CASE STUDY 009

SHOULD WE FEAR THE LEGAL STATUTES?

The official Junta de Compensacion Statutes instruct us to share the costs of Cabrera Poligono 1 Maintenance and Infrastructure in proportion to land ownership. This means that Home Owners and Land Owners (Developers) should share the costs in proportion to their respective land holding.

The Junta has not followed the legal Statutes since 1993 when the concept of the so-called "1993 Agreement" was established. The idea was that the Home Owners would pay for all the Maintenance costs and the Land Owners (Developers) would cover the Infrastructure costs.

The following Table provides an indication of what Home-owners would be expected to contribute towards infrastructure and maintenance (Junta Fees) if we operated legally under the official Junta de Compensacion Statutes.

This is well worth a read.

It should dispel some of the myths that have been peddled!!

(A)	(B)	(C)	(D)	(E)
Individual land	Percentage of cost	Annual	Annual	Total annual
ownership	liable adjusted to	maintenance	infrastructure	contribution for
(square metres)	cover TH share (contribution	contribution	€200,000
	29.73%) which is	based on	based on	maintenance plus
	non- contributory	€200,000 annual	€500,000 per year	€500,000
		budget	to completion	infrastructure
				contribution per
				year to
				completion
100	0.0142%	€28.40	€71	€99.40
500	0.071%	€142	€355	€497
1000	0.142%	€284	€710	€994
2,500	0.355%	€710	€1,775	€2,485
100,000	14.20%	€28,400	€71,000	€99,400
200,000	28.40%	€56,800	€142,000	€198,800
300,000	42.60%	€85,200	€213,000	€298,200

- 1. Column A, shows the Square Metres of land size owned. As a general guide, homeowners living in communities such as Alcazaba, Adelphi, Town houses own roughly 100 sqm. Villas on single plots are approximately 1000 sqm.
- 2. Column B, shows your adjusted contribution share which is increased to reflect the 29.73% land holding belonging to the Town Hall. The TH do not have to contribute to infrastructure &

maintenance costs so this has to be covered by all the other land owners which is why the figure has to be adjusted.

- 3. Column C, shows the legal contribution you are liable for based on a \le 200,000 Maintenance Budget each year (roughly what we Homeowners pay now).
- 4. Column D, shows the amount you would be liable for based on a purely illustrative € 500,000 Infrastructure Budget each year. (the current annual budget is zero as far as we know because the Developers have not invested).
- 5. Column E, shows the amount you will pay annually based on a total Maintenance and Infrastructure Budget of €700,000
- 6. Working under the auspices of the Statutes (as per urbanisation law) it is clear from the table that the more land you own (homeowners and developers) the more you have to contribute, both for maintenance fees and infrastructure until the urbanisation is complete.
- 7. Currently Homeowners are being charged for maintenance ONLY under the so called "1993 agreement".

If you compare your current annual contributions for maintenance only, against what you would be liable to pay under urbanisation law, it should become clear as to why the main developers, who hold a combined obligation in excess of 60% are so keen to avoid working according to the official Junta de Compensacion Statutes.

If, and when, the Almeria Court upholds its own Judgement, our Developers will find themselves in the rightful position of being the biggest 'non-payers' in Cabrera history.

There is little for Homeowners to fear if the Court upholds the Judgement.

The Developers have not made the required investment in the infrastructure and have not made any maintenance contributions at all. They do have the means to pay their fair share as they have vast areas of disposable land and other assets which they have acquired using the profits from the sale of houses in Cabrera.

The development of Cabrera has stagnated because the official Junta de Compensacion Statutes have not been followed by the Junta.

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