

Mara Cranic, Lynn Huggins,
Larry Hyatt and Anne Jones
Los Zacatitos/Santa Cruz Property Owners

received
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Dear Baja Property Owner,

Hopefully this letter greets you in good health and fine spirits.

As you know, on May 6th at the Century 21 office in San Jose del Cabo, there was an informal meeting of property owners hosted by office owner/director of sales, Don Harris. The sole purpose of this meeting was to discuss the logistics, pros and cons and the necessity of forming and maintaining a legal homeowners' association.

I'd like to point out that concurrent with the reservations voiced by a few, I entered the meeting with a mind full of more questions than designs, more reluctance than support and certainly more wise-guy than Pollyanna. (Based upon past experience here at Punta Gorda and input from others, the myriad of concerns both personal and public seemed basically problematic and generally impossible for any group to handle effectively.)

Reflecting upon the "original" set of CC&R's, I cringed at the thought of someone measuring my wall, evaluating my choice of paint color or (heaven forbid) asking me to qualify my construction style as to Mexican, Spanish or Mediterranean. I shutter at being assessed to contribute to projects and improvements that I have no personal interest in. And, most seriously, why engage ourselves in the futility of establishing an association and CC&R's if there is no cooperation among us nor feasible means of enforcement?

Well, here is why...

For a moment, throw away the thought and pages of CC&R's (covenants, conditions and restrictions) as they pertain to your personal construction and development of your property here at Los Zacatitos/Santa Cruz. Focus instead upon the development as a whole, containing precisely what we've got and realistically who we are.

Take a look at the lot map enclosed. To date, more than 120 of the 300 available lots have sold or are currently under contract. Don Harris is pleased to announce that last year's sales far exceeded their goals. Sales are currently "brisk" and he expects the trend to continue. (Good for them.)

This meeting revealed that not all buyers have personal/residential use in mind when shopping out here. A person with TRAILER PARK plans was recently discouraged from choosing our development for their project. Talk of another's interest in creating a commercial public storage facility filtered through the air.

How would you like a condo project next door? Complete with time-share mentality and a perpetually rotating menu of neighbors. Currently, any of the forementioned projects could happen.

Herein enters the value of a homeowners' association. There is no room for Pollyannas or complacent apathy if you desire to preserve the very nature of our neighborhood.

In an effort to foster owner awareness and involvement, Lynn Huggins, Larry Hyatt, Anne Jones and myself, Mara Cranic, have volunteered to get this information and suggestions contained herein out to you. Please bear in mind that what follows is not law, but is meant to serve ONLY as food for thought.

With a minimum set of rules, goals, expectations and expense, we can form a legal body that in and of itself will have sufficient clout downtown to warrant attention and response to our desires and needs. Presently, although there are CC&R's registered, there is no "body" to present or contest any issues that are of general concern to us all. In other words, as individuals it is doubtful that the developer or any governmental office would suffer to lend us an ear. But, as the Los Zacatitos/Santa Cruz Homeowners' Association, backed by a new, greatly downscaled, precisely organized, amendable, proxy directed, bare-bones boarded set of covenants, conditions and restrictions, we have the face of a legal entity available for use when and where we need it.

In practice, the association would consist only of property owners. Any involvement of realtors, attorneys, architects, etc. would be limited solely to contributing

information or services rendered upon request. All binding decisions would be made by proxy. ONE VOTE PER LOT. Majority of respondents shall rule. (One can't complain if they don't participate.)

In lieu of multiple boards, i.e. architectural, budget, rules and regulations, etc., it has been suggested to instead form a single committee. Example: The Development Direction Board, comprised of 7-9 homeowners. Their primary purpose would be to disseminate information and act as a "watchdog" group reviewing progress and practices of our development and focusing an eye toward preserving the well-being and cooperative nature of our residential settlement. In addition, and of primary importance, this committee would be obliged to step forward as a legal entity on our behalf when that rare occasion of need presented itself.

At this point it is important to note that the owner/developer currently would be within their rights to set up and mandate their own homeowners' association, complete with their agenda, by-laws and restrictions. However, they are offering the current property owners the opportunity to create a system specific to our needs and desires.

What follows is a "proposed" list of CC&R's that could be filed and registered in our behalf. Please review them and comment as you see fit. This is only a query at this time, but hopefully you will appreciate the nature of our attempt at a different approach of exempting superfluous language and regulation. (No one wants to be "ruled" out of their dream or lifestyle.)

These guidelines are suggested as a loose framework within which we all might find sufficient parameter to construct what we'd like without detriment to our neighbor. Please consider worst-case scenarios that might not enter your mind otherwise. Not everyone shares the same definition of "paradise."

We've shaved the list down to "Ten Commandments" (more on implementation later). Let it be known that the association shall be formed with or without 100% owner participation. And whether we drive it, or the developer is left to do it, the fact remains that this show is on the road.

PROPOSED CC&R'S

Use of Properties

1. The lots shall not be used for any purpose which may be illegal or contrary to any government or municipal rules or ordinances. Each property, except the commercial units, is destined and must be used exclusively for residential purposes. No condominium or further subdivision of the lots under 5000m² will be allowed. Lots larger than 5000m² can be subdivided into parcels containing no less than 2000m².

Temporary Facilities

2. Owners are permitted to use recreational vehicles, trailers or campers as a primary residence for a period not to exceed three years from the date of assignment of rights. Such vehicles, trailers or campers may remain on property thereafter if enclosed within a structure or concealed in a manner that it cannot be seen from outside the property.

Construction Characteristics

3. All structures shall not exceed seven meters in height measured from the mean level of the natural grade within the margins of the foundation's footprint. No permanent shade or roof-type structure shall be erected atop construction that would exceed this overall height.

No land grading or filling allowed that would alter the natural elevation property lines, including beach frontage. (Clear cutting of vegetation on lots discouraged.)

4. No construction whatsoever, including solar panel installations, satellite dishes, generator housing, radio antenna, wind generator, etc. shall be located any lessor distance than two meters from interior line of each lot. Owners of commercial lots will have the right to build up to the interior line of the property on the side next to the road.

5. The maximum area to be constructed per lot shall be fifty percent of total surface.

6. Dividing walls between properties shall not be higher than two meters unless exception is mutually agreed upon by owners of effected properties.

Local Regulations

7. Before installation of any construction, owner and/or his contractor must submit project, minimally consisting of footprint in relation to lot lines and elevation relating to natural slope and building height, for the authorization of committee or designated board. Once authorization is granted, builder must obtain the corresponding construction permit from the local authorities. Owner and/or his contractor must abide by By-laws and local and state building codes.

Ecological Concerns

8. Builder/contractor must provide sanitary facilities for on-site construction crews, trash containers and adequate living conditions for their crews. No dumping of garbage or construction materials allowed. All debris must be hauled away to a formally designated site.

9. No type of animal, livestock or poultry will be kept on any property, with the exception of dogs, cats and aviary birds, and only if it is without commercial intent and is restricted to the owner's property. The owner is responsible for damage and injuries their pets incur on other's properties.

10. In compliance with national and local law, no vehicles of any type (auto, three or quad track, dune buggy or motorcycles) are allowed on beaches except for boat launching at designated areas.

Obviously, some items of concern have been omitted. Please share your suggestions; we will all participate in creating a final draft in the future. But remember, we are trying to avoid a police state here. Personal conflicts, such as barking dogs, noisy generators and disturbing eyesores, are realistically best handled neighbor to neighbor. The last thing we need to encourage out here is the visitation of any county based authority.

Don Harris offered to front the fund for organizational costs to form the association (approximately \$1,000). The association, when formed, would reimburse him.

A sum of \$50 per lot as a yearly contribution was suggested. (No subsequent surprise assessments or obligatory payment beyond that.) By virtue of owning more than 50% of

the remaining lots, the owner/developer would be obligated to contribute to some extent also. New buyers would be automatically assessed for their first year within the course of their purchase. Moneys would be held in a bank account in U.S. dollars awaiting authorized spending by the association. Perhaps a set fee could be established with an appointed architect to review incoming plans and projects. With only sizing, siting and overall height of concern, the review itself should not be costly. Resubmittal costs should be shouldered by the owner/builder.

All this and more to be decided by ourselves, for ourselves.

Regardless, this is a beginning. Hopefully, you can now see that the issues of density and land use should be our primary concerns. We all bought here to enjoy the sights, sounds, scents and feel of the sea and desert. We that were once 10 now number more than 100. So, if we could use this association as more of a forum than a control-center, we may have a better chance at preserving that which attracted us originally.

The place was pristine before we started; we've altered it with our presence; now we've an opportunity to at least respect it with our cooperation.

Thank you for your attention.

Sincerely,

Mara Cranic

Mara Cranic, Lot #19, Los Zacatitos

With assistance from:

Lynn Huggins, Lot #1, Los Zacatitos

Larry Hyatt, Lot #7, Los Zacatitos

Anne Jones, Santa Cruz

Please respond to the ideas presented here and on the additional sheet attached. An official homeowners' meeting is scheduled for Saturday, November 25th, 1995, at 10:00 a.m. at Restaurant Dos Ricardos in La Playita. Discussion of feedback and the actuality of the association will be the primary focus.