

East Cape RV Resort

DBA Lucas de Los Barriles, SA de CV, a Mexican Corporation

CONDITIONS, COVENANTS & RESTRICTIONS Addendum 1

ASSUMPTIONS

The design of the East Cape RV Resort was carefully planned to provide spaciouly sized leased properties in order to enhance a gracious and cooperative RV Resort lifestyle. The following Conditions, Covenants & Restrictions (CC & R's) were created not to be restrictive, but rather to protect the short-term and long-term value of the individual and collective investments in the East Cape RV Resort. It is hoped that all neighbors will be able to enjoy their Los Barriles 'home'. To assure the best outcome, the following CC & R's have been adopted:

KIND AND CONSIDERATE BEHAVIOR

RV Resort living necessitates a kind and considerate mindset. All lessees of the East Cape RV Resort must be conscientious and mindful of their neighbors.

GUESTS

Lessees who provide their leased properties to friends, guests or as rentals must acquaint their guests with the East Cape RV Resort CC & R's.

NOISE

Televisions, radios, stereos, CD players, etc. must be kept to a reasonable volume throughout the day and evening (remember 'Baja Midnight' is 9 pm). After 10 pm, the volume must be low enough to not disturb surrounding neighbors. Special parties and large gatherings must be over by 11 pm.

SATELLITE DISHES, SERVICE FACILITIES

Small, modern satellite dishes only will be allowed providing they are not visible from the roadway. All service facilities including air conditioning units, trash receptacles, etc. must not be viewed from the roadway. Clotheslines are provided in the common area laundry facility. Clotheslines installed on-site should not be visible from any angle or from the roadways.

ADDITIONS & IMPROVEMENTS

Lessees are encouraged to improve their leased space, including the installation of casa, casitas, cement-roofed or palapa-roofed, palapas, sombras, patios, improved outdoor living spaces including privacy walls, outdoor kitchens, bodegas, garages, etc. Lessee shall provide to Lessor a written 'Property Improvement Plan' accompanied by architectural renderings for review and approval. Second story improvements are allowed on west-side perimeter lots only. Only palapa-style or concrete roofing will be allowed. Construction materials shall be in keeping with those materials readily available, including rock, concrete, Styrofoam panel, etc. All construction materials must not encroach onto surrounding lots. All construction improvements must be completed within 8 months from start of construction. A moratorium on construction will occur between January 15 – March 15 each year to assure the quiet ambience of winter vacationers. All improvements must respect a two-foot set back, resulting in at least a

CONDITIONS, COVENANTS & RESTRICTIONS Addendum 1, continued

four foot median buffer zone between buildings sites. It is the design and safety goals of the East Cape RV Resort to not allow abutting palapa roof construction. Subsequently, as adjoining lots are developed, one would allow palapa-roof construction followed by cement-roof construction, and so forth.

RV's or Trailers incorporated into proposed permanente improvements that are more than 10 years old will require pre-approval for their aesthetic value.

PRIVACY AND/OR RETAINING WALLS

Privacy or retaining walls must be constructed 24" inside the property line in order to not infringe upon the common area space between sites. Any pre-existing landscaping requested to be moved to accommodate walls or construction must be pre-approved and coordinated with Lessor.

PROPERTY ELEVATIONS

The elevation of a lot shall not adversely affect the surface elevation or grade of surrounding lots. Lessees are encouraged to consider at least a 3" rise from grade for construction in order to avoid storm water during Hurricane season.

LANDSCAPING ADDITIONS & ALTERATIONS.

Lessees are encouraged to add landscaping within their lots. New landscaping irrigation may be connect to the common area sprinkler system, although representative of the East Cape RV Resort must perform this work. The cost associated with this irrigation hook up will be billed to Lessee. Lessee may install an independent irrigation system using their individual domestic water, provided it is equipped with an anti-siphon valve and the project is authorized by the East Cape RV Resort.

TRASH

Warm, humid climates can create unsavory trash conditions. The East Cape RV Resort recommends trash compactors whenever practical. Compacted trash is more manageable and requires fewer trips to the common area dumpster.

LOT MAINTENANCE

All lots must be kept in an orderly fashion, including during constructon. Cords, hoses, lines shall be managed and kept from appearing unsightly. All trees and shrubs shall be trimmed as necessary and be generally weed free. If lot landscaping is left unkept so that it is unsightly, Lessor may elect to perform the necessary landscaping steps to restore the lot to a reasonable condition and assess the Lessee.

PARKING

Lessee may not park cars on the roadways in front of Lessee's property. Cars, trucks, 4-wheelers, boats, boat trailers must be accommodated on Lessee's site. Temporary parking for loading, dropping off or picking up only is permitted on roads. Lessee will request a Guest Parking notice for all guests visiting for more than 48 hours. Storage space for boats, boat trailers, off-road vehicles, RV's cars and trucks may be available at the East Cape RV Resort and should be contracted for separately. No unsightly vehicles or vehicles in disrepair (think Adam Sandler's POS car) may remain on site.

CONDITIONS, COVENANTS & RESTRICTIONS Addendum 1, continued

LESSEE'S ADVISORY ASSOCIATION

An Advisory Association of Lessee's may be established after 20 permanente leases have been reserved. Annual or bi-annual meetings may occur to assure cooperation and common interests are met.

FOR LESSOR:

Lucas de Los Barriles, SA de CV, a Mexican Corporation

Name

Date

FOR LESSEE:

Name

Date

Space