

Fortaleza, May 11, 2009

Av. Dom Luís, 500 sl. 1925  
CEP: 60160-230 | Fortaleza | Ceará | Brazil  
Phone: +55 85 4006.5800 | Fax: +55 85 4006.5877  
mzg@mzg.com.br | www.mzg.com.br

**Robertus Van Kuijk**  
(By e-mail)

**Marfisa Oliveira Cacau**  
e-mail: marfisa.cacau@mzg.com.br

Re: Report of Real Estate Due Diligence

Dear Sir,

We present below our Report of Real Estate Due Diligence ("Report") regarding the real estate properties belonging to Registration no. 1770, 1771, 1772, 1773, 1774, 1840 and 1841 ("Real Estates") of the 2<sup>nd</sup> Real Estate General Notary's Office of Trairi County ("Cartório Justa") enrolled on behalf ROBERTUS GIJSBERTUS JOHANNES VAN KUIJK ("Owner").

The Real Estates belong to the Allotment Lago Doce, located at County of Trairi, State of Ceará, and were acquired by the Owner on December 11, 2008, from Imobiliária Raimundo Maciel Ltda, through the signature of a Public Deed of Purchase and Sale before Cartório Justa.

**I – WORK SCOPE**

This Report's work scope consists of the legal analysis of the actual documentation of the Owner and the Real Estates, delivered by the Owner to MZG Advogados and also obtained by MZG Advogados.

It is not on the scope of this report the analysis of the legal situation of the previous owners or the Allotment Lago Doce.

This Report is based on the veracity of the presented copies, MZG Advogados not having promoted an independent investigation, except for the items expressly mentioned herein, relying on the veracity and authenticity of the information and documents made available by the Owner.

The documentation analysis was made as follows: (i) Owner's documents; (ii) Real Estates' documents.

**II – DOCUMENTATION ANALYSIS**

**II.1 – OWNER'S DOCUMENTATION**

The set of documents submitted by the Owner and obtained by the MZG Advogados allows the proper identification of the Owner, as well as to check the existence or not of a burden in the name of the Owner, impairing the acquisition of the Real Estates by its future buyers.

In general, one may state that the submitted documentation makes sure that the Owner has the full capacity of powers to make the possession and property assignment of the Real Estates to future buyers.

Regarding each one of the documents, the notes below are presented:

**1.1. Identity Document:** The document referred to in this subsection is intended to identify the regularity of the Owner natural person civil registry. The Owner is a foreigner according to Brazilian law and does not have a foreigner identity card. This foreigner identity card could be obtained once the Owner applies for a permanent visa. The Owner submitted his Passport n. BMF58H5D8, issued by Ambassadeur te Boadapest, Kingdom of the Netherlands, on November 21, 2006, valid until November 21, 2011. The document stated in this subsection was reviewed and deemed regular and sufficient for the purpose it is intended for

**1.2. Registration in CPF:** The document referred to in this subsection is intended to check the regular fiscal registry at federal level. Enrollment and Registry Situation Vouchers in CPF n. 603.220.833-89 was submitted, in the name of the Owner, issued by *Secretaria da Receita Federal do Brasil* on 16.01.2009 through the Internet. The document stated in this subsection was reviewed and deemed regular and sufficient for the purpose it is intended for

**1.3. Address proof:** The document referred to in this subsection is intended to check the regular residence of the Owner in Brazil. The Owner is not a Brazilian resident<sup>1</sup>. However, he presented a Power of Attorney in which he nominees some legal representatives in Brazil, who have powers to receive judicial summons in his name. Also, he presented an Electricity Bill no. 097024083361 in his name, issued by CAJA DUERO (Caja de Ahorros de Salamanca Y Soria) on 19.09.2008, and an Urbanization Bill n. 001046100001, issued by CAJA DUERO on 10.10.2008, proving his address in Marbella, Spain. The documents stated in this subsection were reviewed and deemed regular and sufficient for the purpose they are intended for.

**1.4. Marriage Certificate:** The document referred to in this subsection is intended to check if the Owner is married and what is its property rulling. This is important because, according to Brazilian law and depending on the property rulling, the wife should agree whenever her husband sells a real estates. The Owner presented a statement assuring not being married under any laws of any country. The document stated in this subsection was reviewed and deemed regular and sufficient for the purpose it is intended for

**1.5. Fiscal Certificates:**

**1.5.1. Joint Clearance Certificate of Debts Regarding Federal Taxes and the Federal Government Book Debts:** The document referred to in this subsection is intended to check the Owner's fiscal regularity at federal level. Joint Clearance Certificate of Debts Regarding Federal Taxes and the Federal Government Book Debts No. DF44.E5EA.0D8C.776B was submitted in the Owner's name, issued by the Brazilian Federal Revenue Office (Ministério da Fazenda) on 16.01.2009 through the Internet, valid until 15.07.2009. The document stated in this subsection was reviewed and deemed regular and sufficient for the purpose it is intended for. Since the document mentioned herein have a validity term, the certificate valid at the date of the act should be obtained upon the signature of the Promise to Purchase Agreement or the Final Deed of Purchase and Sale.

**1.5.2. Clearance Certificates of State Debts:** The document referred to in this subsection is intended to check the Owner's fiscal regularity at state level. Clearance Certificate of State Debts No. 200900190129, issued by the Treasury Department of State of Ceará on 16.01.2009, through the Internet, valid up to 17.03.2009, was submitted in the Owner's name. The document stated in this subsection was reviewed and deemed regular and sufficient for the purpose it is intended for. Since the document mentioned herein have a validity term, the certificate valid at the date of the act

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<sup>1</sup> A foreigner becomes resident in Brazil once he obtains a permanent visa.

should be obtained upon the signature of the Promise to Purchase Agreement or the Final Deed of Purchase and Sale.

**1.5.3. Municipal Taxes Certificate (Owners' residence):** The document referred to in this subsection is intended to check the Owner's fiscal regularity at municipal level. As the Owner is not a Brazilian resident and as long as he does not apply for a permanent visa, it is not necessary to present this Tax Certificate for the Signature of the Final Deed of Purchase and Sale.

**1.5.4. Municipal Taxes Certificate (real estates' location):** The document referred to in this subsection is intended to check the Owner's fiscal regularity in the municipality where the Real Estates are located. It was obtained a Clearance Certificate of Debt issued by the City Hall of Trairí, certifying the inexistence of debts in the name of the Seller. The document stated in this subsection was reviewed and deemed regular and sufficient for the purpose it is intended for.

## **1.6. Legal Certificates concerning the Owner:**

**1.6.1. Federal Justice Certificate (of the Real Estates location and of the owners' residence, last twenty years):** The document referred to in this subsection is intended to check the inexistence of lawsuits of the Federal Justice competence involving the Owner and which, due to the lawsuit nature, may hinder the regular real estate transaction. It was obtained a Distribution Certificate issued on 13.01.2009 by the Brazilian Federal Justice with jurisdiction in the State of Ceará (*Justiça Federal - Seção Judiciária do Ceará*) valid for up to ninety (90) days, certifying the inexistence of lawsuits in the Owner's name. The document stated in this subsection was reviewed and deemed regular and sufficient for the purpose it is intended for. Since the document mentioned herein have a validity term, the certificate valid at the date of the act should be obtained upon the signature of the Promise to Purchase Agreement or the Final Deed of Purchase and Sale.

**1.6.2. State Justice Certificate concerning executive, ordinary and preventive lawsuits (of the Real Estates location and of the owners' residence, last twenty years):** The document referred to in this subsection is intended to check the inexistence of lawsuits at the State Justice involving the Owner and which, due to the lawsuit nature, may hinder the regular real estate transaction. It was obtained a Certificate of Distribution, issued by the Judiciary Power of the City of Trairí, State of Ceará, certifying the inexistence of lawsuits involving the Owner. The document stated in this subsection was reviewed and deemed regular and sufficient for the purpose it is intended for. Since the document mentioned herein have a validity term, the certificate valid at the date of the act should be obtained upon the signature of the Promise to Purchase Agreement or the Final Deed of Purchase and Sale.

**1.6.3. Labor Court Certificate (of the Real Estates location of the owners' residence):** The document referred to in this subsection is intended to check the inexistence of lawsuits of the Labor Court competence involving the Owner and which, due to the nature of the lawsuit, may hinder the regular real estate transaction. It was obtained a Certificate of Distribution issued by the Labor Court of the 7th Region, certifying the inexistence of labor lawsuits involving the Seller. The document stated in this subsection was reviewed and deemed regular and sufficient for the purpose it is intended for. Since the document mentioned herein have a validity term, the certificate valid at the date of the act should be obtained upon the signature of the Promise to Purchase Agreement or the Final Deed of Purchase and Sale.

## **1.7. Protests**

**1.7.1. Certificate of the Bonds and Protests Distribution Office (last five years):** The document referred to in this subsection is intended to check the inexistence of debts in the name of the Owner. MZG Advogados obtained Certificates of the Register Offices Protests of Bonds Distribution of Fortaleza County, issued on 16.01.2009 by the 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> Offices, certifying the inexistence of protests in the Owner's name regarding the last five (5) years. The document issued in this subsection was reviewed and deemed regular and sufficient for the purpose it is intended for.

## 1.8. Statements of the Owner

**1.8.1 Inexistence of personal and real guarantees jeopardizing the Real Estates:** The Owner presented a statement certifying the inexistence of personal and real guarantees jeopardizing the Real Estates. The document issued in this subsection was reviewed and deemed regular and sufficient for the purpose it is intended for.

**1.8.2 Inexistence of contracts related to the urban development of the Real Estates or of works in the Real Estates:** The Owner presented a statement certifying the inexistence of contracts related to the urban development of the Real Estates or of works in the Real Estates. The document issued in this subsection was reviewed and deemed regular and sufficient for the purpose it is intended for.

## II.2 – REAL ESTATES DOCUMENTATION

The set of documents submitted by the Owner and obtained by MZG Advogados allows verifying the proper location and identification of the Real Estates, as well as checking the existence or inexistence of a burden harming the acquisition of the Real Estates by the future buyers.

In general, one may state that the submitted documentation assures that the Real Estates were regularly acquired by the Owner and that there is no burden on the Real Estates hindering the assignment of possession and property for the future buyers.

Regarding the Real Estates Documentation, the notes below are presented:

**2.1. Acquisitive Title:** The document referred to in this subsection is intended to produce evidence of the regular ownership of the real estate property. It was presented the Public Deed of Purchase and Sale, signed on December 11, 2008, between the Owner and Imobiliária Raimundo Macial Ltda (CNPJ n. 07.335.151/0001-40), which proofs the regular acquisition of the Real Estates. It was seen that the Real Estates are the result of the dismemberment of another real estate enrolled in Registration number 440 – which was not analyzed by this Report. The document stated in this subsection was reviewed and deemed regular and sufficient for the purpose it is intended.

**2.2. Vintenary Certificate:** The document referred to in this subsection is intended to produce evidence of the real estate successional chain, in order to allow the search of burden upon the Real Estates and their owners in the period of twenty years. Although it was not obtained the Vintenary Certificate, the Certificate of Registration (item 3.3., below) allows verifying the inexistence of burden upon the Real Estates as every of burden, pawn, mortgage or protests should be registered before the Registration of the Real Estates. Before the existence of a Certificate of Registration, the absence of the document stated in this subsection does not present risks to a real estate transaction with the Real Estates.

**2.3. Enrollment (Certificate of Registration).** The document referred to in this subsection is intended to enable the proper location and description of the Real Estates, as well as records and legal registrations existing in the same. It was presented the Certificate of Registration no. 1770, 1771, 1772, 1773 and 1774, issued by Cartório Justa issued on December 11, 2008, valid for up to 30 (thirty) days. The document stated in this subsection was reviewed and deemed regular and sufficient for the purpose it is intended. Since this is a document having a validity term, a valid certificate should be obtained for the signature of the Promise to Purchase Agreement or the Final Deed of Purchase and Sale.

**2.4. Certificates of inexistence of debts related to the Real Estates**

**2.5. Certificate of Municipal Real Estate Tax (IPTU):** The document referred to in this subsection is intended to check the regularity in the payment of municipal taxes, which if not have been paid may be charged having as guarantee the pledge of the Real Estates themselves. It was informally verified before the City Hall of Trairí that it does not emit a clearance certificate in relation with the property itself, but just in its owner's name. Therefore, due to the existence of a Clearance Certificate of Debt in the name of the Owner issued by the City Hall of Trairí (item 1.5.4), the absence of the document stated in this subsection does not present risks to a real estate transaction with the Real Estates.

## **2.6. Burden on the Real Estates**

**2.6.1. Inexistence of real burden on the Real Estates:** The document referred to in this subsection is intended to assure the inexistence of real burdens which may impair the sale of the Real Estates or which results in the future alienation of the Real Estates for paying the Owner's debt. The Enrollment Certificate (item 2.3, above) allows verifying the inexistence of burden, pawn, mortgage or protests on the Real Estates. The document stated in this subsection was reviewed and deemed regular and sufficient for the purpose it is intended.

**2.6.2. Inexistence of third parties' possession in the Real Estates:** The document referred to in this subsection is intended to identify the existence of possession by third parties of the Real Estates and in the Real Estates. The Owner submitted a statement of inexistence of possession of third parties on the Real Estates. Otherwise it is recommended the accomplishment of an inspection in the Real Estates to check possession by third parties, the document stated in this subsection was reviewed and deemed regular and sufficient for the purpose it is intended.

**2.6.3. Existence of Lawsuits in the name of the Owner and owners in the last 20 years:** The document referred to in this subsection is intended to identify the existence of lawsuits involving the Real Estates, the Real Estates and their owners. The Owner submitted a Certificate of Distribution issued by the Judiciary Power of the City of Trairí, State of Ceará (item 1.6.2, above), certifying the inexistence of lawsuits involving the Owner. **As emphasized in the Work Scope, this Report does not analyze the legal situation of the previous owners.** Taking this into consideration, the document stated in this subsection was reviewed and deemed regular and sufficient for the purpose it is intended.

**2.6.4. Inexistence of Purchase and Sale Promise involving the Real Estates:** The document referred to in this subsection is intended to identify the existence of contracts dealing with the ownership of the Real Estates. The Owner presented a statement of inexistence of any purchase and sale agreements involving the Real Estates. The document stated in this subsection was reviewed and deemed regular and sufficient for the purpose it is intended.

**2.6.5. Inexistence of expropriation proceedings involving the Real Estates:** The document referred to in this subsection is intended to identify if there are expropriation proceedings of the Real Estates or part of them. Even though there is no register in the Real Estates Enrollment about expropriation of the Real Estates, the Owner submitted a statement certifying the inexistence of expropriation proceedings involving the Real Estates. The document stated in this subsection was reviewed and deemed regular and sufficient for the purpose it is intended.

**2.6.6. Inexistence of a Lease Agreement involving the Real Estates:** The document referred to in this subsection is intended to identify if there are lease agreements interfering with the ownership. Even though there is no register in the Real Estates Enrollment about a lease, the Owner submitted a statement certifying the inexistence of any lease agreement regarding the Real Estates. The document stated in this subsection was reviewed and deemed regular and sufficient for the purpose it is intended.

**2.6.7. Inexistence of Agreements with employees related to the Real Estates:** The document referred to in this subsection is intended to identify if there are employees related to the Real Estates, which may result in the assignment of the Owner's obligations to the future buyers. The

Owner submitted a statement certifying the inexistence of any labor agreements involving employees related to the Real Estates. The document stated in this subsection was reviewed and deemed regular and sufficient for the purpose it is intended.

**2.6.8. Inexistence of electric power debts:** The document referred to in this subsection is intended to identify if there are power supply debts for the Real Estates, which may hinder the future power supply to the Real Estates. The Owner submitted a statement certifying the inexistence of electric power and/or electric power supply debts for the Real Estates. The document stated in this subsection was reviewed and deemed regular and sufficient for the purpose it is intended.

**2.6.9. Inexistence of water supply debts:** The document referred to in this subsection is intended to identify if there are water supply debts for the Real Estates which may hinder the future water supply to the Real Estates. The Owner submitted a statement certifying the inexistence of water and/or water supply debts for the Real Estates. The document stated in this subsection was reviewed and deemed regular and sufficient for the purpose it is intended.

### III – CONCLUSION

As a result of the above mentioned and taking into consideration that it was not analyzed the legal situation of the previous owners and the Allotment Lago Doce, it is possible to conclude that the submitted documentation assures that:

- (i) the Owner has the full capacity of powers to make the possession and property assignment of the Real Estates to future buyers; and that
- (ii) the Real Estates were regularly acquired by the Owner and that there is no burden on the Real Estates hindering the assignment of possession and property for the future buyers.

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We remain at your entire disposal for any doubts you may have.

Kindest regards,

**Marfisa Oliveira Cacau**  
**OAB/CE n. 19.943**