

This is the September delivery of the JP monthly update. We are enthused about the news that we have to convey to you in this report. Indeed, we would like to start by informing you that the Municipality of Cotacachi has approved the architectural plans and the preliminary utilities' plans and systems for Jahua Pacha.

Having reached this significant milestone, we are ready to start planning for the start of the work on the grids, so that we may start building them as soon as they are formally approved, and for the actual building of the road. But more importantly it gives peace of mind to all of you who have been patiently waiting for us to deliver on this documentation.

We will continue to make progress with the remaining tasks, while we simultaneously continue to work on the quadriplexes. As you will see below, Quadriplex No. 1 is very close to completion, and now that some initial and basic landscaping has been done, it is looking were good and is very nicely integrated with the units that are already built. Work on Quadriplexes No. 8 and 9 is also coming along at a very good pace.

1. ACTUAL SITUATION

1.1. Quadriplex Construction Progress:

MONTMAGIC S.A. continues work on units 1, 8 and 9:



As you can see in the picture above, the initial landscaping work has been started to incorporate Quadriplex 1 with the other units. The wall you see behind quadriplexes 13 (left) and 1 (right) will be moved back to incorporate the communal house, and the water tower will be replaced by the definitive main water cistern that will be built farther uphill from this location.



Now that the wood treatment has been finished, we are installing the ceramic floors. The next step is the installation of the glass windows and the granite countertops. Then we will only need to install the rain gutters and the initial landscaping around this unit and it will be finished.

Quadriplex 8:



(Above) What a difference a month makes! The roof is almost finished (it will be finished this week).

(Left) View of the back of this quadriplex – We are making good progress on the masonry work, so as to start focusing on the interiors during this month.

(Right) View of the front work on quadriplex No. 8.



Quadriplex 9:



(Above) You can see how the roof structure for this quadriplex is being put in place.

(Right) Here is a finer detail of the main beams for the roof of Quadriplex 9. Good weather is helping us move ahead and stay on schedule.





This is a front view of the progress made on Quadriplex 9. As work on the roof continues, we will start to do the outside masonry work on the four sides of the unit.

We have started to clear some of the dirt that was accumulated in front of it, to reflect what the end product will feel like.



This is a panoramic view of Quadriplex 9 in the forefront and Quadriplex 8 in the background, with the town of Cotacachi and the Imbabura on the back.

1.2. Communal improvements deliverables

As per the pictures related to Quadriplex 1 above, this month we worked on the area that surrounds Quadriplex 1.

It is important to point out that the rainwater drainage and the sewage system from the quadriplexes will work independently from one another within the project. This means that only black and gray waters from the quadriplexes will enter the septic systems, while rain water will be channeled to different discharge points, all of this under the approval of the Municipal public waters company.

1.4. Water Supply

On Monday September 20th the SENAGUA (National Water Board) carried out its technical inspection of our concession request. I attended this official visit, along with 11 people from the Community of El Batan which was also summoned (as you are aware this will be a joint concession).

The visit went very well and the Engineer from the SENAGUA was very positive about the whole process. All the information we had submitted with the community coincided with what he was able to measure and determine on site and he left all of us who attended with a very upbeat feeling about his report. I have followed up with him since then and he has confirmed that he has filed his positive report to the next step at SENAGUA last week.

1.5. Electric grid

I visited EMELNORTE last week and we are working out technical details about the energy requirements and the type of high-tension connection they will supply JP. Our electrical engineer informs us that it is a matter of days before the approval of EMELNORTE is issued and we expect to be able to resolve this process within this month. We will continue to follow this up very closely.

1.6. Grid blueprints, layout, etc., for Municipal approval of the plans.

As mentioned at the beginning of this report, we have made a good headway on this item and we will continue to work hard so that we can obtain the definitive approval and the Horizontal Property Declaration as soon as possible.

1.7. Nursery

We have devised an implementation plan with JP's gardener to start sowing plants on the upper edge of the ravine to create a natural fence that will deter anyone from trying to climb the steep slopes to reach JP.

1.8. Fence wall at the lower end of JP.

We have made contact with the owner of the land below JP in order to coordinate with our neighbor the building of the fence wall on this part of the property.

2. UPGRADES

We have defined the upgrades for all units, where applicable.

After JP was featured on the popular show House Hunters International, there seems to be a renewed interest in Cotacachi as a destination. This ties well into JP having obtained its Municipal Approval and such helps us market JP to these people who are only now discovering Cotacachi.

We have available 2 upstairs units for sale at \$134,500.00 and a few downstairs units at \$119,500.00. Go to our website <http://www.ecuadorrealestatesales.com/Ecuador-Real-Estate-Floor-Plans-Cotacachi.html> to view available units. Until the next newsletter keep a positive attitude and positive results will happen.