

JUNTA DE COMPENSACION STATUS REPORT

19 May 2022

Fellow Homeowners

As we have heard less than diddly-squat from our Junta Board since the November 2021 AGM, we have decided to release an update of our own to the community.

AUDIT OF CABRERA FINANCES

We have heard nothing from the Junta Board as to whether they have actually appointed a financial assessor and architect to carry out an appraisal of the finances and outstanding urbanisation works in Cabrera. As it seems that this will be funded solely by the Homeowners, it would have been courteous of the Junta Board to let us know how they were spending our Homeowner money.

The Developers seem to believe that they are owed so much money by everyone else that they don't have to fund anything at all – so no change there!!

However, there have been some developments:

- The promised EGM in February 2022 has not emerged.
- Fee invoices have not been raised for July 2021 or January 2022. If the Junta Treasurer is so confident about his legal position, why has he not raised the fee invoices? After all, he and the Junta President used their combined majority vote to approve their own Agenda and wishes at the 2021 AGM.
- The Treasurer has recently put a substantial portion of his land up for sale. One can only say that any prospective purchaser would do well to carry out a rigorous due diligence exercise before taking the step of making a purchase – Caveat Emptor!

See Appendix A for further information regarding the property which is for sale.

The 2021 AGM minutes record the following:

Segundo Ramirez warned of the time it would take to organize the appointment of the audit by the Town Hall, given his experience as mayor for 25 years, he knows the procedure and time it will take to seek the agreement of all the parties to approve and designate the audit, this term being in his opinion up to 2 years only the appointment of the auditor. Eduardo Gonzalez said that it was possible to do it in less time, and Martin Morales said that within a period of 1 month and a half, Segundo Ramirez disagreed, and Carlos Escobar proposed to request said tender from the Court, since, in his opinion, within the term of One month, with the agreement of all the parties, the tender would be made.

It seems that the President may be getting his wish to buy time as there is still no visible progress on the audit.

On the other hand, it may be that the Developers on the Junta Board have actually appointed their Assessors in the background. Having said this, it seems that it would be extremely difficult for any

Assessor to put his name to a calculation that supports Treasurer Jose Jerez's "alternative reality". There is a reputational issue involved here.

It may be that any Assessor has already pointed out the failings in the Treasurer's logic to the Treasurer and that this dawning recognition has led to the sudden advert for the sale of large tracts of land in Cabrera. We can only speculate because the Junta Board remains uncommunicative.

WILD HORSES IN CABRERA

So, the Treasurer seems to be riding two horses at the same time:

One horse is aiming to secure a windfall by getting all the homeowners to pay him for the investment he has allegedly put into Cabrera. This stems from his "I am owed" mentality and the alternative reality that he has created in Cabrera. (no chance!)

The other horse is aiming to sell off his land so he can take the money and "get out of Dodge". As the Treasurer knows, any liabilities associated with the land can be passed on to a buyer. (so, little chance there too unless an unlucky buyer is found!)

In our estimation, both of these two donkeys will be losers!

ALTERNATIVE REALITY

At present the Developers are trying to wriggle free of the Court Order by **unilaterally changing the voting rights of the Junta members** and by **attempting to re-write the Statutes** in their favour.

While the Homeowners owe the Treasurer and President less than diddly squat, the Treasurer's mindset is as follows:

The Treasurer indicated that Accountants will need to analyse what he claims is owed to himself and Segundo (the President). This will be checked by 'an Official' and they will have to use the official 'Junta de Andalucia price structure'. He announced that the Homeowners have 'shot themselves in the foot' and will have to reimburse the Treasurer and President. He added that the Treasurer and President will only have to contribute towards the maintenance costs and not the claimed 'services' costs element. He also estimated that his own personal contribution to the Cabrera infrastructure was €2.5 million.

The Treasurer announced that he was going to start building again. He noted that he was owed money by all Owners and that they would be paying him for all the past infrastructure and for all the future infrastructure. His theory was that he was owed so much that he would not have to pay for future works or maintenance costs. He said that the fees were €1000 last year but now they are going to be doubled.

This is the "Alternative Reality" that the Treasurer is peddling.

You do not get home purchasers to pay you twice for what you should have delivered in the first place.

EMPIRE CRUMBLES

As the empire crumbles, it was very unfortunate to hear of the recent collapse of the wall above the former bowling green.

However, as far back as the 1990's, the environment was known to be dangerous:

"During that time it came to light that the surrounding walls and buildings had been deemed as "dangerous " and there the problem arose as we could not risk our bowls players on the greens after we and the developers had been clearly advised that the area was potentially dangerous We had AGM"s and EGM"s and it was agreed that the Club just had to move. Play was stopped up here while efforts were made to locate a new site."

A dramatic video of the collapse can be found on the Open Cabrera website if anyone is interested in seeing it in real time. Please sign up to the Open Cabrera Facebook page if you wish to see the video:

[Open Cabrera \(facebook.com\)](https://www.facebook.com/OpenCabrera)

The worrying thing is that, while the Junta Board has known about the danger since the 1990's, as far as we know they have not seen fit to warn anyone about it or to ensure that the landowner carried out remedial works. How many times have you walked along that road and enjoyed the view?

The video of the wall collapsing also shows the condition of the new asphalt surface of the road leading up to the Treasurer's restaurant. In 2019, the Treasurer appropriated homeowner funds (circa €80,000) to enhance the road (and others) leading up to his Los Pastores restaurant - which he has been trying to sell for a number of years.

We wonder whether the Junta Assessors (appointed by the Treasurer) will now accurately determine how much the Treasurer owes the home owners for the contribution that he should have made towards the cost of maintaining these roads?

The recent rains in the area have led to substantial damage and a number of wall collapses. The finger has quickly been pointed towards the 'unprecedented rainfall' that has caused the damage. In recent years, we have seen walls collapsing lower down the valley without the need for 'unprecedented rainfall'. It may be worth considering whether build quality was a factor. How many other urbanisations are falling apart because of 'unprecedented rainfall'?

APPEALS AGAINST THE LEGITIMACY OF THE 2021 AGM

Many Home Owners have lodged appeals against the legitimacy of the farcical 2021 AGM which was attended by the Mayor of Turre (representing the Town Hall's 29.7% holding in the Junta de Compensacion).

Rather strangely, the Town Hall has responded by sending the Guardia Civil around to the homes of each complainant to advise them in writing that there is a response to their Appeal that can be collected from the Town Hall offices. If you are not in Cabrera, then please email the Town Hall to request an email response to your Appeal.

In essence, the content of the responses received suggests that the Town Hall is trying to distance itself from responsibility of ensuring the legal running of the Junta de Compensacion and seems to be in denial as to its obligations.

Instead, the Town Hall prefers to emphasise that the Junta de Compensacion is an independent legal entity and is responsible for completing the urbanisation, and seems to suggest that it 'does not possess the inherent functions of the Compensacion Board'.

Added to this the Town Hall has classed some Appeals as being 'out of time' when they are not out of time.

We should remind the Town Hall of the following: According to Article 6 of the Statutes, "*the Junta will act under the guidance of the Town Hall which will control and supervise its management*".

Funnily enough the Town Hall itself forms 29.7% of the Junta and its management. The Developers have alleged that the Town Hall is also responsible for paying their fair share of the Urbanisation and Maintenance costs (29.7% in our book). It is evident that the Town Hall is not exercising any guidance or control of the management of Cabrera.

It seems that you may file an appeal against the Town Hall's decision before Administrative Court based in Almería, within a period of two months, counted from the notification. You could fund this independently or you may like to consider working collectively through the Residents Association.

WATER & ELECTRICITY

Are you aware that as many as 7 of the 200 Cabrera homes have had their water supply disconnected by our illegally operating Junta de Compensacion? This is a rather selective action by the Junta Board (Developers) which has been taken because these homeowners are deemed to be behind with their fees.

An honest Auditor should prove that the Developers are the biggest non-payers in Cabrera and the Courts have already decided that Cabrera has been running illegally. So, will the water supplies of the Developers be cut off when the Assessor's report is published? We call on the Junta Board to reinstate the water supplies to the 7 or so homes immediately because it is more than likely that these homes are not Debtors to the Junta Board at all.

At the end of the day, it is the Town Hall that has allowed the maladministration by the Junta Board to take place and has allowed the water supplies to be cut off. **The Town Hall would do well to limit their legal exposure by instructing the Junta Board to reconnect the water supplies immediately. It is more than likely that significant compensation will be due to the affected Homeowners.**

In addition, at least 12 homes are not connected to Endesa electricity, and have not been paying for their electricity since May 2019. So, unless anyone has any better information about this, must we assume that the electricity costs are being carried by the community? There are other homes that have had to become self-sufficient for electricity by using solar arrangements. When you buy a house from a Cabrera developer, you don't expect to find yourself in this position.

Several of the affected Homeowners have confirmed that they are not paying for their builder's supply electricity. When one of the Homeowners questioned the Junta Treasurer as to why he was no longer sending invoices, he said that he was no longer supplying the electricity. When he was

further questioned as to who was supplying the electricity, the Junta Treasurer responded “How would I know?”.

NEXT LEGAL STEPS

The Cabrera Residents Association has been pivotal in bringing about the legal action to force the Junta de Compensacion to operate in a legal and honest way. They are monitoring the situation carefully and collecting evidence.

The behaviour of the Junta Board and the Town Hall suggests that it is inevitable that further Court proceedings will be required. This will require funding and Open Cabrera can think of no better cause to support than the legal action which is protecting the interests of all the Homeowners.


We would recommend that you support the residents association generously when the time comes for legal action as it is clearly more equitable for all the Homeowners to share the costs when we are all gaining the benefit. Even though we are minority shareholders, there is strength in numbers and it is time for us all to work together.

OPEN CABRERA

www.opencabrera.com

APPENDIX A

https://www.kyero.com/en/property/11858629-land-for-sale-sierra-cabrera?utm_medium=email&utm_source=PropertyAlert&utm_content=PropertyCard



Sierra Cabrera land for sale €7,000,000

About this land

Up market development in Sierra Cabrera, one of the most beautiful areas of southeastern Spain with its emblematic Moorish style properties, abundant fauna, and flora and within a short drive to the coast. The area has been divided in 19 separate areas and has several golf courses within a ½ an hour driving range. Almería international airport is less than an hour drive and other international airports such as Corvera, Alicante, Granada and Málaga are all within a range of between 2 and 3 hours' drive.

The part of the development not yet completed has an astonishing area 409,404 mts² and a handsome building allowance of 59.395 mts² – this is truly unique for an area of outstanding beauty and this close to the sea. The plots are already earmarked and all the agreements regarding the building allowance, infra-structure, etc. Have been formally agreed and signed off by the Government Department responsible for planning, including the possibility to swap building ratio between areas of the development. The development has already had 60% of its infrastructure completed by the current developers. It is in fact thriving with occupants of permanent, semi-permanent and holiday homes of the Moorish Villas, Townhouses and Apartments already built in the area. The area boasts 3 restaurants serving the community and its many visitors. It has mains

electricity, telecommunications, water, sewerage including 2 sewerage plants, asphalted roads, and street lighting. The investment needed to add the remaining of the infrastructure agreed with the authorities is estimated to cost an extra €4,900.000. The area of roads not yet open is approximately 42.400 mts².

This is a great opportunity for a developer with a long-term view and the cash flow to embark in such an interesting project.

- * Sierra Cabrera — VHLA 2517
- * Land
- * Land area 40.9404 hectares
- * Water Mains
- * Electricity Mains
- * Telephone Possible
- * Internet Possible