

BRAVO DEL MAR BOARD MEETING

July 26, 2008

Rose Burr called the meeting to order at 10:10 a.m. Present Board Members: Chet Warfel, Bob Lloyd, Dick Paul, Donna Miller, Marina McDearman, Barbara Dahl and Cesar Valdez. Absent Board Members: Secilia Parsons and Russ Reetz.

Rose welcomed community members Becky Warfel, Ron McDearmon, Garry Sutherland, Leah Feehrer, Marilyn Graesser, Cyd McKenzie, Joyce Paul, George Wakeling, Juana Gutierrez, Jack McKenzie, John Graesser and Al Thomas to the meeting.

Chet made a motion; Donna seconded ... IF A BOARD MEMBER MISSES THREE (3) CONSECUTIVE MEETINGS THEY WILL BE ASKED TO RESIGN FROM THE BOARD. The motion was carried unanimously.

Rose requested all committee chairman report to her frequently so she can coordinate what is happening. If a third party would like to be included in any of these updates, they should let Rose know and she will add them to the loop. The Board will be updated only if there are any major changes to the project.

Rose stated it is difficult to find a date where all board members can attend. After some discussion it was decided to try and have a board meeting via a Skype conference call. Shareholders will be notified and may listen in if they wish. No date was set.

OLD BUSINESS

Rose made a motion, Marina seconded ... TO APPROVE THE MINUTES FROM THE March 8, 2008, BOARD MEETING. The motion passed unanimously.

Dick Paul reported we have 25,253.34 pesos in our HSBC peso account and \$5,400.19 in our dollar account. Bravo Del Mar Ferre owes \$2,200 to the tax attorney. There aren't any other known debts at this time.

OLD BUSINESS (Cont'd.)

Dick reported Louis Gutierrez was up-to-date in their membership payments, Jim Reser had paid his membership in full, and Nolo Gaston is delinquent in her payments. A short discussion ensued concerning whether to apply the Gaston's payments on "Grandma's House" to their house. Evidently, the Gastons had asked for this at one time. Chet stated he is currently negotiating with the Gastons, for the Ferre family, and he feels they are close to making a deal which would allow Gaston to sell his house with a ten (10) year lease. Chet will talk with Gastons about applying the money from "Grandma's House" to their other house and let Dick know.

Chet also has talked with the local Remax agent and explained to him what Bravo Del Mar Ferre is all about. He felt it was a good, productive meeting and this gentleman is willing to help us to rent our property.

Claire Harder has signed her letter, a flyer has been made up for the sale of her house, and Chet has put her house on the Costa Brava Website.

Barbara made the following motion, seconded by Donna ... TO REFER THE MATTERS OF JOHN KELLY AND PATRICIA HAYNIE TO OUR ATTORNEY, AND THEN TAKE THE RECOMMENDED ACTION. The motion was passed unanimously. Pat Haynie's lease was up 4/08 and John's lease is up 9/08.

Chet is also working on a settlement with Bob Crouch. A proposal was made and accepted, and then Miquel said deal was off. Chet has now received word the Ferre family is going to accept the settlement and Chet needs to call Bob Crouch. He will be meeting with Rafa later today.

After some discussion it was decided to send the two (2) types of Shareholders to all current shareholders for a vote. Basically there is a Charter Shareholder who is a founding member of the Bravo Del Mar and will not pay dues, and a Regular Shareholder who joined after the formation of Bravo Del Mar Ferre and will pay dues. Both types of shareholders will pay assessments.

OLD BUSINESS (Cont'd)

Chet presented a letter he had drafted that we would ask every Bravo Del Mar Shareholder to sign, which basically states, if you sell your property, you will relinquish your shares. A discussion followed which included all community members present. Barbara made a motion, seconded by Rose ...WE TAKE THIS ISSUE TO OUR ATTORNEY FOR ADVICE. The motion was passed unanimously.

Rose told everyone we had not been able to meet our loan payment due June 30, 2008 and it didn't look like we would be renting any property soon. The Board discussed the problem before it was opened up to the members of the community present. There was a lot of discussion on what we could do if a shareholder refused to pay his/her portion. Chet made a motion, Rose seconded WE SEEK LEGAL ADVICE ON HOW WE CAN APPROPRIATELY DEAL WITH A SHAREHOLDER WHO DOES NOT PAY THEIR ASSESSMENT. The motion was passed unanimously. After more discussion, the consensus seemed to be to assess shareholders using a menu system. Chet made a motion, seconded by Rose WE SEND OUT AN ASSESSMENT EMAIL TO EVERY SHAREHOLDER WITH A MENU OF PAYMENT OPTIONS IN ORDER TO GAUGE RESPONSE. Rose was opposed.

The By-laws, Community Guidelines, and Maintenance committees gave no reports.

Marketing Report: Chet presented us with a marketing flyer, some calculations showing costs of 6,000 sq. ft. and a map showing available lots. He also talked about various advertising methods we might use. Chet also suggested we put a new Costa Brava sign on the road coming into Costa Brava to be seen from the highway. Monte Rose and Bob Dixon are meeting this Monday in Enrique's office to consummate their sale. After some discussion it was determined it was not up to the Board to insure the privacy of sales/rentals in Costa Brava.

Partnership Report: The Partnership, Bravo Del Mar Ferre A en P came into official existence on June 13, 2008. The Spanish Partnership papers are being translated to English and they will then be posted on our Website.

OLD BUSINESS (Cont'd.)

Partnership Report (Cont'd).

Chet mentioned putting the well permit in the Partnership's name was not included in the final agreement. Rafa and Jorge went to the proper government agency to see if it was possible to change the name on the permit and were told it could be done. The goal is to get the permit in the Partnership's name. Donna asked if the renewal payment for the permit had been paid. No one seemed to know. Garry said he would find out.

Naming a sales representative and getting them a Skype number was tabled.

There was a discussion concerning hiring and paying for workers under the Partnership. In order to not pay payroll taxes and social security payments we should use contract services. Rose will talk with our attorney about other ways we might hire someone for a day or two.

Security Report: Nolo Gaston contacted Barbara via email to inform us of a security company in town, called Tech Sys. The cost mentioned in the email was 350 pesos per month. Barbara tried to phone/email Nolo to get more information, but was unable to reach her. Barbara will try and find out exactly what this service provides. Putting a cable across our entry between the hours of 11 pm and 6 am was suggested; as well as, fake cameras, flashing lights, etc. All of these suggestions will be pursued.

Survey Report: The physical survey has been completed. Our attorney, Enrique, has asked for N/S/E/W measurements, total square meters, and a street addresses for each lot. This information will be used in the new rental contracts. New lot addresses are available to everyone and will be posted on our Website.

NEW BUSINESS

Barbara made a motion, Rose seconded ... **HAVE GARRY SUTHERLAND BE THE LIAISON BETWEEN OUR BOARD AND THE WATER BOARD.** Motion passed unanimously. Rose will appoint a member from our Board to liaison with the water board.

NEW BUSINESS

Rose will ask our attorney if a shareholder holding Immigrado status can have power of attorney for Bravo Del Mar without obtaining a business FM.

Al Thomas's lot trade was tabled per his request.

Garry's "Jaime lease" expired in May. Since the Partnership had not been formed, there wasn't a legal entity to grant him a new rental contract. On June 13th the Partnership was formed and ready to renew Garry's rental contract. Garry presented a letter written by Rose and Donna, prior to the formation of Brava Del Mar and/or the Partnership stating he would get a free 10 year lease if he paid \$8500. He requested the Board honor the statements made in this letter. Garry says he will pay the Ferre's 40% owed directly to them. After some discussion, Chet made a motion and Barb seconded ... WE PUT THIS ISSUE OUT FOR VOTE TO THE GENERAL MEMBERSHIP. Bob voted no. Garry will write up his position and Chet will write up an analysis of the impact if Garry's proposal should pass. Any shareholder is welcome to send an email supporting either position.

Building Permits will be issued through Bravo Del Mar Ferre. Plans must be submitted to the Partnership and then taken to the proper authorities in order to obtain the necessary permit. Rose will meet with the local Building Inspector to see what procedure we need to follow when obtaining these permits.

The issue of Netza Ferre and the need for five (5) year contracts was tabled.

Rose announced that our property would most likely be rezoned from Agricultural to Housing. When this happens the Partnership, owners of the land, will be assessed higher taxes. All Shareholders on a pro rata basis will pay these taxes.

Sales Report: There were no sales.

NEW BUSINESS

Chet made a motion, Donna seconded ... WE REQUIRE ALL RENTAL CONTRACTS BE WRITTEN BY DECEMBER 31, 2008. After some more discussion Barbara amended the motion to read WE REQUIRE ALL RENTAL CONTRACTS BE WRITTEN BY DECEMBER 31, 2008. THIS WILL ALSO INCLUDE ALL OPTIONS, TRADES AND ANY OTHER "JAIME PAPERS" BE RESOLVED BY THAT DATE. Motion was passed unanimously.

Meeting was opened one last time to all community members present. Questioned was asked, "What if Gordo refuses to honor the agreements?" It is generally believed it is to his benefit to sign, and Rafa believes he will. If he doesn't sign, he only owns 8% and other steps can be taken at that time to insure the Partnership continues.

Meeting was adjourned at 2:00 pm.

BRAVO DEL MAR
BOARD MEETING
July 27, 2008

An emergency Board Meeting was called for Sunday, July 27, 2008 to complete the details for assessing the Shareholders in order to pay off the loan.

Rose called the meeting to order at 11:45 a.m.

A discussion ensued to clear up some of the details of assessing the Shareholders in order to pay off the loan. Following is the Board consensus:

1. Shareholders will be assessed a total of \$5500. They may pay one \$5500 payment or a series of \$500 payments plus accrued interest three times a year.
2. Only Charter Shareholders will be assessed.
3. Only one household per shareholder will be assessed. (If you have 4 shares or more you will only have to pay one \$5500 assessment.)
- 4.

