Key Fractional

Own more. Own better.

FRACTIONAL CO-OWNERSHIP · MEXICO

Vacation home ownership, *evolved.*

One luxury property. Four equal shares. Real rights. A model that changes everything.



A NEW WAY TO OWN

Real beneficial trust rights. *Without going it alone.*

Key Fractional divides a high-end property into four equal shares. Each share represents a real 25% of the trust rights. The same buyer can acquire more than one fraction.

What it is

- Real beneficial trust rights to the property, through a Mexican bank trust
- 25% of the property's trust rights
- 12 guaranteed weeks of use per year
- Real savings: the model's scale lowers operating expenses
- Professional management included — nothing for you to run
- The ability to earn income from your weeks

What it isn't

- It's not a timeshare
- It's not a membership or a right-to-use
- No fine print, no surprises at purchase
- It's not a model where your weeks are fixed for life
- It's not a scheme where you have no control
- It doesn't depend on Key Fractional's existence

THE DIFFERENCE

Twelve weeks a year in a place that's really yours. Costs split four ways, someone else handles everything, and you're free to sell whenever you want.

THE TRUST

Four fractions. One property. *Clear rules.*

Every Key Fractional project is structured through a **Mexican bank trust**, a robust legal vehicle in the Mexican real estate market. A licensed bank holds formal title to the property and acts as legal custodian for all owners. For foreign buyers, the model includes the restricted-zone permit from Mexico's Ministry of Foreign Affairs (SRE), whose cost is part of closing costs.

Fraction 1	**You**	Fraction 3	Fraction 4
25%	25%	25%	25%

TERM

50 years

Automatically and indefinitely renewable. Your investment never expires.

INDEPENDENCE

Total

Another owner's financial, legal, or personal problems never affect your fraction.

SIMPLER RESALE

No re-titling

Selling transfers the trust rights, without the cost of re-deeding the whole property.

SUCCESSION

Simplified

You name a beneficiary who inherits your rights quickly.

REAL CONTROL — THE TECHNICAL COMMITTEE

Owners don't just use the property, they govern it, and can even amend the trust itself. The Technical Committee, made up of all four fraction holders, makes the decisions that matter. Important issues are resolved by vote over a 3-week process, through the portal, WhatsApp, or email, with no need to meet in person. If an owner doesn't cast a vote within the deadline, their absence doesn't hold up the process. The decision passes by unanimous agreement among those who do vote. The complete rules are set out in the trust.



YOUR PAYMENTS

After the first payment, *the rest follows construction.*

Every payment after that is tied to verifiable construction progress.

The purchase agreement sets a payment schedule tied to construction milestones, not one upfront payment. The exact structure varies by project and developer. For example: an initial payment, one when the foundation is complete, another at structural completion, and the rest when construction finishes. Each milestone is verified before you pay.

1	2	3	4
INITIAL PAYMENT	FOUNDATION	STRUCTURE	DELIVERY

VERIFICATION

Foundation and structural completion are easy milestones to confirm. A video, a video call, or sign-off from an independent inspector verifies progress before each payment.

YOUR ADVISOR

Shows you the exact payment schedule for the project you're interested in before you sign.

A calendar that's fair and flexible.

Each fraction selects its weeks once a year. The order rotates annually so everyone gets equitable access to the best dates over time.

YOUR TIME

12 weeks that are yours.
You decide how to use them.

Each fraction comes with 12 weeks of use per year. The remaining 4 weeks are set aside for maintenance. Any of those weeks not needed for maintenance are rented out by the administrator, and the income is split equally among the owners after covering fees and expenses.

12	·	4
PERSONAL USE	OPTIONAL RENTAL	MAINTENANCE

YOUR YEAR STARTS AT DELIVERY

The year doesn't follow the calendar (January-December): it's counted from the delivery date.

Before the calendar opens: 1) owners are notified of the delivery date and positions are assigned through a random video-call drawing. If the same owner buys more than one fraction, they hold positions 1 and 2 from the initial drawing. If two fractions are bought by family or friends looking to coordinate their weeks, they're assigned adjacent positions; 2) the owner in first position decides whether to receive the unit; if not, the option passes to the next position in line, until someone accepts; 3) at delivery, 2 weeks are set aside for the handover (inspection and sign-off on the unit and furniture) and don't count within the calendar. The following 2 weeks are reserved for whoever receives the unit, counted toward their 6 first-round weeks. Using them is optional.

Once that's settled, the calendar opens and all owners choose their weeks. If all 4 fractions haven't sold yet, the developer never holds first position: only an actual owner can receive the unit. Other owners are welcome to come along if they'd like.

HOW YOU CHOOSE YOUR WEEKS — TWO ROUNDS

1. **First round, 6 weeks.** Each fraction, in position order, has one week to choose their first 6 weeks. If a fraction doesn't respond, the system moves on. They can catch up in the second round.
2. **Second round, remaining 6 weeks.** The same order repeats for the remaining 6 weeks. Unused weeks don't carry over to the next period.
3. **If they don't respond in either round,** the administration assigns their 12 weeks.

ROTATION, YEAR BY YEAR

Starting in year two, positions rotate: the owner in position 1 moves to 2, position 2 moves to 3, position 3 moves to 4, and position 4 moves to 1. Over time, everyone cycles through all four positions.

YEAR 1	YEAR 2	YEAR 3	YEAR 4
1·2·3·4	4·1·2·3	3·4·1·2	2·3·4·1

HIGH SEASON

Max. 2 weeks in Dec-Feb per fraction. Fairness guaranteed.

YOU DECIDE

By the day, from the portal, when you choose your dates. 2-night minimum for rentals. Income goes straight to your account.

PLANNING

The calendar is finalized a month before your year begins. Plan with confidence.

YOUR PROPERTY

Ready when you arrive.
Cared for when you're not.

A professional administrator selected by Key Fractional manages the property full-time. You manage nothing. You just decide and enjoy.

THE ADMINISTRATION CONTRACT

Your relationship with the administrator is governed by an administration contract, separate from the trust: switching administrators doesn't require amending the trust, just a decision by the 4 owners. It renews automatically each year, unless the administrator breaches the contract or all 4 owners unanimously agree not to renew. They handle: check-in and check-out; cleaning, maintenance, and staff; rental management (Airbnb, VRBO, Booking); paying the bills (electricity, water, internet, insurance, property tax); a monthly account statement; and representing the unit at the condo association meeting.

YOUR VOICE AT THE CONDO ASSOCIATION

Condo decisions are voted by unit. Your administrator asks for your input through a form and casts the unit's vote seeking consensus among the 4 owners.

THE PORTAL AND OUR ONGOING SUPPORT

The portal keeps you on top of everything: notices, communication with the administration, your account statement, your calendar, meeting preferences, and pre-arrival forms, all in one place. You enter into an agreement with Key Fractional for the provision and maintenance of the portal; we may engage a specialist company for its day-to-day operation. While remaining operationally hands-off, we stay available when you need us: facilitating communication or mediation, and assisting with changes of service providers. Portal data (costs, performance) helps us identify strong providers and improve the ecosystem for everyone.

CONCIERGE

The concierge knows the destination and makes things happen: from a reservation or a yacht rental, to the details that make a celebration unforgettable. Some services carry an extra charge.

BEFORE YOU ARRIVE

When you confirm your week, you receive a pre-arrival form: your arrival time, and whether you need transportation or want the concierge to stock your pantry, from your list or the local grocery store. You pay cost for the groceries, plus a separate service fee. When you arrive, everything's ready, no lines, no last-minute shopping.



THE ESSENTIALS

The costs. *Explained.*

You acquire 25% of a high-end property. Operating costs are split four ways, all set out in the trust.

YOUR FRACTION

25%

Of the trust rights. Real beneficial trust rights, not a membership.

OPERATING COSTS

÷ 4

Maintenance, property tax, trust, insurance, and more, split four ways.

BILLING

Monthly

Statement issued on the 1st. Payment due by wire transfer before the 7th.

YOUR FRACTION INCLUDES

1. The property's list price, ÷4.
2. Interior design, furnishing, decor, and equipment.

CLOSING COSTS

1. **Deed and title** (split 4 ways) — notary fees, appraisal, taxes, registration, and other costs.
2. **Trust setup and first-year trust fee** (split 4 ways).
3. **SRE permit**, if applicable — individual, only for foreign buyers in the restricted zone.

THE FUNDS

Day-to-day Fund

An initial contribution at delivery, based on the size of the property. This money goes directly to the administration for day-to-day operating expenses: supplies, cleaning products, kitchen basics, and everyday upkeep. It exists so owners don't have to approve or transfer money constantly. Every expense is documented and logged in the portal and on the account statement. Larger expenses or bigger maintenance work require quotes approved by the owners.

Operating Reserve Fund

A contribution made at closing, based on the size of the property. It covers exceptional cases: emergencies, major replacements, and an owner falling behind on payments. The intention is that, ideally, it's never touched. Approval scales with the expense: up to 50% of the fund can be authorized by the vigilante (a role that rotates annually among the 4 owners), 50-100% requires two signatures, and above 100% requires a majority of the owners. At sale, for simplicity, it isn't refunded: it's factored into the sale price.

Renovation Fund

A monthly contribution equal to 5% of the unit's furnished value per year, split into 12 payments. After 5 years, the fund covers 100% of the furniture's value, the natural point for a full renovation. Exclusively for renovations. At sale, for simplicity, it isn't refunded: it's factored into the sale price.

WHAT YOUR MONTHLY BILL INCLUDES

Fixed, billed in advance — Administration (includes cleaning and linen service), building maintenance fee, contents and liability insurance, internet, owners' portal, and your contribution to the renovation fund.

Variable, billed in arrears with receipts — electricity (billed every two months, based on actual usage, charged to whichever owner holds that week); water and gas depending on the building's setup; and replenishment of the operating reserve fund and the day-to-day fund based on what was used.

Occasional, as it comes up — property tax, the annual trust fee, scheduled preventive maintenance, and any special assessments or extraordinary expenses approved by the Technical Committee.

RENTAL INCOME

If you designate days for rental, the administrator manages them across platforms like Airbnb, VRBO, and Booking. Neither the administrator nor Key Fractional guarantees that those days will rent. You invoice your income, subject to Mexican income tax (ISR), and it deposits directly into your account, with no shared pool. What your weeks earn is yours.

WHEN YOU SELL YOUR FRACTION

Capital gains tax (ISR) applies under Mexican law. Your tax advisor will help determine the treatment that applies to you.

Specific operating costs vary by property and destination, and may change as delivery approaches. Key Fractional has no way to predict these figures with precision.

THE PATH TO YOUR FRACTION

Simple, clear, and *well supported.*

Key Fractional walks with you at every stage, from first contact through closing and beyond.

1. **First contact**
   You reach out with your questions and preferences. We start advising you from the first message.
2. **Choose your property**
   You select the residence that suits you best.
3. **Deposit**
   You transfer $15,000 MXN to the developer's account to reserve your fraction. Refundable if the deal doesn't move forward. For some properties, the developer confirms the fractional model only after 2 fractions have been reserved. If your property has this condition, we tell you from the first contact.
4. **You receive your document package**
   The purchase agreement, an inventory of the equipment and furnishings, summaries of the internal regulations, the model, and the administration and portal contracts, insurance information, and the list of personal documents we need from you.
5. **Signing and down payment**
   You sign the purchase agreement and make your initial payment (down payment).
6. **Milestone payments**
   We keep you informed on construction progress throughout. When an agreed milestone is reached, we contact you with evidence and request the corresponding payment, due within 7 business days.
7. **Position drawing**
   Three months before delivery, we schedule a video call to assign positions (see "Your Year Starts at Delivery" in The Calendar).
8. **Meet your administrator**
   We introduce you to your management team before delivery.
9. **Portal and calendar opening**
   With positions already assigned, we walk you through the owners' portal and officially open the calendar.
10. **Delivery can happen before the deed**
    Any owner is welcome to attend the delivery if they'd like.

11 **Travel to sign**

We give you at least 2 weeks' notice to sign the trust, register your RFC and e-signature with the SAT (tax authority), and open the fund accounts.

12 **You receive your certificate**

You receive a certified copy of the deed and your certificate of trust rights. Your fraction is ready.

Key Fractional
Own more. Own better.

Your fraction is *waiting for you.*

Every project is different: destination, price, availability.
Talk to an advisor to find yours.

VIEW AVAILABLE PROPERTIES

Message us on WhatsApp

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