall be a quorum when the CONDOMINIUM OWNERS or their representatives are present and represent NINETY PERCENT of the Total Undivided Ownership. In the Ordinary Meetings held on second or subsequent calls, there shall be a quorum regardless of the number of Condominium owners or their representatives present.

ARTICLE 26.- In the Assemblies of the CONDOMINIUM ASSOCIATION, the resolutions shall be valid with the vote of the majority of those present at the Assembly.

ARTICLE 27.- The vote casted by each CONDOMINIUM OWNER shall represent the proportional part corresponding to it of the total, in the understanding that the total of the UNITS, GARAGE and COMMERCIAL UNIT shall represent one hundred percent (100%).

ARTICLE 28.- The Ordinary Assembly shall have the following powers:

I.- Freely appoint and remove the Administrator, under the terms and conditions of the of the Law and these Regulations.

II. -Appoint and remove a Surveillance Committee, which may be constituted with one, two or up to three persons.

III. Decide on the type and amount of the guarantee to be granted by the Administration with respect to the faithful performance of its mission and the management of the funds in its care, both for maintenance and the reserve for the replacement of implements.

IV.- To examine and, as the case may be, approve the annual statement of account to be submitted by the Administrator for its consideration.

V.- To discuss and, as the case may be, approve the expense budget for the following year.

VI.- To establish the fees to be paid by the condominium owners for the Maintenance and Reserve Funds.

VII.- To adopt the appropriate measures on the matters of interest that do not fall within the scope of the functions of the vested in the Administration.

VIII.- To modify the condominium's constitutive deed and these Regulations, in the cases and under the conditions provided for in the one and the other, within the applicable legal provisions.

IX.- To take appropriate action before the competent authorities when the Administration violates the Law, the Trust Deed, the Deed establishing the Condominium Regime, this Regulation, and any applicable provisions.

X.- Any other rights granted by the Law, these Regulations, the Deed establishing the Condominium Property Regime, and other applicable provisions.

ARTICLE 29.- Condominium owners shall refrain from voting on matters in which, either directly or indirectly, they are involved in a capacity other than that of condominium owners, or when the interest of such condominium owner conflicts with that of the condominium.

ARTICLE 30.- The President of the Association, the Surveillance Committee and the Administration may call a Homeowners Meeting. The condominium owners and the registered creditors may call a meeting when they can prove before a competent Judge that they represent at least one fourth of the value of the condominium. The calls shall be made ten days in advance by means of written communication with acknowledgement of receipt. In case of extreme urgency, a meeting shall be called with the anticipation as the circumstances may require.

ARTICLE 31.- Meetings of the CONDOMINIUMS ASSOCIATION shall be held at the CONDOMINIUM or at any other place deemed convenient in San Jose del Cabo, Baja California Sur, Mexico.

ARTICLE 32.- The secretary of each Assembly will prepare the minutes, which he shall sign together with the President of the Assembly, with the principal officer of the Surveillance Committee.

ARTICLE 33.- The administration of the CONDOMINIUM shall maintain original minutes and attendance lists for each meeting and transcribe the minutes in a book to be kept for such purposes.

ARTICLE 34.- At the request of any Condominium owners and at its exclusive cost and expense, the Administration shall provide to the Condominium owners that so requests, an authorized copy of the minutes of any Assembly.

CHAPTER NINE OF THE ADMINISTRATION.

ARTICLE 35.-The condominiums shall be administered by the person designated by the assembly under the terms of these Regulations. The Administration may be in charge of one of the condominium owners or of any other person, natural or legal entity, and the

Assembly of these shall appoint the relative remuneration, which may be waived by whoever accepts to serve the office free of charge.

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ARTICLE 36.- The Administration shall always have available to show to the condominium owners and registered creditors a copy of the Trust contract, the Condominium Regime deed, the Descriptive Memory, these Regulations and the Minutes Book, and shall inform each one of them in writing of the resolutions adopted by the meeting.

ARTICLE 37.- It shall be the responsibility of the Administration:

I.- To keep, duly authorized by the Municipality, a book of Minutes, and one for Registration of the Condominium Owners, their representatives and of its creditors who express, within the first month after the credits have been constituted, or in January of each year, their decision to attend the meetings. In the latter Register, the agreement of the creditor and debtor on the balances pending payment shall be recorded, and in the event of discrepancy or waiver by the debtor to express his will, the balances determined by the Surveillance Committee shall be recorded, indicating the proportion corresponding to the creditor and debtor of the votes attributed to the UNIT or Commercial Unit in question. These entries shall only be valid for the trimester in which they are made and the ADMINISTRATION shall issue a record thereof to the interested creditor.

II.- To care for and watch over the Condominium property and the common areas and services, and to promote the integration, organization and development of the Condominium community. The provision of these services and the problems that may arise in this regard will be resolved in the corresponding assemblies.

III.- To collect and keep the books and related documentation with the Condominium, which may be consulted by the condominium owners at any time.

IV.- To attend to the operation of the facilities and general services.

V.- To perform all acts of administration, conservation and maintenance of the Condominium.

VI.- To carry out the resolutions of the Assembly, unless the Assembly designates another person.

VII.- To collect from the condominium owners their contributions to the Maintenance and Reserve Funds, and to demand the payment of fees in accordance with the provisions of these Regulations.

VIII.- Execute the maintenance and administrative expenses of the Condominium, the amount shall be charged to the corresponding fund, in accordance with the terms of these Regulations.

IX.- To grant a receipt to each of the condominium owners for the amounts contributed to the maintenance and reserve funds. These receipts shall show, if applicable, the balances payable by each condominium owner.

X.- To deliver, at the request of the Condominium Owners, a report showing:

(a). Detailed statement of the expenses of the previous month, charged to the maintenance fund.

(b). Consolidated statement showing the amounts of contributions and quotas pending payment.

(c). Maintenance fund balance and purposes for which it is to be used in the following month, or, as the case may be, the amount and list of debts to be paid.

XI.- To have at the disposal of the condominium owners who wish to consult him, a list of them showing the amounts that each one of them contributed to the Maintenance and Reserve Funds, with an expression of the balances of quotas pending payment.

The condominium owner will have a period of FIVE days from the date said documents are delivered to formulate the observations or objections that it deems appropriate. Once this period has elapsed, it shall be deemed to be in agreement with said documentation, subject to the approval of the assembly.

XII.- Notify the meeting notices with at least ten days prior to the date of the meeting, indicating the place, day and hour in which it will be held, including the agenda. The condominium owners and registered creditors or their representatives will be notified at the place indicated for such purpose, by means of a written notice;

In addition to sending the above notice, the ADMINISTRATION shall post the notice in one or more visible places in the condominium.

XIII.- To take care of the due observance of the provisions of the law, the rules and regulations, the Condominium Deed and the Trust Agreement, and to demand, with the representation of the other condominium owners, the responsibilities incurred by the violator.

XIV.- To initiate and pursue actions to obtain repairs for damages or to prevent any actual or alleged violation of any of the provisions of the Law, of the Trust Agreement, of the Condominium Deed, of these Regulations or of the Assembly resolutions, either acting in its own name and representation or in the name and representation of any CONDOMINIUM OWNER authorized to do so.

XV.- To perform such other duties and fulfill such other obligations as may be assigned to it by the Law, these regulations, the Articles of Incorporation and other applicable provisions.

Matters relating to the common interest and which are not expressly included in the description of the faculties of the Administration of the Condominium, shall be resolved by the CONDOMINIUM ASSOCIATION and by the applicable legal provisions.

CHAPTER TEN. SURVEILLANCE COMMITTEE.

ARTICLE 38.- The supervision of the CONDOMINIUM shall be in charge of the Surveillance Committee, appointed by the CONDOMINIUM ASSOCIATION, which shall be composed of up to three members, as decided by the CONDOMINIUM ASSOCIATION.

ARTICLE 39.- The Surveillance Committee shall have the following powers and duties:

I. -To make sure that the Administration complies with the agreements of General or Group Assemblies of the Condominium Association.

II.- To verify that the Administration complies with the functions entrusted to it by the Law and these Regulations.

III.- To review and authorize the annual expense budget to be submitted for approval by the Annual Assembly of the CONDOMINIUM ASSOCIATION.

IV.- In cases of urgency, to approve extraordinary expenses charged to the Reserve Fund.

V.- To review the quarterly statement of account of the CONDOMINIUM and to make such recommendations as it may deem advisable.

VI.- Request the Condominium Administrator to convene ordinary or extraordinary meetings, as well as general or group assemblies of the CONDOMINIUM ASSOCIATION.

VII.- Any others determined by the CONDOMINIUM ASSOCIATION.

VIII.- Any other duties derived from the Law, as well as from the Condominium's Articles of Incorporation and these Regulations.

ARTICLE 40.- The Surveillance Committee shall meet whenever it deems convenient or upon written request of the CONDOMINIUM ASSOCIATION, addressed to the domicile that each member of the Surveillance Committee shall indicate to the Condominium Administration for such purpose.

For there to be "quorum" at a Surveillance Committee meeting, more than half of the members must be present. The resolutions of said Surveillance Committee shall in any case be signed by all those in attendance, which will be delivered to the Condominium Administration to be transcribed in the minutes book of the CONDOMINIUM.

CHAPTER ELEVEN.- TAXES, ASSESSMENTS, MAINTENANCE AND RESERVE FUNDS.

ARTICLE 41.- The condominium owners shall pay, independently of the Real Estate Tax of their exclusive UNIT, GARAGE or COMMERCIAL UNIT, their corresponding share of the common property, as well as any other taxes or duties which, by reason of the Condominium, may be caused or owed by them. Each GARAGE UNIT or COMMERCIAL UNIT shall be registered separately for tax purposes, and each CONDOMINIUM shall pay the property tax for which it is responsible. The value set for tax purposes for each UNIT shall not alter the value of the same for the purposes of these Regulations, nor their proportion in the CONDOMINIUM PROPERTY REGIME.

ARTICLE 42.- The condominium owners are also obliged to cover the Common Expenses and the Administration and Maintenance Fees approved by the General Assembly of the CONDOMINIUM ASSOCIATION, under the terms of these Regulations.

The annual fee is payable by semester and in advance, within the first fifteen days of January and July of each year.

ARTICLE 43.- The quotas corresponding to each condominium owner shall be delivered to the Administration in the manner and within the terms determined by the CONDOMINIUM ASSOCIATION.

ARTICLE 44.- Each condominium owner is obliged to contribute to the common expenses of maintenance of the COMMON AREAS and common services, as well as to the administration expenses, in proportion to its percentage of undivided ownership, as stated in the DESCRIPTIVE MEMORY.

ARTICLE 45.- The Common Expenses are divided into Ordinary and Extraordinary.

ARTICLE 46.- The following shall be ordinary Common Expenses:

- a) Maintenance, operation, repair, administration and administration expenses or replacement of COMMON AREAS and common services, such as elevators, gardens, hydraulic and electrical networks, lighting.
- b) The expenses for the conservation, maintenance, and repair of the exterior of the UNITS, GARAGE or COMMERCIAL UNIT.
- c) Wages and benefits for administrative staff and service, including, as the case may be, those of the Condominium Administration, and of the Surveillance Committee.
- d) Expenses to be incurred for the acquisition and conservation of utensils and equipment required for conservation, cleaning and protection of the COMMON AREAS, common services and the exteriors of the UNITS, GARAGE or COMMERCIAL UNIT.
- e) The Insurance premiums that the Condominium Administration hires with respect to the common areas, which insurance shall cover all kinds of risks.
- f) Any other expense for the benefit of or necessary for the collective enjoyment of the COMMON AREAS and common services, the UNITS, GARAGE or COMMERCIAL UNIT.
- g) Expenses for the provision and supply of common services.
- h) The expenses for water fees for the COMMON AREAS, the expenses for the supply of electricity for the COMMON AREAS and the expenses for drainage services.
- i) The amounts necessary to form the reserves established annually by the CONDOMINIUM ASSOCIATION.
- j) Fees of the auditors who prepare the annual audit of the expenses of the statements of account presented by the Condominium Administrator to the annual meeting of the CONDOMINIUM ASSOCIATION.

ARTICLE 47.- The Condominium administrator shall submit to the CONDOMINIUM ASSOCIATION the budget for ordinary common expenses for each year. Said budget shall be prepared on the basis that it is the intention of all the Condominium owners to keep the CONDOMINIUM in the best conditions of presentation and use.

Therefore, any vote against the budget must be substantiated and motivated and must also be based on evidence.

ARTICLE 48.- Extraordinary common expenses are those approved by the CONDOMINIUM ASSOCIATION to face situations not foreseen in the annual budget. When the need arises, the Condominium Administration shall propose the approval of Extraordinary Common expenses.

If in any annual fiscal year the Assembly fixes dues for extraordinary expenses for the purpose of defraying actions or projects in charge of the CONDOMINIUM ASSOCIATION, these dues shall be obligatory for the condominium owners who were not present and even for the dissidents.

ARTICLE 49.- A Fund shall be set up to cover the expenses of Maintenance and administration, and other Reserve Fund, which the condominium must have. To constitute said funds, each condominium owner shall initially cover the equivalent amount of \$500.00 USD (FIVE HUNDRED DOLLARS, CURRENCY OF THE LEGAL CURRENCY OF THE UNITED STATES OF AMERICA), at the moment of the delivery of the UNIT. Subsequently it will be added with the contributions determined by the CONDOMINIUM ASSOCIATION ASSEMBLY.

ARTICLE 50.- The reserve fund, while not in use, shall be invested in fixed income securities, redeemable at sight. The amount destined for maintenance and administration shall be enough to have enough money in advance to cover three months' expenses.

ARTICLE 51.- The obligation of the CONDOMINIUM OWNERS to contribute to the common expenses of maintenance and administration, will subsist even when the use of the UNITS, GARAGE or COMMERCIAL UNIT, as the case may be, or of the COMMON AREAS and common services, is not used or is waived.

ARTICLE 52.- The debts for the concept of common expenses of maintenance and administration shall always remain with the property of the UNITS, even when these are transferred to third parties. Therefore, for the collection of such expenses, the preferential rights established in Article (2993) two hundred nine hundred ninety-three of the Civil Code shall apply.

ARTICLE 53.- The first testimony of the Public Deed containing the Protocolization of the Minutes of the CONDOMINIUM ASSOCIATION in which the payment of ordinary or extraordinary quotas is agreed upon, shall serve to demand the payment of such quotas and the corresponding moratory interest in an executive trial. The payment of the installments with their delinquent interest does not exempt the CONDOMINIUM OWNER from the responsibilities that may exist at its charge for damages.

CHAPTER TWELFTH.- MAINTENANCE

ARTICLE 54.- Maintenance shall include, but not be limited to, exterior painting, maintenance of green areas and repair of common areas, as well as such equipment and accessories as the Condominium Owners' Association may deem appropriate or necessary.

ARTICLE 55.- The interior parts of each GARAGE, UNIT or COMMERCIAL UNIT, as well as the interior parts of those areas whose exclusive use, whether by right or by payment

or easement, belong to a condominium owner, shall be kept painted and repaired by the corresponding condominium owner, in which case the corresponding maintenance costs and expenses shall be borne exclusively by said condominium owner.

CHAPTER THIRTEEN.- USE OF SWIMMING POOL AND SUNBATHING AREA.

ARTICLE 56.- CONDOMINIUM OWNERS or OCCUPIERS of UNITS may use the facilities of the Swimming Pool and Sunbathing Area, under the terms and conditions stipulated hereinafter:

- A).- The Swimming Pool and the Sunbathing Area may be used exclusively by condominium owners, occupants, or their guests.
- B).- The Pool and the Sunbathing Area may also be used by the other members authorized by the concessionaire.
- C).- The pool hours will be from 8:00 a.m. to 8:00 p.m. daily.
- D).- It is strictly forbidden to introduce into the pool and its surroundings any utensil made of glass or any other material dangerous. Only plastic or plastic utensils may be used or any other material that does not represent a hazard.
- E).- All users of the pool must collect, before leaving, all personal belongings and all waste, in order to keep the pool and its surroundings clean, tidy and presentable.
- F).- It is strictly forbidden to introduce into the pool or in the surroundings of the pool any type of animal or pet.
- G).- Children under fourteen (14) years of age must be accompanied by an adult (21 years of age or older) who must be responsible for them.
- H).- Parents shall be responsible for their children when they occupy the pool and its surroundings and are obliged to supervise, in addition, that their children do not perform any act that disturbs the peace and tranquility in the pool area.
- I).- If any condominium owner is not up to date in the payment of his fees, he will not be allowed access to the Swimming Pool Area.

CHAPTER FOURTEEN.- DISCIPLINARY MEASURES.

ARTICLE 57.- The CONDOMINIUM ASSOCIATION ASSEMBLY may impose disciplinary measures to the violators of these Regulations, by means of the temporary suspension of the voting rights of said condominium owner in the Assemblies; suspension of the right to use the Swimming Pool Area; by means of the imposition of pecuniary sanctions by virtue of said violations; and requesting the intervention of the Municipal Authority.

ARTICLE 58.- The Municipal Authority, upon the express request of the Condominium Owners' Assembly may apply the sanctions and measures of The law of safety provided for in the Municipal Organic Law and the Police and Good Government Code, to force violators of these Regulations to comply with them and to repair the damages and losses caused.

ARTICLE 59.- The condominium owner who repeatedly fails to comply with its obligations, in addition to being liable for the damages caused to others, he may be sued in order to be forced to sell his rights, even at public auction, respecting the right of first refusal, under the terms of the Law and these Regulations. The exercise of this action shall be resolved at the Condominium Owners' Meeting, by a minimum of 75% (SEVENTY-FIVE PERCENT) of the condominium owners.

ARTICLE 60.- If the person who does not comply with its obligations is a non-owner occupant, the Administration shall demand, with the prior consent of the condominium owner, the vacating of the GARAGE, UNIT OR COMMERCIAL UNIT, and if the condominium owner opposes, it shall proceed against him and the occupant, under the terms of the preceding Article.

ARTICLE 61.-The amounts that the condominium owners do not pay in a timely manner, shall cause interest of 20% twenty percent per annum until the time of payment.

ARTICLE 62.- When any condominium owner falls into arrears, the ADMINISTRATION shall distribute the amount of the debt caused and that continues to be caused, among the remaining condominium owners, in proportion to their GARAGE UNIT or COMMERCIAL UNIT, until the recovery of the debt. Upon recovery of said debt, the ADMINISTRATION will reimburse those affected by said charge, the amounts they have contributed, and the interest on the proportional part that corresponds to them shall be credited to their corresponding account.

ARTICLE 63.- The fees referred to in these Regulations shall be covered directly by the occupying Condominium Owners; also by their assignees, under the terms agreed in each specific case.

CHAPTER FIFTEEN.- ENCUMBRANCES.

ARTICLE 64.- The CONDOMINIUM ASSOCIATION shall be responsible for the encumbrances on the Common Areas, which are not divisible among the different UNITS, GARAGE or the COMMERCIAL UNIT or UNITS of the Condominium.

ARTICLE 65.- Each condominium owner shall be liable only for the lien corresponding to his GARAGE, UNIT or COMMERCIAL UNIT.

CHAPTER SIXTEEN.- AMENDMENTS TO THE REGULATIONS.

ARTICLE 66.- These Regulations may be modified by agreement of the CONDOMINIUM ASSOCIATION ASSEMBLY, whose approval is supported by seventy five percent of the total CONDOMINIUM.

FIRST TESTIMONY, FIRST IN ITS ORDER, THAT HAS BEEN OBTAINED FROM THEIR PROTOCOL, IN EIGHTEEN USEFUL PAPERS, COMPARED AND CORRECTED IN ACCORDANCE WITH THE LAW, FOR USE OF THE TRUSTEE "BANCO INTERNACIONAL, SOCIEDAD ANONIMA, INSTITUCION DE BANCA MULTIPLE, GRUPO FINANCIERO BITAL, DIVISION FIDUCIARIA", IS HEREBY GIVEN. SAN JOSE DEL CADO, BAJA CALIFORNIA SUR, ON AUGUST TWENTY-FOURTH, TWO THOUSAND.
I WITNESS. – NOTARY'S SIGNATURE AND SEAL.

