

LIGHTHORSE VENTURES, LLC

Market Assessment
La Paz, BCS, México

March 2006

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LightHorse Ventures, LLC

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All photographs, unless otherwise noted, were taken in December 2005 during on-site visits to Mexico.

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Foreword | Prefacio

Roughing it in La Paz

**Yo nunca pido que Dios déme nada;
yo sólo pido que él poner mí donde cosas son.**

I never ask God to give me anything; I only ask him to put me where things are.
Mexican Proverb

Things **are** — and for that matter, always have been — in La Paz, Baja California Sur.

Clark Gable may not have given a damn for wives and lovers, but he did get hooked on the marlin fishing in La Paz back in the 1950's. Bing Crosby liked it so much he bought a home in a nearby fly-in resort. And not to be outdone, it was Desi Arnaz who had a lot of "shplaining" to do when he built a pool in the shape of a flamenco guitar at his La Paz getaway.

Did you know that eight of the eleven species of whales existing on the entire planet can be found in La Paz? These forty-ton magnificent and memorable mammals migrate over 6,000 miles from Alaska's Bering Sea every year just to get to the Sea of Cortez. Indeed, some of the best **whale watching** in the world is off the west coast of Baja.

Ubicación, Ubicación, Ubicación

Location, location, location in any language spells success on the Pacific side of Baja Sur. Pre-construction sales for one of the only three **resort developments** situated in the vicinity of La Paz exceeded USD \$100 M within sixteen months of announcing a ground-breaking for June of 2005.

Mexico is home to the world's seventh largest **hotel industry**. Last year 200,000 visitors occupied 1,300 of these hotel rooms in La Paz. Along with Ensanada and Cabo San Lucas, La Paz is one of three **marina destinations** in the area contributing to an overall total of 600+ slips. To respond to rising travel demands for the area, **airlift** to Los Cabos increased more than 33% from 2004 to 2005. Clearly, La Paz has arrived.

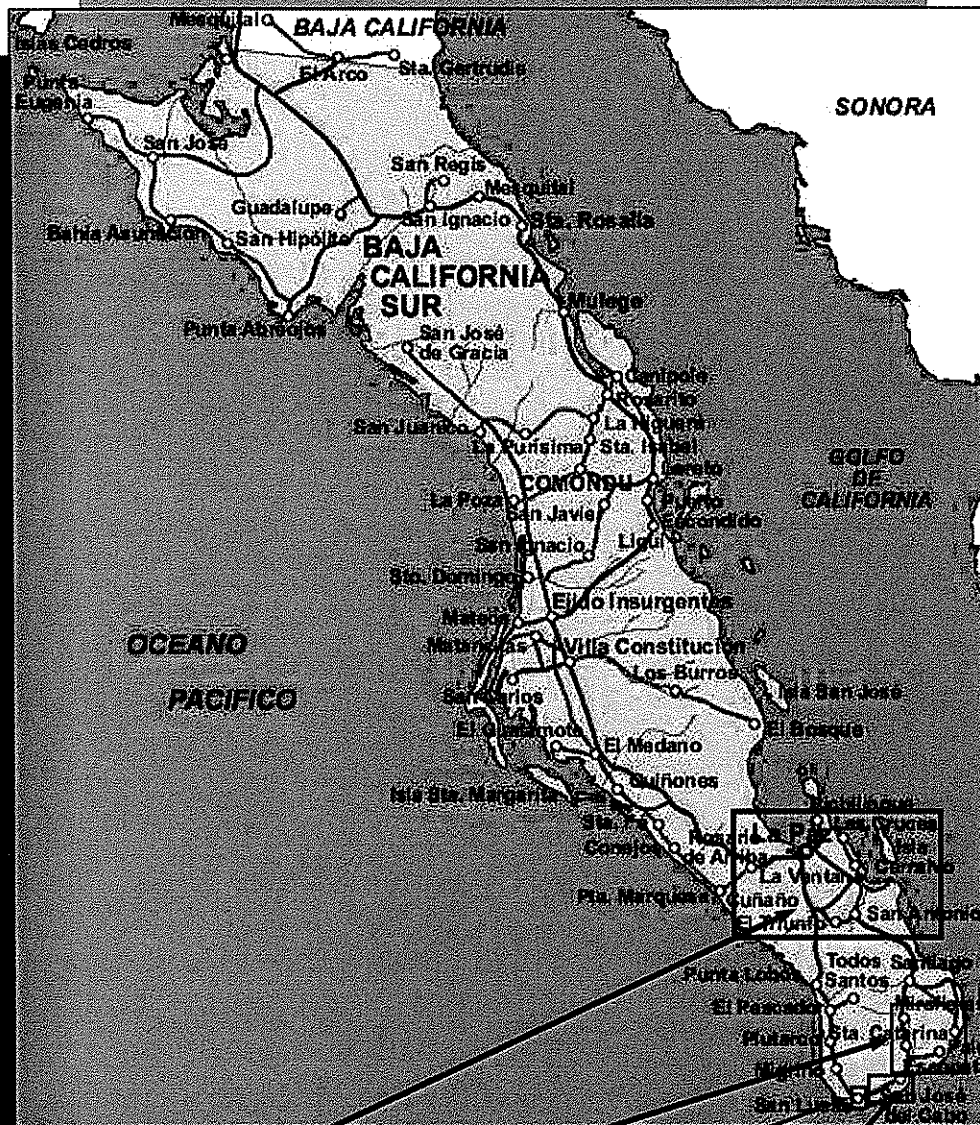
Lifestyle, Luxury and Living

From small town to big city appears to be on the horizon for La Paz. City planners are committed to maintaining the quaint, old-world charm and environmental-consciousness the city has cultivated since 1811, yet equally receptive toward accommodating the increasing attention from tourists, business travelers and investors paving their way into the future.

Baja's best kept secret is no more.



Figure 1.0 Regions of Baja California Sur, Mexico



Region One: Pacific Side	Region Two: East Cape	Region Three: Cabo San Lucas	Region Four: Tourist Corridor
Between Cabo San Lucas and north of Todos Santos on Pacific Ocean Coast	East and north of San José del Cabo	Lands End and Baja Sur	"Corridor" or twenty-eight kilometer strip dividing San José del Cabo and Cabo San Lucas

Market Assessment | Evaluación de Mercandotecnia

Methodology

Purpose and Scope

The primary objective of this study is to provide the reader with a clear understanding of the La Paz market by tracing the evolution of land development in southern Baja California Sur, through to today's marketplace, thereby arriving at an appreciation of the future value and demand for the proposed resort developments.

Secondary objectives include a review of development concepts and market dynamics such as emerging industry trends and shifting investor profiles.

For purposes of this discussion, the following geographic parameters are to apply:

- Market areas are defined by the four regions represented in Figure 1.0.
- Region One: Pacific Side (or "La Paz") is to include these centers: El Sargento, La Ventana, Los Planes, Isla Cerralva, Tecolate, Las Cruces, Mogote, and El Saltito.

Approach

Data collection commenced in February 2004 and was completed in December 2005. Unless specified otherwise, all photographs were taken or recorded in December 2005.

Primary sources included:

- touring of resort development, hotel, condo, vacation ownership, and marina properties throughout the market areas described in Figure 1.0;
- on-site assessment and physical inspection of Turquésa Cove and La Ventana (or "Subject Properties") conducted November 28 through December 2, 2005;
- interviews with the property owners, other resort property owners and developers, and legal and accounting professionals; and
- documents collected directly from both public companies and government agencies in addition to private parties.

Secondary and tertiary sources included:

- telephonic interviews and surveys;
- third party research publications;
- various online resources such as selected industry analyses, demographic studies and news articles;
- disposition packages, offerings and brochures for other resort, development, hotel, and marina properties in the area.

Additionally, a list of comprehensive research reports, statistical publications, industry associations, periodicals, journals, electronic publications, and data bases utilized in the production of this report can be located in Exhibit A. **Paper copies of property and sales information describing the ±100 properties featured in this document can be furnished upon request.**



The Baja Coast
Offers Luxury
for Less

WALL STREET
JOURNAL
ONLINE

Mexico recently dusted off its serape, cleaned up its property ownership laws, and installed highways and Internet access in hopes of luring second-home buyers back to Baja California.

The makeover worked. U.S. developers are buying up huge tracts of land outside little fishing villages along the peninsula and designing family-friendly planned communities with Spanish colonial flair. And U.S. and Canadian residents are buying up haciendas and villas faster than developers can build them.

WALL STREET
JOURNAL ONLINE
November 2005

Recently described by the New York Times as one of the best places in the world to retire, La Paz is enjoying a growth spurt. The first large-scale developments are now starting to take shape, but there is still plenty of time to get into the action

THE ROBB COLLECTION
REAL ESTATE
AND HOME DESIGN
November 2005

Location,
Location,
Location:
Where the Smart
Money is Buying
Real Estate

THE ROBB
COLLECTION

Beautiful Baja
from Rosarito
Beach
to Los Cabos:
High-End
Developments are
Taking Shape on
the Baja Peninsula

LUXURY LIVING

Although La Paz, the capital of Baja California Sur, has always been a hot destination for seafaring adventurers, this coastal town's offerings – chic restaurants, a seaside boardwalk and local culture – is now making it a popular second-home destination.

LUXURY LIVING
Fall 2005

Once considered one of the most desolate places on the North American continent, Mexico's Baja Peninsula is slowly becoming a colony of the United States. Acre by acre beachfront properties are being snapped up by the Americans.

CYBERGOLF MEXICO
February 2004

Americans
Flocking
to Baja
in Land Grab

CYBERGOLF
MEXICO

Market Assessment | Evaluación de Mercandotecnia Trends

Increased Investor Interest in La Paz, Mexico

Although tourism has been the mainstay of revenue for decades, more recently the attention has shifted from visiting La Paz to owning a piece of it. According to statistics released by Mexico's Tourism Secretariat (or "SECTUR"), Mexico's tourism industry attracted more than **US \$ 2.29 B in new investments last year**, representing a 38 percent increase over the previous year's figures. More than 75 percent of these investments came from Mexican investors, with the remaining from international investors. As of the date of this publication, **Mexico had 305 projects under construction or renovation**. SECTUR projects that by the end of 2006, Mexico will have attracted US \$ 9.0 B in new tourism investments.

The Mexican Population Council reports that 8.9 million Mexicans and 14.4 million Americans of Mexican origin live in the United States, together making up 8% of the U.S. population. Finally, Mexico is home to the **world's seventh-largest hotel industry**: 10,400 hotels, or 430,000 rooms.

Shift in Investor Profile

Wealthy boomers are aging daily. Over the next decade their discretionary time and income will be spent on destination resort travel and ownership, invested in those locations whose size and amenities can accommodate multiple generations. Most buyers will be married couples in their mid- to late 40s or 50s, many of whom are or were high-powered executives, looking for a get-away with their children and pending grand children.

Increased Demand for Multifaceted Destination Locations

Retiring boomers, unlike their parents, are no longer satisfied with merely golf courses, beaches and fishing for enjoyment. Their interests — and expectations — run the gamut from satellite television, highspeed Internet access, **kiteboarding** and yachting to horses, a spa, hiking, and tennis.

Increased Demand for Luxury Accommodations

Three luxury **world class resorts** within an eighteen-mile strip along Los Cabos — the One-and-Only Palmilla, the Esperanza Resort and Las Ventanas al Paraiso — all with cutting-edge spas and three Nicklaus signature golf courses, clearly point to a demand for the best of everything. **Private luxury communities** such as Villas del Mar, Punta Ballena, Palmilla, and Cabo del Sol exemplify the quality of service and style buyers are expecting. For many others, hotels constitute an archaic form of accommodation. These high-end tourists will be looking for luxury homes and villas complete with private chefs, thereby feeding the growing trend for luxury **vacation rentals**.



Market Assessment | Evaluación de Mercandotecnia Trends

Increased Yachting Along the Sea of Cortez

Known worldwide for its sports fishing, diving, snorkeling, and whale watching, it should come as no surprise that Jacques Cousteau referred to the area of the Sea of Cortez as the "world's aquarium". As one of the richest marine habitats in the world, the Sea of Cortez, and the La Paz area, expect to attract large-scale yachts looking to cruise the Gulf of California coastline. The National Marine Manufacturers Association (NMMA) reports that only 14% of all boat owners are retired. Forty-eight percent are professionals or executive simply looking to cruise.

Based on current penetration and usage data of existing marina facilities in Mexico, forecasts made by the United States Marine Association (USMA) and FONATUR point to **an inadequate supply of slips** in the Sea of Cortez region to meet the increasing demand. The initial effects of this trend were felt in 2002.

Finally, the NMMA predicts **strong growth in the purchase** of motor equipped and sailing vessels over sixty-five feet 2002 through 2010.

Increased Airlift to the Los Cabo Area

Los Cabos reported a **record increase** in airlift: **26% more** flights servicing the area in January 2005; **27% more** in February; **31% more** in March; and **33% more** in April 2005 as compared to the same periods in 2004 (Source: Los Cabos Magazine, May 2, 2005). In total, six U.S. airlines increased the number of direct flights to Mexico in 2004. **Hotel occupancy rates** for January and February 2005 averaged **70% compared to 53%** the same period in 2004.

Market Assessment | Evaluación de Mercandotecnia

Special Considerations

What are the major differences between US- and Mexican-based real estate transactions?

Real estate agents and brokers are not legally licensed in Mexico and American attorneys are not licensed to practice law in Mexico.

Due process and terminology are a particular departure from American real estate practice. For example, are terms such as **plica** (escrow) and Earnest Money deposit (See: Glossary). In the United States, an escrow or title company is a person legally empowered to serve as an agent in the capacity of managing escrow functions and earnest monies. This person or company is legally responsible for administering the agreed upon conditions of an escrow agreement prior to the release of any funds.

This is not the case in Mexico. Buyers give Earnest Money as contractual consideration to the seller. These funds may even be held by the real estate agent or broker and are not set aside in separate accounts. To ensure the safekeeping of these monies, securing title insurance — those policies that provide the buyer with protection Stateside can also provide the same coverage in Mexico — are highly recommended.

Under Mexican law foreigners cannot own property outright within the Restricted Zone.

The buyer must retain professionals — a real estate company, attorney, bank, and public notary — to assist in acquiring real estate. The law also declares that the Mexican nation has original ownership to all land and water in Mexico, but that such ownership may be assigned to foreign individuals or corporations. Further, the Mexican Constitution prohibits direct ownership of real estate by foreigners in what has come to be known as the “Restricted Zone”, that which encompasses all land located within 100 kilometers (or 62 miles) of any Mexican border, and within 50 kilometers (or 31 miles) of any Mexican coastline. In order to permit foreign investment in these areas, the Mexican government created the “fideicomiso”.

What is a “fideicomiso”?

Roughly translated, a fideicomiso (fee-dáy-e-cō-mē-sō) is a real estate trust for all residentially declared property, or if in a corporation, for all non-residential real estate. This trust is a Mexican bank designated as the Trustee which holds title to the property and is the owner of record. The bank, as trustee acting on behalf of the foreign buyer, purchases the property and carries the fiduciary obligation of following instructions directed by the foreigner who is the Trust Beneficiary. The Trust Beneficiary enjoys all the rights of ownership while the bank holds title to the property. This includes unrestricted use of land located in the restricted zone without violating laws. Please refer to the Glossary in the Exhibits section of this document for more detailed clarification.



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Special Considerations

How does the buyer know that the seller really has title to the property?

In addition to determining legal title to the property, the buyer must also confirm that the property can be legally transferred. Copies of the following documents should be requested as part of the title search: **escritura** which vests title to the real estate; **certificado de libertad de gravamen** (lien certificate) which indicates the owner of record, surface area and classification of property type, the legal description and whether there are any liens or encumbrances filed of record against the property; and **certificado de no aduado** (certificate of no tax liability) from the local taxation authority.

These documents confirm that the property can, indeed, be legally transferred.

How does the buyer know that he really has ownership of the property?

Many buyers believe that if the title documents are notarized before a Public Notary in Mexico then they have legal ownership. This is not the case. In many instances the assignment of real estate trust rights failed to include consent of the trustee bank. Most real estate transactions in Mexico utilize the following contracts and agreements which confirm **legal title and transfer of ownership**:

- an **oferta** (offer) and/or a **contrato de promesa** (promissory agreement); and
- a **contrato de compraventa** (purchase sales agreement).

The first two are preliminary agreements containing basic transactional information. They are not the instruments by which title to the property is transferred to the buyer. The second set of documents is the agreement to be certified by the Public Notary which then transfers title to the buyer.

The purchase sales agreement can take any of several different forms including:

- **contrato de fideicomiso** (real estate trust agreement),
- **contrato de compraventa con reserva de dominio** (reserve title agreement) or
- **contrato de cesion de derechos** (assignment of real estate trust rights).

The latter is used most frequently and is commonly referred to as an "Assignment of Trust", used when the property being bought is already held in trust. It is an assignment of rights because the buyer is really purchasing an assignment of beneficial rights the seller has in the Real Estate Trust which holds title to the property.

In order for the assignment it must be carried out before a Public Notary. The Bank or Trustee is required to notify the Ministry of Foreign Affairs so that the Assignment can be authorized. As discussed in the previous question, the real estate trust agreement will require that the Trust Beneficiary receive consent prior to assigning the trust rights to the buyer. Note that the Bank will charge a fee to carry out the assignment and notify the appropriate authorities.

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Special Considerations

Who is involved in a typical real estate transaction and what are the associated fees, if any?

Normally, the following are involved in the acquisition of a property through a fideicomiso: a real estate company, the buyer's attorney, a bank, and a public notary. Fees and costs include, or are associated with, the following:

- Sales tax,
- Local government tax,
- Notary Public who presides over the closing (approximately \$ 3,000), and
- Creation of fideicomiso.

What is an "ejido"?

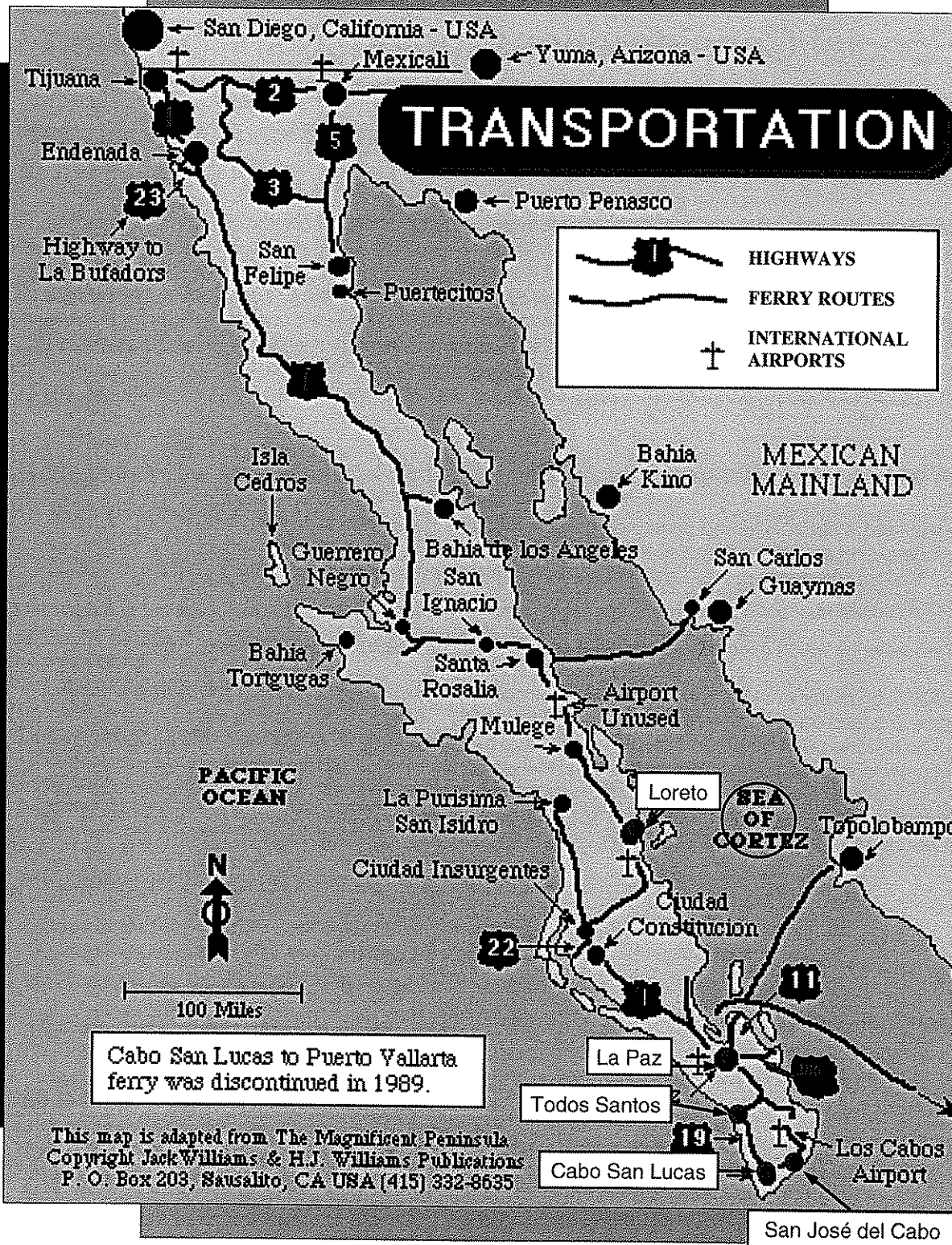
Ejido land is not considered private property in Mexico. It can, however, be converted into private property and sold to third parties such as foreign buyers. In general terms, an ejido is a system of communal ownership of a determined piece of agricultural land where a collective group of people live and work.

Two ways by which ejido property can be converted to private land are as follows:

- Although many would argue this option does not apply to foreigners, the first alternative is to file a lawsuit based on prescriptive rights.
- The second more common approach is to have the ejido agree to certify the rights of each person who owns or possesses land in the ejido and then convert the certificates to private property titles. Obviously this measure would require the complete support of every individual member of the ejido. This process is plagued with inherent difficulties: from determining the actual number of ejido members to conflicting views of ejido boundaries and pending litigation resulting thereof.



Figure 2.0 Transportation Baja California, Mexico



Market Assessment | Evaluación de Mercandotecnia

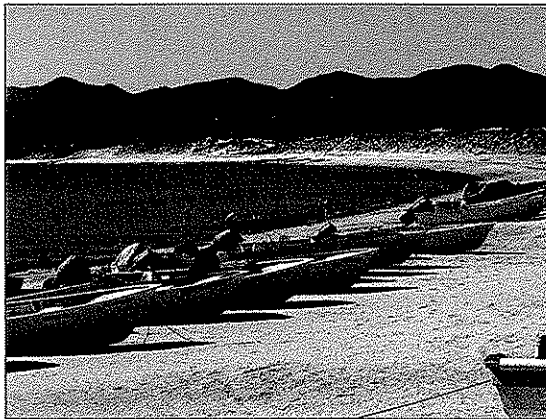
Accessibility

Regional and Local Setting

La Paz (or "City"), the capital of the southern half of the Baja Peninsula, is located on the Sea of Cortez, ninety miles northwest of **Cabo San Lucas**. Other major centers include **San José del Cabo**, **Todos Santos** and **Loreto**. The nearest airport, General Manuel Márquez de León International Airport, is located minutes west of the City. Cabo San Lucas, a comfortable two-hour drive from La Paz, also boasts an international airport.

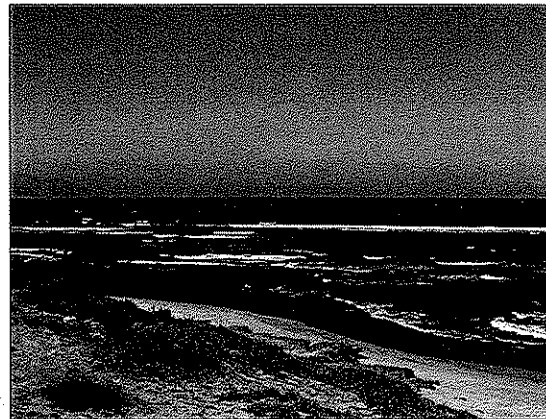
Surrounded by desert and situated in a deep inlet on the southeastern corner of a bay on the Sea of Cortez, it is considered the eco-tourism capital of the country, and is the destination of choice for world class whale watchers and divers. The City itself is immersed in laurel trees, coconut and date palms. The second largest city in Baja, next to Tijuana, La Paz has a population of about 260,000. The 2000 Census reported 212,694.

La Paz, the City, is situated in its namesake, La Paz, a municipality of Mexico State, covering a total surface area of 26.71 km².



Subject Property One: Turquésa Cove

This 4,377-acre property is situated approximately thirty-five miles southeast of La Paz overlooking the Sea of Cortez. The site currently includes seventeen villas and estates and a restaurant with roads and electricity installed. A jet-capable airstrip has been constructed and is operating on an adjacent property. The terrain is predominantly beachfront and rolling hills.



Subject Property Two: La Ventana

Overlooking Bahía La Ventana, this 608-acre beachfront property is also thirty-five miles southeast of La Paz. Indeed, one property overlooks, but is not contiguous to, the other. The raw land is undeveloped and characterized by beachfront giving way to gently sloping terrain and cacti toward the rear of the property.



Figure 3.0 Total Number of Airports and Highways

Airports in Mexico	Highways in Mexico
Total in Number: 1,848	Total in Number: 316,382 km
Paved Runways: 238	Paved Highways: 96,221 km
Unpaved Runways: 1,610	Unpaved Highways: 227,750 km
Total in Runway Length: 316,382 km	

Source: MexicoFile, February, 2005.

Figure 4.0 Airports of Baja California, Mexico

Town	Airport Name	Cust	Runway
Buenavista	Buenavista	No	Paved /3900 ft
Cabo San Lucas	Cabo San Lucas	No	Paved /5300 ft
Ensenada	Ensenada International Airport	Yes	Paved /4800 ft
Hotel Punta Palmilla	Hotel Punta Palmilla	No	Unpaved /4200 ft
La Paz	General Manuel Marquez de León	Yes	Paved /8200 ft
San Jose Del Cabo	Los Cabos International	Yes	Paved /9800 ft
Santiago	Santiago	No	Unpaved /3400 ft

Source: Air Broker Center, Aircraft Charter World.Com, 2005.

Figure 5.0 Air Service to La Paz, BCS, Mexico

Type of Service	Flights/Week	Comments
Scheduled Commercial Carrier		
American/Aero Mexico	7	
Alaska/Aero Mexico	14	
United/Mexicana	7	
Aero Litoral	28	
Delta/Aero Mexico	7	
America West	21	
Charter	2+	
Total	93+	

Source: Mexico Travel Database, January 26, 2006.

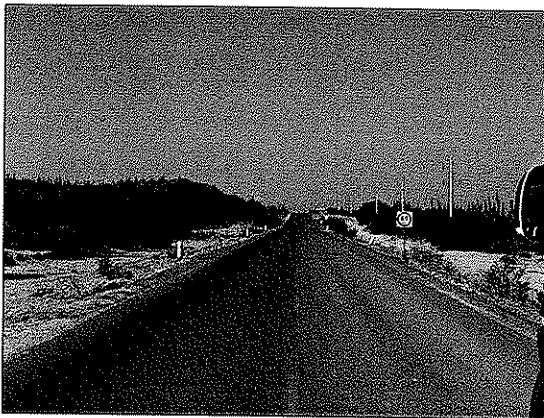
Market Assessment | Evaluación de Mercandotecnia Accessibility

Airlift

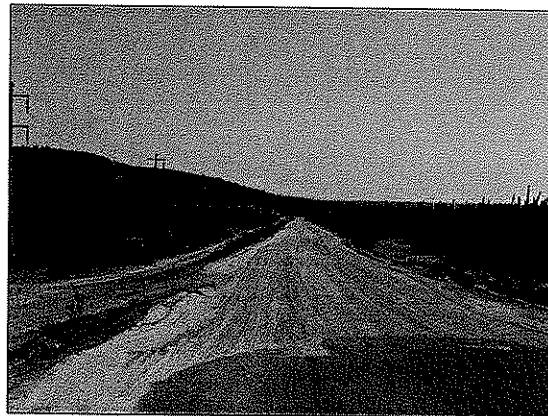
As reported earlier in the **Trends** section of this document, Los Cabos experienced a dramatic **increase of 33% in airlift in April 2005** as compared to April 2004. La Paz is no exception. In the year 2000 commercial flight arrivals to La Paz totaled 6,838 with an additional 121 charter flights. Figure 5.0 depicts the air service available to General Manuel Márquez de León International Airport. The airport is about a ten minute drive west of La Paz.

Roads

Stretching from Baja, Mexico to the San Francisco Bay, the Pacific Coast Highway, or "**Highway 1**" as the locals call it, is the main artery connecting La Paz with other major cities including San José del Cabo to the southern-most tip, Cabo San Lucas to the southwest and Todos Santos, directly south. This nearly **1,000-mile Transpeninsular Highway** snakes down the Pacific from Tijuana, switches back up and over the sierra, drops to the Sea of Cortez (Gulf of California), and finally twists its way into Los Cabos. The stretch from La Paz to Cabo San Lucas is dotted with fishing villages, mountain mission towns, beach communities and small ranches.



Route 286 — a paved road — connects both of the subject properties with La Paz.



Pictured here, Route 286 gives way to an unpaved surface leading to the La Ventana land.

Waterways

A detailed account of the water travel infrastructure in Baja is presented in a following section within this document entitled **Ancillary Markets: Marinas**, including a discussion of boating and fishing.

As illustrated in Figure 2.0, several **ferries** carrying passengers and automobiles offer overnight service from La Paz to mainland Mexico — Topobolobampo and Mazatlan — daily, with the exception of Saturdays which is cargo day.



Tourist Corridor

01 Rancho Paraiso Estates

02 Pueblo Viejo

03 Punta Arena

04 Vista Bahia

05 Cabo Bello

06 Playa del Ray

07 La Sierra at Cabo

08 Santa Carmela

09 Punta Ballena

10 Cabo del Sol

11 Puerto del Sol Villas

12 Fiesta Americana

13 Sheraton Hacienda del Mar

14 Cabo Real Resort

15 Eldorado Golf and Beach Club

16 Las Gardenias

17 Casa del Mar

18 Misiones Hotel and Beach

19 Las Ventanas al Paraiso

20 Villas Paraiso

21 Westin Regina Resort

22 Grand Regina Los Cabos

23 Palmilla Resort

24 Villas de Oro

25 Villas del Sol

26 La Caleta

27 Palmilla Norte

28 Villas del Mar

29 Querencia

30 San José del Cabo

31 Club Perla Rosa

32 Las Mañanitas

33 Club Campestre San José

34 Vista Encanto

Twenty-eight kilometer strip dividing
San José and Cabo San Lucas

Properties Reviewed | Las Propiedades Revisaron Resort Developments

Tourist Corridor

This stretch of highway or "Corridor" between Cabo San Lucas and San José del Cabo contains several large **world class resorts mixed with luxury hotels, golf courses** and private second homes. The Corridor is more apt to attract aging, affluent visitors whose interests range from golf to driving into surrounding areas such as Todos Santos. Their younger counterparts are more drawn to the social life that Cabo San Lucas can offer. In addition to **second home development**, Ragatz reports that the area is also experiencing a **surge in timeshare** development with more than 2,000 units throughout various area resorts. This represents some 100,000 timeshare intervals. Resort property sales are primarily second home as opposed to primary or retirement. This area is highly developed unlike the oceanfront properties or subdivisions in the East Cape or Pacific Regions (Figure 1.0) — where **Terquésa Cove** and **La Ventana** are located — which lack paved roads and connections to municipal water and electrical systems.

01 Rancho Paraiso

Just three miles from Cabo San Lucas, Rancho Paraiso Estates offers hillside locations spanning 40 acres with views of Lands End and the Sea of Cortez. This planned community consists of 91 custom home sites ranging from 800 to 2,600 square meters (8,600 to 28,000 square feet) and lots selling from USD \$ 80,000 to \$ 640,000. Homeowners can be assured of a **mature infrastructure** with established services, and can choose from an existing sale pool of homes or from a selection of architects and builders for custom design-construction. Rancho Paraiso includes an area referred to as the **Heights**, twelve exclusive lots atop the ridge.

02 Pueblo Viejo

This private, master planned community situated in El Tezel is currently **under construction**. Common areas originally scheduled for completion in Spring 2006 have been rescheduled to **Fall 2006**. The initial four condominiums ranging in size from 2,100 to 3,200 square feet are being offered from USD \$ 200,000. These two to three bedroom units are designed as sem-attached duplex and triplex town homes. Other condos will start at USD \$150,000.

03 Punta Arena

Also on the Cabo side of the Corridor, prices for these two to four bedroom homes range from USD \$187,000 to \$228,000.

04 Vista Bahia

On the road to Rancho Paraiso these 15-two and three bedroom homes starting under USD \$200,000 are expected to sell as quickly as Pueblo Viejo.

05 Cabo Bello

Opened in 1990, Cabo Bello was one of the first major developments in the Corridor and is still considered a going-growth concern. This planned community offers affordable condominiums, lots and existing homes.

06 Playa del Ray

Situated at the end of Cabo Bello, this small, beachfront gated community development offers 23 homes at affordable prices.



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Resort Developments

07 La Sierra at Cabo

Once again, properties in this private gated community, are considered highly affordable. The Ridge offers views of Land's End, Cabo San Lucas and the Sea of Cortez. The 70 home sites range from 7,200 to 12,000 square feet with luxury sites starting at USD \$ 69,500. Utilities, roads and community amenities are well established.

08 Santa Carmela

Considered one of the smaller gated communities, this is an older neighborhood of luxury homes with views of the Sea of Cortez,

09 Punta Ballena

Located along the Sea of Cortez, three miles from Cabo San Lucas, Punta Ballena is a 174-acre private, residential community also home to **Experanza Hotel and Spa from Auberge Resorts of Napa Valley, California**. **Full ownership and fractional options** are available. Las Villas and Las Residences consist of single family homes of three to six bedrooms USD (\$800,000 to \$2.5 M); town homes and condos of three to four bedrooms (USD \$395,000 to \$1.6 M) and individual homesites (USD \$185,000 to \$1.3M).

10 Cabo del Sol

This master-planned community covers 1,800 acres and boasts luxury hotels, condominiums and elegant homes with two golf courses: **Cabo del Sol Ocean** (18-hole Jack Nicklaus design) and **Cabo del Sol Desert** (18-hole Weiskoopt design). Along with Cabo Real and Grand Regina Los Cabos, it is considered one of three exclusive resorts between Cabo San Lucas and San José del Cabo.

11 Puerta del Sol Villas and Condominiums

Located on approximately ten acres adjacent to the Sheraton Hacienda, this complex offers high-end units with oceanfront and golf course views. The two bedroom condos range in size from 2,335 square feet to 4,165 square feet with prices starting at USD \$609,000. Three bedroom villas range from 5,200 square feet to 5,350 square feet with prices starting at USD \$,899,000.

12 Fiesta Americana Grand Los Cabos

This 288-room hotel offers preferential access to the Cabo del Sol Ocean Golf Course.

13 Sheraton Hacienda del Mar Resort and Spa

Situated on a private beach surrounded by 28 acres of both the Cabo del Sol golf courses, the hotel is just ten minutes from downtown Cabo San Lucas.

14 Cabo Real Resort

Considered one of the largest developments in the Corridor, Cabo Real resort sprawls across 2,800 acres and is home to two Championship golf courses, the Robert Trent Jones II-designed, 18-hole Par 72 **Cabo Real Course** and a newer, Jack Nicholas Signature course, the 18-hole Par 72 **Eldorado**. **Operating for almost twenty years**, Cabo Real offers four quality resorts: the Hilton, Melia, Rosewood, and Westin. Surrounding the Casa del Mar Hotel are 173 luxury one, two and three bedroom condominiums built in two phases totaling 173 units on 12 acres. Units range from USD \$190,000 to 350,000.

Properties Reviewed | Las Propiedades Revisaron Resort Developments

15 Eldorado Golf and Beach Club

This 520-acre community, situated between Las Ventanas and the Palmilla Resort, consists of 84 custom home sites ranging from 1/2 to 1+ acres in size and up to 120 oceanfront and ocean view villas and casitas from 2,500 square feet to 4,000 square. The property is under development by the Discovery Land Company which purchased the golf course and surrounding real estate from Cabo Real in 2004. Three of the ocean front holes have been moved to create the home sites for the resort. Oceanfront lots run from USD \$5 to \$7 M with second-tier ocean views from USD \$ 2 to \$5 M. **Villa sales are expected to begin early in 2006** followed by the course opening to members in mid-2006. The private non-equity membership club structure is limited to 350 memberships.

16 Las Gardenias

Located midway through the Corridor, this cluster offers home sites and luxury condos built along the Cabo Real Golf Course, and fractional ownership, not timeshare. Current sales price inventories range from USD \$453,000 for a two bedroom to \$446,000 for two bedroom with den.

17 Casa del Mar Condominiums

Next to Villas Paraiso, these condos consist of oceanfront lowrise buildings.

18 Misiones Hotel and Beach Resort

Built in 1992 the property has 120 suites consisting of 3- and 4-storey buildings.

19 Las Ventanas al Paraiso

Called the Rosewood Resorts, current property listings show homes in the USD \$ 1,750,000M range. Listings are few. Vacation rentals are more readily available.

20 Villas Paraiso

Located next to Las Ventanas al Paraiso this area consists of 125 condominium residences. Private luxury rentals are available.

21 Westin Regina Resort Los Cabos

Oceanfront 243 rooms of hotel accommodations only.

22 Grand Regina Los Cabos

Located next to the Westin Regina Resort Los Cabos, this facility offers private ocean **residence or fractional ownership**. A limited number of ownership fractions are available for each of the residences with a choice of two, three, five, and 12-week ownership packages. Limited to only 32 two and three bedroom Private Ocean Residences and 64 two bedroom Villas with prices starting at USD \$130,000. The resort is **scheduled for completion in 2007**.



Market Assessment | Evaluación de Mercandotecnia

Resort Developments

23 Palmilla Resort

Founded in 1956 by Don Abelardo Rodriguez, this master-planned golf and luxury resort community is acclaimed as one of the most luxurious and well-appointed resorts in the world. It consists of 152 guest rooms and 20 suites from 750 square feet to 1,400 square feet in size. In February 2004, following a \$90 M investment, the property became the One&Only Palmilla. Built in 1992, the Palmilla is also home to the first Jack Nicholson designed course in Los Cabos and in Latin America.

24 Villas de Oro

Built along a 27-hole championship Jack Nicklaus Signature Golf Course, this 900-acre master-planned resort community consists of three phases along holes No. 1 and No. 9.

Phase I is sold out while Phases II and III are currently under construction.

The development, owned and operated by developer Gerry Buchard, will encompass a total of 36 condominium and townhome units over five acres. Phase II offers 18 units with three different floorplans from 2,400 to 3,000 square feet with prices ranging from USD \$525,000 to \$695,000. Once completed Villas de Oro will have a total of 54 units on ± 7.5 acres.

25 Villas del Sol

This complex offers villas from two to nine bedrooms on a vacation rental basis.

26 La Caleta

The Caleta section of Palmilla is a gated oceanfront community which in 2004 offered view lots in the USD \$500,000 range from a total of 61 homesites.

27 Palmilla Norte

This vacation rental community offers approximately 5,000 square feet (three levels) of beach front suites and guest rooms.

28 Villas del Mar

This gated oceanfront community priced from USD \$1.6 M to \$4.5 M will offer signing privileges at the nearby One&Only Palmilla.

29 Querencia

Situated near the Palmilla outside San José del Cabo is this 800-acre master-planned community. **Construction of Phase I** which includes club villas and a 40,000 square foot clubhouse are well underway. Villas are priced from USD \$1.4 M with view lots ranging from USD \$250,000 to \$600,000. The property is also home to the newest course designed by Tom Fazio and is the only private golf course in Los Cabos.

Properties Reviewed | Las Propiedades Revisaron Resort Developments

30 San José del Cabo

The Tourist Corridor described in the previous section of this document, San Jose del Cabo, Cabo San Lucas and the East Cape are all part of the municipality of **Los Cabos** meaning "the capes" in Spanish. Lying east of Cabo San Lucas on the tip of the Baja California peninsula, San José del Cabo is experiencing a phenomenal surge in growth due to the announcement of several new property developments.

31 Club Perla Rosa

Located at **El Zalate** Condominiums, this is the only luxury beachfront **private residence club fractional ownership** opportunity available in San José del Cabo. This is not a timeshare.

32 Las Mañanitas

Located on the beach in San José del Cabo, these one, two and three bedroom condominiums start at USD \$450,000. Seasonal rental units including a villa and penthouse are also available. Sales of a sister development down from this property include 80 to 100 two and three bedroom luxury full ownership condominiums. Sales are scheduled to begin in January 2006 with the first residences to be delivered in 2007 with prices ranging from USD \$650,000 to \$2.5 M.

33 Club Campestre San José

With San José views, this new 550-acre upscale community includes an 18-hole Nicklaus-design golf course **currently under construction**. The master plan calls for 1,200 low-rise condominiums and 950 estate building lots.

34 Vista Encanto

Considered the largest building project currently underway in San José del Cabo, it has already changed the skyline of what is a predominantly golf course neighborhood. Perched on top of the highest mountains, this multi-use complex features studio, one, two, and three bedroom condos also available as short term rentals.



Market Assessment | Evaluación de Mercandotecnia

Resort Developments

Feature Properties

Querencia, San José del Cabo, Baja California Sur, Mexico

QUERENCIA
A Private Golf Club and Residential Community

General Description:

- 800-acre master-planned community
- Newest course designed by Tom Fazio
- Only private golf course in Los Cabos

Pricing:

- Villas, USD \$1.4 M to \$4.5 M
- Lots, USD \$250,000 to \$600,000

Status:

Golf courses completed



El Dorado Golf and Beach Club, San José del Cabo, Baja California Sur, Mexico

El Dorado

General Description:

- 520-acre master-planned community
- 84 custom homesites
- 120 oceanfront villas and casitas
- Only private golf course in Los Cabos

Pricing:

- Lots, Oceanfront USD \$ 5 M to \$ 7 M

Status:

- Under Construction
- Villa sales underway



Market Assessment | Evaluación de Mercandotecnia Resort Developments

Feature Properties

Punta Ballena, Tourist Corridor, Baja California Sur, Mexico



General Description:

- 174-acre master-planned community
- Full ownership and fractional options
- Home to Auberge Resorts' Esperanza
- 54-oceanfront and ocean view estates in La Residencias, Las Estrellas condominiums, oceanfront villas of Las Conchas and Las Arenas

Pricing:

- Homesite 310 shown here, USD \$710,000; homes up to USD \$1.3 M

Status:

Plans for Phase II available in 2006

Las Ventanas al Paraiso, Tourist Corridor, Baja California Sur, Mexico



ROSEWOOD
HOTELS & RESORTS

General Description:

- Resort and homesites
- Same developer as Paraiso del Mar in La Paz

Pricing:

- Entrance to residences shown here: home listings in the USD \$1,750,000

Status:

Few listings available



Cabo San Lucas

37 Médano Beach

38 Hacienda del Mar
39 Médano Beach Resort
40 Villa La Estancia
41 Villa del Palmar Beach Resort
42 Hacienda Beach Club
43 Marina Sol
44 Plaza Nautica

45 El Pedregal

46 Cabo Pacifica

47 Pueblo Bonito Sunset Beach
48 Pueblo Bonito Pacifica
49 Cabo Viejo
50 La Sierra at Cabo

Lands End and Baja Sur

Properties Reviewed | Las Propiedades Revisaron Resort Developments

Cabo San Lucas

Widely recognized as the fastest growing resort area in North America, property in Cabo San Lucas sells rapidly. For the most part there is no oceanfront real estate available since resorts and hotels occupy the beaches. Upscale two and three-bedroom condominiums, however, can still be found for reasonable prices. Residency in this area is considered prestigious since developments are part of the oldest and most recognizable development areas built in Mexico. Buyers and tourists are attracted the many upscale restaurants and the glamorous nightlife the lifestyle has to offer.

37 Médano Beach

Playa el Médano or Medano Beach, considered the main safe swimming beach in Cabo San Lucas, begins at the east side of the city's harbor and extends along Cabo San Lucas Bay all the way to Villa del Palmar.

38 Hacienda del Mar

Built on the site Hotel Hacienda, a Cabo landmark built by Rod Rodríguez in 1963, the Hacienda will offer 250 oceanfront villas and view condos from at USD \$800,000 to \$4 M and up. **Ground breaking is expected in the Spring of 2006** and reservations are currently being accepted.

39 Médano Beach Resort

Currently under construction this property will feature 105 Mexican-Mediterranean **full and fractional ownership** oceanfront suites.

40 Villa La Estancia

This is the **only full ownership property available** on Médano Beach.

41 Villa del Palmar Beach Resort and Spa

Considered a five-star accommodation these hotel rooms are set directly on the beach.

42 Hacienda Beach Club

Located at the tip of Mexico's Baja peninsula the Hacienda is considered an ultra-exclusive, community bordered by a quarter-mile of beach with adjacent marina. **Ground breaking s scheduled for Spring 2006.** The 250 oceanview villas and condominiums start at USD \$ 800,000. Oceanfront villas begin at \$ 4.0 M and up.

43 Marina Sol

The Marina Sol is located one block from Medano Beach and two blocks from Cabo Centro. The complex consists of luxury condominiums including penthouse views.

44 Plaza Nautica

This is a smaller 29-unit rental facility .



Market Assessment | Evaluación de Mercandotecnia

Resort Developments

Feature Properties

El Pedregal, Cabo San Lucas, Baja California Sur, Mexico



General Description:

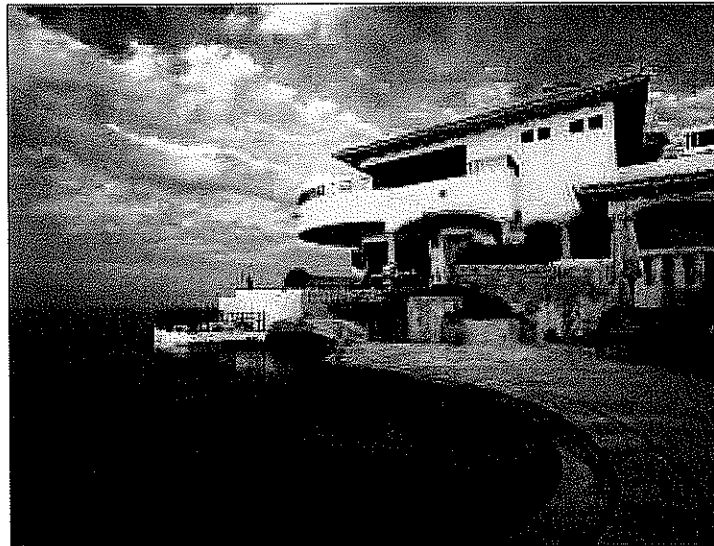
- Premier, private residential
- Mature, well-established

Pricing:

- Estate shown here, USD \$13 M

Details:

- 20,000 square feet
- 5 bedroom
- 8 bathrooms



El Pedregal, Cabo San Lucas, Baja California Sur, Mexico



General Description:

- Premier, private residential
- Mature, well-established

Pricing:

- Lot 5 Block 26 shown here, USD \$895,000

Details:

- 1547.18 m²



Properties Reviewed | Las Propiedades Revisaron Resort Developments

45 El Pedregal

This property is considered a premiere private, residential community featuring over 300 estate homes **steadily increasing in value since its founding in 1974**. Very few building lots on the resale market are available. Homes are offered from under USD \$1 M to \$13 M.

46 Cabo Pacifica

Situated on the west side of Cabo San Lucas, this master-planned community encompasses Bonito Sunset Beach and Pacifica Resorts, stretching north. The initial offering will consist of 113 residential lots in four rows rising from the beach, priced from USD \$1.8 M to \$4.2 M. Pacifica is a self-contained community centered on the future Jack Nicklaus and Arnold Palmer golf courses. **Reservations are being taken as of January 2006.**

47 Pueblo Bonito Sunset Beach

Bonito is the newest luxury resort in Cabo San Lucas and is located on the western side of the tip of Baja California Sur. The 519-suite resort is on a 50-acre site with a private beach.

48 Pueblo Bonito Pacifica Holistic Retreat and Spa Resort

This zen-inspired retreat offers 154 guest accommodations including 11 suites.

49 Cabo Viejo

A boutique condo development featuring en-suite chefs, personal trainers and a 24-hour concierge service is located near Pedregal just off the townsquare in downtown Cabo. This luxury housing complex is **currently under construction** with prices starting in the high USD \$500,000's.

50 La Sierra at Cabo

La Sierra is designed to resemble a Palm Springs-like private gated community located on the Ridge above Cabo San Lucas. The **first phase offers** 70 homesites from 7,200 to 12,000 square starting at USD \$69,000.



East Cape

51 Puerto Los Cabos

52 Misión La Serena

53 El Encanto de la Laguna

54 Punta Arena

East and north of San José del Cabo

Properties Reviewed | Las Propiedades Revisaron Resort Developments

East Cape

51 Puerto Los Cabos

Puerto Los Cabos is described as a state-of-the-art 535-slip marina complex of grand hotels, golf courses, beach clubs, and mixed-use areas including ecological and cultural parks. The gated community offers homesites up to 38,000 square feet of ocean and the Greg Norman-designed golf courses.

52 Misión La Serena

This 7.5-acre oceanfront property is a **deeded fractional ownership** Private Residence Club community consisting of 75 two and three bedroom homes scheduled for **completion in the Fall of 2008**. Prices range from USD \$200,000 to \$1.5 M. Country club and private yacht club memberships in Puerto Los Cabos are available to owners along with marina slips.

53 El Encanto de la Laguna

Located six kilometers from San José del Cabo, the developers for this community are also responsible **for Puerto los Cabos, the largest new development in the area**. This is a small high-end, single-family development of 80 oceanfront homes and villas are adjacent to the Puerto los Cabos, Greg Norman golf course and marina. Sizes and prices range from 1,500 square feet and 4,500 square feet and USD \$495,000 and \$3,550,000, respectively. Estates start at USD \$1.5 M.

54 Punta Arena

Comprised of 9,000 acres which include a private airstrip, this property is **in the design phase**.



Market Assessment | Evaluación de Mercandotecnia

Resort Developments

Feature Properties

Puerto Los Cabos, East Cape, Baja California Sur, Mexico



General Description:

- Marina can accommodate 535 boats up to 150' or longer, if required
- Homesites up to 38,000 square feet
- Newest course designed by Tom Fazio
- Two Greg Norman-designed golf course

Misión la Serena:

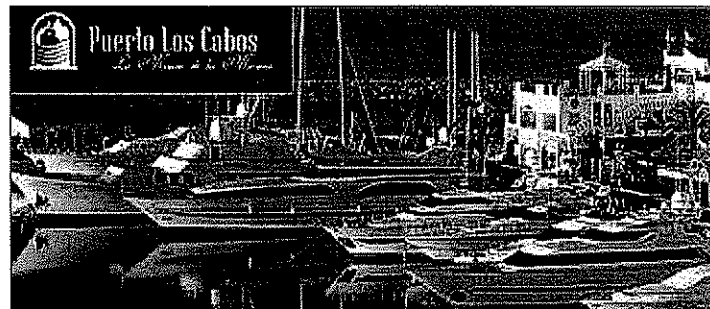
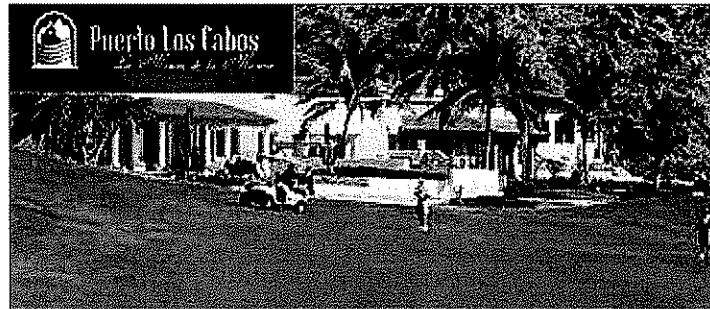
- Adjacent 7.5-acre oceanfront property
- 75 two and three bedroom homes
- Owner incentives include membership in country and yacht club at Puerto los Cabos
- Homes: USD \$200,000 to \$1.5 M

Pricing:

- Villas, USD \$1.4 M to \$4.5 M
- Lots, USD \$250,000 to \$600,000

Status:

Marina partially opened
Home sales underway

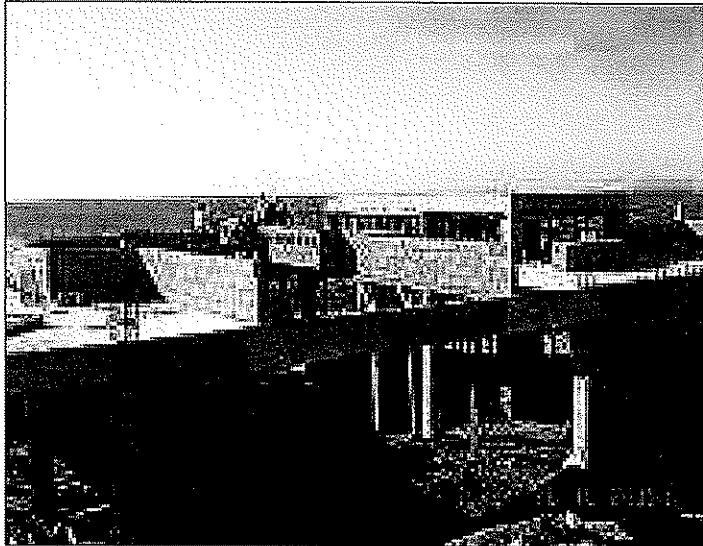


Market Assessment | Evaluación de Mercandotecnia

Resort Developments

Feature Properties

Misión La Serena, , East Cape, Baja California Sur, Mexico



MISSION
LA SERENA

General Description:

- 7.5 acres
- Fractional ownership only
- Newest course designed by Tom Fazio
- Signature Jack Nicholson course

Pricing:

- Beachfront condo shown here, pricing unavailable without registration

Status:

Presales registration underway
Under construction

El Encanto de la Laguna, East Cape, Baja California Sur, Mexico



El Encanto
de la Laguna

General Description:

- Six kilometers from San José del Cabo
- Small but high-end
- 50 oceanfront homes and 21 villas
- Furnished and unfurnished
- Greg Norman golf course
- Marina
- Units range from 1,500 square feet to 4,500 square feet

Pricing:

- USD \$495,000 to \$3,550,000

Status:

Presales registration underway
Under construction



Pacific Side

55 Paraiso del Mar

56 Marina Costabaja

57 Punta Colorada

58 Bahía de la Sueños

Between Cabo San Lucas and north of
Todos Santos on Pacific Ocean Coast

Properties Reviewed | Las Propiedades Revisaron Resort Developments

Pacific Side

55 **Paraiso del Mar**
<http://www.paradiseofthesea.com/en/index.html>

Paraiso del Mar is a new residential members-only club and community, a 1,700-acre resort development situated minutes by private ferry from La Paz, Baja California Sur. In keeping with the area's worldwide reputation as the environmental and ecological center of Mexico, the five miles of beachfront were designed to showcase the natural habitat and its inhabitants. It is Mexico's only Audobon International Signature Development.

Founders and developers of Paraiso del Mar are John Fair and Luis Cano. Projects of note include the Esperanza Resort in Cabo San Lucas (see Property 09, page 4) and the Grace Bay Club in the Turks and Caicos.

The first phase features 150 two- and three-bedroom homes as well as 200 two- and three-bedroom condominiums from 1,450 square feet to 3,000 square feet.

The project broke ground in June 2005 and the first release of homes and condos is scheduled for the Spring of 2006. Paraiso del Mar sales are being managed by **RE/MAX**.

In November 2005 Paraiso del Mar announced that sales exceeded USD \$100 M in its first sixteen months of pre-construction sales.

Paraiso del Mar, La Paz, Baja California Sur, Mexico



General Description:

- 1,700-acres with 5 miles beachfront
- 10 year project culminating in 2,000 condominium units; 1,500 single-family homes; 1,500 hotel rooms over 5 hotel properties; retail space; restaurants
- 18-hole Arthur Hills golfcourse
- Phase One: 150 two and three bedroom homes; 1,450 square feet to 3,000 square feet
- Marina, church, tennis courts

Pricing:

- USD \$200,000 to \$700,000

Status:

Pre-construction sales underway



Market Assessment | Evaluación de Mercandotecnia

Resort Developments

56 **Marina Costabaja**
<http://www.marinacostabaja.com/>

Located within minutes of downtown La Paz, the Coastabaja is operated by the BellPort Group from Newport Beach, California. Opened in the fall of 2005, the Marina is being billed as a five-star yachting destination by boaters and promoters, alike. The developers, Parque Reforma, pride themselves in creating a commercial environment that is in harmony with the nature and the sea. Phase One included the construction of 22 condominiums spanning six buildings on floors two and three with square footage from 670 to 2,660. Beach condos (one, two and three-bedroom units); 16 villas (two bedrooms of one or two levels); and cluster housing (six houses per cluster, each with two and three bedrooms) are scheduled for construction. Each unit is equipped with a seaview terrace. Sales are managed by Prudential California Realty, Mexico Resort Properties.

By January 2006 the company announced that all 19 one- and two-bedroom marina condo units were sold out.

Marina Costabaja, La Paz, Baja California Sur, Mexico



General Description:

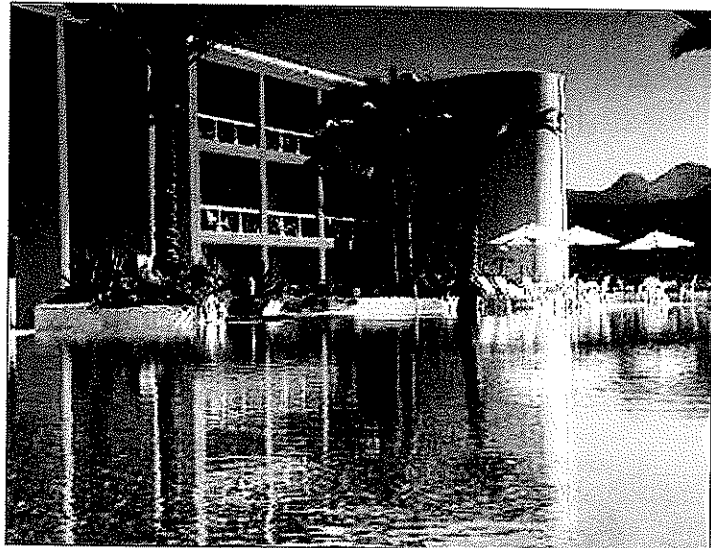
- 500-acre site with 1 mile beachfront
- 124-room hotel
- Marina: 250 slips to accommodate yachts up to 200 feet or more
- Condos, beach condos, beach villas, and cluster housing
- Owners are free to rent units

Pricing:

- Phase One: USD \$157,000 to \$362,000

Status:

- Marina condos sold out
- Phase II announcement pending



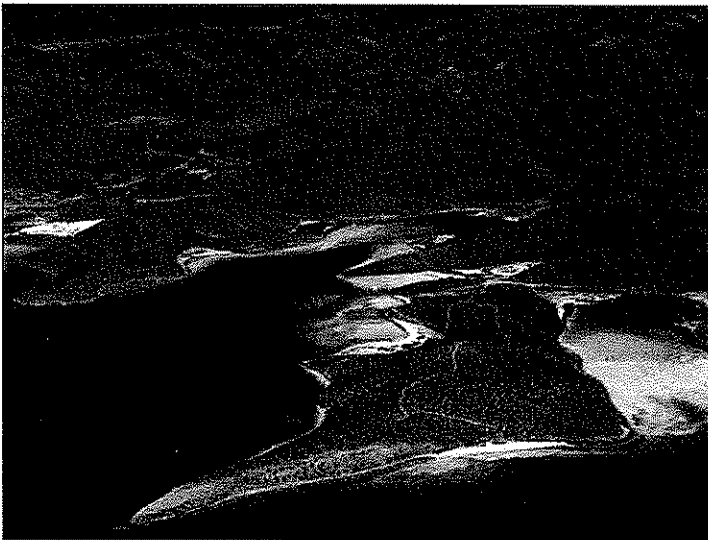
Properties Reviewed | Las Propiedades Revisaron Resort Developments

57 Punta Colorado Beach and Golf Resort
<http://fabkinder.prudentialcal.com/Content/Content.aspx?ContentID=215660>

A ten minute drive from downtown La Paz, this 640-acre development is situated on a scenic peninsula. The master plan calls for a championship 18-hole, Robert von Hagge golf course; 350 single-family homesites at an average lot size of 12,200 square feet; a 120,000 square meter hotel site; four condominium sites of 20,000 to 40,000 square meters each for a total of 300 units; and a time share or fractional ownership site. Appropriate zoning permits including SEMARNAT have been obtained. Three adjacent parcels of land also scheduled for golf courses, home sites and hotel pads, bring the total area to 4,600 acres accompanied by an estimated price tag of USD \$1.0 B.

The property is currently listed by Prudential California Realty. The asking price is USD \$ 12 M to \$14 M.

Punta Colorado Beach and Golf Resort, La Paz, Baja California Sur, Mexico



Market Assessment | Evaluación de Mercandotecnia Resort Developments

58 Balandra

Although information is limited, plans for this 2000-acre resort development — headed by the family of former Mexico President Alleman — are reportedly permitted and underway.

59 Bahía de la Sueños

Recently renamed “Turquesa Cove” (see page 9) by its original owners, this 4,300-acre resort development is located 45 minutes south of La Paz. The property itself is situated on Bahía de Los Muertos on the southern end of the Sea of Cortez. Construction originally started in 2001. Today there are approximately a dozen luxury, estate-style homes and a Giggling Marlin restaurant.

A detailed description of this property is included under separate cover.

Properties Reviewed | Las Propiedades Revisaron Property Listings

Background

All information is provided in US Dollars. Property descriptions are presented as they appeared in the listing or brochure. Photos have been excluded due to space limitations. Hard copies of each are available upon request.

Tables 1.0 and 2.0: Property Listings 2004 and 2005

2004		
No.	Price and Location	Description
60	\$1.5 M La Paz	Unique beachfront property next to marina; 30,00 m ² ; near airport and downtown
61	\$3.5 M El Saltillo	East of La Paz on Sea of Cortez; two miles north of Las Cruces; 1,884 acres
62	\$1.0 – \$4.0 M La Paz	Golf course project; 912,500 m ² ; between Fidepaz and Aeropuerto
63	No Price Las Cruces	El Rancho El Marilyn; 24 km from La Paz along Sea of Cortez; 1 km beachfront on Playa Carrizal; landing strip and marina; 51 hectares
64	\$1.75 M La Paz	Beautiful ocean front property for sale 24 km from La Paz; 51 hectares
65	\$4.0 M El Saltillo	Opposite Cerralvo Island (most southerly islands in Sea of Cortez); distance between El Saltillo and Cerralvo Island is 17 km; 755 hectares; 1,600 m ² of white sand; beachfront; well on site
2005		
No.	Price and Location	Description
66	\$20,000 to \$60,00	Lot; oceanfront on Sea of Cortez with beach; 3 acres; ¼ to 2 acre lots for sale
67	\$1.8 M Los Barriles	Lot; 900 beachfront on east cape of Baja; 22 acres; 10 miles north of Los Barriles
68	\$1,475,000 Cabo San Lucas	Lands End; hilltop view; 5 bedroom; 5 bath; restaurant; pool 130 m ²
69	\$28 M Rancho Las Margaritas	400 hectares; 1000 acres; 400 miles of Pacific Ocean beach; entitlements for 600 beachfront and residential lots; each has own tax ID and American Title Insurance; asking \$7.00/m ² ; fabulous hotel resort destination
70	\$2.75 M Rancho Las Margaritas	Oceanfront land; 24 km from La Paz; 1 km beachfront on Playa Carrizal; between two tourist developments: El Saltillo and Hotel Las Cruces; 51 acres; known as Rancho El Marilyn; landing strip and marinas; no paved road
71	\$674,500 Punta Ballena	Homesite 310; ocean view; 12,346 square feet between two caldusacs



Market Assessment | Evaluación de Mercandotecnia

Property Listings

2005

No.	Price and Location	Description
72	\$450,000 Cabo San Lucas	Lot; Pedregal; ¼ acre mountain and ocean view
73	\$495,000 Tourist Corridor	Lot; Rancho Paraiso; 17,560 square feet
74	\$475,000 Tourist Corridor	Lot; Rancho Paraiso; 20,980; oceanview
75	\$565,000 – \$1.0 M Tourist Corridor	Lots; 6 in total; starting at 16,980 square feet
76	\$4.5 M	Private listing with Ehrenberg Realtors
77	\$275,000 – \$1.0 M Cabo San Lucas	Lots; 16 in total; downtown
78	\$695,000 San José del Cabo	Lot; Private listing with Ehrenberg Realtors
79	\$549,000	Lot; Private listing with Ehrenberg Realtors
80	Bahia de la Sueños	Vacation Rental; Villa Merasol; 5 bedroom; 5 bath
81	\$895,000 Todos Santos	Lot; Pescadero Cove; 50,000 square feet; 5 miles south of Todos Santos
82	\$195,000 Pescadero	Lot; 51,000 square feet; ocean view
83	\$345,000 Pescadero	Lot; 89,000 square feet
84	\$6.0 M Pa Paz	Land; Punta Coyote; Pichilingue; 30 miles north of La Paz to right of El Tecolote Beach; 217-92-67 hectares; 1,265 feet beachfront
85	\$4.9 M La Paz	Land; Great investment opportunity; 15 minutes from downtown La Paz; 10 minutes from international airport; beachfront and internal lots
86	\$10 M Punta Arena	Land; Punta Arena Villas, Bay of Conception; 12 miles south of Mulege; 60 miles north of Loreto; 680 acres; 1 mile beachfront
87	\$2.9 M Todos Santos	Land and Lots; Spectacular investment opportunity; 2 acres or 5 separate lots; each lot 1,500 m ² ; 5 minute from Pescadero
88	\$17 M Bahia Turquesa	Land; near Los Arenas, Los Muertos, La Ventana, and El Sargento; located on Sea of Cortez; 2,000 acres; complemented by estuary; bay overlooks Isla Carralvo;
89	Starting at \$55,000 Las Tinias	Lots; north coast of Las Tinias; located on shores of Sea of Cortez between Punta Pescadero Resort and La Ventana Bay; 45 minutes north of Los Barriles; Platinum Shores Resort property

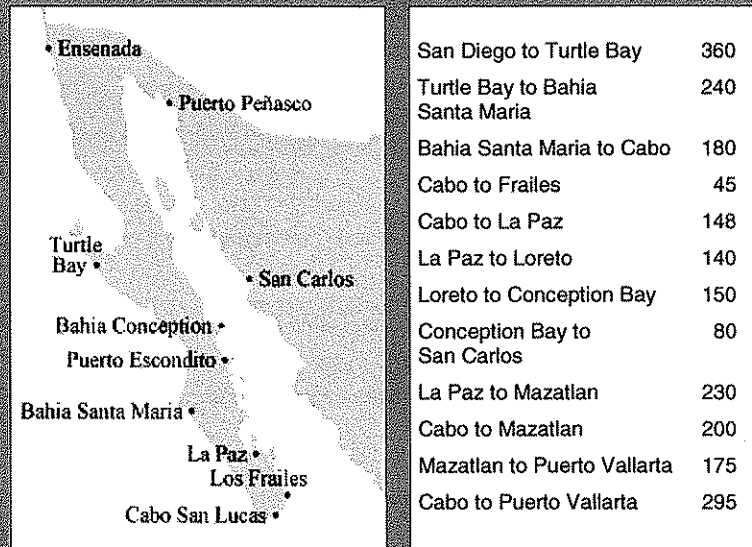
Properties Reviewed | Las Propiedades Revisaron

Property Listings

2005

No.	Price and Location	Description
90	\$18,000 – \$24,000 La Ventana Bay	Lot; 20 miles south of La Paz; beachfront lot in El Sargento; 97.5 ft x 325 ft deep
91	No Price La Paz	Lot; Las Arenas Resort; Bahía de la Ventana; 600 square feet
92	\$30 M La Paz	Island for sale; 60 miles east of La Paz; 16 miles long; 35,000 acres
93	\$650,000 La Ventana	Beach compound; 4,000 square feet; 2.5 acres; oceanfront; apartments and guest suites, pool.
94	\$199,000 La Ventana	Home; beach view and access; 14,000 square feet; lot is 6,456 square feet; beach access 2 bedroom; 2 bath
95	\$450,000 La Paz	Lots; Pacific Ocean beach north of La Paz; 600 acres; 2,400 feet ocean view; beach access; 3 acres lots each; 1,500 feet x 67 feet
96	\$250,000	Lots; Pacific beachfront; 11 acres with 72 feet of beach
97	\$10 M La Paz	20 minutes from downtown La Paz; 1,776 acre development property on Bay of La Paz; 2.5 km of bay front; 10 minutes from airport; adjacent property of 3,000 hectares also available
98	\$50,000 – \$70,000	Land and Lots; north of La Paz; 10.5 acres of building sites
99	\$2.8 M La Paz	Land; 35 miles from La Paz; good retreat or investment property; 6,000 acres; 70 miles north of Cabo San Lucas; 20 miles north of Todos Santos; minimum 1,000 acre parcels entertained; inland
100	\$20,000 La Paz	Lot; Rancho Verde Estates; 16,145 square feet
101	\$30,000 Todos Santos	Lot; 8,611 square feet
102	\$35,000	Lot; Loma Centenario; 17,222 square feet
103	\$8.0 M La Paz	Land; Punta Coyote; 19,332,000 square feet
104	No Price La Paz	Land; 40 miles from La Paz; Tepentu; 3 sections of beachfront property; 21,922 acres; 25.5 miles beachfront
105	\$165,000 La Ventana	Lot; ¼ acre; beachfront; 82.02 x 131.23 square feet deep; \$15.33/square foot
106	\$600 – \$700/night	Vacation Rental; Bahía de la Sueños; villas; sleep 14



Figure 6.0 Approximate Distances in Nautical Miles

Source: Latitude 38, February 2006.

Figure 7.0 Major Marinas in Baja California, Mexico

Town	Marina Name	Total Number of Slips
Puerto Salinas	La Salinas Marina	520
Ensanada	Hotel Coral and Marina	387
Ensanada	Baja Naval Boatyard and Five Smaller Marinas	176
Sonora	Marina San Carlos	350
Sonora	Marina Real	356
Puerto	Puerto de la Navidad	250
Cabo San Lucas	Marina Fiesta Hotel and Resort	
Cabo San Lucas	Marina Cabo San Lucas	362
La Paz	Marina Palmira	197
La Paz	Marina de La Paz	115
La Paz	Marina Costabaja	250
La Paz	Marina Pichilingue	35
La Paz	Club de Yates Palmira Marina	62
La Paz	Marina Santa Rosalia	14

Ancillary Markets | Mercados Adicionales

Marinas

Sports and Nautical Tourism

The Mexican Ministry of Tourism ("SECTUR" or "Secretaria de Turismo) defines this segment of their tourist portfolio as "entertainment activities in contact with bodies of water, where many different nautical activities can take place, always with an ecological outlook and respect for nature".

In support of sports and nautical tourism, SECTUR announced the following initiatives:

- **Publication of the Nautical Tourism Regulations** published October 2004, a guide regulating navigation in Mexican waters for sports and recreational activities, private and commercial;
- **Installation of the Maritime Window**, a one-stop-shop for customs, immigration and other port requirements for vessels entering the country;
- **Temporary Import of Boats and Vessels**, an amendment to the Customs Law of January 1, 2002, which allows individuals to temporarily import boats by land or sea for private or commercial use of nautical tourism without requiring registration in the Importers Database of the Ministry of Finance;
- **Marine Diesel with a Special Price**, effective April 1, 2005, sets a reduced rate for diesel fuel purchases in one of nine stations, including Los Cabos; and
- **Elimination of "Despachos"** for tourist vessels, effective April 19, 2005, eliminating the need for marinas to register arrival and departures of vessels entering their ports.

Boating

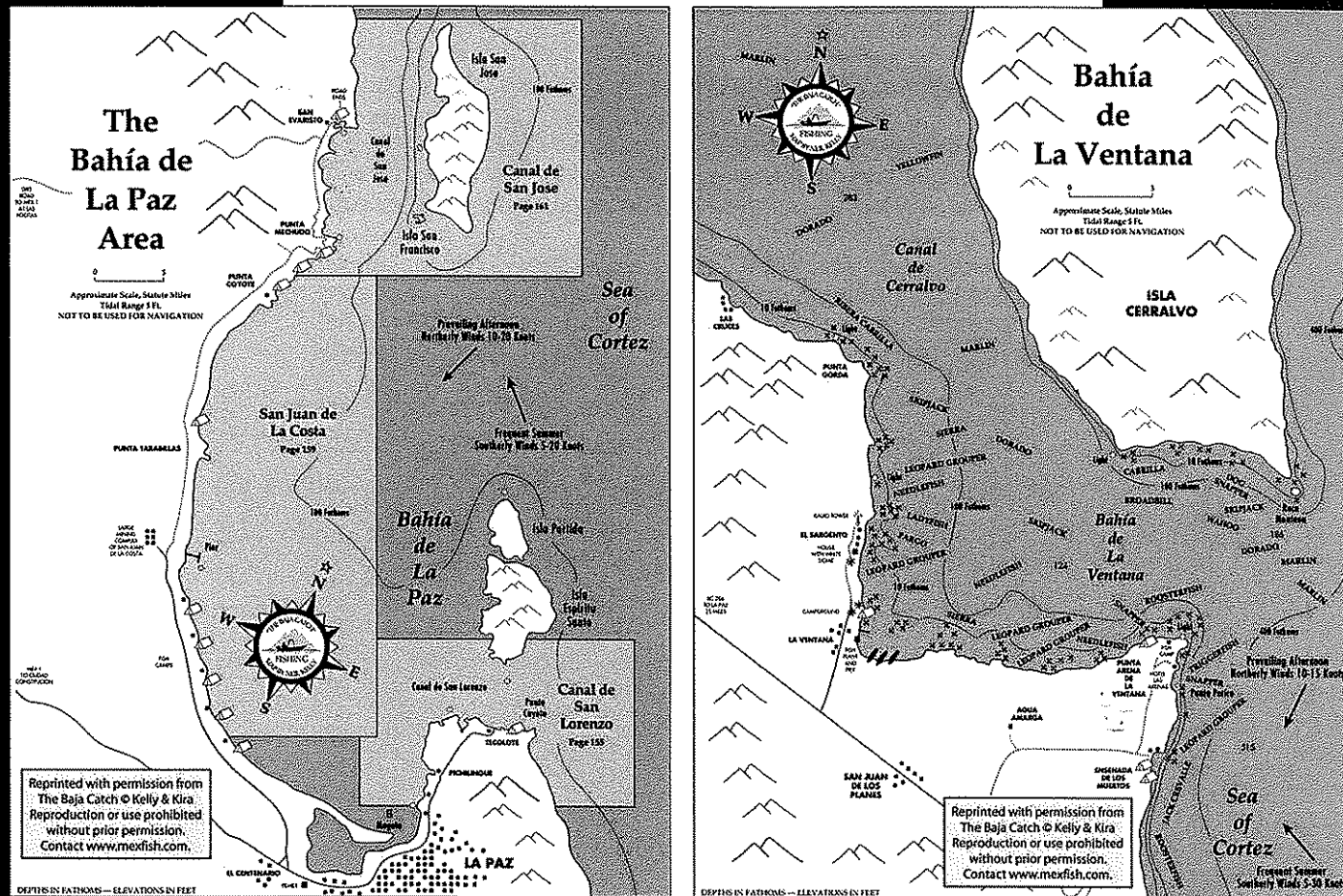
A 2002 study conducted by EDAW — which in December 2005 merged with AECOM — concluded that **marinas and marina-related facilities will need to increase by 6 per cent per year** in order to accommodate the expected growth of recreational boaters in Mexico. This means that **the number of marina slips will increase from a base line of 2600 in the year 2001 to about 6000 by the year 2015, an increase of 3400 over 14 years.**

The Baja California peninsula (Figure 0.0) has three marina destinations of note: Ensenada, La Paz and Cabo San Lucas. Although La Paz has several well-established marinas (Figure 0.0), all with the exception of the recently-constructed **Marina CostaBaja**, are relatively small with limited, seasonal services.

La Paz and Los Cabos are the primary nautical destinations for the western coast of the Sea of Cortes with a total of 600+ slips. The larger of these marinas are characterized by consistently high occupancy rates in high season (October to May) and extended periods of stay per vessel.



Figure 8.0 Fishing Maps for La Paz and La Ventana



Source: Mexfish.com, January 2006..

Ancillary Markets | Mercados Adicionales

Marinas

Fishing

Jacques Cousteau called the Sea of Cortez the "aquarium of the world" with more than 700 species of fish and close to three dozen types of gamefish. The destination was popular in the 1950's by celebrities such as **Clark Gable**, who fished for marlin; **Bing Crosby**, who bought a home in a nearby fly-in resort; and **Desi Arnaz**, who built a pool at his home in the shape of a flamenco guitar.

In 2005 ESPN Outdoors visited Isla Partida, just north of La Paz for a seven-day flyfishing expedition. "Altogether **14 tuna** were hooked and seven landed . . . The group managed to bring in more than **185 fish** during the week. **Eighteen species** — including cabrilla, yellowtail, barred pargo, black skipjacks, needlefish, ladyfish, Pacific sierra mackerel, bonita and barracuda — were landed; most were released".

Indeed, of the many world records registered in La Paz, several are particularly worthy of note: 155 pound, 10 ounce Amberjack, greater; 132 pound Jack, almaco (Pacific); and 115 pound Roosterfish. The **January 2006 issue of Sports Fishing Magazine**, "Getting Lost in La Paz", paints a particularly glowing picture of La Paz as one of the foremost fishing destinations in the world.

Whale Watching

Eight of the eleven species of whales existing on the planet can be found in the Sea of Cortez. Many of the gray whales migrate annually through this area to give birth and rear their young here. During peak whale-watching season, February through March, the area attracts visitors from around the world. SECTUR reported that in 2001 whale watching contributed 7.5% of total ecotourism and adventure revenues in Mexico. **Three — one of which was whale watching — of the nineteen activities studies contributed 73.5% of the total ecotourism and adventure revenue.**

Diving, Snorkeling and Kiteboarding

Scub diving and other appreciation of ecosystems were the other two of the nineteen activities studies, contributing 47% and 19%, respectively, to the total tourist revenues in Mexico.

More recently, La Ventana, thirty miles south of La Paz, has received worldwide recognition and acclaim as one of the two best regions for **kiteboarding**. November through March, with the peak months being December through February, thousands of enthusiasts from across the globe descend on La Ventana and El Sarjento. Both of the Subject Properties — **Terquésa Cove and La Ventana** — set forth on page 9 of this document are minutes from what has become the kiteboarding Mecca of the world.



World Golf
Destinations:
Golf Mexico

WORLDGOLF.COM

Here is a fact that might surprise you: Mexico is the number two worldwide golf destination for U.S. golfers, right behind Hawaii. The Mexican Government Department of Tourism wants to change that ranking. That's right — they are determined to become number one, and at the rate they are going it shouldn't take too long to achieve that goal.

WORLDGOLF.COM
2005

The Nicklaus name has proven again its status as a driving force in Mexico's booming golf market . . . The recognition came in conjunction with the magazine's 2006 list of the "Top 30 Courses in Mexico", where Nicklaus Design led the pace for the second year in a row by taking nine spots.

BEST'S GOLF GUIDES
TO MEXICO
2006

Jack Nicklaus
Named Top
Course Designer
in Mexico

BEST'S GOLF
GUIDES
TO MEXICO

La Paz, Mexico
Experiencing a
Flurry of Resort
Community and
Golf Course
Development

HOTEL ONLINE
SPECIAL REPORT

Known worldwide for sports fishing, diving, snorkeling, and whale watching, it is no wonder why Jacques Cousteau called this area of the Sea of Cortez "the world's aquarium" . . . La Paz is now experiencing a flurry of development activity with the groundbreaking, opening and renovation of several hotels and resort communities.

HOTEL ONLINE
SPECIAL REPORT
October 2005

Cabo del Sol
Score: 95.71

One&Only Palmilla
Score: 91.96

Las Ventanas Al Paraiso
Score: 77.14

TRAVEL AND
LEISURE
GOLF
2005

2005
World's Best
Golf Resort:
Mexico and
Latin America

TRAVEL
AND LEISURE
GOLF

Ancillary Markets | Mercados Adicionales

Golf

Golf Arriving in La Paz: 2006 — 2007

Although golf ranks with Sports Fishing as a major force in attracting visitors to Mexico — and La Paz in particular — there exists very little published data to suggest anything other than expressions of interest or plans to develop a golf-following in the immediate area. FONATUR initiated investment interest in the 1990's by launching a 9-hole course in Los Cabos. It has intensified its efforts, as illustrated on the facing page, to be "numero uno" by international standards, and to that effect, publishes and shares freely detailed reports tracking the increasing popularity of the sport in Mexico. With approximately 200,000 visitors per year occupying 1,300 hotel rooms, La Paz could very well be a sleeper market.

Golf Courses by Region

Tourist Corridor

The greatest concentration of golf courses are found between San José del Cabo and Cabo San Lucas including four championship courses:

- **Cabo del Sol Ocean:** 18-hole Jack Nicklaus design;
- **Cabo del Sol Desert:** 18-hole Weiskopf design
- **Cabo Real Golf Club:** 18-hole Par 72, Robert Trent Jones II
- **Cabo Real Eldorado:** the newer Jack Nicklaus Signature course, 18-hole Par 72
- **Querencia:** the newest course designed by Tom Fazio; 18-hole; and the only private golf course in Los Cabos;
- **Palmilla:** built in 1992, 27-holes of golf on the first Jack Nicklaus designed course in Los Cabos and in Latin America; 9-ocean; 9-arroyo; and 9-desert

Cabo San Lucas

- **Cabo San Lucas Country Club:** 18-hole Par 72, Jack Nicklaus

Pacific

- **Napolo:** 18-hole public course, Dantan and Guereca design

Announcements

FONATUR built an 18-hole par 72 golf course at the Nopolo Resort in Loreto, followed by plans to develop a championship golf course at Puerto Escondido. Construction, however, has yet to begin.

A proposal has been made for the Costa D'Oro golf course in La Paz on the Pacific side, as well as a course for Punta Gorda on the East Cape.

Planning is well underway, however, for the Cabo del Sol Mountain Course on Cabo del Sol in the Tourist Corridor and in Paraiso del Mar at La Paz.



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- 7.0 Major Marinas in Baja California, Mexico
- 8.0 Fishing Maps for La Paz and La Ventana

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A

Acquisition | Adquisición

The process of taking title to or ownership of something

Agreement | Convenio

A manifestation of mutual assent on the part of two or more persons as to the substance of a contract.

Appraisal | Valoración

An evaluation to determine what a piece of property would sell for in the current marketplace.

Appraiser | Perito Valuador

A person selected or appointed by competent authority or interested party to make an evaluation.

Assignment of Trust | La Tarea de la Confianza

Can be interpreted as legal title to a property. In order for the transfer of property or assignment of real estate rights to a buyer to be legitimate, the seller must first get consent from the bank, have the order carried out before a public notary and then notify the Ministry of Foreign Affairs.

Attorney at Law | Abogado o Licenciado en Derecho

Person admitted to practice law in its respective state and authorized to perform both civil and criminal legal functions for clients, including drafting of legal documents, giving of legal advice, and representing such before courts, administrative agencies, boards, etc. American attorneys are not licensed to practice law in Mexico.

Article 14 | El Artículo 14

Mexican law does not clarify how trust permits will be issued. Article 14 of the law states that the Ministry of Foreign Affairs shall decide the issuing of permits.

B

Beneficiary | Beneficiario

The recipient of trust income, benefit plan or gifts in a will. The beneficiaries of the trust can be Mexican corporations with foreign investment or foreign, or, foreign individuals or legal entities.

Broker | Corredor

An intermediary who brings parties together for specific purposes. A mortgage broker brings borrowers together with lenders; a real estate broker brings purchasers together with vendors. Real estate agents and brokers are not legally licensed in Mexico.

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Budget | Presupuesto

The amount of money that is available for, required for, or assigned to a particular purpose.

Buyer | Comprador

A person that acquires possession, ownership or rights to the use or services of by payment especially of money.

C

CC & R's Covenants, Conditions and Restrictions |

Estipulaciones, Condiciones y Restricciones

Which are the rules of general application governing the relations between land owners in a specific subdivision, development, condominium development or cooperative housing facility. May be registered on title in Mexico.

Certificate of Tax Liability |

Certification | Certificación

The formal assertion in writing of some fact.

Closing Costs | Costos del Cierre de la Operacion

Monies expended by a party in completing a transaction, over and above the purchase price, including in Mexico: legal fees, taxes, mortgage application charges, interest adjustments, registration fees, and appraisal fees.

Common Land | Ejido

System of communal ownership of agricultural land. A large part of Mexican real estate is classified in this manner. Ejido land is not private property and cannot be bought and sold as if it were. In general terms, an ejido is a collective group of people that live and work on a determined piece of property as a community. Until ejido land is converted to private property, foreigners cannot acquire ownership. See "Ownership".

Compensation | Compensacion

To offset an error, defect or undesired effect.

Condition | Condicion

Clauses in the agreement that must be fulfilled before the Agreement becomes firm and binding. If the condition is not fulfilled, the Agreement will usually become null and void and any deposit paid returned to the Purchaser.

Condominium | Condominio

A notary public document that is not legally obtainable until construction is complete.

Consumer | Consumidor

An individual or corporation that acquires or enjoys property, products or services as the end-user.

Consumer Protection Agency |

Procuraduria Federal del Consumidor Profeco

An agency which functions are to promote and protect consumer rights and to procure equity and legal certainty between consumers and commercial suppliers.

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Contract | Contrato

A legally enforceable promise or set of promises that must be performed and for which, if a breach of the promise occurs, the law provides a remedy. A contract may be either unilateral, by which only one party is bound to act, or bilateral, by which all parties to the instrument are legally bound to act as prescribed.

Corporation | Sociedad Anonima

An entity or organization, created by operation of law, whose rights of doing business are essentially the same as those of an individual. The entity has continuous existence until it is dissolved according to legal procedures.

Covenant | Estipulacion

A legal document that transfers ownership of a piece of property.

D

Deed | Escritura Publica

The legal document that transfers ownership of a property which in Mexico is prepared by the Public Notary (See: "Public Notary").

Deposit | Deposito

The money paid up-front by a purchaser as security for her completing the transaction. Also known as "good faith money" or "earnest money". An instrument which is not registered on title but placed in the records for a given piece of land for information purposes. Typically 10 percent.

Developer | Desarrollador

One who attempts to put land to its most profitable use through the construction of improvements.

Disclosure | Declaracion

A statement to a potential buyer listing information relevant to a piece of property, such as the presence of radon or lead paint.

Due Diligence | Diligencia Debida

Such a measure of prudence, activity, or assiduity, as is properly to be expected from, and ordinarily exercised by, a reasonable and prudent man under the particular circumstances; not measured by any absolute standard, but depending on the relative facts of the special case.

Duty | Obligacion

Obligatory tasks, conduct, service or functions that arise from one's position.

E

Exploitation and Use | La explotación y Utiliza

See "Use and Exploitation".

Escrow | Cuenta en Plica

Not very common in Mexico, the means by which the buyer deposits earnest money (see "Deposit") with an escrow agent and is delivered to the seller once the title transfer process is complete. Although growing in importance, escrow is not commonly used Mexico at this time.

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F

Fideicomisos | Trust

Mexican bank trust or one of two ways foreign purchasers of Mexican property can have title be legally vested and record. See "Trust" for complete definition.

Financial Statement | Estado Financiero

A document which sets out the assets, income, expenses, and debts of a person or company to allow a third person to assess that person's or corporation's financial health.

FONATUR| FONATUR

Acronym for "Fondo Nacional de Fomento Al Turismo", is the institution responsible for the planning and development of sustainable tourism projects of national impact in Mexico. This includes real estate and projects in Cancun, Los Cabos, Ixtapa, Loreto, and Hutulco.

Fractional Ownership | Propiedad Fraccionaria

Similar to timeshare, offers individuals the opportunity to buy partial ownership of a property typically in a resort setting. The greatest differences between the two include prices, financing and fees. While timeshares can be acquired for a few thousand dollars, fractional ownership can list for as much as USD \$ 100,000.

H

Homeowner association (HOA) | Asociacion de Condueños

A group that governs a subdivision, condominium or planned community. The association collects monthly fees from all owners to pay for common area maintenance, handle legal and safety issues and enforce the covenants, conditions and restrictions set by the developer.

I

Insurance | Seguro

Owners and buyers can purchase various types of insurance including hazard, private mortgage and earthquake. The policies guarantee compensation for specific losses.

L

Lien | Gravamen

A right given by law to certain creditors to have their debts paid out of the property of a defaulting debtor, usually by means of a court sale.

Lien Certificate | Certificado de Gravamen

Document which indicates the owner of record for a property, surface area and classification of property type, the legal description and whether there are any liens or encumbrances filed of record against the property.

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M

Market Value | Valor de Mercado

The most probable price property would bring in an arm's-length transaction under normal conditions on the open market.

Mexican Association of Real Estate Professionals | Asociación Mexicana de Profesionales Inmobiliarios (AMPI)

AMPI is the largest Real Estate Association in Mexico, founded in 1957 in Mexico City, with twenty members. Today AMPI has over 1,000 members and represents about 10,000 practitioners through the country. The Association includes appraisers, developers, councilors, and brokers, who are subject to the AMPI bylaws and adopted code of ethics.

Ministry of Foreign Affairs | El Ministerio de Asuntos Exteriores

Body responsible for issuing permits to the Mexican Bank, as trustee, (See: Fideicomiso" and "Fideicomisario") to acquire a real estate trust and acquire rights on real property located within the restricted zone.

Multiple Listing Service (MLS) | Lista de Servicios Múltiples

A marketing organization composed of member brokers who agree to share their listing agreements with one another in the hope of procuring ready, willing and able buyers for their properties more quickly than they could on their own. Most multiple-listing services accept exclusive-right-to-sell or exclusive agency listings from their member brokers. MLS in Mexico does not operate in exactly the same fashion as in the United States, but it does promote ethical and fair dealing, and encourages cooperation among real estate professionals.

O

Owner | Dueño

The person in whom is vested the ownership, dominium or title of property.

Ownership | Propiedad

As it applies to ejido land, does not mean "fee simple" or "private property" but rather community rights, right to use and enjoy or governmental concession.

P

Promissory Note | Pagare

A financing instrument that states the terms of the underlying obligation, is signed by its maker and is negotiable or transferable to a third party.

Property | Propiedad

The rights of ownership in lands or goods. Land

Public Notary | Notario Público

Under Mexican law, only Notaries are authorized to prepare and record a property deed. Notaries are attorneys appointed by the state government to specialize in various matters (including real estate transactions). Notaries are also responsible for collecting taxes at closing.

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Public Registry of Property | Registro Publico de la Propiedad

The Public Registry of Property is the central recording entity for all public documentation concerning property. In order to ensure its ownership rights against the seller and third parties, a buyer must record all property transfers at the Public Registry of Property for the jurisdiction in which the property is located. Timeshare acquisitions are the lone exception to this recording requirement. Notaries typically handle registration.

Public Report | Reporte Publico

The Public Report is considered both a "license for a developer to offer" Mexican property for sale and a public information statement providing valuable information to the buyers.

Purchase | Cojpra

To acquire real estate by means other than descent or inheritance, to obtain by paying money or its equivalent.

R

Real Estate | Bienes Raices o Bienen Inmuebles

Land and anything permanently affixed to it, including buildings.

Real Estate Agent | Agente de Bienes Raices o Agente Inmobiliario

A person certified by a state to represent a buyer or a seller in a real estate transaction in exchange for a commission. Real estate agents and brokers are not legally licensed in Mexico.

Real Estate Trust Agreement | Contrato de Fideicomiso

Mechanism by which foreigners can own land in Mexico. Holds title for the foreigner.

Receipt | Recibo

Written acknowledgement of the receipt of money, or delivery of a thing of value, without containing any affirmative obligation upon either party to it; a mere admission of a fact, in writing.

Recording | Registrar

The act of entering or recording documents affecting or conveying interests in real estate in the recorder's office established in each county. Until it is recorded, a deed or mortgage ordinarily is not effective against subsequent purchasers or mortgages.

Registry | Registro

A register, or book authorized or recognized by law, kept for the recording or registration of facts or documents.

Resale | Reventa

Exists where a person who has sold goods or other property to a purchaser sells them again to someone else.

Restriction | Restriccion

Any limitation on the use of the property.

Restricted Zone | Zona Restringida

The Mexican Constitution regulates the ownership of the land and establishes that ". . . In a zone of 100 kilometers along the border or 50 kilometers along the coast, a foreigner cannot acquire the direct ownership of the land". These areas are known as the "Restricted or Prohibited Zones".

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Right | Derecho

In a narrower signification, an interest or title in an object of property; a just and legal claim to hold, or enjoy it, or to convey or donate it, as he may please.

S

Sale Agreement | Compraventa

Also known as "Agreement of Purchase and Sale" or "Purchase Agreement". The contract that sets out the terms and conditions agreed to by the purchaser and the vendor in the sale of land.

SECTUR | SECTUR

Ministry of Tourism, parent to FONATUR.

Seller | Vendedor

One who has contracted to sell property.

Seller Financing | Venta Financiada

When the seller of a property agrees to payment of part of the purchase price over time with the debt to the seller registered on title as a mortgage.

Subdivision | Subdivision

A tract of land divided by the owner.

Supplier | Proveedor

An individual or corporation that customarily or periodically offers, distributes, sells, rents, or concedes the use or enjoyment of property, products or services.

T

Tax | Impuesto

To levy an assessment against, usually by government powers. Unpaid taxes usually form a special lien on property owned by the taxpayer, ahead of registered mortgages. The money charged is an assessment.

Third Party | Tercero

One not a party of an agreement, a transaction or an action but who may have rights therein.

Timeshare | Timeshare

Form of joint ownership of property where numerous owners share title and enjoy use or occupation of the property according to a specific schedule.

Timeshare Rights | Derechos de Tiempo Compartido

Timeshare rights, as opposed to property rights, are contractually acquired interests to use property according to the terms of the relevant timeshare purchase contract.

Title | Título

The legal document conferring ownership of a piece of real estate.

Title Insurance | Seguro de Título

A policy issued to lenders and buyers to protect against loss due to disputed property ownership.

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Transfer | Transferencia

An act of the parties, or of the law, by which the title to property is conveyed from one person to another.

Trust | Fideicomiso

A legal entity created by a grantor for the benefit of designated beneficiaries under the laws of the state and the valid trust instrument. The trustee holds a fiduciary responsibility to manage the trust's corpus assets and income for the economic benefit of all of the beneficiaries. The only way that in Mexico. Also see "Fideicomiso".

Trustee | Fiduciario

Person holding property in trust.

Trustor | Fiduciante

One who creates a trust.

U

Use and Exploitation | Utilice y La Explotación

Defined by Mexican law as the right to use or possess property, including its fruits, products, or any revenue that results from its operation and exploitation by third parties or from the Bank or Trustee.

V

Vacation Club | Las Vacaciones Golpean

Although there exists no legal definition, the term is used to describe certain additional membership rights of a timeshare owner in programs offering access to expanded amenities not otherwise available to a timeshare unit such as golf or additional recreational amenities.

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