

## MINUTES OF THE ORDINARY GENERAL MEETING OF THE COMMUNITY OF OWNERS "ESTRELLA DE ORIHUELA GOLF I"

In Orihuela Costa, Alicante, being 10:30 h. on Thursday 6<sup>th</sup> October 2011, duly called in time and format by the President Mrs. Christine Jones, and acting as Secretary-Administrator Mrs. María Jesús Sevilla Lizón, met on second call, as there was not a sufficient quorum on the first call, at the pool area, to celebrate the Ordinary General Meeting of the Community of Owners Estrella de Orihuela Golf I, and according to the following:

### AGENDA:

- 1.- Reading and approval of previous minutes, if necessary.
- 2.- Presentation and approval of the accounts for the exercise 2010-2011. Approval of certificates of debt.
- 3.- Presentation and approval of the budget of expenses for the exercise 2011-2012 and fees.
- 4.- Study and approval, if appropriate, of judicial claim against the promoter for several damages at the residential. Extraordinary fee.
- 5.- Election of charges.
- 6.- Any other business. Reminding of community rules. Proposal of redistribution of mailboxes with correlative numbers in one only battery.

### Attendees:

Paula Jayne & Stephen Hall, Bajo B nivel B (3).....	2,31%
Rosemary Dight, Bajo C nivel B (4).....	2,32%
Mark & Janet Michelle Herbertson, Bajo A nivel C (9).....	2,40%
David & Patricia Agnew, Bajo B nivel C (10).....	2,40%
Christine Jones, 3ºB nivel B (34).....	2,72%
John & Lindsey Cleanaghan, 3ºB nivel C (38).....	2,69%
José L. Ruiz Arjonilla y Beatriz Cirilo, 3ºC nivel C (39).....	2,70%
Total of coefficients.....	17,54%

### Represented:

José García Sánchez y Amparo Rama, 1ºB nivel B (12), repres. Beatriz Cirilo.....	2,28%
Ramón Durán Hurtado y Carmen Venero, 1ºC nivel B (13), repres. Beatriz Cirilo.....	2,28%
Denis Gerard & Verónica Hassett, 2ºB nivel A (16), repres. Christine Jones.....	2,36%
Carlos García Rubio y Susana Lázaro, 1ºB nivel C (19), repres. Beatriz Cirilo.....	2,29%
Denis Todd & David Adair, 2ºA nivel A (26), repres. David Agnew.....	2,97%
Kathleen Haynes, 3ºC nivel A (28), repres. Christine Jones.....	3,00%
Martha Flynn, 2ºA nivel C (29), repres. Christine Jones.....	2,31%
Total of coefficients.....	17,49%

The President opens the meeting, welcoming the attendees, and according to the agenda, the following agreements were taken.

### **POINT ONE.- READING AND APPROVAL OF PREVIOUS MINUTES, IF NECESSARY.**

The Administrator explains that this point is simply a protocol, and it is only optional, and in any case can modify the agreements taken at the previous Meeting, which are perfectly legal, due to the period for any owner to claim these Minutes was between the previous meeting and before this one, and nobody objected in this period.

By petition of owner from property nº 39 we read the Minutes of the last meeting on the 6<sup>th</sup> October 2010.

Previous Minutes are unanimously approved.

### **POINT TWO.- PRESENTATION AND APPROVAL OF THE ACCOUNTS FOR THE EXERCISE 2010-2011. APPROVAL OF CERTIFICATES OF DEBT.**

The Administrator explains the accounts and expenses from the exercise 2010-2011, attached to the Summons, that we expose as it follows:

**SUMMARY OF ACCOUNTS EXERCISE 2010-2011.(01/08/2010-31/07/2011):**

RESERVES at 01/08/2010.....	6.428,02 €
BANK.....	1.990,20 €
DEBTORS.....	5.757,02 €
CREDITORS.....	-139,20 €
INCOMES EXERCISE 2010-2011.....	39.515,30 €
MONTHLY FEES.....	38.400,00 €
QUARTERLY 10% PENALTY.....	1.115,30 €
EXPENSES EXERCISE 2010-2011.....	-30.959,25 €
REPAIRS AND SEVERAL.....	109,74 €
COMMUNITY MAINTENANCE.....	14.160,00 €
POOL WORKS.....	2.728,15 €
LIFTS MAINTENANCE.....	2.853,60 €
LIFT'S TELEPHONE.....	447,39 €
ADMINISTRATION.....	1.876,80 €
V.A.T.....	337,83 €
PHOTOCOPIES.....	4,50 €
CORREOS.....	20,37 €
SAUNDRY EXPENSES.....	118,00 €
INSURANCE.....	1.679,26 €
BANK COMMISSIONS.....	155,70 €
ELECTRICITY.....	2.380,36 €
WATER.....	4.087,55 €
RESERVES at 31/07/2011.....	14.984,07 €
BANK.....	3.623,03 €
SEVERAL SUPPLIERS 09-10.....	348,31 €
DEBTORS.....	13.802,85 €
OWNERS ADVANCES.....	-2.140,00 €
CREDITORS.....	- 650,12 €
Hacienda IRPF.....	-10,92 €
Pool works labour.....	- 500,00 €
Rogelio Cámara.....	- 139,20 €

She explains that although the result of the exercise is apparently good, because the reserves have increased and the balance at the bank has also increased; the global result considering debtors, that also go almost to double, it is not good, being too high level of debtors for a community of this size.

Beside, the Administrator gives figures and information, not just at the closing of the exercise at 31<sup>st</sup> July 2011 as you can observe in the accounts, she also gives information of figures at the date of this meeting, 6<sup>th</sup> October, in which the balance at the bank is much less, and the level of debtors is quite higher than at the closing of the exercise.

We explain expenses in detail. After some questions and the correspondent clarifications, those present unanimously approve the accounts for the exercise 2010-2011.

Regarding debtors, at the closing of the exercise:

**LISTADO DEUDORES / LIST OF DEBTORS at 31/07/2011**

CÓD.	VIVIENDA/PROPERTY	NOMBRE/NAME	CANTIDAD/AMOUNT
1	BAJO A NIVEL A	GESTIÓN AGESUL, S.L.	597,00 €
2	BAJO B NIVEL A	GESTIÓN AGESUL, S.L.	597,00 €
5	BAJO D NIVEL B	GESTIÓN AGESUL, S.L.	597,00 €
6	1º-A NIVEL A	GESTIÓN AGESUL, S.L.	597,00 €
7	1º-B NIVEL A	GESTIÓN AGESUL, S.L.	597,00 €
8	1º-C NIVEL A	GESTIÓN AGESUL, S.L.	597,00 €
9	BAJO A NIVEL C	MARK HERBERTSON	60,00 €
11	1º-A NIVEL B	GESTIÓN AGESUL, S.L.	597,00 €
14	1º-D NIVEL B	GESTIÓN AGESUL, S.L.	597,00 €
15	2º-A NIVEL A	GESTIÓN AGESUL, S.L.	597,00 €
17	2º-C NIVEL A	GESTIÓN AGESUL, S.L.	597,00 €
18	1º-A NIVEL C	GESTIÓN AGESUL, S.L.	597,00 €
21	1º-D NIVEL C	CISA CARTERA DE INMUEBLES	614,00 €
22	2º-A NIVEL B	GESTIÓN AGESUL, S.L.	597,00 €
23	2º-B NIVEL B	GESTIÓN AGESUL, S.L.	597,00 €
24	2º-C NIVEL B	GESTIÓN AGESUL, S.L.	597,00 €
25	2º-D NIVEL B	GESTIÓN AGESUL, S.L.	597,00 €

26	3º-A NIVEL A	DENNIS TODD	82,84 €
27	3º-B NIVEL A	GESTIÓN AGESUL, S.L.	597,00 €
30	2º-B NIVEL C	GESTIÓN AGESUL, S.L.	597,00 €
31	2º-C NIVEL C	GESTIÓN AGESUL, S.L.	597,00 €
32	2º-D NIVEL C	GESTIÓN AGESUL, S.L.	597,00 €
33	3º-A NIVEL B	GESTIÓN AGESUL, S.L.	597,00 €
36	3º-D NIVEL B	GESTIÓN AGESUL, S.L.	597,00 €
37	3º-A NIVEL C	DARREN RICHARDSON	509,01 €

**13.802,85 €**

From the original list of debtors sent together with the Summons, some owners have paid, therefore the list of outstanding fees at the date of this Meeting, 06/10/2011 is as it follows:

**LISTADO DEUDORES / LIST OF DEBTORS at 06/10/2011**

CÓD.	VIVIENDA/PROPERTY	NOMBRE/NAME	CANTIDAD/AMOUNT
1	BAJO A NIVEL A	GESTIÓN AGESUL, S.L.	896,70 €
2	BAJO B NIVEL A	GESTIÓN AGESUL, S.L.	896,70 €
5	BAJO D NIVEL B	GESTIÓN AGESUL, S.L.	896,70 €
6	1º-A NIVEL A	GESTIÓN AGESUL, S.L.	896,70 €
7	1º-B NIVEL A	GESTIÓN AGESUL, S.L.	896,70 €
8	1º-C NIVEL A	GESTIÓN AGESUL, S.L.	896,70 €
11	1º-A NIVEL B	GESTIÓN AGESUL, S.L.	896,70 €
14	1º-D NIVEL B	GESTIÓN AGESUL, S.L.	896,70 €
15	2º-A NIVEL A	GESTIÓN AGESUL, S.L.	896,70 €
17	2º-C NIVEL A	GESTIÓN AGESUL, S.L.	896,70 €
18	1º-A NIVEL C	GESTIÓN AGESUL, S.L.	896,70 €
21	1º-D NIVEL C	CISA CARTERA DE INMUEBLES	195,40 €
22	2º-A NIVEL B	GESTIÓN AGESUL, S.L.	896,70 €
23	2º-B NIVEL B	GESTIÓN AGESUL, S.L.	896,70 €
24	2º-C NIVEL B	GESTIÓN AGESUL, S.L.	896,70 €
25	2º-D NIVEL B	GESTIÓN AGESUL, S.L.	896,70 €
26	3º-A NIVEL A	DENNIS TODD	328,64 € (*)
27	3º-B NIVEL A	GESTIÓN AGESUL, S.L.	896,70 €
30	2º-B NIVEL C	GESTIÓN AGESUL, S.L.	896,70 €
31	2º-C NIVEL C	GESTIÓN AGESUL, S.L.	896,70 €
32	2º-D NIVEL C	GESTIÓN AGESUL, S.L.	896,70 €
33	3º-A NIVEL B	GESTIÓN AGESUL, S.L.	896,70 €
36	3º-D NIVEL B	GESTIÓN AGESUL, S.L.	896,70 €
37	3º-A NIVEL C	DARREN RICHARDSON	799,91 €

**20.154,65 €**

(\*)Important notice: although there is still an outstanding amount to be paid from this property, we must explain that it is derived by a problem which is not fault of the owner, and in a couple of days is coming to Spain and will solve it.

The Administrator also explains to the owners, that property nº 9, that appeared with debt of 60 €, made a payment at 30<sup>th</sup> July 2010 and the previous administration didn't register it in their accountancy, and after some contacts with the owner and with the old bank, we have solved their mistake.

It is unanimously approved the outstanding debts of these properties, and will be communicated by the Secretary. Owners authorise President and Administrator to grant powers of attorney to Lawyers and Procurator to claim in Court, in case the debt are not solved within a period of 15 days.

It is unanimously approved to take legal actions against the debt of the 21 properties from the promoter Gestión Agesul, S.L.

It is unanimously approved to take legal actions against property nº 37, if they don't sign and follow and agreement of payment in instalments of at least 120 € per month until finishing their debt with the community.

**POINT THREE.- PRESENTATION AND APPROVAL OF THE BUDGET OF EXPENSES**

## **FOR THE EXERCISE 2011-2012 AND FEES.**

It is explained that although the community has serious problems of cash flow, this is not caused by a deficient budget, because, in fact, the annual budget of expenses is over estimated due to the debt from the promoter, being much higher than the real expenditure. We remind that the fees were already increased to afford this lack of cash flow, with the intention of reducing them as soon as the problem was solved. Besides, there are several owners with credit in favour, until 200 €, and the community cannot give this money back until all debt from the promoter is paid.

Therefore, we recommend to continue with the same budget from previous year, and all expenditure necessary for extra works, to be approved by extraordinary fee, keeping the same ordinary fees.

It is unanimously approved to keep the same budget and fees than previous exercise, 80 € monthly per property to be paid at the beginning of each month.

It is unanimously approved to keep the same penalty than last year: those owners who have more than 3 months outstanding of payment every trimester (applied on 1<sup>st</sup> August, 1<sup>st</sup> November, 1<sup>st</sup> February and 1<sup>st</sup> May), will be penalized with 10% about the total of outstanding fees.

It is explained that we have changed the community bank due to the several problems of managing with Caja Murcia and due to the high commissions charged. As we informed in the Summons, the new bank Solbank, will charge zero commissions without any kind of permanency or obligation, by special agreement with the administrator.

SOLBANK: 0081-0542-18-0001318632 (Do not forget to include your name and property number in the payment).

Owner from nº 39 explains he is very disappointed with the community maintenance and he exposes another proposal to change to another company. The Administration, by petition of some owners, also exposes another proposal for service of maintenance.

Owner from nº39 explains that the pool has been in bad conditions all the Summer, and according to his opinion, the maintenance is not dedicating enough hours for the cleaning and other labours for the money they receive, and the results are not good.

The Administrator explains that some of the points that he is requesting to the maintenance, are not really their function (removing nest of wasps, replacing the fire extinguisher,...). And she also begs that in the debate and discussion to choose the maintenance company, please avoid personal or offensive comments. The administrator asks to owners to limit to compare proposals and do the voting, and leaving the extended personal debate apart, that will only lead to unnecessary confrontations.

Owner from nº 39 exposes a quotation that it is adapted to the budget of the community, and they will use more adequate machines for the cleaning, ensuring good results, the proposal would include 3 hours a day from Monday to Friday, divided between the 3 functions of cleaning, gardening and pool, depending on the needs of each one, doing the minimum services for the pool daily.

The administration exposes a quotation from another company, very similar in conditions, price and timetable, and this proposal is also explained.

The President explains the new proposal for the current company of maintenance, renewed, as they accept that there are some owners who are not satisfied with their work, and they want to improve it to keep everybody happy. There would be 4 hours daily, from Monday to Friday, divided between the 3 labours, and this time, the pool and garden would go on Ralph, who is in procedures of getting the required certification for pool, and the cleaning would go on Christine.

There is a voting, with the following result:

5 votes in favour of changing the maintenance company (properties nº 12,13,19,38 y 39)

9 votes in favour of continuing with the same company (Ralph) (properties nº 3, 4, 9, 10, 16, 26, 28, 29)

y 34).

There is a proposal to test the maintenance during this exercise, to see the results, and so the President will not have the exclusivity of deciding if the service continues or changes. All owners will fill a test at the end of Easter and end of August, saying if they want the company of maintenance service to continue or to change to another company, and if so, giving them 15 days of notification and changing. In this way the role of the president and role of maintenance are totally separated and the responsibility goes to all owners. This proposal is unanimously approved.

We inform that the president will study some proposals of insurances to change to a similar policy and covers, with equal or less price, because the current insurance has the previous administrator as agent, and the community prefers not to have any intermediary and if possible reducing the price.

**POINT FOUR.- STUDY AND APPROVAL, IF APPROPRIATE, OF JUDICIAL CLAIM AGAINST PROMOTER FOR SEVERAL DAMAGES AT THE RESIDENTIAL. EXTRAORDINARY FEE.**

The Administrator explains the complicated situation that the community has, and the legal and administrative steps that we have done until the moment.

As everybody knows, the fact of the promoter not paying their fees on time creates a big problem of cash flow that also makes impossible to repair/improve several damages at the community that in fact, is the promoter who should repair them as they are considered damages derived by construction defaults.

The pool was already repaired, for a lack of foundation that caused sinking in the whole area and also was causing damages at the pool base, pipes, irrigation system,....

The air conditioning system of at least 7 properties have never functioned properly, having many gas leaks in different points impossible to repair because is difficult to access to the pipes that are in the interior of the building structure, and some pipes with but level that cause stanked water and bad smelling.

To all these problems we must add the most serious, this year, some of the cracks in the walls, were making bigger until the point of being a serious risk of falling in some of them and cause an accident to pedestrians. These walls could fall in any moment and so they suppose a public liability for the community, that has to take measurements in this respect.

We have contacted with the promoter to request them to repair the most serious damages in some walls with risk of falling and also to pay their outstanding fees, with no results. As finishing the administrative way, we contacted a solicitor who represents the community and had some meetings, he sent burofax, that was received correctly in Gestión Agesul, S.L. office on the 28<sup>th</sup> July 2011 by one of their employees, in which we gave them 3 days to answer about the damages and 5 days to answer about the debt. But we still haven't received any kind of answer or contact from the promoter.

We asked for three quotations from companies to elaborate the technical report of damages to be able to claim judicially.

Several quotations were asked to repair the most urgent walls.

The technician from the community insurance came, and did a report, we knew from the beginning that these damages were not cover by any policy, but his report is very positive for the possible Court case.

Beside we have the cost of the provision of funds for Solicitor and Procurator.

In this point the Administrator explains that there are several options, with different extraordinary fee to approve depending on the case:

Option 1: not to do anything. In this case the Administrator has exposed all the information and warn

presents about the public liability that the community could have in case of falling of these walls in a situation of risk.

-Option 2: To repair, without technical report, and without any other cost, so the possibilities of claiming judicially in future would reduce quite a lot, as it happened with the pool area.

If approved to repair only, we get an extraordinary fee of 350 € per property.

-Option 3: Taking legal actions following the necessary legal steps: technical report, repair of the most urgent areas with risk of falling, provision of funds to present parallelly the court case for damages. This would suppose the following expenses:

Technical Report: 2.500 €

Provision of funds Court Case: 1.150 €

Repair of all walls potentially dangerous at the last floor and scaffolding (which is what really increases the costs): 14.500 €

To all these figures we must add the provision of funds for the Court case against the promoter for the debt of fees of the 21 properties: 1.050 €.

If approved this option, we get an extraordinary fee of 480 € per property. And although we will repair only the most urgent walls that could fall down at the last floor, we would present the Court case including all damages at the Residential (cracks in another floors, air conditioning system, damages at the pool, unfinished areas,...)

The Administrator explains that, we are having this debate exactly because of the lack of cash flow at the Community, and in another situation she would just recommend to take the normal legal steps for claiming the damages. But because of the high figures we are treating for this extraordinary fee, and for most owners this would suppose a big effort in paying, we are considering to repair without taking legal actions, only the most urgent areas, and so the extraordinary fee would be smaller. Anyway, the Administrator does not recommend the option of not repairing and not claiming, because she warns owners that they could have public liability in these damages that are “seen” not hidden, so the Community has obligation of repairing or claiming.

There is a long discussion and debate and neighbours expose their opinion. And after lots of debate and deliberation, the majority of owners propose that, although there is difficult to pay now a quite high extraordinary fee, they prefer to pay a little more and take judicial claim parallelly to the repairing.

There is a voting about the proposal of repairing the most urgent and claiming in Court at the same time, with the correspondent extraordinary fee of 480 €, that will be paid in two instalments, with the following result:

11 votes in favour: properties nº 3, 4, 9, 10, 16, 26, 28, 29, 34, 38 y 39.

3 votes against: properties nº 12, 13 y 19.

Owner from nº 39 proposes to approve an extraordinary fee, similar to the previous, but including also the repair of the air conditioning system, this would increase the extraordinary fee to a total of 580 € per property, his proposal is voted with the following result:

2 votes in favour: properties nº 39 y 19.

12 votes against: properties nº 3, 4, 9, 10, 12, 13, 16, 26, 28, 29, 34, y 38.

(Owner from nº19, represented by nº39 wants to include in the Minutes that she agrees with the extraordinary fee of 580 € which includes the air conditioning repair, but she is against of approving only the extraordinary fee of 480 €).

It is approved by majority an extraordinary fee of 480 € for the repairs and judicial claim against those damages, that will be paid in two instalments: 240 € from 25<sup>th</sup>-31<sup>st</sup> October, and another 240 € from 1<sup>st</sup>-10<sup>th</sup> December.

As soon as funds are collected we will start the legal actions.

#### **POINT FIVE.- ELECTION OF CHARGES.**

Volunteers are asked for the charge of President, standing Christine Jones, the current President, and Beatriz Cirilo, the Vice-president, with the following result:

Votes in favour of Beatriz: 5 votes (properties nº 12, 13, 19, 38 y 39)

Votes in favour of Christine: 9 votes (properties nº 3, 4, 9, 10, 16, 26, 28, 29 y 34)

We remind that, according to Law, charges of Vice-president or Committee Members are optional, volunteers are asked for the charge of Vice-president, standing Gus Agnew and Susana Lázaro, with the following result:

Votes in favour of Gus: 9 votes (properties nº 3, 4, 9, 10, 16, 26, 28, 29 y 34)

Votes in favour of Susana: 5 votes (properties nº 12, 13, 19, 38 y 39)

Being approved by majority the following charges:

PRESIDENT: CHRISTINE JONES (Nº 34)

VICE-PRESIDENT: GUS AGNEW (Nº 10)

And for the charge of Secretary-Administrator it was unanimously reelected:

SECRETARY-ADMINISTRATOR: M<sup>a</sup> JESÚS SEVILLA LIZÓN. Coleg.nº1593-A

AGM ADMINISTRADORES info@agmadministradores.com www.agmadministradores.com  
C.C. Zeniamar, Local 13. 03189-Orihuela Costa. Alicante. Tel/Fax: 96 673 09 00 (Monday-Friday, 9:30-13:30h)

#### **POINT SIX.- ANY OTHER BUSINESS. REMINDING OF COMMUNITY RULES. PROPOSAL OF RE-DISTRIBUTION OF MAILBOXES WITH CORRELATIVE NUMBERS IN ONE ONLY BATTERY.**

There is a discusión regarding all conflicts between some owners due to the breaking of the community rules, those rules are reminded to the present owners, and an argument starts again between some owners.

There are several complaints: regarding noises at the pool area at night, with some owners doing BBQ's late at night, a dog in the community areas with excrements in the grass where owners are laying, some owners leaving private items in the community corridors such as supermarket trolleys, bicycles, BBQ's, and other owners taking community areas for their private use.

There is a proposal of extending the pool area timetable from 22:00 to 0.00 in the evening, it is unanimously approved. But attendees warn that in the moment that somebody is not respecting this timetable we will come back to the previous closing time of 22:00 h.

Although there are several proposals and improvements to be done, due to the lack of cash flow and the high extraordinary fee approved, these proposals are paused until the next Annual General Meeting.

The date of the next Annual General Meeting will be the last week of August.

And being no further issues to discuss, the president closed the meeting at 16:48 p.m. of the date indicated at the beginning, and of its contents, as Secretary-administrator, I bear witness and sign with the approval of the President.

THE PRESIDENT  
CHRISTINE JONES

THE SECRETARY-ADMINISTRATOR  
MARÍA JESÚS SEVILLA LIZÓN