

VIDA DEL MAR OWNER CONSTRUCTION GUIDELINES

(Prepared 4-March-2008)

The following information outlines important guidelines in remodeling units at Vida del Mar. In addition to providing information on roles, approvals, guidelines, schedules and working with your contractor, the material supports VDM's Regulations of the Condominium and the By-laws of the Association, along with important time periods and schedules that reflect responsible management and interest in our tranquil setting. As you consider your construction project, you should review completely the document "Architectural Standards, 2007" in the Owner's Information tab at the vidadelmar.com website. This document provides a more complete description of rules and regulations regarding construction.

In general, except for interior painting or emergency repairs, virtually every construction/renovation project at VDM requires an approved renovation request and approval. The request will be reviewed by the General Manager and, depending on the type of the project, the Architectural Standards Committee of the Board of Directors. The application review looks at intended construction that will:

- Meet the schedule for noise standard requirements limiting disruptive and/or noisy construction and offensive fumes to May 1 to November 30
- Be structurally sound
- Not significantly change the exterior appearance
- Not impose on the view of others
- Update unit infrastructure (plumbing, electrical service upgrades, data lines, etc.) as required
- Employ water-saving features where possible

Application Submission

Applications are available at the Vida office or on the website. The application should include the following:

- Complete detailed description of work included in the proposal
- Drawings of changes to walls, floors, openings or cabinetry that may change the load on the building's structure
- Schedule for completion of the work

The application and supporting documents must be complete and clear enough to evaluate the project. Incomplete or unclear applications will be disapproved as promptly as possible and the Owner will have until March 15 to resubmit plans with sufficient information to allow for adequate review and approval. The applicant must be the legal owner or contract purchaser by April 1 of the construction year.

Renovation Applications involving no structural alterations, exterior impacts, or minimal changes -- application can be submitted at any time of the year and can be approved by the General Manager.

Renovation Application involving structural alterations, exterior impacts, wall relocations, deck extension, or wall penetrations -- application must be submitted by March 15 each year and will be reviewed by the Architectural Standards Committee of the Board of Directors. These applications must be submitted to the General Manager.

Applications for Emergency Work (December 1-April 30) Work projects during the high season can be undertaken if they are emergencies -- water leak repair, appliance failure and replac

require service relocation or upgrade, etc. If disruptive construction noise or fumes are anticipated, the Owner will need to submit an application and get written permission from all impacted neighbors for approval.

Application Approvals

The submission will be reviewed as quickly as possible by the General Manager.

No structural alterations, exterior impacts, minimal changes: GM can approve.

Structural changes: (includes floor loading, door, window, wall relocations, penetrations, or additions such as deck extensions). A licensed structural engineer must review changes and submit drawings and calculations for approval. The costs of the engineer's review and/or changes are the responsibility of the Owner.

Exterior impacts: (includes outdoor cabinetry, shades, screens, air conditioning units, tilework, or anything that impacts the exterior appearance) Architectural Standards Committee will review the application and approve and/or consult with Board of Directors on questionable projects.

Advice for a Successful Construction Project

- Clearly identify the work you want done. Develop a list of areas, changes, and features you're interested in.
- Owners may work with any contractor they choose. It is recommended, though, that you talk with other owners about who they've used for various types of work, what their experience was, and how the job turned out. Whenever possible, see the work of candidate contractors. Also, get references about potential contractors, contact those references, and quiz them on their experience. In interviewing other owners, ask the following types of questions:
 - Was the work that was agreed to completed in a timely manner?
 - Was the work of the expected quality or match similar work done for other clients?
 - Were you kept informed about the progress of the job and also of problems that arose?
 - Did you receive progress photos as the job went on?
- Ask all potential contractors for specific plans and prices for the work that is being discussed. Be sure that you're comparing prices for comparable work.
- Be clear about communicating all the items and features you're interested in. Be clear they are included in the plans and/or scope your contractor presents to you. Do, though, listen to your contractor and consider ideas he may have. Allow your contractor some room to make on-site adjustments but be clear about what is important to you in the finished project.
- Be sure in communicating with your contractor that you have the same standards in mind. Mexican standards for outlet height, data port placement, counter heights and widths, tile placement, and finishes can be quite different.
- Identify a personal representative to oversee or at least check on the work being done or review it yourself. Getting construction work done to the standard you're interested in and making adjustments as necessary is critical to getting the work completed as you envisioned and on the schedule expected.

- **Contracts and Payment:** Be sure your contract/agreement with your contractor includes clear completion dates. Any adjustments to the finished work or 'punchlist' items must also comply with the noise/fume disturbance schedule and limitations. Any work not finished prior to November 30 that cannot be done quietly (sanding, painting, hand planning, etc.) or taken off-site, will have to wait until May 1 for completion.
- Consider a penalty clause in developing your contract. The clause might include agreement that the contractor will pay you an identified amount if the construction is not completed by the contract date.
- **Advances and Retention:** Once the contract is negotiated and total costs agreed to, a deposit of 20% of the total is the typical expectation for the contractor to start the work. You may have agreed with your contractor to additional payments. The last payment, though, is critical. You should hold back (retain) 10% of the contract price to be paid when the job is completed to your satisfaction. Remember, it is your only leverage to get the job done!

Other Tips To Consider

- If you are a new owner interested in renovating your condo here, it is recommended that you use your unit here for a season before undertaking major renovation in order to:
 - Get a feel for how you want to live in your space and what features you're interested in,
 - See other owners' units and the features they've incorporated in their units and to talk with them about their contracting experiences,
 - Understand the 'construction experience' and pitfalls in Mexico that may be quite different from expectations at home.
- Use exterior/nautical application ceiling fans for all spaces at Vida (Hunter brand 'Mariner' is a good choice). Stainless steel or brass hardware, nuts, bolts, and screws are highly recommended. Interior fans and lights, particularly those used outside, rust quickly in this corrosive environment, and fail prematurely.
- Choose analog appliances rather than digital ones. Similarly, this corrosive environment of salt spray and humidity joins to shut down complicated digital dials and works. Choose simple appliances so they last longer. As you can, put appliances and certainly small appliances (toaster oven, microwave, TV, computer, etc.) behind cover to prolong their useful life.
- Consider appliances, fixtures and other products available in Mexico. Appliances brought from home are subject to Customs duties and inspections. Finding replacement parts and servicing may be difficult.
- Choose deck/balcony appointments carefully. Bar refrigerators and grilles (depending on the brand) can rust out quickly. Choose light fixtures, speakers, door pulls, shades and screens with year-round exposure considerations in mind.
- Ask your contractor to leave touchup paint and a small supply of tiles for replacement.
- Plan for the future. The finishes you're interested in may look trendy today. Will you still be happy with your choice 10 years from now or will it be dated?