

## Frequently Asked Questions

Page 1 of 4

### Management issues

#### Who currently owns Villalagos?

Villalagos is currently owned by Obsidian Uruguay Ltd an international development company with projects in the UK, Sweden and South Africa. On completion of the sale of all the Chacras, ownership of Villalagos will be passed to a company that will be solely owned by the home owners.

#### Who are the people behind the developer?

Michael Hall: An accomplished UK based developer with over 15 years experience.  
Brendan Baury: A South African based developer with extensive experience in resort development and project management.  
Christian von Sanden: A German designer born in Argentina, studied and worked in the USA and Europe.

#### What other developments have the developers been involved in?

The developers of Obsidian have been involved in large mixed used developments in the UK, resort developments in South Africa and commercial developments in Sweden.

#### Will a hotel be built in Villalagos?

No.

#### Are the streets going to be tarred?

No, it was decided to keep the roads in gravel to stay in character with the aesthetics of the development.

### Control and ownership structure at Villalagos

#### Which municipality is responsible for Villalagos?

The municipality responsible for Villalagos is the council of Maldonado, district of San Carlos.

#### How will properties be registered in Villalagos?

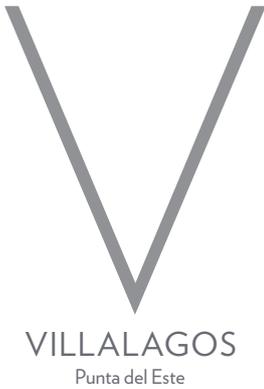
Villalagos falls under the law for horizontal development number 17292, each property will be registered in the name of the owner.

#### Is co-ownership allowed?

Yes it is allowed, keeping in mind the limitations of the internal rules stating that each property shall have only one single family dwelling house, which may not be used for multi family living, commerce, industry, professional studio or any other non-residential activity.

#### Is there any other form of property ownership?

No.



## Frequently Asked Questions

Page 2 of 4

### Architectural and building guidelines

#### What is the architectural style of Villalagos?

Villalagos is developed around a modern minimalist architectural style using large spaces.

#### How is the style of the building controlled?

There is an architectural committee headed by the supervising architect of the developer whose function is to scrutinise all plans and approve designs.

#### Are there designated architects and construction companies for construction in Villalagos or may I use my own team?

Villalagos does have an approved construction company and designated architect that can be used for the design and construction of your house. However should you wish to use another company you are entitled to do so provided you meet all of the architectural guidelines.

#### Are there any limitations as to where the house can be sited on the plot?

For reasons of aesthetics and to guarantee the privacy of owners, every plot has a designated area within which the home should be constructed. The siting plan is part of the sales agreement. Behind the rearmost stakes of each house, owners may erect light structures for stabling, caretakers, visitor's cottage, barbecues, pools, store rooms and garages. The total surface area that may be constructed on any plot is 2000m<sup>2</sup> if it is built on one level or 3000m<sup>2</sup> if a two storey structure is built, keeping the lower level to a maximum of 2000m<sup>2</sup>.

#### Is there a time limit for construction on Villalagos?

There is no time limit for construction to begin however once construction begins it should be completed within 12 months.

#### Could an owner place a fence around his property?

The perimeter of all properties has been fenced by the developer.

#### What am I buying?

In Villalagos you are buying either a plot only, or a turnkey property

#### How does one pay for the construction and in which currency?

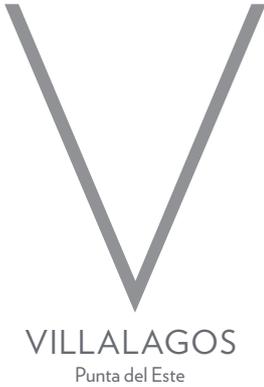
The construction is paid for in Pesos Uruguayos and the payment structure will be agreed by the parties on signing a contract.

#### In the event I buy a plot with design, may I modify the design?

Yes it may be modified at an additional cost charged by the architect to the owner.

#### When will the development work cease in Villalagos?

It is aimed that all infrastructures, landscaping and building of three houses will be completed by the end of 2008. The remaining Chacras will be constructed within a period of four years from the date that they are sold.



## Frequently Asked Questions

Page 3 of 4

### Security and route patrols

#### What kind of security and control is there at Villalagos?

There is a contracted security company charged with the security and they will be controlling access and exits as well as reacting to alarms.

### Financial issues

#### What is included in the common expenses?

All the expenses related to the maintenance of the common areas such as:

- \_ Road maintenance
- \_ Maintenance of common areas
- \_ Maintenance of lakes
- \_ Electricity for the irrigation system, the office and administration building
- \_ Maintenance of the irrigation system
- \_ Estate security
- \_ Estate management
- \_ Common area rates and taxes

#### What other costs are there for the owners?

The owners should pay for the upkeep of their own gardens and such other costs as related to their plot, e.g electricity, water, gas, telephones, etc.

### Housekeeping issues

#### May one keep pets in Villalagos?

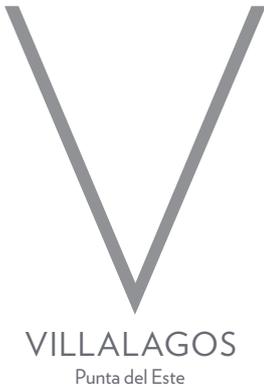
Yes, pets such as Cats and Dogs are welcomed. Due to the character of the land we limit other animals to horses or sheep

#### May domestic staff live on the premises?

Yes, provided they have been screened and approved by the onsite security company

#### Can I put up a satellite dish?

Yes, provided the placement is approved by the architectural committee.



## Frequently Asked Questions

Page 4 of 4

### General

#### Are there internal rules?

Yes, these are signed as part of the sales contract.

#### How big is Villalagos?

The site is 91 hectares (225 acres) in extent, of which 34 is dedicated to common areas.

#### How many plots are there?

There are 13 plots, ranging from 3 to 7 hectares each.

#### What are the house sizes?

House areas may not be smaller than 350m<sup>2</sup> and may not exceed 1800m<sup>2</sup>, including all terraces and paved areas and including 'other structures' mentioned below. Stairs are to be counted 1.5 times for area calculations.

#### Who looks after the houses during the absence of the owner?

There is 24 hour manned security protecting the estate. Individual owners will have to enter into a private agreement with the security company should they wish to have additional security.

#### Who looks after the maintenance of the properties?

Each owner is responsible for the maintenance of their own properties. Villalagos has a specialised team maintaining the common area with whom the owners may make private arrangements.

#### Is there a chance that more plots may be incorporated into Villalagos?

Yes, at the developers discretion provided they border the current property and comply with the architectural guidelines.

### Lake and others

#### Which water sports are allowed?

All non-motorised water sports are allowed.

#### Can I build a pier in the lake?

Piers into the lake from individual chakras are subject to approval. Any such piers are to be constructed in accordance with the Villalagos approved design.

#### May I build a tennis court on my property?

Individual tennis courts are permitted. Lighting of the tennis courts however are not permitted.