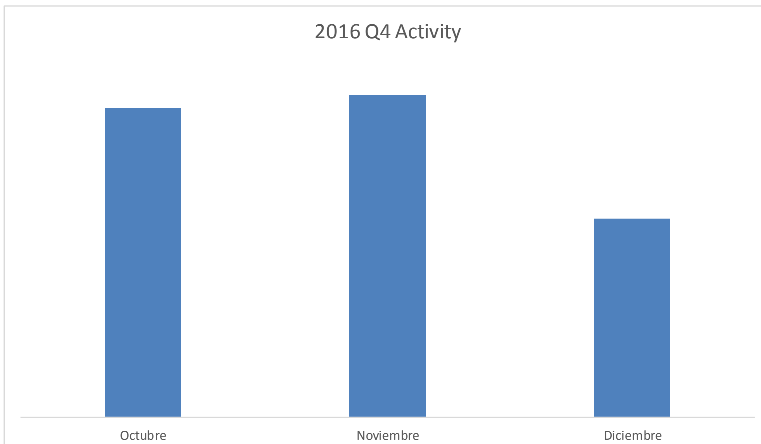
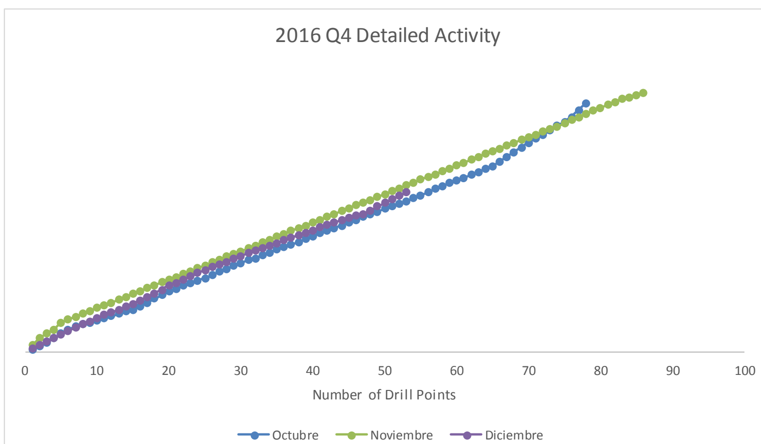
The purpose of the quarterly updates serve to inform the general public about the financial health of the company and analyze market forces affecting local development projects. We experienced sustainable growth during the period of October – December 2016 despite the expected slowdown towards the end of the year.

Operational activity increased during the second month of Q4 by 10% over the previous month despite several days of planned maintenance. This is a clear indicator of increasing operational efficiency. We are currently operating at 65% capacity leading us to conclude that increased utilization will be achieved in Q1 2017 once the holidays subsides and new government settles into power.





State wide elections were held June 5th 2016 and the transition of power September 25th, the change of political party and assignment of public servants creates a bottleneck in development projects affecting operations and leading to slowdown of project approvals. December generated a 38% decrease in activity when compared to November. This is a typical occurrence as many companies in Mexico shut down for extended periods of time and a yearly bonus is paid to the employees.

December will also bring the tourist high season to the region, bringing in new investment expected to fund new projects as early as January as investors lock in prices with the recently devalued currency, although many of the local development firms have priced projects in US dollars in order to avoid unexpected fluctuations. This could lead to increased demand for developers pricing their projects in Mexican pesos as investors will be able to take advantage of the temporary devaluation. The devaluation is also an opportunity for semi-permanent immigration to the Riviera by Europeans whom already represent a significant portion of immigration and new investment.

The current devaluation of the Mexican peso was marked by the US presidential elections, causing a 14% devaluation from November 8 – 11, although we believe this is a temporary devaluation due to political uncertainties, inflation will make a jump and affect fixed and variable operating costs. OPEC agreements to cut crude oil production have also recently increased oil prices by 25%, which could momentarily halt further devaluation of the Mexican peso, although this will translate into an increased operational expense of approximately 15% once the new fuel prices come into effect, January 1st, 2017 as declared by the central government.