COURTESY TRANSLATION

ANNUAL GENERAL MEETING OF THE RESIDENCIAL LOS EUCALIPTOS DE LOS ARQUEROS COMMUNITY OF OWNERS

In Benahavis, March 14th 2015, the Annual General meeting of the Community of owners Los Eucaliptos commenced in the NH Express Hotel in San Pedro de Alcantara at 10:30 at the second call, there not being sufficient to meet the quorum required at the first call according to article 8/99 dated 6th April 1999 of the Horizontal Property Law.

The session started with the following present or represented:

PRESENTS	**COEFFICIENTS %**
Mrs. Teresa & Mr. Stephen Dix, Bl.1-6, G.2, T.5	1,160%
Mr. Graham Francis Bowden Bl.3-4, G.10	1,035%
Mr.&Mrs. Salcedo Bl.3-6, G.13, T.17	1,138%
Mr. Ralph Bodenehr, Bl.4-5, G.15, T.24	1,165%
Mrs. Vera Westlesen, Bl.5-3, G.23, T. 25	1,245%
Mrs. Danielle Jansens, Bl.5-6,G.21,T.29	1,143%
Mr.&Mrs. John F. & Maureen Hay, Bl.9-5, G.52, T.53	0,960%
Mrs. Jannette Woodhouse & Mrs. Lynn Jackson, Bl.9-6, G.51,T. 54	1,16%
Mr. William Rees Bl.10-1,G.55,T. 57	1,027%
Mr.&Mrs. Stuart, Bl.11-4, G.73, T. 64	0,978%
Mrs. Nicola Whelan, Bl.13-5, G.79, T. 79	0,995%
TOTAL COEFFICIENT VOTES PRESENTED	**12,006%**

Mrs. Ana Muñoz and Mrs. Marina Fernández Sánchez as Secretary-Administrator; and Ms. Ana Espinosa assistant.

OWNERS DULY REPRESENTED	**COEFFICIENTS**
• Mr. Thomas Rees, represented the following owners:	
Mr.&Mrs. Beijerbergen, Bl.2-1, G.29	1,235%
Mr. Luca Lanini, Bl.2-3, G.8.T.8	1,105%
Mr. Rob Dyer & Mrs. Ann porter, Bl.2-4,G.30,T.17	0,970%
Mr.&Mrs. Scaife, Bl.2-6, G.7, T.9 y 12	1,018%
Football Impact, S.L., Bl.2, Garaje 28	0,086%
Mr.&Mrs. Van der Bosch, Bl.3-2. G.27. T.14	1,257%
Pallet Fstighetsförvaltining I Linköpin, Bl.5-1,G.19, T.27	1,445%
Mr.&Mrs. Gary & Jane Underwood, Bl.6-6, G.33, T.35	1,159%
Mr. Naoum Shamil, Bl.7-3, G.46, T.37	1,094%
Mr. Jeremy Gordon & Mrs. Lynn Thompson, Bl.7-5, G.37, T.42	1,165%
Ms. Nicola Vieira Rodrigues, Bl.7-6, G.47, T. 41	1,000%
Mr.&Mrs. Williams, Bl. 8-6, G.41, T. 47	1,159%
Mr. Alex de Cooman, Bl.9-1,G.54	0,880%
Mr. Andrés Roldán, Bl.9-3,G.50,T,51	0,930%
Mr. Mohamed Lotfy & Mrs. Mercedes Gómez B.9-4,G.53,T. 49,50 y 55	1,317%
Naufragio, S.L., Bl.10-3, G.58. T.58	0,970%
Mr. Ettienne Dreesen& Mrs.Fabienne Vanoorbeek, Bl.10-5, G.57, T.59	1,010%
Mr. José Luis Martín Ramos, Bl.11-3,G.62,T.61	1,083%
Mr. & Mrs. Cook, Bl.11-5, G.60, T. 65	1,166%
Mrs. Mary McDonell, Bl.11-6, G.59, T.66	0,972%
Mr.&Mrs. Cane, Bl. 13-6, G.78, T.74	1,133%
Mr.&Mrs. Mackay, Bl.14-2, G.89,T.78	0,968%
Mr. Colin D. Bell, Bl.14-3, G.81	1,064%
Mr. Michael Michael Hough,Bl.14-5,G.80,T.77	1,170%
Mr. David Barrington&Mrs.Anne M.Jefferys, Bl.15-2,G.83,T.83	1,161%
TOTAL VOTES REPRESENTED BY MR. REES	**26,517%**

- Mrs. Ana Muñoz represented to the following owners:

Mrs. Pilar Varo Alcalá-Zamora, B13-2, G.92	1,198%
TOTAL VOTES REPRESENTED BY MRS. MUÑOZ	**1,198%**

- Mrs. Jannette Woodhouse, represented to the following owners:

Mr.&Mrs. Lavery, Bl.3-1, G.11, T.15	1,062%
Mr. Alan Harris & Mrs. Susan Harris, Bl.9-2, G.76, T. 52	1,336%
TOTAL VOTES REPRESENTED BY MRS. WOODHOUSE	**2,398%**

- Mrs. Vera Westlesen, represented to the following owners:

Mr. Per Johansen, Bl.3-3, G.26	0,906%
TOTAL VOTES REPRESENTED BY MRS. WESTLESEN	**0,906%**

- Mrs. Laise Da Correggio, represented to the following owners:

Mr. & Mrs. Coyle, Bl.5-2, G.22, T.30	1,246%
TOTAL VOTES REPRESENTED BY MRS. DA CORREGGIO	**1,246%**

TOTAL VOTES PRESENT OR REPRESENTED	**44,271%**

AGENDA:

1. President's report.
2. Presentation and approval of the accounts 2014.
3. Approval of the budget from 1st January until 31st December 2014, with an increase of 100% and to allow a discount of 50% for owners who pay the quarterly fee before the end of the 1st month of each quarter. (January,April,July,October).
4. Approval pool area security during July and August.
5. Approval to create a Community web site.
6. Election of President and Vice-President for 2015
7. Election of Administrator for 2015.
8. Approval for debtors list and action to be taken.
9. Approval to start the painting works in the interior of communal areas in 2015.
10. Approval to start legal action against apartment B3-6 for the installation of a roof over the pergola in the communal area, private use, without authorization from the community.
11. Date for next AGM.
12. Any other business

1.- President's Report.

Mr. Rees, President of the Community welcomed the attendees.

Mr. Bowden said that the last newsletter was sent with all the updated information in the community, hopping that everybody has read it. It will be attached again to this Minutes.

2.- Presentation and approval of the accounts 2014.

Mr. Bowden advised that with the invites sent out re the AGM was also enclosed the expenses

comparative, and explained that we have generally remained within the budget, and only entries like water consumption has increased but others like electricity has been reduced.

The accounts shows a balance with a fund of 115.000€ but after debts deductions remains a final balance of 87.000€. It may seems a lot of money but actually this amount represents the reserve fund, painting fund and some expenditures we are expecting to do in shortly. We do not want to come back to the same financial situation we have had in 2012; therefore, it was suggested to keep this remain as reserve fund in the community.

The approval for the 2014 accounts was put to vote and these were approved by unanimity.

3.- Approval of the budget from 1st January until 31st December 2015, with an increase of 100% and to allow a discount of 50% for owners who pay the quarterly fee before the end of the 1st month of each quarter. (Janury, April, July and October).

Mr. Bowden said that items 2, 3 and 4 in the Agenda should be presented together since they affect to the budget result.

The same budget than last year is kept including extraordinaire entries. In this year, we can confirm that after discussions with the lift maintenance company, this expense has been reduced, being the offer received from Otis an annual cost of 16.500€ with respect the 22.400€ paid in previous years, although, it was confirmed after sending the budget proposal before the meeting. It was proposed that this difference in expenses could be destined to gardening maintenance since this year is planned some works to improve the lawn planting more where is required.

Owners were asked to bring any proposal they would like to present in the AGM in order to study them prior to the meeting; not having received any other proposal, it was understood that everybody is happy with the current services.

Initially, it was discussed the entry for surveillance during July and August in the pool area; this proposal was presented just trying to make control of the problems that occur in summer season such as neighbours breaching the rules, breaking of pool furniture by misuse, untidy area, etc. , those attending the meeting wanted to know who are the responsible for these acts, if this people are owners or tenants and was confirmed that mainly are guest or tenants but very difficult to identify since rest of owners are not giving their names when reporting it to the administration in which case the community could penalize the owner of the apartment in accordance to the statutes.

The presented cost of this entry would cover both pools with twelve working hours per day in July and August, recruiting 4 persons.

This cost could be reduced by hiring half hours service, the period or even contracting just one person for the surveillance of both pools.

After discussion amongst attendees, it was agreed that owners observing any type of misbehaviour or violating the rules should make a wakeup call to these people informing about the rules or at least identifying them in the administration in the way that they are duly penalized.

It was proceed to vote and this point was not approved for this year and will see how it works this summer with the cooperation of all.

In reference to the creation of a web site, since there are some owners who complaints they are not receiving information from the administration, Mr. Bowden explained that the purpose of this proposal is to report all information about the community allowing owners the review of minutes, letters, informative bulletins, services contracts (we would need their authorisation to public this information from providers), etc .

Some owners attending the meeting commented that this is not necessary, that information about the community is received correctly by email and this cost could be used to others things.

After votes, this point was not approved.

After discussion of all the points above and reducing the lift maintenance cost allocating this savings to the gardening maintenance, the result of the budget would be 451.864€ applying the 50% discount for prompt payment, since it looks like that this method has been quite effective in the last year.

Mrs. Laíse da Corregio, representative in B5-2 said that this increase in budget is not legal considering this action as abusive asking to record her comments in the minutes; Mrs. Marina Fernández, explained that this is not an interest for late payment in which case would be illegal, but it is a discount in order to incentive the prompt payment in fees and the community is able to pay providers and suppliers in time avoiding any unpaid services which could affect the quality of services. Also said, that when a discount is applied, it must be reflected in the budget in accordance to coefficients.

Mrs. Muñoz explained that it was applied last year for the first time and the defaulter list has been significantly reduced; In our opinion, we consider that this is a good choice since owners who pay in time will benefit the discount and it will avoid those owners who wait until the end of the exercise to pay their fees just prior to the meeting in order the debt is not approved in the meeting.

It was proceed to vote and the budget was approved by majority with the vote against in B5-2.

4.- Approval service for surveillance in pool area during the months of July and August.

It was discussed in the previous item.

5.- Approval Web Site in the Community.

It was discussed in the previous item.

6.- Election of President and Vice-President for 2015 exercise.

The current President, Mr. Rees manifested her intention to continue with his role of President in the Community, the same as Mr. Bowden as Vice-President; attendees were asked for others candidates.

Mrs. Jannette Woodhouse and Mrs. Lynn Jackson proposed that Mr. Bowden should be candidate for President since they fully trust in him.

Mr. Bowden gave thank for trusting in him but said that he cannot offer all the time that this position deserves, that he is not living here and although he has dedicated a lot of time to the community issues, he also likes enjoy his holidays when staying here in Los Eucaliptos.

Mrs. Nicola Whelan said that would like that the nice ambient and harmony existing in the community at its beginnings return again, even it could be organized an event where owners could participate.

Rest of attendees agreed with her comments.

Not having more candidates, Mr. William Rees was elected as President and Mr. Graham Bowden as Vice-President.

7.-Election of Administrator for 2015 Exercise.

As unique candidate, it was presented for its re-election as Administrator Mrs. Ana Muñoz and Marina Fernández; it was approved unanimously.

8.- Approval Debtors list and Actions to be taken.

Up to date, the debtor list has been reduced only by two debtors.

B8-2: This property is still in legal process; probably in this year it will be taken as bank reposition.

B15-1: This property is in legal process in UK by a debt collector company named Eurofees, we have acknowledge that this company has contacted this owner and he wants to solve the debt but when applying the discount for prompt payment and proposing a plan of payment in medium-long term which allows him to pay the debt.

Owners attending the meeting are not agreed in applying these conditions and agreed that he should pay the full fees since his debt is increasing each quarter.

This updated debtor list was proceed to vote and approved by unanimity to continue with the legal actions procedure already initiated

9.- Approval the starting date for painting works in interior areas in the community in 2015.

This item was discussed and approved last year.

Quotations from 3 companies have been received, one of them is the same one that has already painted façades and irons in the community, another one that we have applied and the third one provided by the company that use to work for Taylor Wimpey and also has painted Los Robles community of owners.

It has been also included in the painting funds the painting works in garages walls.

Owners in B9-6 asked to include a project from an architect before starting with the painting works since façades had some defaults.

It was considered that it is not necessary to do it in the interior of the building and in addition we have to think the high cost it would be paid.

It was proceed to vote and approved unanimously.

10.- Approval legal actions against owner in B3-6 for the installation of a roof over the pergola in communal area private use without authorisation.

Mr. Salcedo owner in this apartment introduced himself and explained that when he made the purchase of the property, the glass roof was already installed and also it is not in the solarium but in the his private terrace roof.

Mrs. Marina Fernández informed that as this model of cover in pergolas was previously approved by the community and is now applied as precedent which means that denouncing it, will be finally favourable to Mr. Salcedo; Mrs. Laise Da Correigo confirmed the explanation given by Mrs. Fernández.

Mr. Rees explained that complaints come from residents in the lower floor as when it rains all the water falls by the glass corbel like a waterfall. As solution, owners were asked to cut the glass not allowing it to stand out from the terrace.

Mr. Salcedo said that the falling water from rains can also fall from the drain which is just above the terraces of the neighbour below.

It was asked to this owner and also rest of terraces and solariums owners to keep clean this ceiling to prevent any dirt could block drainpipes.

Following the advice of the lawyer in the community, it is put to the vote to allow keeping the glass roof on the pergola's and for future installations the design must follow the same model and not standing out from terraces.

It was proceed to vote being all votes in favour with Mr. Rees and his represented abstention.

11.- Date for Next Annual General Meeting.

It was proposed to hold it on Friday instead of Saturday; therefore it was approved unanimously for next March 11th 2016.

12.- Others Business.

Mrs. Danielsen mentioned that damps have appeared again in the stairs going to her solarium and also some tiles in the roof are broken.

She was informed that this repair is included in the expenditure for maintenance and these works will be done in this year.

Mr. Bodenehr said the problem with the cats has appeared again and knows that is the neighbour in B4-2 who is feeding them in his terrace. Mr. Rees proposed to arrange the same programme of last summer with the animal protector which will take out them.

Ms. Woodhouse would like to know if the missing lamps will be replaced.

Mr. Rees informed that new lamps at the lowest cost will be installed at the entrance floor in each building.

Mr. Rees also commented that he had news about the future golf course, it has been rented since January to the adjoining golf course and they are waiting for the relevant permissions.

Finally, the subject about the optic fiber seems to progress and the installations of pipes in the area has begun; Ana can provide details from different companies.

No more issues to discuss, the meeting adjourned at 14.30pm.

President Secretary-Administrator