COURTSY TRANSLATION

ANNUAL GENERAL MEETING OF THE RESIDENCIAL LOS EUCALIPTOS COMMUNITY OF OWNERS

In San Pedro, on the 7th March 2007 at 10:30hrs, the Annual General Meeting of the Residencial Los Eucaliptos Community of Owners commences in the Hotel NH San Pedro de Alcántara, on second call, having previously been convened as established by the law 8/99 of the 6th April 1999 of the Horizontal Property.

The meeting started with the following persons:

PRESENT	**COEF. %**
Ms. Eva María Benavides Grases, Bl.7-4,G.48, Trastero 40	0,976%
Ms. Nicola Vieira Rodrigues, Bl.7-6, G.47, Trastero 41	1%
Mr. Andrés Roldán B.9-3, G.50, Trastero 51	0,93%
Mr. Mohamed Lotfy B.9-4,G.53, Trastero 49 y 50.	1,267%
Mr. William Rees y Sra. Rees Bl.10-1,G.55,Trastero 57	1,027%
Mr. José León Delgado, Bl.11-2, G.61	0,935%
Mr. Francisco Javier Peco Moreno, Bl.12-5, G.66,71, Trastero 71	1,231%
Mrs. Rosa Galeote Lozano, Bl.13-4,G.68, Trastero 76	1,156%
Mr. Pablo Jesús García Sánchez-Pardo Bl.14-4,G.91,Trastero 81	0,9719%
Ms. Renata Kollanyi, Bl.14-6,G.90, Trastero 80	0,971%
Mr. Stephen MacKenzie y Sra. Selena Brady Bl.15-1, G.88	1,198%
Mr. Daniel Bóveda Tejada, Bl.15-4,G.87, Trastero 82	1,106%
Mr. Enrique Prieto (Encino del Puerto S.L.), Bl.15-5, G.85, Trastero 86	1,161%

Taylored Services, Administrator represented by Fernando Portal
Ms. Mª Ángeles Mena, President of the Community.

TOTAL VOTES PRESENTS 13,9299%

OWNERS DULY REPRESENTED	**COEF.%**

- Ms. Mª Ángeles Mena, represents the following owners:

Ms. Jannette Woodhouse & Ms. Lynn Jackson, Bl.9-6,G.51, Trastero 54	1,16%
Mr. José Castellano Fernández & Mrs. Saray Martínez, Bl.13-3,G.63,93,Trastero 75	1,02%
Mr. Abdul Rahman Mohd Murad, Bl.15-3, G.86	1,069%

TOTAL COEF. REPRESENT MS. Mª ÁNGELES MENA 3,249%

- Mr. Thomas Rees, represents the following owners:

Mr. Nicholas Williams & Mrs.Jane Coglan, Bl.10-4, G.74	0,85%
Mr. Dreesen & Mrs. Vanoorbeek, Bl.10-5,G.57, Trastero 59	1,01%

TOTAL COEF. REPRESENT MR. THOMAS REES 1,86%

- Ms. Nicola Vieira, represents the following owners:

Mr. Jeremy Gordon & Mrs. Lynn Thompson, Bl.7-5,G.37, Trastero 42	1,165%

TOTAL COEF. REPRESENT MS. NICOLA VIEIRA 1,165%

- Mr. Fernando Portal represents Taylor Woodrow S.A.:

Bl.10, Trastero 55	0,050%
Bl.10, Trastero 56	0,046%
Bl.11-3, G.62	1,055%
Bl.11-5, G.60, Trastero 65	1,166%
Bl.11, Trastero 61	0,028%
Bl.12-6, G.65, Trastero 72	1,138%
Bl.13-5, G.79	0,949%
Bl.13, Trastero 73	0,050%
Bl.14-5, G.80, Trastero 77	1,17%
Bl.14, Trastero 78	0,028%
Bl.14. Trastero 79	0,046%
Bl.15-6,G.84, Trastero 85	1,166%
Bl.15, Trastero 84	0,069%
Bl.1-2, G.31	1,348%
Bl.1-3, G.1	0,90%
Bl.1-4, G.4	1,246%
Bl.1-5, G.3, Trastero 6	1,014%
Bl.1, Trastero 1	0,038%
Bl.1, Trastero 2	0,0431%
Bl.1, Trastero 3	0,038%
Bl.1, Trastero 4	0,038%
Bl.2-3, G.8	1,062%
Bl.2-5, G.6, Trastero 11	1,138%
Bl.2, Garaje 28	0,086%
Bl.2, Trastero 7	0,032%
Bl.2, Trastero 8	0,0431%
Bl.2, Trastero 10	0,038%
Bl.3-4, G.10	1,0353%
Bl.3-6, G.13, Trastero 17	1,138%
Bl.3, Trastero 13	0,049%
Bl.4-3, G.16	1,062%
Bl.4-4, G.25	0,938%
Bl.4-5, G.15, Trastero 24	1,165%
Bl.4, Trastero 19	0,032%
Bl.4, Trastero 20	0,0431%
Bl.4, Trastero 22	0,038%
Bl.5-2, G.22, Trastero 30	1,246%
Bl.5-4, G.18	1,024%
Bl.5, Trastero 26	0,0431%
Bl.6, Trastero 32	0,0431%
Bl.7-1, G.38	1,176%
Bl.7, Trastero 39	0,038%
Bl.8-4, G.44	1,057%
Bl.8-6, G.41, Trastero 47	1,159%
Bl.8, Trastero 46	0,043%

TOTAL COEF. REPRESENT MR. FERNANDO PORTAL 25,3548%

TOTAL COEFICIENTS PRESENT OR REPRESENT……..45,5587%

AGENDA

1. President's Report.
2. Presentation and approval of the 2006 Accounts.
3. Election of the President and Vice-president for period 2007.
4. Approval of the 2007 Budget from 1st January to 31st December period.
5. Debtors List and Actions to be taken.
6. Date for the next AGM.
7. Any other Business.

1. PRESIDENT'S REPORT

2. PRESENTATION AND APPROVAL OF THE 2006 ACCOUNTS

Mr. Fernando Portal starts giving the explanation of the 2006 accounts:

I would like to start first, by mentioning the criteria we used in the preparation of the community Los Eucaliptos' first-community Operating Budget for the period of 1st July to 31st December 2006.

The following elements were taken into consideration:

- That this budget was going to be the opening-budget. In other words the community first – operating budget.
- To cover the period from the 1st of July until the 31st December 2006, where Phase I is from July-Dec and Phase II is December.
- An opening-budget to be prepared without any expenditures past-real history information.
- That the Developer was going to deliver the Community of Los Eucaliptos by phases and not, as a one completed development.
- The delivery of the community phases will take place starting with blocks 9 to 15.
- And later on to become one whole community of a total of 90 apartments with underground garages and storerooms.
- We also took into consideration some actual costs from other communities of closer characteristics we managed.

COMPARATIVE OF THE OPENING BUDGET 2006 VS ACTUAL EXPENSES RESULTS

Period:

FROM: 01/07/2006 T**O:** 31/12/2006

In general, the opening-operating expenses of Los Eucaliptos for the period 2006 were managed according to the community approved opening budget projections.

The actual operating result is good at the closing period 31st December 2006, which has resulted in a total savings for the community's owners by the amount of ***9,141.39€***
Although, we had some over expenditures between the budget estimations and the actual expenses, which are in my opinion reasonable as it is the opening of a new community.

1. **(1B) Cleaning products & Utensils:** Over by 907.19€ due to the initial stock purchase of consumables, cleaning utensils and cleaning products.
2. **(4B) Various Materials:** Over by 1,197.81€ due to initial stock purchase of various items: small stock electrical materials, bulbs, petrol, chain and lock, office material, first aid kits, bathroom accessories.
3. **(6B) Pool and Drinking Water:** Over by 1,524.86€ due to the gardening water, apartments water and swimming pools.
4. **(Cc) Garden Tools:** Over by 1,238.07€ due to the initial purchase of the community garden equipment and tools.

In summary, we were able to obtain an Overall Savings of ***9,141.39€*** for the Community of Owners Los Eucaliptos, due to the budget control and tight administration procedures, for example:

- By implementing the appropriate purchasing controls.
- By negotiating discounts with the suppliers.
- By having the Developer to pay for one month of cleaning before the Hand over.
- Repairs made by the Developer

With regard to the surplus of ***9,141.39€*** obtained in 2006. The entire amount should be allocated to the community Reserve Fund account.

GENERAL COMMENTS FROM SEVERAL OWNERS:

Mr. Lotty asks about the lifts, are still in guarantee? In this case, why we have to pay the maintenance?

Mr. Portal: The guarantee of the lifts doesn't include their maintenance, the Law said, each community must have a maintenance contract and telephone lines, in case of emergency.

Mr. Roldan: I think the lifts maintenance is very expensive for 15 lifts.

Mr. Portal: The community had contracted the company Otis, this company made the installation and we have a guarantee with them. When the guarantee is finish, we can contract another maintenance company.

Mr. Lofty: Regarding the administration, in 2006 (six month) the budget was 8.285,71€ and this year, the administrator presented a budget for 2007 for the total amount of 29.828,47€, why this increase? I know in other communities biggest than this, the administration is lower.

Mr. Portal: In 2006 the community was working 6 month only one phase. The second phase started in December, only one month. The Administration presented a budget for a full year with a community fully opened.
About the budget in other communities, Taylored Services, S.L. made the calculation not only with the number of the apartments, we take in consideration the common elements, the real time the administrator invest in the community, owner care, accounting, etc.…

Ms. Benavides: We are in a competitive market, for this reason, Taylored Services, S.L. has to present a new budget or the community will think to have another administrator.

Mr. Portal: The owners can decide which administrator prefer. Taylored Services, S.L. will study to reduce the annual price for the administration in 2007.

Ms. Benavides: The owners think the garden maintenance is also very high. We have a budget for others companies and they are lower. I think the best is the administrator will take another budgets for gardeners.

Mr. Portal: I will study other offers, but the community has to considerate that we have 2 gardeners full time all year and January, February, July and August, 3 gardeners. It is the first year of the community and the gardens need more care as they are young.

Mr. Prieto proposes to approve the accounts of 2006 first and discuss the budget of 2007 in the next point.

Mr. McKenzie: Has the community contract security? There was a problem the last week with an alarm installed in the community, it was ringing all day and it was impossible to find Taylor Woodrow to disconnect.

Ms. Mena: The community has not installed an alarm, was Taylor Woodrow, there was a telephone in case of emergency but it was not working. But this is not a problem of the administrator is a telephone number for the developer.

Mr. Portal: We are waiting for the Town Hall in Benahavis to constitute the EUC Los Aguilares, this macro community will clean the roads, green areas, street lights and street security only.
At this moment is Taylor Woodrow who cleans and maintens the roads.

Mr. Peco: About the electricity I think it is very expensive, in our Phase the lights did not work for a long time.

Mr. Portal: The electricity expenses are real, based on electricity meter readings taken by the electricity company. We have the invoices and they are invoiced correctly.
It is true, month ago we have electric problems in the community, Taylor Woodrow repaired it and now everything is working.

Mr. Lofty: Is possible to have two separately community?

Mr. Portal: It is only one community, Los Eucaliptos, the cost and the time to make two communities will be very expensive and costly for each owner.

Ms. Vieira: For a long time the lift in my block didn't work. It is possible to receive a refund for the lift maintenance company?

Mr. Portal: On Phase II, the lifts started working on January, before we had to contract the electricity of each block.
The cost for maintenance in 2006 was only for Phase I, we have the invoice and can be checked. The change for electricity consumed is correct.

The accounts for 2006 period are approved.

Before the next point in the Agenda, Mrs. Benavides proposes to make the election of the administrator for this year, or Taylored Services, S.L., presented a competitive budget.

Mr. Lofty proposes to present 2 or 3 budgets.

Ms. Vieira: The administrator has to be a good one, better price and to have reference of him.

Ms. Benavides will like to see the invoices.

Mr. Portal: Each owner can revise the invoices, payments and accounting in the office of the administration.

3. ELECTION OF THE PRESIDENT AND VICE-PRESIDENT FOR PERIOD 2007.

Candidates:

Ms. Nicola Vieira

Mr. Thomas Rees.

Mr. Daniel Bóveda

Vote and approved unanimously

Mr. Thomas Rees for President

Ms. Nicola Vieira for Vice-President

Mr. Daniel Bóveda for Vice-President

4. APPROVAL OF THE 2007 BUDGET

Before this point we discussed about the 2007 budget was high. Those present decide to present a new reduced budget.

There was an overall feeling of discontent with the elevated price of services, gardener, cleaner and the administration in the 2007 proposed budget.

The budget presented by the Administration was refused as it was too costly. It was passed that the President, Vice Presidents and Administrator would prepare a new budget and decide on the contraction of all services for 2007. We will revise also the salary of the Administration.

The said budget will be sent to all of the owners by post with a copy of the Minutes with the means to avoid calling and Extraordinary General Meeting.

5. DEBTORS LIST AND ACTIONS TO BE TAKEN

The debtors list is passed to all those owners present. The same list was sent by post attached to the agenda covering until 31st December 2006. The total amount of debtors was 5.138,29 €. Now, this issue amount is reduced to 1.383,34€.
The owners approve this debtor list increase the 15% interest delayed charged to all debtors for this period and future, unanimously as indicated in article number 13.2 of the Community Statutes.

The Debtors List for the amount of **1,383.34€** at the 31st December 2006 is approved unanimously and authorized the issue of a power of attorney to the President and Administrator, to start legal collection with all debtors. In the case the Debtors do not pay the debt with the community during the legal collection process, the court will automatically dictate the repossession of the property and it will be put out for public option, and the funds will go to the Community Reserve funds account.

6. DATE FOR NEXT AGM.

Mr. José León, proposed an extra meeting this year.

Vote and approved by the owners and extra meeting in six months.

The Annual General Meeting will be on Saturday 8th March 2008, at 11,00 hours.

Vote and approved unanimously.

7. ANY OTHER BUSINESS.

Ms. Benavides explained the community owners have to take the same decisions about the colours and models of the awning and bars.

Mr. Portal responds the company that has installed the awnings in the community is Toldos Tapia, they know the model and colour numbers from the developer. In the office of the administration can obtain the telephone number.

At this point of the Meeting most of the attendees who have not left the meeting, have nothing more to say and are interested in finish the meeting. The meeting is adjourned at 12:30 hours.

MR. THOMAS REES	MRS. Mª ANGELES MENA	MR.FERNANDO PORTAL
THE INCOMING PRESIDENT	THE OUTGOING PRESIDENT	THE ADMINISTRATOR