

**STATUTES OF THE COMMUNITY OF OWNERS
LA CORNISA
(C. I. F. H29435492)**

ARTICLE 1º.- GEOGRAPHICAL LIMITS

1.- The Community of Owners La Cornisa is situated within the Urbanisation Sitio de Calahonda, Mijas-Costa.

2.- The Community of La Cornisa consists of: Block 1 with 28 Apts., Block 2 with 48 Apts., 73 villas with 2 and 3 bedrooms together with the common areas.

In total 149 dwellings.

ARTICLE 2º.- OBJECT AND PURPOSES

1.- To maintain in good condition the common elements which consist of gardens, footpaths, roadways, water supplies, sewerage system, external common lighting, swimming pools, car parks, garages, garbage containers. Also any other common elements which may be create by the Community.

2. - To defend the interests of the Owners in regard to the E.U.C. Sitio de Calahonda in respect of questions of general interest to the Community, while maintaining cooperation between them.

3. - To ensure that all owners adhere to the rules and regulations of the Community La Cornisa and of the E. U. C. Sitio de Calahonda and to the police regulations.

4. - To create, if needed, new facilities and services for common use, when such are agreed by a majority of members at a General Meeting.

5. - To establish the general budgets of the Community distributing the costs and assessments in accordance with the regulations of these Statutes.

ARTICLE 3º.- MEMBERS

1.- Membership in the Community of Owners La Cornisa is acquired “ob rem”. Consequently, each owner of a deeded property located within the geographical limits of the community is a member of it with full rights, and is subject to the present Statutes without any restrictions.

The membership is inseparable from the ownership of a property within the cited area. The transfer of the ownership of a property transfers the membership in the Community of Owners La Cornisa.

2.- The ownership of properties within the limits of this Community will be recorded with the name of the owner and description of the property in a book annexed to these Statutes and will represent 100% of the total property.

3.- To facilitate the observance of these Statutes, the Horizontal Property Law and complimentary legislation, and any action necessary for the execution of such legislation each owner must provide an address for the purposes of these Statutes; this address must be provided in writing to the Administrator. Failing this, the address will be the housing itself in the Community.

Owners can also request electronic communications through email sent to the email address provided by the owner.

ARTICLE 4º.- RIGHTS AND OBLIGATIONS

I. - The Owners will have the following rights:

1. To the exclusive use of their property and the use of the common elements and services of the Community, without any other limits than those established by the law and in these Statutes.
2. To a supply of water and electricity under the same conditions as the present suppliers provide. Each owner must pay the costs corresponding to the installation and connection or any others charged by the aforementioned companies, as well as his consumption.
3. To speak and vote in the General Meeting.
4. To elect and be elected as President, Vice-president, Committee Member or Secretary of the Community.
5. To present propositions and make suggestions to the General Meeting.

II. - The Owners will have the following obligations:

1. To accept the execution of works which may be required for the maintenance of the common elements and services, subject to reasonable notice where possible.
2. To avoid any damage or change to the common elements and services compensating the Community for any such damage caused by him or by persons or animals for which he is responsible or by those to whom he may have granted the use of his property in whole or in part under any terms whatsoever.
3. To contribute according to his corresponding share to the support and maintenance of the Community and the common elements, as established in these Statutes.
4. Not to obstruct the common elements, not act in such a way that the proper use of same by other owners is affected.
5. The apartments will be used only as homes, and it is forbidden to install offices, branches and all kinds of businesses and industries open to the public. Each owner can lease their apartment, subject to the provisions of these Statutes, but must respond in front of the other owners of acts of the tenant with respect to

compliance with the Statutes. The lease will include the requirement that the tenant agrees to comply with and enforce these Bylaws.

6. Owners who do not contribute or are in arrears in paying their community fees, ordinary and / or extraordinary, and surcharges, will be denied access to the communal pool, internet services (by TV) and any other non-essential services decided by the community, that are provided by the community.
7. The regulation for common services such as lighting, cleaning, gardens, pool and everything else that corresponds to the internal politics of the property, shall be approved by the General Assembly.

ARTICLE 5º.- REPRESENTATION

1.- Under the system of Horizontal Property Law the President of the Community is the legal representative of the Community and will represent them in the E.U.C. Sitio de Calahonda and in all other matters. The President may appoint a person to represent him when necessary.

2.- Jointly with the President, a Vice-President will be appointed and a Committee Members up to a maximum of 4.

3.- Owners unable to attend the General Assembly or any Extraordinary General Assembly may appoint a representative who must have the Owner's written Proxy and is empowered to vote on their behalf. Such vote cast is binding on the Owner.

4.- If a dwelling belongings to several undivided owners, they shall designate one for the exercise of all their rights and shall be liable jointly and severally towards the Community for any obligations deriving from their status as co-owners.

5.- In case of usufruct, to determine the rights of the bare owner or usufructuary, will be governed by the provisions of the constituent title. Alternatively the bare owner shall exercise of voting rights governing these Bylaws, without prejudice and independently of the rights of enjoyment that according to the Law establishing title or belong to the usufructuary.

ARTICLE 6º.- GENERAL ASSEMBLY AND MEETINGS

1.- The members of the Community, constituted as a General Meeting, will decide by majority vote, using those votes to which they are entitled, on matters within the competence of this social body.

2.- All owners, including those who disagree and those who have not taken part in the meeting, shall be subject to the agreements reached.

3.- The General Meeting, duly called and constituted, can make decisions, whatever the number of votes cast whether by owners who are present or those represented by proxy, only on matters included in the Agenda of the respective meeting.

4.- The General Meeting, legally constituted, forms the supreme body responsible for the representation, management and administration of the Community.

5.- The General Meeting will meet once each year, extraordinary ones when considered necessary by the President.

6.- The Agenda for the General Meeting will be drawn up by the President.

7.- The proposals and suggestions of owners, if they are to be included in the Agenda of the General Meeting, must be presented in writing by registered post or receipted copy to the Administrator at least 20 days before the date set for the Assembly.

8.- The General Meeting represents the Community of Owners La Cornisa without any limitations whatsoever.

9.- The General Meeting is empowered to elect and dismiss by majority vote, the President, Vice-president, Committee members, Administrator and Secretary. The position of Secretary may be exercised by the Administrator.

10.- The General Meeting can modify the Statutes, by majority vote, without prejudice to the powers reserved for the E. U. C. de Calahonda by law.

11.- The General Meeting can approve the report and the accounts of each fiscal period as well as the budget for the following year or period as proposed by the Committee.

12.- The charge of President of the Community will correspond to the person elected by the General Meeting.

13.- The President shall be the legal representative of the Community before all types of Authorities, Courts, Corporations, Organizations and individuals; will confer powers of attorney to lawyers and attorneys; convene, preside over, suspension and closing of the General Meeting and direct the discussions, in accordance with the powers conferred hereof.

14.- The General Meeting appoint a Committee, formed by the President, Vice President (if applicable) and a maximum of 4 owners designated as Committee Members and approved by the General Meeting itself, with the powers granted to them by the General Meeting, for those cases where it is not necessary to call for an Extraordinary General Meeting.

15.- The offices of President, Vice President and Members of the Community are free and can be reappointed. They will be subject to annual re-election or can also be dismissed from office at the General Meeting. However, the President and Vice President will be allocated the amount in Euros equivalent to an average annual fee and half annual fee respectively, each year, to cover the costs incurred in the performance of their duties.

16.- In the absence of the President for interruption, illness, travel, etc., the Vice President will replace him.

17.- The General Meeting will appoint a Collegiate Administrator, who will assume the functions of Secretary, with the management powers inherent to the position according to Law.

18.- The Administrator will attest to the decisions made by the General Meeting, draw up succinct minutes of the meeting, and will convene the members of the Community by order of the President.

19.- The Committee will be responsible for the common funds and will prepare the accounts which he will present to the General Meeting, in the same way he will propose the annual or periodical budget.

20.- All monies received shall be deposited in the Community's name in the current bank accounts opened in the name of the Community of Owners La Cornisa.

Withdrawal of monies for the payment of expenses incurred will be made with any two signatures of the President, Vice President and/or the Administrator.

ARTICLE 7º.- MEETING AND VOTING

1.- Meetings of the General Meeting will be called by the Administrator by order of the President. The Agenda will establish the issues to be addressed and to which decisions will be limited

Written proposals received up to 20 days prior to the meeting, in accordance with Article 6, paragraph 7, may be included at the discretion of the President.

The summons to the General Meeting shall be in writing delivered at the address specified by the owner for the purposes of these Bylaws or by electronic mail sent to the email address provided by the owner

The summons will be made, at least 10 calendar days prior to the General Meeting and will include the place, date and time for the first and second calls and all matters to be discussed, which are the only ones which can be subject to discussion and agreement.

The summons for Extraordinary Meetings shall be made by giving at least 3 days notice.

The initiative to convene a meeting of the General Meeting rests with the President, or at the request of a number of members representing at least 25% of total voting rights.

2.- The General Meeting, duly summoned, will be validly constituted at the first convocation when a majority of the members are present, or whatever their number may be provided those present or represented, represent at least 51% of the total voting rights. At the second convocation the Meeting will be legally constituted whatever the number of owners present and whatever proportion of voting rights may be represented.

3.- Agreements adopted by simple majority vote of those present will be valid. Each member, present or represented, will have the right to cast the number of votes equal to the number of apartments he owns.

ARTICLE 8°.- MINUTES BOOK

The resolutions of the General Meeting will be entered in a Minutes Book which shall be signed by the Secretary-Administrator with the approval of the President. A copy of the Proceedings of the General Meeting shall be sent to all members or their representatives, within one month from the date of each meeting.

ARTICLE 9° EXPENSES

1.- Each owner is obliged to contribute toward the payment of Community expenses as detailed in the Horizontal Properties Law.

2.- Community expenditure is considered to be:

a) General insurance premiums

b) The cost of maintenance and repair to the installations relating to the distribution of water and sewerage.

c) The maintenance, cleaning, lighting of communal areas, roads, footpaths, stairs, swimming, pools, gardens, garages, garbage huts.

d) The consumption of water and electricity used by the common elements.

e) Salaries and Social Security payments of Community employees.

f) Fees of the Administrator and office materials including postage.

g) And in general, all other expenses which may arise in relation to common elements, considering as general all those not attributable to a specific lot or block and therefore referring to common elements and services; also those extraordinary expenses agreed by the General Meeting for any purpose beneficial to the Community.

ARTICLE 10º.- INCOME

These will be formed by the following payments from the owners:

1.- Ordinary fees, used to cover the general expenses of the Community in accordance with the budget approved by the General Meeting. The fees will be payable in advance and the Administrator of the Community is obliged to prepare a final Balance at the end of each fiscal year, or earlier in case of necessity. If the Balance is negative, the deficit must be paid together with the amount due for the first payment of the next annual fee, without prejudice to the possibility of claiming the payment separately..

2.- Extraordinary fees, which are those to be paid by the members for any improvements approved by the General Meeting. Fees of this type will be established by the General Meeting in accordance with Article 7 of these Statutes, observing in any case the regulations of the “Ley del Suelo” and the corresponding technical projects.

3.- Exceptional assessments will be those required to cover absolutely unavoidable costs not foreseen in the Budget. Approval of the President and/or Vice President, advised by the Administrator will be sufficient to exact such assessments.

ARTICLE 11º.- DISTRIBUTION OF EXPENSES & VOTING RIGHTS

It is recognized that the cost of providing communal services to dwellings is the same for everyone, regardless of the size of each dwelling, with the exception of exterior painting.

In order to distribute expenses equitably and to allocate voting rights in the General Meeting, the following values are established:

Each dwelling All pay the same

A “ unit of cost” is the Budget divided by the total number of dwellings.

ARTICLE 12°.- COLLECTION

1.- The annual fees the joint owners must meet in respect of Community fees, according to the regular budget approved by the General Meeting shall be paid directly into the bank account of the Community in advance, in two semi-annual instalments with a date of issue on the first day of the months of January and July respectively. Each owner or his representative will be notified individually of the amount owed at the last recorded address, but nevertheless they are obliged to ask the Administrator.

2.- Payments of fees must be completed within the semester to which they correspond. Any payment that is not made within the corresponding semester will give rise, without prior notice, to the application of a 20% surcharge on the amount due.

3.- Extraordinary fees and exceptional assessments shall become payable within 30 days of approval by the General Meeting or the President respectively and in the event of non-payment will become subject to the same surcharge as in paragraph 2 above.

4.- In those cases considered in Article 5, 4. of these Statutes, the fees mentioned will be claimed from the representative mentioned therein, but when legal steps are taken to demand payment, the Community can equally claim to all owners.

5.- All costs and expenses to the Community caused by non-payment of fees, including the fees of barrister and solicitor, even if their intervention should not be necessary, will be for the account of the owner in arrears.

6.- The fees of the Community will be deposited in its account with a bank in the neighbourhood. The President, Vice President and Administrator are authorised to withdraw funds, to make transfers or realize other transactions according to Article 6, paragraphs 20.

ARTICLE 13°.- THE BUDGET

Annually, the Administrator will prepare, in cooperation with the President, the budget of income and expenses for the next fiscal year.

A copy of the Budget shall be included in the Minutes of the General Meeting approving the Budget.

ARTICLE 14°.- PERFORMANCE

The Community will function under the principle of equality, thrift, speed and efficiency through the collaboration of all owners and the Administrator in office at that time.

ARTICLE 15°.- LEGAL SYSTEM

The legal procedures of the Community will follow these Statutes, and in the case of unforeseen situations, the generally applied procedures of the “Horizontal Properties Law”.

In all cases related to the Community that have to be resolved by the courts of law, the owners will submit themselves to the Courts and Tribunals of Fuengirola.

ARTICLE 16°.-

These Statutes once approved, will be legalised through a Public Notary and inscribed in the Register of Property.

ARTICLE 17°.-

The only legally valid text is the one written in the Spanish language but as a special service to the foreign owners a translation into English or another language may be made for informative purposes.