

ACTIVITY REPORT FOR THE MONTHS OF MAY AND JUNE 2019

We began our activity report by thanking the owners for their participation in the last General Assembly, as we held a very productive meeting with a large participation of those present at it.

In accordance with the provisions of Art. 25, Section XI of the Ley de Propiedad en Condominio de Inmuebles para el Estado de Sonora, the resolutions adopted at the General Assembly were sent to your mail by the Secretary of the Assembly for your knowledge.

The months prior to the Assembly required much of the time of the Directive Committee and Property Manager in the preparation of Assembly and additional to those activities, we report the following:

Batch cleaning

At the request of many owners of the community and in compliance with our statutes, nine vacant lots were cleaned that presented a risk for CDM residents since the presence of harmful fauna was detected, even the neighbors sent us photographs of snakes so, after following the protocol that the statutes indicate and several communications with the owners were ordered to clean, which resulted in an extraordinary fee of \$3,248.00 for machinery and transport to lots 20, 23, 38, 69, 71, 95, 97, 103 and 106.

Penalty Discounts

With respect to Resolution 090519 that was approved in the Assembly held in May, in which discounts were authorized for the concept of penalties at the rate of 100% discount if the balance was settled during the month of June, we report the following results:

Owners interested in settling their debt and who requested their account statement (lot #)	Amount	Deposits
4	\$20,816.46	\$20,816.46
20	\$103,409.75	
33	\$13,467.86	\$13,468.00
45	\$19,139.19	\$19,139.19
46	\$25,965.58	\$25,965.58
53	\$29,374.72	\$29,374.72
68	\$7,323.05	\$7,323.05
70	\$34,018.96	
73	\$13,588.32	\$13,588.32
88	\$13,841.82	\$13,841.82
90	\$11,634.92	\$11,634.92
109	\$181,513.78	
110	\$112,513.34	
111	\$26,923.84	
115	\$39,762.52	\$40,000.00
132	\$573,256.27	\$573,270.19
	\$1,226,550.38	\$768,422.25

Note: Lot 53 requested to deduct its installment settlement from the construction deposit refund.

During the month of July, owners who settle their debts can obtain a 75% discount on penalties and can request their account statement to the mail: cobranzacostadel mar2019@gmail.com

Rules for leases

In the last General Assembly, among other important agreements, some resolutions were approved that determine the rules that must be attended by the owners of lots that rent their properties and have been working to comply with them, however, we have encountered some difficulties with some owners who refuse to comply with them and not only refuse to comply but have also been complicating the administration by alluding to different arguments that leave much to be desired from what is expected of a respectful and considerate condominium owner.

We have had problems since now some owners are renting their property and report to the people who enter as if they were guests or relatives, situations that even the security guards have detected and the residents themselves deny even if they are presented with evidence of deception. Other owners have been threatening in various ways and have continued to rent their properties in disregard of the provisions of the General Assembly, the highest authority of our Association, behaving disrespectfully with the administration of our Association.

Most of our efforts during the month of June, focused on the collection and attention of owners who were interested in taking advantage of discounts, however, we take this opportunity to ask for the support of owners who rent their properties as they will be effective provisions approved by the General Assembly, which include mainly:

- To be free of debts to rent a property
- A \$7,500.00 deposit to cover fines for rule violations.
- Release of Liability Contract
- Information and contact data sheet
- Deposit for 10% of the amount in which the property was rented

To update your file and receive advice on it, you can report to Letty Armenta and she will guide you.

On the other hand, we thank the owners of the following lots, who have complied with the provision of the deposit in guarantee for \$7,500.00

Lot	Date	Amount
67	08/05/2015	\$ 7,500.00
51	12/05/2015	\$ 7,500.00
63	22/05/2015	\$ 7,500.00
18	25/05/2015	\$ 7,500.00
45	18/06/2015	\$ 7,500.00
73	19/06/2015	\$ 7,500.00
120	09/07/2015	\$ 7,500.00
44	31/05/2019	\$ 7,500.00
46	27/07/2019	\$ 7,500.00

Services

The Property Manager detected that the payment for telephone service included packages that made the service more expensive, so the package was removed and the basic service was contracted, representing a savings of \$1,860.00 per month.

In another matter, we informed that in past months the Company Pasa Gen, who offers us the garbage collection service, issued us a judicial collection notice for outstanding invoices for the years 2017 and 2018; in view of this situation, the Directive Committee decided to thoroughly investigate the situation and after much work and time dedicated to negotiations, due to the disorderly manner in which payments were arranged by CDM; The company has responded to our questions in a very responsible manner and as a result some adjustments have been obtained credit notes for payments made over by CDM in previous years, as we were being charged an additional container and also the billing of a container double the capacity that we have always had. On our part we also recognized invoices from other years that had not been paid by CDM and the balance payable finally resulted in an invoice for the year 2018 and what goes from January 2019 to date, the same amount that will be reflected in the expenditures of the month of July.

The revision resulted in a saving of \$30,607.08 and the certainty of the amount that must be paid monthly without changes, unless it is a request for additional service on our part.

Finance

As always, the reports of income, expenditures and exercise of the budget corresponding to the months of May and June of the present year are attached.

During the month of June, finally after many requirements and procedures, it was possible to obtain the agreement that was required to sign with the Bank to access the transfers that some owners had made from abroad, some have already been deposited in CDM account and credited in the account statements of the owners and we still need to recover others that are in the process of detection by the Bank.

Major repairs

Six connections of the drinking water pipe were repaired, which was in very bad condition and some of them were leaking, and an email was sent to the owners informing them of this situation.

In the last few days a problem arose as the two submersible drainage pumps were burned, the services of pipes were contracted for the drainage and repair of the two pumps that required complete motor winding, changing of bearings, starting capacitor, working capacitor and motor starting. Both pumps were already installed and cages were built to prevent damage.

Other maintenance activities programmed and directed by the Property Manager Letty Armenta and carried out by Pedro Medrano y Juan Bocobachi

Sections of the drainage line in the pool pump room were repaired and replaced as they were covered with tree roots.

The metal covers covering the drainage lines that were in very poor condition at the beach access and outside the office were changed.

The metal roofing materials of the common area that were already corroded were painted.

Three water leaks were repaired and presented in the registration boxes on the sidewalks.

Repair of lamps, replacement of broken glass in the common area and welding work to the access doors to the beach.

The motor of the access door to CDM was repaired.

Miscellaneous

Resident decals and electronic access cards were ordered to make it easier for owners to enter CDM.

The recovery of deposits in dollars made by owners during the months of January and February of this year from abroad was managed; some of these deposits have yet to be recovered. The procedure required for these transfers from outside the country has been punctually attended by the Steering Committee, however it has taken a long time for the completion by the Bank, due to new legislation on the subject.

The cleaning of the peripheral canal of CDM is scheduled for next week to prevent the rainy season.

We remain in contact and extend a cordial greeting.

CDM Directive Committee