



**CONDOMINIO VILLAS AT CLUB INTRAWEST ZIHUATANEJO, A. C.
June 18th, 2013 VILLAS BOARD OF DIRECTORS MEETING**

In Vancouver, British Columbia, Canada at 2:00 on Tuesday June 18th, 2013 at the Offices of the Intrawest Resort Club Group at 326 - 375 Water Street, Vancouver BC.

Present were: Robert Reyes, Enrique Vázquez, Sandra Ruff, Dolores Heisinger (vía Telecom), Gregory Lee (vía Telecom), Marie Cummings (Via Telecom) & Carlos Irra (vía Telecom).

Called to Order

Robert Reyes chaired the meeting and the Villas Board of Directors Meeting was called to order by Robert Reyes at 2:01. Robert proceeded with the details of the meeting. Participants were introduced by the chair.

Adopt Agenda

MOVED BY Dolores Heisinger, SECONDED BY Gregory Lee THAT the agenda is adopted as presented. Motion carried.

Notice of Motion:

1.- Review and approve the 2012 Audited Financial Statement

Discussion:

Enrique Vazquez, Club Intrawest Director of Finance Mexico, mentioned the report issued by our independent auditors (Pricewaterhousecoopers SC), shows Financial Statements as of December 31, 2012 and 2011 in accordance with the Mexican Financial Reporting Standards.

Enrique explained the Balance Sheets, Statements of Activities and the Statements of Cash Flows of 2012 in comparison with 2011.

Enrique Vazquez mentioned the presentation in the Balance sheets remain the same as last year which includes three columns, Not Restricted, Temporary Restricted and Total which is the sum of the last two columns. The Assets of Cash and Cash equivalents shows in 2012 2.0 Million Mexican Pesos (MMXP) compared to 4.0 MMXP in 2011.

Enrique also explained the Statement of the Activities. Fees Paid by Members increased from 8.1 MMXP in 2011 to 8.4 MMXP in 2012. Maintenance Expenses was 1.3 MMXP in 2011 compared to 1.7 MMXP in 2012, the increase was due the

maintenance provided to Villas to keep them in excellent standard. The second most important variation is Maid Cost that went from 895,796 Mexican Pesos (MXP) to 71,771 MXP in 2012 as a result of changes in the policy to provide such service.

The third variation was Managements Fee that increased from 1.1 MMXP in 2011 to 1.3 MMXP in 2012. Enrique mentioned that the increase is mainly caused by the Contingency and capital expenditure. Robert Reyes questioned Enrique Vazquez what was the amount of the reserve balance now, he answered that is 468,178 MXP as of December 2012.

Finally Enrique explained the Statements of Cash Flows. Variation in cash went from 4.0 MMXP in 2011 to 2.0 MMXP pesos in 2012 mainly due to the Contingency and capital expenditure.

MOVED BY Gregory Lee, SECONDED BY Dolores Heisinger THAT the 2012 Audited Financial Statement Report was approved as presented. Motion carried.

2.- New Business:

Carlos and Marie updated about the Villas project as follows:

Update on Villas Reserve Projects:

I) **Wi-Fi inside Villas:** Marie commented that this project was completed already.

II) **Living room cushions:** Marie also explained that this project is on going with the progress of 70% and by the end of July will be completed.

III) **Hand rails and drain channels:** Marie explained that in building 4 the hand rails are being installed as well as the drain channels, by the end of June this project will be completed, including areas in other buildings that are necessary.

3.- Next Meeting:

The next meeting will be in November 8th, 2013 with time pending to confirm.

Termination of the meeting: MOVED BY Dolores Heisinger SECONDED BY Gregory Lee, THAT the Board of Directors meeting be terminated at 2:43 Motion carried.