

FOURTH MONTHLY REPORT
(January 25 to February 22, 2019)

Dear Owners of Costa del Mar, receive a warm greeting. Our Committee in response to our commitment to communication and transparency, we share as we do every month, the most relevant events of our management in the last period, also adding the information corresponding to income, expenses and exercise of the budget at January.

Water leaks:

One of the problems that was constantly presented is water leaks in CDM especially every time the water arrived, since the pipe filled with air and broke some, due to the strong pressure of accumulated air, maintenance staff coordinated by Letty Armenta has done a great job making the repairs in the shortest time possible to avoid inconvenience to the residents.

This situation was presented continuously, already required a definitive solution, for that reason it was constructed a reinforced concrete box where a valve and pressure gauge will regulate the air pressure in the water network lines, for this project the amount of \$ 43,500.00 was paid.

Likewise and to avoid a serious problem with the pipe that distributes the water to the entire fractionation, we have requested budgets to carry out another necessary project, which consists in changing the piece "T" because is in very poor condition due to the large number of years in service, located underground in the entrance cruise, which can be broken and leave the water service to all CDM, in this regard we will keep you informed.

Dues:

On the other hand, in this statement we want to make special mention in the issue of quotas, in the previous report we communicated that an audit of quotas would be carried out and we inform you that this audit is already being carried out to the files that we received last October.

The is because we need to have a reliable and verified database, some owners have informed us of their disagreement with their installment balances and, on the other hand, we have detected deposits from previous years in accounts of Banks that are not identified.

The audit is being done to each and every one accounts of the owners, where the movements of these accounts are compared with the deposits of the Banks account, as well as a review of the charges and calculations for fees and penalties.

We ask for your patience and consideration during this process, maybe we need your support to detect the owner of some deposits or for any information that we may require from you.

To avoid mistakes, it is necessary to keep a complete accounting system and integrate the quota process into the accounting system, so that any error or omission can be detected opportunely.

Currently, in January, we are already operating with an accounting system that we have designed in coordination with the accounting firm that links all the processes. This can be seen in the Income Report to January that is attached, where each one of the deposits made by the owners are clearly identified.

This new registration system and internal control has several filters, so that it allows us to obtain complete and detailed financial statements. The Accounting Office is also preparing a user manual for the system to guarantee its attention, validity and continuity of the system.

Transfers:

In this topic, we would like to inform you that since January 25 of this year, we presented to CI Banco the General Assembly Minutes duly notarized and the process that the banking institution arranges for the registration of the new firms was initiated. So far the Bank has not completed the process, and the Directive Board has not yet taken control of the bank accounts.

CI Banco requires that every six months an agreement be signed that allows us to receive deposits from abroad in our account, this agreement could not be updated due to lack of authorized signatures, this is the reason why some transfers that some owners have made in abroad, have not been reflected in the account of the Association.

As long as this situation is regularized, the resources will be in a CI Banco concentrating account unless the owner cancels the operation, we ask you to leave the resources and as soon as we have signed the agreement, they will be reflected in the Association's account. For the discount to which you are entitled to have made their deposits on time, do not worry, they will be respected accordingly.

Summary of work report of Property Manager Letty Armenta:

The posts of all luminaries were black painted to prevent their oxidation, and the micas were ordered that some luminaries need, likewise the one located in front of the house 47 was welded.

Maintenance personnel have repaired multiple water leaks, such as those that occurred in front of lots 130, 38, 55 and on the sidewalk of lot 67.

A continuous report was made at CEA and follow-up until the leak was repaired at the exit of the guardhouse.

Many reports and monitoring have been made about water leakage that are located at the beginning of the access road of the Fractionation and it is still in contact with CEA for the corresponding repair, although its attention has not yet been obtained by the water agency.

Placing of rules sign in English in the pool area.

Rehabilitation of fallen pole in common area, that occupied masonry work for base construction, welding and crane for handling and placement.

Work continues on the cleaning management of vacant lots.

Management of collection of quotas to owners and report preparation.

Management of budget and project contracting of valves placement to regulate water pressure.

Personalized attention to owners and residents of Costa del Mar through mail and Club House office.

Finally, we said goodbye inviting you to pay to current with your payments of quotas and remember that you can still make the annuity payment with a discount until February 28th.

Best regards.

CDM Board