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Immigrants, Eviction and Occupation: Creative Responses to Spain's Housing Crisis

By Malia Politzer

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Vallecas, Madrid, SPAIN – The police came at 7am. There were more than a dozen of them, garbed in anti-riot gear and armed with batons and a sledgehammer. Fifty-three-year-old Pedro Uyahuare, his wife Maria and their 12-year-old son were waiting for them upstairs, huddled on the queen-sized mattress in the master bedroom of their three-bedroom, two-story flat in Vallecas, a working-class barrio on the outskirts of Madrid.

“Open up!” the head officer ordered, banging loudly on the front door. Though they could see the black tops of the officers’ hats from the window of the master bedroom, neither he nor his wife moved to let them in. A few minutes passed, and the police began to break down the door. Each slam of the sledgehammer felt like someone was driving an ice wedge through Pedro’s heart. “It was like I was in a trance. All I could hear was the sound of the sledgehammer, and my wife and my son crying,” he recalls. “I didn’t feel anything. When you spend your life working to build something for your family, and it is all taken away from you in a minute — it’s not something you can immediately feel. It’s like losing a limb. Shock takes hold.”

When the police finally succeeded in entering the house, they rushed up the stairs into the bedroom, anti-riot shields up and batons out. The family had 20 minutes to empty the home of all of their possessions. A friend had come with a truck, and they silently piled as much of their furniture as they could onto the truck bed. They had no place to move them to, but Pedro didn’t want to give anything more to the bank. That night, they slept on the living-room floor of his sister-in-law’s house, as they would for the next three months while Pedro looked for a better solution.

Pedro’s family was not the first to face eviction in Vallecas. Populated primarily by African and Ecuadoran immigrants, the barrio had been particularly hard-hit by Spain’s economic crisis. A community social worker I spoke with estimated that more than two-thirds of the barrio were either on paro (unemployment benefits), or were jobless without



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Based out of the south of Spain, Malia is looking at the primary migration routes via Morocco and the Spanish enclaves in North Africa. She previously worked for Mint, an Indian business and economics news daily paper, where she wrote on a variety of social issues including disability issues, internal migration, gender, social entrepreneurship and development trends. As a fellow at the Village Voice, she wrote primarily about immigration. Malia has won multiple awards for her reporting and published articles in the Wall Street Journal Asia, Far Eastern Economic Review, Foreign Policy Magazine, Reason Magazine, and Migration Policy Institute’s monthly magazine The Source. She has reported from China, the US-Mexico border and South Korea, and speaks fluent Spanish, conversational Mandarin, and intermediate Hindi. Malia holds an M.S. in multimedia and investigative journalism from Columbia University Graduate School of Journalism, where she was a Stabile Fellow, and a B.A. in Liberal Arts from Hampshire College.

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any government aid. Many blocks in the neighborhood were dotted with the boarded-up, empty apartments of families who had already been evicted. Nor are the residents of Vallecas alone in this respect: A recent Human Rights Watch report found that of all of the people facing evictions, immigrants represented more than one-third of those affected — a disproportionately high number, given that as of 2013, only 11.7 percent of Spain's population were immigrants.¹



Pedro Uyahuare tells me the story of his eviction at the weekly meeting for the Platform for Mortgage Victims (PAH) in Vallecas. Photo taken by Tomas Conde Kemme

Though in its execution, Pedro's appeared to be a typical eviction, Pedro was not what you'd expect of a typical evictee. For one thing, he had never missed a house payment since he and his wife had taken out a mortgage for their family home 12 years before. In another eight years, the house would have been theirs.

Pedro was evicted because he'd fallen into one of many traps that have primarily affected immigrant communities throughout Spain, making them one of the first groups to lose their homes after the housing bubble popped: He'd signed into a chain-mortgage agreement, making him liable for another person's debt — in this case, his brother's. His brother, in turn, unbeknownst to Pedro, had signed to be someone else's guarantor. Pedro's guarantor was his sister-in-law, who had another guarantor within the Ecuadoran community who Pedro didn't know. So when Pedro's brother defaulted, it started a domino effect that threatened to ripple across the entire Ecuadoran community.

For Pedro, much more difficult than losing his home was seeing the impact it had on his wife and son. His son teared up every time they drove near the street on which they'd lived, and Maria would not stop crying. Later, she would be hospitalized for depression. "For her, it

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crying. Later, she would be hospitalized for depression. For her, it was more than a house. Our child was born there. He grew up there. It was where we became a family," he said. "She was devastated. She still is."

In many ways, Pedro's story is typical to many of Spain's immigrants. In the 1990s, Spain experienced an unprecedented immigration boom (an influx of five million immigrant workers in just eight years) as millions of people entered Spain to work in construction, fueled by a massive property bubble, following an extended period of extremely low interest rates.

Pedro was 30 years old when he left Ecuador, eager to escape the dire poverty and drug problems that riddled his hometown. "I saved and saved, and borrowed money from family and friends," he said. Three thousand dollars later, he had a passport, a tourist visa and a one-way ticket to Madrid.

His first impression of Spain was that it was insane. "People worked hard, but they were also partying all the time — it was fiesta, fiesta, fiesta." Spending was equally wild — particularly in real estate. The market was booming, and people poured money into speculative properties, anticipating that the values would continue to soar as they had for the previous ten years.

Pedro was absorbed into this boom and quickly found a string of jobs in the construction industry, helping to build many of the housing complexes that were shooting up all over the country, commissioned on speculation, only to be abandoned when the housing bubble popped. "I installed windows in Ciudad Vandeluz. It was supposed to be one of Madrid's largest housing developments — big enough for something like 30,000 families," he said. "But no one ever moved in. If you go there now, you'll see it's completely empty."

For the first two years he worked as an undocumented immigrant, before he managed to get legal residency through one of Spain's six regularization programs. He met his wife, also from Ecuador, through some mutual friends. Soon they were married and expecting a child. "I shared an apartment with five other men before I was married," he said. "But when you have a family, you need your own space."

Unfortunately, finding affordable rentals in Madrid was no easy task. Spain's real-estate market has always been somewhat unique: In the past, most Spaniards lived with their parents until they got married and had enough money to buy a home. Though this practice has dwindled some in recent years, the cultural importance of home ownership remains. As a result, Spain's home-ownership rate is 85 percent — among the highest in all of Europe — and also has the smallest stock of private rental housing at just 11 percent.³ What this meant for foreign visitors and immigrants, who often lacked the social

meant for foreign visitors and immigrants, who often lacked the social-support structure provided by large Spanish families, was that renting apartments at the height of the boom was difficult and extremely costly. “In Madrid, it cost 1200 euros [US\$1638] to rent a two bedroom apartment, with a three-month security deposit,” he said. “But you could buy the same apartment, and pay a mortgage of 950 euros (US\$1292) per month. Buying just made sense.”

Pedro had managed to save nearly 20,000 euros (US\$26,400) since he’d started working in the construction industry. He and his wife made a down-payment of 13,000 euros (US\$17,160) and took out a 25-year mortgage on a three-bedroom house at 950 euros per month. His sister-in-law agreed to be his guarantor. He, in turn, acted as the guarantor for his brother, who wanted to buy a chalet on the outskirts of Madrid. They signed the papers, and for a time, all was well.

Then the housing bubble popped.

The construction industry was the first to be hit. Both Pedro and his brother lost their jobs. Overnight, the combined family income of Pedro and his wife dropped from 3500 euros (US\$4620) a month to less than 1000 euros (US\$1320), which his wife made cleaning hotel rooms. Between his wife’s salary, their savings and Pedro’s unemployment benefits, they managed to continue to make their mortgage payments. His brother, however, was not so lucky.

“My brother’s mortgage was extremely high,” says Pedro. “He didn’t have any savings — he’d invested all his money in properties in Ecuador.” Pedro didn’t even know his brother had stopped paying his mortgage until the bank sent him a notice, as his brother’s guarantor, that his brother owed them more than 10,000 euros (US\$13,200) for back payments, plus interest.

Pedro went to negotiate with the bank to help his brother avoid eviction. He was successful in that his brother did not get evicted — but he did not anticipate the bank’s further response. Instead of taking his brother’s house, they went after Pedro’s. As his brother’s guarantor, he was also liable for his brother’s debts. “My brother had only been paying his mortgage for three years. My house was more than half paid — so the banks were able to make much more money on it.”

Unfortunately, Pedro’s house did not cover his brother’s entire debt, nor had Pedro finished paying his own debt to the bank for the home he no longer lived in. After his eviction, now saddled with a second rent for a one-room studio, he was unable to also make the payments that he still owed on his former home. So the banks went after his sister-in-law next.

“It was a very stressful time,” said Pedro. “For a while, my wife and I were separated. We almost got divorced because of this.” The Platform for Mortgage Victims intervened, and with their help, he was able to

negotiate with the banks to clear his remaining debt after paying them an additional lump sum of close to 10,000 euros— all that remained of his savings — a move that also saved his sister-in-law from having to face the same experience he had just endured. However, he was unable to extract himself entirely from his role as a guarantor to his brother. “If he defaults on his loans again, they could still come after me.”



(above) A weekly meeting for Platform for Mortgage Victims (PAH) in Vallecas.

(below) Tomas's shoes on the somewhat ironic welcome mat in front of the building for the weekly PAH meeting in Vallecas. Photos taken by Tomas Conde Kemme



This is a more common story than one would think. “At the height of Spain’s economic boom, it was so easy to get a loan,” says Jose Luis Noriega, one of the organizers for the Madrid chapter of the Platform for Mortgage Victims (PAH), an organization that provides support in the form of legal aid and psychological counseling, to people facing foreclosure and eviction. “Middlemen used all sorts of dishonest techniques to secure loans for people who shouldn’t have qualified.” Nor were banks particularly diligent about checking people’s finances before they issued loans, a strategy that Jose believes smaller banks deliberately used to raise capital.

According to the recent Human Rights Watch study, some middlemen went so far as to falsify incomes, finding strangers to serve as

guarantors on mortgages for a fee, and signing people up to act as guarantors for one another — a practice that is known as a “cross-mortgage” — in order to secure loans from the bank for people who, in all likelihood, would ultimately be unable to repay them. Another technique was signing people up for so-called “chain mortgages”, the practice of linking together strings of people (often strangers) to guarantee each other’s mortgages. Any creditor with a mortgage debt over 6000 euros (US\$7920) needed to be registered and could potentially be detected by Bank of Spain’s debt database for risk assessment. To avoid raising red flags, middlemen would sign up guarantors on the same day.



A poster at the community center in Vallecas offering help to people struggling with delinquency and eviction. Photo credit Tomas Conde Kemme.

More often than not, the immigrants were the primary group targeted for such schemes. “It was pretty normal for real estate agents to approach us during breaks at the work sites, offering to show us houses, or to help us get loans,” Pedro recalls. Though Pedro didn’t go through one of those agents, his brother did.

“It was a nightmare,” says Pedro. “You save money, you pay your bills on time, you do everything right, and you think that all will be well. This was something we never expected.”

Although he lost his home, in many ways Pedro was one of the lucky ones. Debt-free, he and his family have the opportunity start over. The majority of Spain’s evictees do not have that luxury: Unlike the United States, in Spain mortgage debt does not factor into personal liability or bankruptcy laws. Even after being evicted, the evictee has to pay back the remainder of the original debt to the bank, plus the interest on the loans, and legal fees accrued both by the bank and those evicted. Exorbitant default-interest rates ranging between 19-35% were also common, ensuring that people already struggling to make their payments would have significantly higher payments in the future, and might never get out of debt during their lifetime. In some cases, the

debt can even pass down to their children.

People with large mortgage debts are also usually unable to secure new credit, and should they be registered on a debtors' list, can face enormous difficulty getting new apartment leases, buying anything on credit or even getting a mobile-phone contract, according to the Human Rights Watch report. Many of the people with such debt are unemployed (one of the main reasons they defaulted on their loans in the first place). However, should they be lucky enough get a new job, their wages will automatically be garnished to pay their previous mortgage debt — often at even higher rates than their original monthly rentals (a move justified by the legal fees and interest accrued by the bank in the course of the eviction), which has had the affect of pushing many such people to work in Spain's growing black market. All of these factors combine to create a downward spiral that is nearly impossible to break.

Complicating the situation, Spain's limited public-housing options are dwindling at a time when they are needed more urgently than ever before. In an effort to raise capital to pay back bailout money loaned from the European Union, the Spanish government has been selling many of their public-housing buildings to private companies (Goldman Sachs, as it turns out, is one of the primary buyers), effectively shrinking the supply of affordable housing.

But people are endlessly creative. During a recent trip to Madrid, I met a group of immigrants in exactly this situation who have taken matters into their own hands.

On the end of Calle Cadet Julio Llompar, a street in the working-class neighborhood of Carabanchel, is a four-story red-brick apartment building. Carabanchel isn't a particularly nice neighborhood. Nearly a quarter of the houses on the block where the red-brick building stands are abandoned, walls covered with graffiti, windows broken and boarded up with either concrete, or wooden planks. The brick building stood out from the buildings around it, primarily because all of the windows were intact, and adorned with child-like drawings and slogans, hand-printed on sheets of butcher paper and taped to the inside of the glass. Secured to the outside of the building was a large cloth sign that rippled in the breeze, reading, "VIVIENDA RECUPERADA. LA Sareb ROBA mas de 600,000 desahucios." (Recovered residence. Sareb has robbed more than 600,000 evictees.)



A reoccupied house in Carabanchel. Photo credit Tomas Conde Kemme



The building is owned by Sareb, Spain's "bad bank," created by the government to manage toxic assets transferred from four banks that were nationalized during Spain's big bailout. Officially, the building is listed as "vacant" — one of thousands of properties owned by Spanish banks that are neither on the market to be sold nor rented.

In October of last year, a group made up primarily of immigrant families and single mothers that had been evicted from their homes, reopened the building and began living there. It was an extremely well organized and surprisingly open process.

"We were living in social housing for the past ten years," explained Gladys Martinez, an immigrant from Ecuador, who, along with her husband Santiago, 16-year-old daughter and nine-month son, now occupies one of two apartments on the 3rd floor of the building. "The prices just kept going up. My husband had lost his job, and I only earn around 540 euros (US\$707) a month. We couldn't pay anymore. We don't have any family here — so we literally had nowhere to go." A social worker in their former neighborhood directed them to a community center (also in an occupied building) that was working to

community center (also in an occupied building) that was working to

help evicted families “recover” housing.

The center had been organizing occupations, and walked them through the entire process, putting them in touch with other families who had also been evicted. After interviewing many potential neighbors, they formed a group of 16 people consisting of four immigrant families and families headed by single mothers. Together, they attempted an occupation.

First, the group went about looking for a suitable building. “We wanted to make sure it was owned by Sareb, because they have hurt so many people and are not using the houses anyway,” she explained. They looked up building-ownership in an online registry of homes on a government site, and after visiting a few likely candidates, decided on the building in Caramachel. Then, they approached the neighbors. “There’s a stigma associated with occupation,” said Gladys. “When most people hear ‘occupation’, they think of hippies or drug addicts. We wanted people in the neighborhood to know who we were, and why we were doing what we were doing.”

Before entering their new home, the group reviewed all possible scenarios, and how they would handle potential setbacks. “We talked about what we would do if there was no water or electricity, and created drills for what we would do if the police came to evict us,” she said. During the entire occupation process, they were also writing to the bank, telling them exactly what they were doing, and why. “We even offered to pay rent, provided it was a social rent,” said Gladys. (In Spain, “social rents” are considered to be one-third of people’s monthly income.) “They were not interested.”

Finally came the physical act of opening the building. It was chilly that morning, the Thursday of October 3rd, 2013, when the new group of residents — accompanied by a number of 15M demonstrators (a social movement that is sweeping Spain, which I wrote about in newsletter 8), PAH members, and friends — marched down the street to their new home, singing and chanting slogans. One man had brought a loudspeaker, through which he introduced the group to their new neighbors (Gladys had not been able to reach everyone), explaining what they were doing and why, and offered to answer any questions neighbors might have.⁴ Armed with hammers, power-tools and new locks, the group proceeded to break open each of the doors, change the locks, and give each family keys to the building and their new home.

“It’s difficult to believe it, but we have been living here for more than nine months now,” Gladys said. She was sitting at a round dining-room table in her apartment kitchen, painting new posters to put in the windows advertising a book-share program, using donated books, they were planning to open for the community in the basement of the building.

For a family living on less than 600 euros (US\$700) per month, their

apartment was surprisingly well equipped: The kitchen was fully furnished with a round wooden dining room table, matching chairs and cookware. Each of the bedrooms had beds and linens, bureaus and rugs. They even had wall art. “When we moved in, we received a lot of donated furniture from people who had also been evicted,” she explained. “It’s amazing that even though we have no money, we have everything we need.”



Gladys Martinez paints a boy reading, an advertisement of their new community library, while her husband reads the most recent newspaper published by the Madrid chapter of the 15M movement. Photo credits: Tomas Conde Kemme.

Given that roughly one-quarter of the Spanish population is unemployed, it should come as no surprise that occupation is quickly becoming popular across Spain as an accessible housing strategy. The movement has also become extremely well organized: Successful squatters have even published a book, called “Manual de Okupación” (Squatters manual) which can be bought for 2 euros (US\$2.64) in hardcopy, or downloaded for free online.

Complete with stylish cover art and an introduction to the second edition, table of contents and glossary, the book easily looks like something you might find on the shelves in Barnes&Noble. Manual de Okupación not only provides an easy-to-read step-by-step guide on how to execute a successful occupation (including what to do with stairwells, how to negotiate with the police and banks, strategies for getting electricity and water — accompanied with electrical illustrations), but also a well-argued rationale for why occupation is necessary given Spain’s current economic situation, backed up with statistics, references and footnotes.⁵

Though no one knows exactly how many buildings are currently being occupied, it’s a movement that is becoming more and more common throughout Spain. Gladys knows of at least ten other buildings in Madrid that are currently “occupied”, and reports of occupation are also growing in Barcelona, Sevilla, and Malaga, among others.



Javier holds his copy of “Guía de Okupación” a comprehensive guide on to how to occupy a house. Photo credits: Tomas Conde Kemme.

Certainly, there’s no shortage of empty homes to occupy: According to statistics released in December 2013 by the Instituto Nacional de Estadística (INE), (National Institute of Statistics) Spain currently has the highest number of empty houses in all of Europe, numbering 3.4 million vacant housing units, representing 14 percent of all of Spain’s housing stock. Practically (and impractically) speaking, that means that Spain’s empty homes could comfortably house all of Europe’s homeless —estimated at 4.1 million.

“We’re building an alternative society,” said Javier, one of Gladys’s neighbors in the building. “There’s no place for us in the current system, even if we wanted to be a part of it. So we’re creating a new one.”

¹ Mario Izquieredo, Juan F. Jimeno, Aitor Lacuesta, Spain: From (massive) immigration to (vast) emigration? Banco de España, May 2013

² Hughes, Edward. “The Spanish Crisis in a Nutshell,” Spain Economy Watch. HYPERLINK "<http://www.spaineconomy.blogspot.com.es/2008/11/spanish-crisis-in-nutshell.html>" www.spaineconomy.blogspot.com.es/2008/11/spanish-crisis-in-nutshell.html. Accessed 1:25pm, 6/30/2014

³ Shattered Dreams, Impact of Spain’s Housing Crisis on Vulnerable Groups. Human Rights Watch, May 2014

⁴ “Cadete 7: La Obra Social ocupa un bloque de la SAREB en Carabanchel,” a YouTube video uploaded by Jaime Alekos, dated October 3rd, 2014. HYPERLINK "https://www.youtube.com/watch?v=FozHV_8_8B4" https://www.youtube.com/watch?v=FozHV_8_8B4, accessed July 3, 2014.

⁵ “Manual de Okupación,” HYPERLINK "<http://www.okupatutambien.net/wp-content/uploads/2011/11/ManualOkupacion1aEd.pdf>" <http://www.okupatutambien.net/wp-content/uploads/2011/11/ManualOkupacion1aEd.pdf>. Accessed June 30, 2014, 9:15am.

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