



Club Cascadas De Baja RESORT



MEMBERS' INFORMATION GUIDE



Published by
Club Cascadas de Baja Cabo • San Lucas, B.C.S., Mexico

©2019 Cascadas de Baja Association • All rights reserved.



Club Cascadas Members' Information Guide

Table of Contents

C H A P T E R O N E

- 2 Letter from Developer Patricia Giddings
- 3 What is Club Cascadas?
- 5 Management of the Resort
- 6 Board of Directors
- 7 Advisory Committee
- 9 Onsite Management
- 10 Financial Performance
- 13 Turnover of Club Cascadas to Members
- 17 Deposited Weeks and Bonus Weeks
- 18 Tipping Guidelines
- 20 Remodeling the Resort
- 24 Events & Activities
- 25 Ground Transportation

C H A P T E R T W O

- 26 Cascadas Vacations, Inc.
- 27 On-Site Office
- 28 Rentals and Bonus Weeks
- 29 The Benefits for Using the Club's
On-Site Sales Office
- 31 Considerations Before Conducting
Private Timeshare Transactions in Mexico
- 32 For Sales/Purchases
- 35 For Rentals
- 36 Contact Information

Letter from Patricia Giddings Developer

When my late husband, architect Ed Giddings, and I stood on Medano Beach in 1980, we envisioned a resort that became a reality when it opened in 1985 as Club Cascadas de Baja.

Club Cascadas de Baja indeed, is more than a reality it is the culmination of our dream of having a beautiful 5-star resort in Mexico, where our members and guests can experience wonderful vacations in an incredibly pleasurable atmosphere.

I have always said that there are three things supremely important to Club Cascadas: The members, the members, and the members. Without a doubt, the members make the Club a delightfully social and relaxing place to visit for vacations. When the members' needs and expectations are met and exceeded, the members are happy and return year after year.

The purpose of this Members' Information Guide is to bring to you, our members, a perspective of the Club that perhaps is new to some but is well-known to others. After all, it is the Cascadas de Baja Association that owns the resort and have taken over from the Developer the responsibility to manage the resort's operations.

Your Board of Directors and I worked diligently for six years in anticipation of the turnover of operations, and we want you – our members – to know more about it.

Sincerely,



What is Club Cascadas?

Club Cascadas de Baja is many things to many people.

The Club is often referred to by members as our “home away from home.” To those seeking a relaxing vacation, the Club is a resort in a wonderful location on Medano Beach in Cabo San Lucas, one of the best beaches in Mexico. To the Club's 220 or so employees, it is a great place to work.

“The Club” is a Delaware, non-profit, non-stock corporation, (Cascadas de Baja Association). Instead of shareholders, the corporation has members; and no part of its net earnings may inure to the benefit of any member or individual. The Board of Directors manages the corporation, and the resort is operated under a contract with Trading Places International LLC, which is a professional resort management company.

Cascadas de Baja Association is exempt from federal income tax on its membership activities, and it files an annual federal tax return (Form 1120-H) as a homeowner's association.

We call it Club Cascadas, or the Club, or the Association.

The Members of Club Cascadas are those people who own one or more memberships of the 5,650 vacation intervals. An interval is one week in a specific villa. The Club has 113 villas that are available for use during 50 weeks of the year. Thus, 113 multiplied by 50 equals 5,650 intervals. There are approximately 3,500 members.

Management of the Resort

Club Cascadas is unique in many ways, not the least of which is that it operates on a fixed-week, fixed-villa basis. By coming to their “home away from home” during the same week(s) every year, members develop friendships with other members. For many members, that beats vacationing in anonymity at a nice resort where they may not know anybody.

Members seldom trade away their weeks for vacations at other resorts and typically use their Club Cascadas weeks to vacation at Club Cascadas. This practice is quite different from the way most timeshare owners utilize their weeks. In some cases a majority exchange or utilize floating time or point-based system.

Many members own more memberships than one vacation week (often called an “interval”) at Club Cascadas. The Club also rents out unsold intervals through its subsidiary sales entity, Cascadas Vacations Inc. (CVI), and its management company, Trading Places International.

The Board has engaged Trading Places International LLC (TPI) since 1995 to supervise the Club’s operations, management, and staff, and to provide member services. TPI is a professional resort management company that is a subsidiary of Interval International, which is an operating business of global, publicly-traded company Interval Leisure Group, Inc. (NASDAQ: ILG).

Among its responsibilities, TPI provides:

- Administrative services, including collection and disbursement of the Club’s funds, accounting, maintenance of the databases of members, and inventory maintenance of villas available for rent.
- Management services, including supervision of the Club’s onsite management team, procurement of insurance and outside accounting and legal services.
- Member services, including sending annual billing statements, arranging rentals and exchanges and one-time upgrades to larger villas, arranging transfers to the Club from the airport, and a host of travel-related services like discounted rentals at other timeshare resorts.

FACTOID

Club Cascadas consists of about 4.5 acres of land that, under Mexican law, is held in trust for Cascadas de Baja Association. The trust expires in 2052, and among other Club options may be renewed as permitted by Mexican law at the time.

Board of Directors

The resort is governed by a five member Board of Directors who are elected by the members for either three or two-year terms. The Board elects the Association's officers annually.

In 2017, the Board created and filled the new position of Chief Operating Officer to oversee the transition and be responsible for Club's operations, management, and sales. The position reports to the Board of Directors.

As part of the developer turnover, the Giddings family in accordance with the Bylaws and previous agreement transferred their unsold inventory and gave up their three Board seats as of January 1, 2018. A new Board consisting of five Club members will be elected by the members at the June 2018 annual meeting.

The Board approves the annual operating budget that is developed by the onsite management team and C.O.O., with direction and assistance from TPI. The Finance and Administration Committee develops and maintains the long-term plan for capital expenditures and the Capital Replacement Fund. The Board approves the Capital Expenditures budget annually based on this plan. These budgets determine the annual maintenance fee amount paid by all members.

Advisory Committee

In addition to the five Board members, the Board enjoys the services of appointed Advisors who are Club members. The Advisors are active participants in Association affairs tasked with advising the Board on matters related to the long-range health and development of the Club, along with making use of their expertise and abilities to assist the Board when dealing with specific items.

Mark Giddings supervises construction and remodeling of the resort as an independent contractor. He is a son of Patricia and the late Ed Giddings, the Developers of Club Cascadas, and he has a keen understanding of his father's architectural vision for the resort.

≈ FACTOID ≈

Every staff member is entitled, under their union contract to one free meal each day provided by the Club. The employee cafeteria is on the lower level of the main building, beneath the lobby.



Onsite Management

The onsite management team, under the hands-on leadership of the General Manager, provides direction of the resort's operations and capital expenditures. The General Manager reports to the Club's C.O.O.

The Club's operations are carried out by several departments, each of which is headed by a professional in the particular field:

- Front Desk
- Housekeeping
- Facilities (including Engineering & Maintenance, Landscaping, Pools & Beach)
- Security
- Purchasing
- Human Resources
- Accounting

The Association has strong and appropriate financial controls embedded in the resort's operations. The on-site Accounting Department is headed by a controller, who reports to both the General Manager and TPI's Assistant Vice President of HOA Accounting. TPI provides detailed financial reports to the Board monthly. TPI's Assistant VP of HOA Accounting visits the resort periodically to oversee the accounting and financial operations, and an independent CPA based in Los Cabos visits the Accounting Department for additional oversight.

Financial Performance

Sound financial performance is critical to the success of the Club and the comfort and enjoyment of its members. The Club has performed well for a number of years.

The operating budgets are developed very carefully with input from all of the resort's department heads. The on-site management team's ability to manage operations within budget while providing members and guests with an amazing vacation experience has become legendary.

Another reason for the Club's excellent financial performance has been the weak Mexican peso. Nearly all of the Club's annual revenues come from members' annual maintenance fees, which are paid, of course, in dollars. Throughout the year, approximately 80 percent of those dollars are converted to pesos to pay for payroll, employment taxes, utilities, purchases of goods and services needed to operate the resort, property taxes, and other overhead of the Club. The budgeted Mexican expenses are translated from pesos to dollars using a conservative budgeted exchange rate. If the pesos are subsequently purchased at a lower price than the budgeted price during the year, fewer dollars will be used and a financial surplus can result.

Of course, it is possible that the peso may strengthen against the dollar, thereby costing the Club more dollars than had been budgeted. With this risk in mind, the Board protects its operating budget by implementing certain techniques to hedge against an unexpectedly strong peso. The Board is ever mindful that it is in the business of operating a resort in Mexico and not in the business of speculating on the value of the peso.

The financial performance of Club Cascadas has been **strong** over the past several years with very modest average increases in maintenance fees. That performance is expected to continue.

≈ FACTOID ≈

The Club operates a "reverse osmosis" water desalination plant right on the premises that makes about 80,000 gallons per day, enough to provide pure water to all the villas, kitchens, laundry, pools, and landscaping.

The Club operates its own commercial-scale laundry. Members and guests can choose to have this facility launder clothes for them. The price list is posted in each villa.



paradise preserved



Turnover of Club Cascadas to Members

The Developer turned over their three Board of Director positions and all unsold inventory of vacation intervals to the Club as of January 1, 2018. The Club's inventory of 1,130 intervals consisted of a diverse mix of villas and weeks, which the Club continues to sell through the on-site Sales Department staff as before.

The Club now sells villas -through a wholly-owned subsidiary company (for more information, see page 27), and income from rental of villas comes to the Club. At the same time, the Developer no longer pays maintenance fees to the Club on the unsold inventory. All of this means that the former Legacy Committee and Board have had much to learn about the finances that now prevail following Turnover. But the Developer, especially the Developer's long-time adviser Jessica Kim, was very open and forthcoming with data and explanations of how the business operates.

In the meantime, the former Legacy Committee, and the Board's former Facilities Committee actively planned the financial future of the Club anticipating these changes, and they are happy to report that the Club's future looks very bright.

where the magic begins . . .



. . . and the romance never ends!



a return to family fun and quality times



Deposited Weeks and Bonus Weeks

Members who occasionally want to switch their weeks or stay for additional weeks have several options:

- Ask the Cascadas Sales Office to find someone who will rent your week or wants to use it as a Bonus Week, and get your maintenance fee reimbursed.
- Deposit your week with either TPI or Interval International (II) to use at one of their many resorts. If you deposit your unit with TPI, you can redeem it for another unit at Cascadas, but you may only obtain units that others have deposited with them. For this reason, not every request for a given week and unit type can be fulfilled, especially if you have requested a prime unit in a prime week.

Bonus Weeks, which are issued by the Cascadas Sales Office, are distinct from weeks deposited with TPI or Interval International. The Sales Office has an inventory of unsold weeks and weeks deposited by members. To use a Bonus Week or make an upgrade, contact the Cascadas Sales Office.

If you need more weeks than you are entitled to use, you may be able to rent them from TPI or the sales office, or use a Bonus Week through the Sales Office. Also, first-time guests may take advantage of a one-week “Sampler” in a one-bedroom unit that’s offered by the Sales Office.

For more information, contact:

Trading Places:

800.365.7601 • exchange@tradingplaces.com

Cascadas Sales Office:

888.846.5571 • Sales@cascadaslegacy.com

Tipping Guidelines

Members and guests are typically generous in expressing their appreciation to the maids who provide daily housekeeping services, and to the restaurant staff. These are low-wage jobs, and the staff members rely on tips to earn their living.

Tipping Maids*

In response to numerous requests, the Board of Directors has developed suggested minimum gratuity guidelines based on a variety of factors, including the size of the unit, the number of bedrooms and bathrooms, and the number of flights of stairs in the villa.

An additional discretionary gratuity would be appropriate if the maid washes dishes or cleans a particularly messy villa. The staff welcomes tips in either U.S. dollars or Mexican pesos.

Suggested Tips for Club Cascadas' Maids*

VILLA	# of Maids	US \$ per Villa per Week
Casa Del Rey	2	\$ 160
Villa Sol	2	\$ 140
Estrellas	1	\$ 100
Arcos	1	\$ 60
Perlas	1	\$ 70
Magdalena	1	\$ 50
Catalina	1	\$ 50
Porfin	1	\$ 50
Margarita	1	\$ 50
Escondido	1	\$ 50
Tortuga	1	\$ 40
Concepcion	1	\$ 40
Bahia	1	\$ 40
Malaga	1	\$ 40
Villa Cortez	1	\$ 60
Perlita	1	\$ 30
Palmas	1	\$ 30
Palmas 201 & 301	1	\$ 35

Maids work a staggered six-day week and substitute maids are assigned to service the villas in the absence of the assigned maid. Maid assignments are rotated among the villas periodically.

Be assured that the maid who picks up your tip can be trusted to share the tip with the other maid(s) who also serviced your villa during the week.

Restaurants and Bars*

Tipping in restaurants and bars in Mexico is quite similar to tipping in the U.S. (that is, about 15% of the cost of food and beverages, before the IVA sales tax). Club Cascadas members tend to use this as a minimum and often leave 15% to 20% of the total bill (after IVA).

Bellmen*

A tip of \$1-2 U.S. per bag is customary, more if you have a lot of luggage or very heavy or otherwise difficult bags to deal with, or if they must take your bags up a flight of stairs to your villa.

If you have any doubts or questions about standard tipping guidelines, please do not hesitate to contact on-site management.



*According to [tripadvisor.com](https://www.tripadvisor.com) • Effective June, 2015

Remodeling of the Resort

The Board and Legacy Committee knew that there would be a price tag of more than \$10 million once quotes and estimates became available including equipment of the villas and maintenance credits to renovate; but less certain was the question of the amount of time it would take to do the physical work.

Over the next two years, the design plan became clearer, prompted by the fabulous look of the three new villas in Casa Giddings. In 2013, Las Palmas 212 was remodeled with the same look and met a very favorable reception. This look was extended with the complete remodel in 2013 of the two Estrella penthouse villas, which were in need to have their plumbing, decks, and roofs updated. In 2014, two Perlitas (16S and 19G) were remodeled using the same design and décor elements, and they received rave reviews.

When the necessity became clear to the Board to enhance all of its villas, the need for careful planning and cost estimating became critical. Legacy Committee members developed a system to identify, and track the remodeling tasks and timing, in order to estimate the remodeling costs.

The number of villas that could be remodeled during the annual two-week maintenance period every September when the Club shuts down was limited. The number of villas that the Club could shut down for remodeling during the other 50 weeks of the year is problematic because of the very high occupancy rate throughout the year. The committee also had to answer the question of how long it took to remodel a villa. The recovery from Hurricane Odile provided some hints to the answers to these questions.

At the outset of the resort's remodeling program in 2012, the Legacy Committee and the Board's Facilities Committee, developed a framework that could help determine remodeling priorities. The priority was to resurface all villa pools and Jacuzzis, many of which required a plumbing update, and to replace the decking surrounding those water facilities with non-slip cantera stone tiles. It is projected that by the end of 2018, all of the 33 villas with pools and Jacuzzis will be resurfaced.

The second priority was to replace the doors and windows of all ground-floor villas with vinyl-clad aluminum frames. The original wood frames required frequent painting, and often became infested with termites, and many of the door locks were problematic.

Moreover, the ground floor villas were chosen for this initial remodel phase because they would have the greatest visibility for members. The upper floors' doors and windows would be done next as villas became available for that kind of work during the year and during the annual maintenance weeks, and as they are fully remodeled.

≈ FACTOID ≈

The large building housing Casa Del Rey, Casa del Sol, and Villa Cortez were, until 2013, the private home of Patricia Giddings, the Developer of Club Cascadas. The Giddings family sub-divided the home into three premium villas and then assigned the property rights to Cascadas de Baja Association and sold the membership Use Rights as part of the Club.

Additional upgrades to the common areas proceeded in 2014 with a remodel of the restaurant, including a new cantera tile floor, new doors, a new palapa roof, and new restrooms. During this time, construction of a new wheel-chair ramp from the street to the lobby and the installation of a lift for the lobby down to the villa level took place.

In the aftermath of hurricane Odile, 8 villas were completely remodeled in 2015. In 2016 and 2017, another 30 villas were remodeled. Remodel continues in 2018 and projected for several more years.

FACTOID

Club Cascadas members cared enough to help the resort's staff, most of whom personally suffered damage after Hurricane Odile, through donations.

The final tally exceeded \$155,000 donated by members, the Giddings family, the restaurant operating company, TPI, Sales Staff and TPI's employees.

Cascadas Members Truly DO Care!



relax and reflect



Events & Activities

Annual Meeting of Members

The annual meeting of members is held in June, usually on the third Saturday, in Orange County, California. For the actual date, time, and location, check the Club's website (clubcascadas.com), and navigate to "Members Corner," then to "Info & Updates," or contact TPI.

Regular Board of Directors Meetings

Members are welcome to attend any of the quarterly Board meetings, held in January, March, June, and September. For the actual date, time, and location of these meetings check the Club's website (clubcascadas.com), and navigate to "Members Corner," then to "Info & Updates."

Other Events & Activities

Informal meeting of members and guests is held every Friday at 9:00 am in the Clubhouse for remarks by the general manager, sales manager, and other staffers about current happenings at the Club.

Welcome Reception

Every Friday evening at 5:30 PM
(6:00 PM during Daylight Saving Time).

Concierge

(Located at the Club House Too) - Make reservations for virtually all day-trips, fishing, and other off-site activities in the Cabo San Lucas area.

Car Rental

(Located at the Club House Too) - Book car rentals here. Cars are usually located on-site in the Club's parking lot. The car rental service is provided by a third-party (U-Save).

Kids Club

Children's games, movies, and other play activities under the supervision of Activities Coordinator.

Ground Transportation

From The Airport

Several services provide ground transportation FROM the airport (SJD) to Club Cascadas, including shuttle vans, shared and private cars and SUVs, and limousines.

TransCabo can be booked directly through the Club Cascadas website (clubcascadas.com) or by calling 800.365.6569. Cape Travel can be booked through their website (cape-travel.com), email or by calling 011.52.624.1465393.

Some members rent cars at the airport and drop them off at the rental company office in Cabo San Lucas. This practice enables members to shop for groceries before the car is returned the next day. Rental rates vary, and Mexican law requires third-party liability insurance, which the rental companies sell by the day. Some car rental companies also charge a drop-off charge if the car is returned to a station other than where it is rented. The all-in cost of renting a car for one day is approximately the same as what a couple would spend on a shuttle transfer from SJD.

To The Airport

Ground transportation from Club Cascadas TO SJD is limited to taxicabs, according to local regulations. Club Cascadas has special arrangements with a taxicab company to provide non-stop shuttle service at specified times. Make a reservation at the Front Desk, which will issue a voucher to you for this service.

On-site Sales Office



CASCADAS VACATIONS, INC.



As part of the Legacy transition, the Association received 1,130 intervals of unsold inventory, representing 20% of the total inventory. To rent and sell these units, the Association created a wholly-owned for-profit subsidiary, Cascadas Vacations, Inc. (CVI), a Delaware Corporation with a Mexican branch office, to run the sales operation on behalf of the Club. We refer to CVI as the Club's Sales Department. The Board of Directors of CVI is the same as the elected Board of the Association. All profits derived from the sales and rental operation of CVI belong to the Club and the Association. CVI pays maintenance fees to the Association for the unsold inventory.

The Club owns a diverse array of villa-types and weeks throughout the year. The Club's Sales Department is in charge of selling and renting those intervals, as well as helping members who wish to return, upgrade, or trade the weeks that they already own a membership in.

The Club's experienced sales team is located in the sales office behind the restaurant. Members have come to rely on the sales team for consultation on how to get the most from their membership. There is never any pressure to do a transaction. How refreshing!

Members enjoy special discounts on new purchases, as well as discounts for payment in cash. Members should also consult with the sales department if they need or want to resell their unit. We have a viable alternative that is available to them before they seek out a private buyer. There are several considerations members need to be aware of before engaging in a private transaction. (See page 31)

When you are at the resort, stop by the sales office and say "hello."

Rentals and Bonus Weeks

Members of Club Cascadas can rent extra nights or use Bonus Weeks through the on-site sales office. The inventory available for rental and bonus weeks comes from the unsold memberships owned by the Association, and from members who have listed their villas for sale or rent or bonus week. For more information about using Bonus Weeks. (See page 17)

When members rent through the official channels, their reservation is guaranteed and protected. They pay a set rate based on current market value. Rentals made through a private party, unfortunately, are at the individual's own risk if there is a problem or if more than one guest shows up to use the same unit. And if a Co-member shows up to use the unit, the owner of the membership always gets the use and the guest must make other arrangements. The Club cannot help resolving private disputes. The rental guest will not be allowed to check in until a resolution is worked out with the owner of the membership for the villa.

Mexican law requires IVA tax to be collected and paid on any rental at Club Cascadas no matter where the rental transaction takes place. All rentals conducted through the official channels are in full compliance with both Mexico and U.S. law. Private transactions are obligated to comply with tax regulations; both the member of the villa and the rental guest could be held liable for any violations.

For members, the governing documents of your Club hold the owner of the membership responsible for any damage done to the villa or the resort by your guest. The resort will make reasonable effort to collect from the guest, but ultimately the member is responsible, and the Association has the right to take any necessary measures if damages are not paid.

The Benefits of Using the Club's On-Site Sales Office

For Consignors

CONCERN-FREE: You know who you're dealing with, who is handling the funds and corresponding tax payments, and handling the transfer of membership.

AN EASY CHOICE: The Sales Department does the work. It markets the villas, finds the buyers, collects and clears the funds, pays the Mexican taxes, and transfers the title. Simple

SALES PRICE IS HIGHER: The onsite sales program consistently sells memberships for a higher price than any other sales channel.

CLOSING AND TRANSFER COSTS: There are none for you, the member. A priority for the sales team is to provide the greatest benefit and the highest level of service to our members.

ASSOCIATION BENEFIT: Year-end profit belongs to your Association to fund operations and reserves to keep Cascadas beautiful and affordable for everyone. You've enjoyed owning a membership at Cascadas, continue the tradition for generations to come.

DANGER-FREE: Any time you advertise your villa for sale, you open yourself up to a host of scams and resale companies that will contact you trying to get you to pay a fee to list with them such as a 'listing fee,' 'processing fee,' 'escrow fee,' 'marketing fee...' And after you pay, you may never hear from them again.

ACTIVE AND QUICK: The sales program has multiple full-time agents working to find buyers and utilizes several tools. The staff monitors global interest in Cabo and Club Cascadas selling more memberships in a week than all others combined do in a month. The Club's sales staff have been successfully at it for over 20 years.

SECURING REFUND POLICY: There is never a fee to consign your villa. Cascadas Vacations, Inc. only gets paid after you get paid; and, membership is transferred after the funds are received and have cleared the bank.

For Buyers

Legal and Safe: The onsite sales program is in full compliance with all U.S. and Mexico laws and pays tax on every purchase. Any purchase of a Mexican timeshare incurs the Mexican IVA tax. You don't want any future problems with Mexican authorities.

Enjoy 2 Bonus Weeks: With any purchase from the onsite program, you are awarded two bonus weeks to use for any available villa, any available week at Club Cascadas or sister resort Ocho Cascadas in Puerto Vallarta. You can use these bonus weeks to come down more often, stay longer, or bring friends. Your only cost is the maintenance fee and a booking fee for the villa you reserve, and you don't pay until you are satisfied.

Go with the Best Price: The Board of Directors set the pricing and discounts policies. You know you are paying the same price as everyone else paid. You don't have to haggle and worry that someone is taking advantage of you.

Association Benefit: A percentage of every sale done by the onsite office goes back into your Association's reserve fund to maintain the property value for generations to come.

Choice of Inventory: The sales operation has had close to 1,500 memberships available to choose from. Your needs can be matched with the best villa and week.

Your Choice of Finance or Cash Discount: The Association will allow you to buy over time.

Considerations Before Conducting Private Timeshare Transactions in Mexico

Club Cascadas de Baja (Cascadas de Baja Association), through its wholly-owned sales subsidiary Cascadas Vacations, Inc. (CVI), seeks to facilitate transactions in which a member wants to sell or rent his/her membership. By bringing together the member and a client, the member is assured that the transaction complies with Mexican laws and that the member will not lose money by dealing with a dishonest or defaulting party. For sales, CVI holds the buyer's money and only instructs the transfer of the membership when the buyer has completed its payment obligation. On Rentals, CVI advises management the guest name staying in the villa and ensures the guest is given access to the villa before rental funds are paid to the member. Of course, CVI receives a commission for its services.

Private transactions for timeshare interests are certainly permitted under Mexican law. The parties should be aware of the following when entering into a private transaction on their own:

For Sales/Purchases

1. Mexico levies a 16 percent value-added tax (called IVA) on the amount of the net selling price. Under Mexican law the seller is responsible for reporting the transaction and paying the tax to the Mexican government. CVI has no responsibility to collect and remit any tax payments in a private transaction in which it is not involved.
2. The sale/purchase transaction is not complete until the seller/member reports the transaction to Trading Places International (TPI) and complies with all requirements in the Association's Governing Documents. TPI does not collect and remit the IVA tax on behalf of the member.
3. Private transactions may also be subject to personal income tax. We recommend consulting tax agents in both Mexico and the member's home country.
4. In transactions in which the selling member does not know the buyer, an issue of trust may arise. This occurs when the buyer must pay the member before the member instructs TPI to transfer the membership to the buyer. This issue must be worked out between the two parties.
5. Please review the following considerations for private transfers at Club Cascadas de Baja as stated in the Bylaws "10.4 Notification of Sale of Membership."

Mail the following information to the TPI office no later than 30 days prior to the private sale of any Membership:

- The name and address of the transferee and transferor.
- The date on which such sale or transfer is to be consummated.
- The purchase price to be paid by the transferee for such Membership.
- A statement, executed by the transferee, that the transferee has received, and acknowledges receipt of, from the member, a copy of the Governing Instruments and a Statement of Status.
- A statement, executed by the transferee, that the transferee has received a copy of the Club current annual budget.
- A statement, executed by the transferee, that the transferee agrees to be bound by all of the provisions of the Governing Instruments.
- The name and address of any Mortgagee of such transferor or transferee (if applicable).

This information can be provided by completing a "Notification of Sale and Estoppel Form" available from Trading Places or download from clubcascadas.com/owners-corner.



unique vacation villas



For Rentals

Mexico levies a 16 percent value-added tax (called IVA) on the amount of the rental price. Under Mexican law, the member renting his/her villa is responsible for reporting the transaction and paying the tax to the Mexican government. CVI has no responsibility to collect and remit any tax payments in a private transaction in which it is not involved, and Club Cascadas de Baja has no responsibility for any rentals not being honored.

Private transactions may be subject to personal income tax in both Mexico and the country of residence of the member. We recommend consulting tax agents in both Mexico and in the member's home country.

In private rental transactions, in which the member renting does not know the other party, an issue of trust may arise. This occurs when the renter must pay the member before the member instructs TPI to notify the guest name update. This issue must be worked out between the two parties.

The Club's by-laws "2.2 Occupancy" state "Any member may permit his Villa to be occupied by other persons (...), but such member shall be responsible for any loss, damage, destruction or violation of this Declaration, or the Rules and Regulations (except of the part of an Exchange User) which occurs during such occupancy as if such member were occupying the Villa."

Contact Information

Management of the Club involves several teams: The Board of Directors, on-site management, the sales team, and the management company. Members are encouraged to get to know the teams that serve them, so here are some points of contact:

Club Cascadas de Baja

- Camino Viejo A San Jose S/N
- Cabo San Lucas, BCS 23410, Mexico
- Tel from U.S.: 011.52.624.14.31882 (front desk)
- Website: clubcascadasdebaja.com

On-Site Management:

- Phone: 52.624.14.31882

Sales Team:

- California Office – Sales Director: 949.640.8742
- On-Site in Mexico (toll-free) 888.846.5571
- sales@cascadaslegacy.com

Trading Places International and Board of Directors

- Toll free: 800.365.7601
- Email: ccdb@tradingplaces.com

Club Cascadas website:

- clubcascadas.com

The website features useful information to members and is constantly updated. The Members Corner section of the website offers a wide range of tools and documents, such as:

- ✓ Online Payments
- ✓ Online Airport Transfer Bookings
- ✓ Meeting Notices
- ✓ Board Meeting Minutes
- ✓ Floorplans and Description of Villas
- ✓ Governing Documents
- ✓ Rules & Regulations
- ✓ Important Notices
- ✓ Calendar Use
- ✓ Newsletters
- ✓ and so much more!



We hope your visit becomes a stay!



Club Cascadas De Baja