



January 2010 Report

Telephone communication between Anthony Malpass, on behalf of the SARC membership and Almudena has been taking place pre and post the Christmas period, Several items were covered and the following information was either given or discussed:

Settlement Agreement

The Court has given the date by which all the votes on the settlement agreement are to be lodged with a notary. This date is the **6th of May 2010** and purchasers who wish to lodge their vote should do so prior to this date.

The proposed settlement agreement is close to being agreed with the administrators and HdT who both want it to be the most favourable agreement possible for all parties. HdT would also like it to include that those who have had their contracts cancelled have the option to resume their purchase, if they so wish.

HdT and the administrators are meeting to discuss the agreement and the inform, that will accompany it when they present the proposed settlement agreement to the court soon after this meeting. **The judge will decide what will be placed in the agreement and will be considering the agreement for several days.**

We do not know what is in the settlement agreement. Please be aware that the only people that know what is in the proposed agreement are the administrators and selective HdT staff, who have been working on it. It has been kept confidential. **(We therefore are of the opinion that any claims being made regarding its content are purely supposition).**

The proposed settlement agreement and covering letter have been sent to the translators to enable HdT to provide the documents in English and Spanish. If the judge amends the documents the translators will adjust the documents accordingly.

Anthony Malpass spoke to his Spanish solicitor on the 7th January, who informed him that an administrator had communicated with him and said that **the settlement agreement would be available for creditors by the 7th February.**

E mails

HdT have begun the process of emailing purchasers, requesting them to confirm their current/correct contact details. Unfortunately, some of the emails were sent out in a manner that listed all of the recipients. Almudena explained that this was an error, made by a member of staff and apologises to all purchasers and hopes that it did not cause too much distress. We have been told that this will not occur again.

Jumilla Town Hall

During December the Town Hall agreed and passed the documentation for the “parcelisation” of the land in phase 1. This is part of the process for granting the final build licence.

Almudena ‘phoned on the 28th December and explained the following:

A land owner (“shepherd”) who was expecting to be paid a significant sum of money for the expropriation of his land took legal action to try to prevent the “parcelisation” of the land at SADM. The action has already failed in 2 lower courts and is now lodged at the Supreme Court in Madrid, who have placed a provisional hold on the process whilst waiting for documentation to be presented by HdT. This action has been supported by an ecology group and is based on the premise that there is a water issue.

Almudena explained that HdT would not have bought the land or gone through the whole process of applying for licences and commencing the build at SADM if they had not first made sure that there is an adequate water supply.

HdT are in possession of the provisional water license and on the morning of the 7th January Almudena informed Anthony Malpass that she had received a confirmation from HdT solicitors that the full water licence for SADM would be available within the next few days. HdT are planning to present the full water licence to the court in Madrid next week, which should result in the case being dismissed.

Furthermore, the Jumilla Town Hall has commenced legal action in support of SADM and against the landowner/shepherd. The Town hall has asked for the action to be annulled and given interviews to the regional TV and press concerning this.

Quote from, the “La Verdad” a Spanish newspaper/website

“The Mayor of Jumilla, socialist Francisco Abellán, states that "has violated the right to effective judicial protection, generating an apparent helplessness, and has violated Article 53 of the Constitution." Abellán announced that "the City will submit to the Supreme Court a motion of annulment of proceedings to declare the proceedings void.”

<http://www.laverdad.es/murcia/20091230/comarcas/recurren-suspension-urbanizacion-demanda-20091230.html>

The following is from the **SARC July 2008 Extra report** and can be found on the **SARC website Newsletter page**.

“The attendees for the Purchasers were Tony Malpass, Brian Dornan, David and Linda Needham.”..... “Francisco Abellan, Mayor of Jumilla, his planning, and legal representative were in attendance and introductions were made all round the table. David spoke for us all. We were introduced as purchasers who wished to be part of the process for information and support purposes”..... “I would mention here that Francisco Abellan is a lawyer by profession and was a judge.”..... “ He pointedly stressed that there was no problem with the water as Jumilla in the past had supplied water to other regions and now those regions where reciprocating and agreements had been reached to bring a pipeline directly into Jumilla, which would service the community for a good number of years.”

HdT Eire / UK meetings

Meetings are being proposed, to be held by HdT, in the British Isles/Ireland. Purchasers will need to pre-register their attendance via the HdT website. This will enable purchasers to ask questions. Also to raise any concerns they may have, which their own representatives have not been able to answer to their satisfaction, regarding SADM and the proposed settlement agreement. The locations dates and times will be confirmed shortly but are expected to take place in February/March and will be placed upon the HdT website.

HdT Website

SARC have requested a web link from the HdT site. This will enable purchasers to access information on both sites easily and make better informed decisions on the proposed settlement agreement accordingly.

Comment / Opinion

The actions of the shepherd and ecologists in the Madrid Court, have obviously caused concern for purchasers and the SARC Executive feel that was one of the aims of their action. However, it has helped to show us all just how much the Town Hall of Jumilla supports SADM. It is a fact that the Mayor, is showing support publicly in the press and commencing legal action to enable the final build licences to be issued. This we believe is very positive. Furthermore, HdT will obtain the full water licence for SADM, enabling the Town Hall to complete their procedures and issue the appropriate documentation.

The SARC Executive Committee have been in discussion and believes that the issue will soon be resolved positively by HdT and the Jumilla Town Council. Furthermore, the Executive believes that we, as purchasers, should not be influenced by an attempt to distract us from attaining a positive outcome and should remain focused on the settlement agreement. Crucially, the administrators and court will have checked that the settlement agreement is deliverable prior to permitting it to be put forward to the purchasers/creditors to consider and vote on.

The proposed meetings to discuss the settlement agreement directly with purchasers are most welcome and we hope that purchasers take up this opportunity. It does appear that a positive outcome for those who want their house or money is possible.

The most important thing for all of us to consider is the proposed settlement agreement (when it is available) and whether to accept a planned and structured outcome or the chaos and uncertainty of liquidation. **The SARC Executive Committee have not seen the document but have urged HdT to make the best offer that is possible to purchasers and believe that the acceptance of the offer is in the best interests of ALL purchasers who do not have a bank guarantee.**