

2009

COLINAS DE MIRAMAR PERMITTING STATUS REPORT



CLIENT:
COLINAS DE MIRAMARS.A.
MIRAMAR, PUNTARENAS.



November 11, 2009

Mr. MIKE REYSACK

Re: COLINAS DE MIRAMAR PERMITTING STATUS REPORT.



Dear Mr. Reysack:

Thank you for giving us the opportunity to present our permitting status report, for your Miramar, Puntarenas project named Colinas de Miramar.

Landmark Construcción & Consultoría offers developers integrated solutions to facilitate the design, permitting and construction processes in Costa Rica and Nicaragua. Our company is composed of individuals with vast experience in their respective fields and they all adhere to our high standards of work ethics.

I look forward to fostering a long term relationship with your company and providing you with the high level of service and quality of work we pride ourselves on.

Please be sure to let me know if you have any questions regarding any portion of our status.

Sincerely,

Christian A. Lara

President

Lara y Calderon s.a.

1. STATUS REPORT:

DOCUMENTS & PERMITTING PROCESS.



CLIENT: COLINAS DE MIRAMAR S.A.

PROJECT: S DE MIRAMAR RESIDENTIAL P

COMPLETED

	ACTIVITY	STATUS
1	MUNICIPAL ZONNING APPROVAL	COMPLETED
2	MIRAMAR WATER DEPARTMENT AVAILABILITY	COMPLETED
3	COSTA RICA ELECTRICAL INSTITUTE AVAILABILITY	COMPLETED
4	NATIONAL HIGHWAY DEPARTMENT ROAD SETBACKS APPROVAL	COMPLETED
5	I.N.V.U. CREEKS AND RIVERS SETBACKS APPROVAL	COMPLETED
6	I.N.V.U. MASTER PLAN APPROVAL	COMPLETED
7	INSTRASTRUCTURE PLANS APPROVAL BY COLLEGE OF ENGINEERS & ARCHITECTS	COMPLETED
8	GATEHOUSE PLANS APPROVAL BY COLLEGE OF ENGINEERS & ARCHITECTS	COMPLETED
9	RECORDING OF LOTS PLOT PLANS 1-A a.RECORDING FEES HAS BEEN PAID b.ONCE MUNICIPAL STAMP IN COMPLETED, ALL PLOT PLANS WILL BE RE-SUBMITTED TO THE NATIONAL REGISTRY FOR THE FINAL RECORDING.	ON MUNICIPAL STAMP PROCESS
10	NATIONAL HIGHWAY ACCESS PERMIT	ON HOLD BY CLIENT
11	SETENA ENVIROMENTAL AVAILABILITY	COMPLETED
12	TOPOGRAPHIC SURVEY ALL 3 PHASES	COMPLETED
13	FINAL MASTER PLAN DESIGN	COMPLETED
14	INFRASTRUCTURE ENGINEERING	COMPLETED
15	MASTER PLAN RENDERINGS	COMPLETED
16	GATEHOUSE RENDERING	COMPLETED

2. GOVERNMENT INSTITUTIONS REFERENCE GUIDE:

GOVERNMENT INSTITUTION GUIDE				
	INSTITUTION OR MINISTRY	DESCRIPTION	WEBSITE	PROCEDURE
	1 MUNICIPALITY	Local government for each region of the country - It is the last approval required in the permitting process of many other institutions to develop a project on site.	www.cesdepu.com/org/munic.htm	Building permits and zoning of land.
	2 INVU	National Institute of Housing and Urban Planning - approves and monitors regulatory plans, terrestrial maritime zones and housing projects of any kind.	www.invu.go.cr/urbana	Permits to carry out building projects and land use.
	3 NATIONAL REGISTRY	Entity responsible for registering properties in the national territory.	www.registronacional.go.cr	Legal registration of properties.
	4 NATIONAL PLOT PLAN REGISTRY	Entity responsible for registering and approving property plot plans.	www.registronacional.go.cr	Plot Plan seal.
	5 CFIA	Federated College of Engineers and Architects - approves plans and designs for building projects.	www.cfia.or.cr	Approval of plans for future building permits
	6 SETENA	Environmental Technical Secretariat - regulates the environmental impact that projects may produce.	www.setena.go.cr	Environmental Permits.
	7 AYA	Institute of Aqueducts and Sewers - regulates the infrastructure and development plans of public water use in the national territory.	www.aya.go.cr	Availability of public water and sewage systems.
	8 MOPT	Ministry of Public Works and Transportation - regulates road infrastructure and plans for its expansion in the national territory.	www.mopt.go.cr	Alignments of streets and roads, legal naming of condominium projects, road design.
	9 ICE	Costa Rican Electricity Institute - regulates and promotes the development of electricity, data and communication of the national territory.	www.grupoice.com	Alignments, effects of electrical networks, approval of plans and housing development electrical designs.
	10 IDA	Institute of Agrarian Development – self-managed social entity which is responsible for the development of rural communities, which implements the efficient distribution of land, making the provision of basic services for the consolidation of rural settlements.	www.ida.go.cr	Promote the technical feasibility, economic and organizational projects of interest to the institution through conventions and national and international loans.
	11 MAG	Ministry of Agriculture and Livestock – institution that promotes the development of conditions for steady growth, equitable and sustainable agricultural production.	www.mag.go.cr	Ensuring the proper use and management of soil in areas of sustainable agricultural development and consider applications for change of land uses.

	21	MINAE	Ministry of Environment and Energy – institution that promotes the management, conservation and sustainable development of the items, goods, services, environmental and natural resources of the country.	www.minae.go.cr	Regulating the management of environmental quality, geology and mines, hydrocarbons, development planning, transport and fuel as well as control of areas of reforestation and the cutting of trees.
	22	SINAC	National System of Conservation Areas – Integrates skills in forestry, wildlife and protected wilderness areas of the Ministry of Environment and Energy (MINAE), in order to dictate policy, planning and implementation processes aimed at achieving sustainability in natural resource management in Costa Rica.	www.sinac.go.cr	Letter of effects on forest areas and environmental management zones.
	24	IGN	National Geographic Institute – Institution that ensures the safeguarding of the territorial and maritime terrestrial lines of coastal properties.	www.mogt.go.cr	Setting of boundary lines and concession process for terrestrial maritime zones.
	25	SENARA	National Service of Groundwater, Irrigation and Drainage – monitors the use of zones and mantles of water for their control and fair use with the environment.	www.senara.go.c	Coordinate with the public, private and academic sectors the improvement of the current text of the Legal Project on Water Resources Management for wells and other water sources.
	26	ICT	Costa Rican Tourism Institute – institution that monitors the development of tourism and its impact on the country.	www.visitcostarica.com	For the process of concessions and regulations in terrestrial maritime zones, exclusively for coastal properties.
	27	ONE	National Emergency Commission – Ensures the safety of residents in fragile areas or those affected by urban density and its developments.	www.cne.go.cr	Approvals for high-risk areas.
	28	DGAC	Directorate General of Civil Aviation – Regulates, supervises and promotes aeronautical activity seeking promptness, ease and security services to ensure satisfaction to users.	www.dgac.go.cr	Procedures for height restrictions (buildings, billboard advertising, etc.) and construction of towers, mainly near airports or fragile areas of aeronautical incidence.
	29	MSP	Ministry of Public Health – This agency directs and leads the design, development and implementation of policies, plans, programs and projects in health, with the participation of internal actions and external communication strategies and education, analysis of context and priority areas of funding to improve the health of the population. It is comprised of four organizational units: Strategic Development, Health Promotion, Health Communication and Education, and Health Spending and Financing.	/www.ministeriodesalud.go.cr	Administrative controls of the development of activities which affect public, private and commercial health, in addition to the protection of the human environment within physical and sanitary conditions, approval of treatment plans or other health care systems in several projects.

3. DEVELOPMENT STEPS & PROCEDURES GUIDE:

	ACTIVITIES	DESCRIPTION
1	CLIENT (PROPERTY OWNER) INFORMATION SHARING	Collection of the Following Documentation: Copy of passport or Costa Rican ID • Certified Copy of Company ID. • Property's Catastro • Site Contacts • Property Acquisition Documentation • Power of Attorney from Client Attorney for the Company Runner for Procedures at Government Institutions • Municipality Tax Status • Boundary Marking Survey if the Property is Next to a Beach or Lake • Letter with Three Distinct Names for the Project for Nomenclature Process
2	FEASIBILITY STUDY PRIOR TO MASTER PLAN	Complete report containing all the basic information provided by all the entities involved in the permitting process of the project in question such as INVU / MINAE / HEALTH / AYA / ICE / MOPT / ICAA / City Hall and any other entity considered relevant for the development of this project.
3	ENVIRONMENTAL STUDY - BASIC PHASE	Initiation of the document collection process and important studies for the environmental permitting process. The guidelines dictated by the manual (EIA) and its rules of implementation will be followed. This process will continue once the Client has approved the Master Plan created according to legal regulations.
4	TOPOGRAPHIC SURVEY	Boundary verification of the property; creation of contour lines, using 1 meter distance method, of the property for road design, infrastructure design and locating of usable areas on the property for construction and lot subdivision.
5	TOPOGRAPHIC RECTIFICATION	Boundary remarking and correction of any points not in accordance with the plot plan.

6	LAND PLANNING	Initiation of design work to locate areas suitable for the needs of the project such as the identification of risk areas, zones suitable for construction, reservation or forest preservation zones, access zones and internal roads, areas with potential views according to the levels of the views, valuable areas as determined by their views and location, commercial zones, public areas such as parks as well as all the areas noted in the development program of the project.
7	MASTER PLAN DEVELOPMENT	Master Plan design and development is initiated based on the information gathered from the previous topographic studies, environmental studies, feasibility studies and visits by professionals such as architects, civil and forest engineers. Detailed development of the Master Plan includes the placement of project areas such as residential areas, commercial areas, green areas, parks, playgrounds, ideal location of roads and accesses, possible water drainage areas, protection of rivers, and any other areas desired by the Client, in compliance with legal percentages and regulations.
8	CATASTRO, INVU AND CITY HALL REGISTRY PROCEDURES	Once the Client approves the Master Plan's contents, which will be designed in compliance with the regulations stipulated by government law, the Master Plan will be submitted for approval to the public entities involved in this process. In turn, this will initiate the development of the individual plot plans for the project for their approval in Catastro (National Plot Plan Department), INVU if necessary and municipal approval, as these are all required for their proper registration.
9	SETENA PROCEDURE	With the incorporation of the Master Plan to the environmental process previously initiated, this process may continue in order to obtain the environmental feasibility of the project which will contain documentation such as a table of the project points, summary, introduction, general information, physical description of the surroundings, biological description, socioeconomic description, evaluation of environmental impact, mitigation plans for the impacts generated by the project and management plan. Each of these points is only briefly described here; their actual composition is very detailed.

8 | LANDMARK PROJECT | : COLINAS DE MIRAMAR S.A.

10	PROJECT & INFRASTRUCTURE CONSTRUCTION PLANS	The creation of all the construction aspects, technical information and calculations necessary for the development of the Master Plan for permitting and approval with INVU, AYA, Health, Federated College of Engineers and Architects and ICE. This set of plans is necessary for the construction of the project and its approval in all of the entities previously named.
11	LEGAL REGISTRATION OF PROJECT	The registration must be completed by a law firm which will properly register all the properties of the project in order to enable the developer to sell to clients of the project. They must be registered in the National Registry.
12	CONSTRUCTION BUDGET	A General Construction Budget of the cost of construction for the project infrastructure is created based on the designs and construction plans. This budget allows for the generation of quotes from construction companies and can be put out to bid if the Client so desires. This budget may be created once the construction plans are complete in order to move forward with the bidding process and therefore not wait until construction permits have been obtained.
13	PERMITTING	The Municipal construction permit is obtained once the construction plans are approved by INVU, Health, ICE, Federated College of Engineers and Architects, Nomenclature and any other pertinent entity, and the environmental viability for the project is attached.
14	INSPECTION PROCESS FOR CONSTRUCTION WORK	This activity is essential for the best results for the project. This step involves the professionals responsible for the execution of the infrastructure construction on site. Some of the duties of the inspector are monitoring the quality of construction, monitoring adherence to the construction budget, management of the various contractors in order to assure that the construction plans are being followed faithfully and to resolve any issues that may arise, and reporting of progress and any other aspects of inspection.
15	ENVIRONMENTAL INSPECTION PROCESS	The environmental inspector is in charge of the management and monitoring of environmental rules as well as the creation of the reports for SETENA.
16	PROJECT MANAGEMENT	Coordination of the activities and contractors of the project • Management of the direction of the project with weekly reports to the Client • Management of construction budgets • Authorization of payments to subcontractors • Weekly progress reporting • coordination with any public entities involved • Coordination with all the professionals who make part of the project • Sets the pace for the work at hand.

This report was concluded at 13.00 hours on July 14, 2009.

Any clarification with respect to this report should be directed to LARA & CALDERON S.A. by telephone, fax or in our offices located at MULTIPLAZA, CENTRO CORPORATIVO ATRIUM, Costa Rica, and our phones 25.02.01.01 / 25.02.01.02.



JOSE GUILLEN VARGAS.

PROJECT MANAGEMENT DEPARTMENT.

ARCHITECT – LAND PLANNER.

LAND MARK S.A.

ARMANDO DELGADO ZUNIGA.

CONSTRUCTION ENGINEER.

LAND MARK S.A.

WALTER CARAVACA RIVAS

TOPOGRAPHICAL ENGINEER

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