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**Sent:** 23 July 2021 6:34 PM  
**To:** juntadecompensacion@hotmail.com <juntadecompensacion@hotmail.com>  
**Subject:** Junta Notice dated 19 July 2021

Dear Homeowners

We write to you in response to the recent Important Information circulated by the Junta Board on 19 July 2021. Initially, we thought that we would not grace it with a response given that everyone hopefully understands the situation by now.

However, we have reconsidered this just to be sure that everyone does understand.

The text in **BLACK** is from the Junta Board. Our responses are in **RED**.

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This information message is to inform owners of the current situation that Cabrera Polygon 1 finds itself after the court ruling on the 1993 services and payments funding scheme.

We will not dwell on the involved legal, practical and personalities that have shaped Cabrera Polygon 1 over the past 30+ years but offer the following explanation of the serious situation that Cabrera now finds itself in.

Cabrera had been run since 1993 using the legality of the Junta de Compensation to operate actually as a management services company, similar to what in Spain is known as a Junta de Conservacion.

**Cabrera has been run illegally since 1993 by the Junta to enable the Developers to avoid their responsibility for paying for the maintenance costs. They are required to share the costs when operating as a Junta de Compensation (which they signed up to in 1991).**

This simply and fairly has enabled the services and maintenance to be paid for by the users of these services.

**This, quite unfairly, has enabled the Developers to make use of the services intensively for construction purposes without making any payments towards the maintenance of the infrastructure. It has enabled the Developers to continue selling properties for 27 years without completing the urbanisation. In addition, it has enabled them to benefit from a 'free warranty' on any infrastructure that they have provided because the 'maintenance' repairs have been paid for by the Homeowners.**

Paid for in a fair percentage dependant on the size of the property that is using and in doing so, wearing out the utility equipment.

**The Statutes of the Junta de Compensacion were signed up to by the Developers in 1991. In fact, the Developers put them forward although the terms were standard at the time. The Statutes included the need for the Developers to pay their fair share of the maintenance while they used the services for developing the urbanisation. This arrangement is supposed to continue until such time as the fully completed development is handed over to the Town Hall.**

It is the type of organisation that is used worldwide to distribute the cost to live in a community, based on shared use of the facilities.

**This is the type of organisation that is used worldwide once the urbanisation is complete and handed over to the Town Hall. It is not the type of arrangement that is employed when Developers have not met their commitments and have left us with a substantially incomplete urbanisation.**

It is difficult to understand the rantings of the small group of people who for the past 10 years have alleged that we are being overcharged and exploited, when, for example, Cabrera polygon 1 pays roughly the same annual fees as polygon 2, And indeed less than most management company fees in the region.

Without the 1993 agreement Cabrera can no longer operate as a services maintenance company. So we cannot collect fees for services that we cannot supply.

**The Junta was never supposed to act as a services maintenance company because it is illegal for the Junta to sell services. This was just a ruse for the Developers to avoid making maintenance contributions.**

**Instead, the Junta simply needs to operate as a Junta de Compensacion (which it is) and this means that the costs of maintaining the infrastructure that exists is shared between the Owners according to the proportion of land that they own.**

**Our Junta is not providing services. They are simply maintaining the infrastructures created for the provision of such services (water, roads) as required under the LOUA 113. They are entitled to raise invoices for the maintenance costs and these invoices should be paid by Developers and Homeowners in accordance with the Statutes.**

**In principle, the adequate maintenance of these services by all Owners enables the Developers to connect up new Homes and thereby recover infrastructure costs (concrete infrastructure contributions from each buyer) and, of course, the profit. As heavy users of the Cabrera infrastructure for carrying out their development work, it is only right that the Developers pay for the maintenance of the services that they use until the urbanisation is complete.**

Therefore a completely new company or organisation must be set up to take on the services of water supply, sewage treatment, road cleaning, house rubbish collection, Street lighting, gardening and vegetation control etc.

**The only reason that the Developers wish to do this is to, once again, avoid having to abide by the Statutes which they signed up to. They wish, once again, to create a scheme to avoid having to make any maintenance contributions for the services that they use. (as they did under the 1993 agreement). We do not need a "new 1993 agreement" because this would be illegal. We simply need to follow the Statutes.**

This will take some time to create and it is doubtful if it can be a legalised Company that can take non payers to court.

As such we will have to rely on the goodwill of all owners for Cabrera to continue functioning. Experience shows that there is always a minority who do not feel the need to contribute to such organisations.

**That is why we do not need a "new 1993 agreement" .**

One major concern, this change of services organisation could also put the existence of the current Cabrera workforce in jeopardy.

**That is why we do not need a “new 1993 agreement” . If we operate according to the Statutes, the current Cabrera workforce would be much better positioned.**

The other major concern is that ALL owners will now be liable to contribute to any future, and indeed all past, infrastructure work.

**The days of using the Maintenance budget for development work are over. The days of exploiting Homeowners with the threat of infrastructure costs are over.**

**Developers ,themselves, need to raise any finance for development work as is normal in any other country around the world. The Developers recover their costs through the known, fixed percentage infrastructure contribution that Homeowners pay when they buy their properties and become part of the Junta. The quotas are stated in the Urbanisation Plan and included in the purchase price. It is inconceivable that any Spanish Developer (especially ours) would sell a house and say to the buyer "Don't worry about the associated infrastructure cost, I will collect it from you later".**

**As an example, there are around 13 Homeowners who have specifically paid the Developers for electricity connections like everyone else. Do the Developers deny that these Homeowners have paid for their electricity connection? Do they intend to charge them again?**

**The notion that Developers can simply take the infrastructure contributions from each Homeowner and then spend 27 years continually dipping into the Homeowner’s pockets on an adhoc basis needs to be thoroughly disabused.**

**Likewise, the notion that Developers can now decide to back-charge the Homeowners for ‘indeed all past infrastructure work’ is equally insulting. The idea that the Homeowners need to pay again for all the infrastructure that they have already paid for is just what we expect to hear from this Junta Board. They really do believe that we are gullible fools.**

**It is, however, a fact that the Homeowners have paid for around €4.5 million of infrastructure maintenance over the past 27 years. It is also a fact that the Junta will need to back-charge the Developers for, indeed, all the infrastructure maintenance fees. Their portion amounts to 65.3% minimum (€2.938 million)**

**In contrast, the Town Hall has only officially recognised approximately €1.4 million of investment by the Developers in Cabrera infrastructure. Ironically, this investment amount was probably recovered from the first 10 large homes that the Developers sold! Even if the homeowners need to pay for their portion again (which in our opinion, we don’t, because we have paid already), the Developers are responsible for paying 65.3% of the value (minimum).**

**At best the maximum liability would be 34.7% of €1.4 million (€485k) but we would be asking for our €2.938 million first.**

**These are rough calculations.**

As such we could end up like the Cortijo Grande that once was a thriving community with a golf course, an airfield, a shooting range and now just exists on the fortunes and whims of whichever owners decide to pay up for their services and infrastructure.

**Once again, uncontrolled Developers created all sorts of problems for the Homeowners in Cortijo Grande – very much like the situation we find in Cabrera.**

Presently Cortijo Grande appears in better shape but it has suffered much neglect over the years due to not having any legalised method of collecting services /maintenance payments.

**We, too, hope to be in much better shape, once we follow the Statutes and create a legal way of collecting maintenance payments for the first time.**

Meanwhile the Junta awaits instructions from the Town Hall on what plans they have to ensure that the 200 houses in Cabrera will continue to have services and utility/maintenance, enabling Cabrera polygon 1 to function whilst we await the outcome of the appeal to the higher Andalucia court later this year.

**We simply need to follow the Statutes and everything will be just fine. In fact, with the appropriate, legal and dignified cooperation of any ‘non-payers’ it should be seamless.**

**Why is it that the Junta Board are appealing the court decision at the higher Andalucia court this year? In 2014, the Junta Board wrote to the Homeowners and stated ( Friday, June 13, 2014 7:25 PM):**

**“The legal system states you pay first and then challenge your case in court. Your Junta is very happy to abide by the courts ruling”.**

**“ PAY FOR YOUR SERVICES AND CHALLENGE US IN COURT, this is ongoing for far too long with idle threats of court”**

**How can we believe a word they say?**

Contrary to comments being circulated on the world wide web, Cabrera is facing its biggest crisis since 1993 when all future development and services were in danger of being terminated. Seriously this could be the end of Cabrera as we know it.

**We sincerely hope that this will be the end of Cabrera as we know it. The rot has gone on for far too long and the time has come to clean up Cabrera and for the Junta to operate according to the law.**

**Contrary to the Junta Board announcements on arbitrary community Facebook pages, the Junta Board does owe full, complete and honest answers to the Homeowners.**

**The Urbanising Firms (Developers /Promoters) are those companies that bring with them the finances for the urban development and it is on this basis that the Junta is established. The Homeowners\buyers are not ‘classified as Developers’ but, of course, they do have to contribute their fair share (“concrete quota”) towards the costs of creating the Urbanisation unless exempted from doing so for some reason. The Urbanising Firms recover the ‘concrete quota’s and their profits when they sell “urbanised plots” or “completed homes” to the Home Buyers and bring them into the Junta.**

The Town Hall are obviously in discussions with The Junta Board about ensuring compliance with the Law and the Statutes.

Ultimately, the Town Hall and the Junta Board will need to be fully compliant with the law immediately or there is going to be trouble ahead.

Kind Regards

**OPEN CABRERA**

[www.opencabrera.com](http://www.opencabrera.com)