

Fighting the Tides of Time

Bellamar

Punta Mita Living



Tip: Have a concern about a neighbor or their guests that you want addressed? <u>Please use this form</u>. Betty and the VC will be instantly notified so they can take appropriate action as needed.

Things have been busy here at Bellamar scrambling to get a ton of work done before the rains begin!

Foundation Water Intrusion

Using an infrared camera, we were able to verify that the bedroom wall in unit #1 has dried out! This is very encouraging as we believe it now likely that we have located and fixed all the issues that were leading to water softening the outer walls of the foundation in that area. We have also put in some preventative measures such as vents that will allow us to send a camera down between the inner and outer walls for regular inspection, and that will help continue to vent moisture out if it does get in there.

Lobby Area

The lobby area project is still underway. We decided not to put a walk way all the way around the fountain as upon further consideration we felt that the view coming up the stairs would feel too cave-like staring at a big cement wall. So we were able to find a way to divert rainwater from that central area so that it won't go into the foundation. That means we won't have a garden bed in the stairwell anymore, but we will have a nice shelf on which we can place artwork or potted plants. On the upper garden bed, Pam is busy researching plants to ensure when we put that bed back together we have a lot of nice greenery.

Raising the Outer Wall

The wall next to the "coming soon" beach club next door is getting taller. We were treated to a few days of hammering as the top was pulled off the existing wall so we could tie into the rebar to ensure structural integrity.



Irving Insider Info

As we all know, the tiles around Bellamar inside units and on the common area landings are slippery as ice when wet. We have been researching solutions and have found one that is cheap, effective, and doesn't affect the esthetics of the property!

Shane was able to recommend an acid treatment he has used in the past that simply etches the surface of the tile slightly giving it more grip. Problem was that we couldn't get the US based product imported into Mexico. Melissa researched similar products that can be purchased locally. Dave analyzed the difference in the chemical compositions of the products. We then ordered a sample and treated the master bathroom floor in unit #7.

It's an extensive process. You apply the acid, wait a few minutes and then wash the tile with a baking soda solution to neutralize the acid, and then wash everything with fresh water. Dario and Irving got trained by Melissa on how it all works, and they were off to the races. We are in the process of treating the common areas, so next season you should be much safer walking back to your unit from the pool, to say nothing of the rain!

Dave and Melissa are having all bathrooms, kitchen, and stairs in their unit treated. **Please let us know if you want Irving to treat areas of your condo**. It takes Irving about an hour to treat a large bathroom, and the cost of the acid is about \$25 USD per room. So it's very affordable!



Local Goings On Music in La Cruz

Did you know that La Cruz has a hoppin' music scene? Almost every night of the week there is live music playing somewhere. Our personal favorite - the Armadillos - with our own Allen Hopkins on bass! Allen's band plays 5-7pm on Wednesdays at Octopus Garden, 6-8pm on Thursdays at Ballena Blanca, and Sunday afternoons 2-4pm at Marina Bar & Grill (formerly Oso's). They play for tips and half off pizza's. Catch them for the few last weeks of the season.



Octopus Garden has teamed up with Casa Hule, a pizza company, and installed a brand-new wood fired oven. They serve from 5 to 11pm Monday through Saturday. The perfect accompaniment to an evening listening to the musical stylings of the Armadillos!





Telecommuting breaks the "no commercial activity" rules.

Reviewed by Mauricio Casillas Bellamar Attorney



This month's busted myth - working remotely from Bellamar is against the By Laws.

Violation of the Bellamar rules around residential status is a critical issue to all of the Bellamar owners. If we are deemed a commercial building, that means we have to put an elevator in, have handicapped bathrooms and railings, handicapped parking, etc. These would be incredibly expensive and invasive building modifications. Moreover, our tax rate would be increased. None of us wants any of that.

We have heard it mentioned that telecommuting violates these "no commercial activity" rules. And that having a household employee at the pool was also against these rules. Both are a misunderstanding as to how these rules against commercial activities work.

But what does this "residential status" rule mean? In short, we never want a business location to be established with a Bellamar address. This is a concept the attorneys and accountants call "Nexus". Essentially, Nexus is established when a location becomes a taxable business address.

So, when does a location become a taxable business? Well, it <u>never</u> happens when you **purchase** services from an outside vendor. This is why hiring a vendor regardless of whether they are in your exclusive unit or within the common areas, does not violate this rule. The vendor's business address is not Bellamar.

Establishing Nexus requires that you be **selling** something from Bellamar. Clearly running a business where people come to your exclusive unit to purchase items you have for sale would be in violation of this rule. And would create a constant stream of visitors which could be problematic. Additionally, running a business where you are selling services anywhere in Mexico but without an alternate business address you can point to could create problems because the authorities may decide that Bellamar is your business address by default.

But does **telecommuting** for a US based company create Nexus? The answer depends on the specific circumstances. In the case of folks working for US companies which have no other presence in Mexico, don't sell goods or services in Mexico, don't host inperson meetings their home, and pay their employees in US bank accounts - the answer is no - the Mexican tax authority will not attempt to declare that those companies have Nexus in Mexico. Additionally, because so many Mexican residents were asked to telecommute during COVID, it's generally accepted that telecommuting does not establish Nexus - else Mexico would have a much larger mess to sort out regarding taxable business locations in a lot of people's residences.

In short, what triggers issues with our residential status is **selling** of goods and services from Bellamar to people in Mexico, or use of the Bellamar address as a commercial or business address.