

Extraordinary General Meeting 29th Jan 2004

Minutes of Extraordinary General Meeting 29th January 2004

In the meeting rooms of Hotel Byblos, at 1000 of January 29th, 2004 took place the Extraordinary Meeting of the La Cala Hills Phase 1 O.C in order to deal with the following Agenda:

1. Report by the President and Administrator
2. Report of the financial situation of the Community as of December 2003
3. Presentation of amounts due and approval, in its case, of president's empowerment to judicially claim such amounts due
4. Any other business

Mr Bakker addresses the meeting and after welcoming the assistants he introduced the members of the table

Jos Bakker	President
Anthony Weathley	Translator
Chiky Balmaseda de Ahumada	Golf Valley Administrations
Carl Bakker	Seven Hills
Frank Bakker	La Cala Hills Administrations Services

Once the welcoming and introduction words had concluded, the meeting went on with the agenda.

Mr Bakker explained that the community had initially been constituted on January 31st 2003, although due to the delay in completion of works it was agreed that all expenses the community might have from its constitution until October 1st would go to the developer's account.

Mr Bakker then called upon the Administrator to explain the Community's situation.

Mr Balmaseda de Ahumada started by explaining that when the Community was formally constituted the developer owned 100% of the apartments.

The statutes drafted were adapted to the complex and were in accordance with the Spanish Horizontal Property Law. In the same way, the Internal Rules were also drafted in order to make cohabitation easier.

Necessary arrangements were also made as to obtain a Fiscal Identity Number (NIF) for the Community as well as a Minute Book at the Land Register and a bank account having La Cala Hills Phase 1 O.C as the account holder in order to process all payments and incomes referring thereto.

Giving answer to the question of why Mr Bakker is the President, the Administrator replied that it is due to the fact that when the Community was set up, the developer was the only owner, and therefore the developer was the only person legally enabled to hold the post. However, he added, it is common practice that the developer performs as president during one or two years until works are totally completed, since it makes easier and faster all businesses since the developer is the one that knows the complex best.

Two.

An accounting report as of December 31st 2003 was presented and the Administrator explained that the budget was prepared with a structure of budget items which may not coincide this first year, since they had still not decided whether to engage their own staff or service companies and therefore the gaps there may be in individual budget items would not affect the budget total. With the exception of expenses referring to security and ADSL internet connection in houses.

He continued to explain the cleaning, gardening, pools, general maintenance etc. services engaged by the Community.

Cleaning	4 cleaning women working full-time Monday to Friday plus rubbish will be collected and entries of the 9 blocks will be gone over again on Saturdays. In high occupation seasons, this service will be reinforced with two more cleaning women. Company P.O.P
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General Maintenance	1 full time worker plus 24 hour availability providing assistance and repair works (materials not included) Jose Pedro Estévez, self employed worker
Garden and Pool Maintenance	2 gardeners working full time Monday to Friday. P.O.P company
Security	P.O.P 24 hours
Insurance	Community insurance and Civil Liability policy, Company Mutua de Propietarios
Pest Control	Rodent and insect control quarterly done by the Company Contraplagas
Lift Maintenance	Repairs in case of breakdown and 24 hour rescue, Company Schindler

The rest of budget items were likewise explained and the Administrator commented that should any owner need further explanation regarding any of the contracts, expenses or payments made, the administration would be at their disposal to provide any information they may need, so the meeting would not go on too long.

It was explained that the lifeguard item implies engaging a lifeguard during the summer months, although this issue should be debated more into detail since the legal regulations on this matter are quite strict and in some communities they are almost impossible to comply with due to the number of swimming pools, lifeguards' shifts, opening hours of the pools and their seasonal nature, all of which are factors that can make the cost of it go up to limits which are too high.

Community start up items were also explained and even though up to that day many of the expenses had not been made, they would surely need to be made in the near future.

Putting an end to this point, the Administrator explained once again that he would be available to answer any queries on this matter, although at the end of the business year the accounts would be audited by an independent firm, in

order to guarantee even more, if possible the proper financial management of the Community.

This last explanation had the approval of all the assistants.

Three.

A debtors list as of December 31st 2003 was presented, not including the community fee for the first quarter of 2004, so that once the amounts were approved, should it be necessary the appropriate measures could be taken against debtors.

Some owners explain they disagree with the amounts assigned to them, and they are kindly requested to give notice thereof to the administration, and each of those cases shall be revised.

After this issue was clarified, owners were explained that they had only been charged for the initial fee and the community fee counting from the day they had signed the title deed. The remaining expenses went to the developer's account.

The matter was put to the vote, the list and amounts presented were approved and the President was empowered to appoint lawyers and solicitors to judicially claim such amounts in case it was necessary.

One of the assistants asked about the procedure for recovery of the amounts due before the legal claim was filed. It was explained to him that first of all the administration sends a first notice asking for the amount due to be paid. After that they send a second notice claiming the amount due and giving a 15-day period to satisfy the debt, warning him that should it not be paid, the matter shall be put in the hands of lawyers. If this second notice has no effect the lawyers send a letter warning the owner that it is obligatory to make such payment, and they give ultimatum before initiating the legal procedures. Notice is also given at the notice board.

Four.

It was commented that sensors for the lighting of car parks could be installed.

The owner of apartment 405, Mr Treco, complained because he had sent numerous e-mails to the administration and they had not replied. The

administrator answered to him that first of all, he apologised if replies to his e-mails had been delayed. Secondly, he explained that e-mails, letters and other complaints are usually very well managed by Luz (the Community's secretary) provided they concern community issues and not revision lists of private apartments, since this matter should be discussed directly with the developer by each owner.

Jos Bakker addressed the meeting and added that any such problem should be addressed to him personally, and him as the developer would reply to the petitions, although, he added, they had to start making a distinction between community and private matters.

It was also commented that the roundabout at the entry should be suppressed since it represents a serious danger. Mr Bakker replied that the matter corresponds to the Macro Community and that once it is set up, such modification shall be requested. In the meantime, a solution shall be studied in collaboration with the other developers, to solve the matter as soon as possible.

As for the duration of the post of president, it was explained that according to the statutes, the post has an initial duration of two years, although Mr Bakker said he would put the post to the vote at the next General Meeting. Taking into account that the accounting year closes in September 30th, it was agreed that the general meeting would be called for January 2005.

The matter of the corridors in garden areas was discussed, where the banks are full of soil and something needs to be done about it. Mr Bakker replied that it is due to the recent plantation, but that once the plants take root they will hold the soil and this problem will be solved.

Concerning the heated swimming pool, the President clarified that a heating system had been installed. An owner asked who would pay for it, he replied that the promoter would.

Lastly there was a discussion on the improvements and increase in the number of TV channels. For this purpose Mr Ronald de Blankenstein was introduced and he gave an explanation on the possible improvements. Once it was commented and since it was not in the agenda and therefore it could not be

dealt with it was agreed that a meeting would be called soon in order to deal with the TV issue as well as budget items concerning security and ADSL.

Having no other issue to discuss the meeting concluded at 1.05pm