

Santa Ana del monte

Residents Cooperative

April 2012 Report

Anthony Malpass met with Almudena on the 13th April and the following was discussed:

El Pinet:

For the first part of the meeting the discussion was about El Pinet. Almudena confirmed that the external colour scheme for the properties had been reviewed. The result is that rather than all of the properties using yellow other colours. Thus, sections will be more clearly defined by colour and it will make the development visually more attractive. The colour being used on M1 is a light blue, which Almudena said the residents like. Also the internal fittings, including the floor and wall tiles, kitchen units etc have all been updated to a higher standard, to take into account the changing market and to give purchasers a higher specification property for their money.

Almudena confirmed that HdT purchasers can move their deposit to a property at El Pinet and the building of the properties there had now recommenced.

SADM:

The discussion was about the ongoing issue of the Shepherd and the failure of the court to sit and review the documents provided by HdT, verifying that they do have a full water licence. Almudena explained that HdT's solicitor is keeping in contact with the Supreme Courts in both Murcia and Madrid, either of whom could sit and remove the "temporary" hold on SADM proceeding. It was explained that the courts are now aware that this is not just affecting HdT but also numerous purchasers, some of who live in Jumilla and the surrounding area.

Anthony explained to Almudena that his patience with the situation was being strained and he appreciated that HdT had put forward compromises to resolve the situation outside of the court. However, as it appears that the shepherd has not accepted a compromise Anthony said that SARC would seek legal advice and write a polite letter to the shepherd, explaining the effect his action is having on so many families and asking for him to come to a compromise agreement ASAP. Almudena agreed for the SARC legal representative to have direct communications with the HdT solicitor and to provide him with detailed information regarding the shepherd and the court.

Anthony also said that SARC would also seek legal advice regarding shepherd's liability for purchasers' losses, in response to queries from SARC members.

Anthony asked Almudena if HdT are making adjustments their plans as to how they will build SADM within the feasibility plan. Almudena explained that HdT are having regular internal meetings reviewing the situation and what measures they would need to take to ensure meeting the plan. She explained that they could build the properties in one year but to fully complete the infrastructure would take two years. She further explained that would employ as many people as necessary to ensure that the project is completed within the time frame and people either get their money back or a property. She also restated that the 9 holes golf course and other facilities of phase one are included in the build plan.

Comment/Opinion:

The issue with Shepherd is obviously a concern to all purchasers and it is very frustrating that the courts still have not sat and dealt with this. The SARC Committee believes that the current economic crisis in Europe and the liquidity issues of the banks highlights how important it was that we voted HdT out of administration. We also believe that for anyone without a Bank Guarantee to take legal action against the banks has a low probability of a positive outcome and a high probability of a legal bill.

SARC have discussed the shepherd issue with a solicitor, who is prepared to act on behalf of the whole membership. It is now the intention of the SARC Committee to communicate with the Shepherd putting forward the purchasers' point of view and offering to meet with him and any other parties to try to resolve this ASAP. We will inform our members as to how this approach is received and if the issue is resolved. Unfortunately ,due to the time it has taken to look into proceeding with this action it delayed the writing of this report but the committee hopes that the membership are understanding of this.

SARC 12 MAY 20102