

Saturday, April 9, 16

Dear Tao Homeowners,

Over the course of the last week, we have received several emails from concerned Homeowners as a result of a series of posts in a Private Google group known as 'Homeowners at Tao'. Unfortunately, as this is a private group, *not established by Tao*, we are unable to either see or respond directly to the comments and issues raised via the Group Members, and so I've chosen to write to you today directly.

As a long-time Developer with a number of successful projects under my belt and several new projects in various stages throughout Mexico, I am aware of how important Homeowners are to the success of our sales and growth. Our Homeowners' satisfaction is our number one priority in both the sales success of the community as well as the long term value we all expect from our investment. The shared goal of the Developer and Homeowners should always be the success of sales, the sense of community we create and the maintenance of our community. We are mutually dependent upon each other to create and maintain that success, ensuring long term value of our investment, thus we form the Homeowners Association.

The purpose of the Homeowners' Association is to share the responsibility of maintaining our community's common area interests and assets together as Homeowners. In any Homeowners' Association there comes a time where this becomes the direct responsibility of the Homeowners themselves, once the sales process is complete and the Developer is no longer the primary 'Homeowner'. Until that time, it is the responsibility of the Developer to create and manage the Association in accordance with the law and to facilitate and encourage open communication and transparency with Homeowners. At Tao we have tried to do just that. However, absolute satisfaction for all is always difficult to obtain. This combined with the differences in legal and tax systems, construction requirements and obligations in a multi-cultural ownership system can increase confusion and misunderstanding.

For example, in a post that appears to be written by K. Sinniger, a former Townhome owner, she has noted that the Developer is required to pay all maintenance fees until the Homeowner obtains title to the property, however, possession of the property is the actual contractual trigger for the responsibility of maintenance fees, as the common areas are our shared responsibility, as it is stated by Mexican Law and by clause 5-B.4 in Sinniger's agreement, that clearly states; As of the date on which the Unit is received or considered so, the PROMISSORY BUYER shall be responsible for the cost and expenses pertaining to the maintenance of all common areas and services in the Residential Complex...

Additionally, Ms. Sinniger states that Tao Development has saved money by the delay of the condominium regime which, in fact, is untrue. Delaying the condominium regime does nothing to improve the Developers financial situation and only delays final payment by Homeowners. Phase I and II Regimes are ready and many Owners have begun to take title to their Properties. Phase III is in process of recordation and when delivered, likewise will be available for Owners to begin their title process.

There are many other misleading comments in Ms. Sinniger's posts, however the goal is not to focus on the wrongdoings of one self-interested Owner, whose sister is currently in litigation with the Development Company for charges that may result in a criminal procedure under review, as well as HOA debt of nearly \$10,000 USD. As you can imagine, these might be considered motive and reason to attack and discredit Tao, in search of an excuse or leverage to avoid fulfillment of her obligations and in lieu of her own personal interests.

We'd rather take this opportunity to clarify that the goals we have as Developer and Homeowners are the same; to create a Community focused on wellness, connection and inspiration; to maintain and enjoy the value of our investment; to enjoy the Tao experience.

Tao Development has met and surpassed our obligations in providing the amenities to the community that support its value. Over the years, Tao has offered more than 5,000 Tao community events focusing on Owners, New Owners, the Tao Foundation, travel, classes, workshops, etc. We are committed to continually maintaining the community in the best possible state throughout the selling of available homes and beyond. We are proud of what we have accomplished building Tao, and we are constantly working to better our performance to make each effort better than the last.

In the last few months you will have seen several new team members, as we prepare for our next stage of growth as a Development company, outside of the Tao Community. We are preparing development plans for several communities, both in the area, as well as in Campeche, Los Cabos, and San Miguel de Allende. With that in mind, we are building our team to perfect our processes, first here in Tao, and as we grow and we want our Tao Homeowners to be a part of our growth.

Our Success in Tao is Yours. Our Community is Yours. Our Investment is Your Investment. Our Efforts are for You, as well as for us. But, likewise, when we discredit each other, we discredit ourselves. When we criticize each other, we criticize OUR Community and our own investment. When we work together to improve, we improve together. Despite our differences, we are in this together, and as Tao Development we are committed to seeing this through to the very last sale.

As indicated in our last notice to you, we are pleased to announce the arrival of Ricardo Maya to the Tao Team as HOA Administrator. Ricardo brings more than ten years' experience in HOA Administration to our team, and will be working closely with the entire Tao Team to review and improve all of our HOA processes, both fiscal and legal, in the coming days as well as reaching out to Homeowners.

Additionally, Trisha Pacholski has joined our team as Commercial Director, and will be working with our Sales & Marketing teams, as well as our Homeowners throughout Purchase and Closing process. Trisha joins us from Los Cabos, Mexico and brings over 15 years' real estate sales and development experience to our team.

If would like to discuss any of the comments or concerns expressed on the Private Group board, or if you have any concerns of your own, please feel free to contact me, Isaac Henares, Ricardo, Trisha or any of our Tao Team. We are glad to help you anytime and together, we will continue to create the finest wellness community in the area.

Sincerely,



Benjamin