



May 2012 SJI / HdT Meetings Report

Over the weekend of Saturday 19th and Sunday 20th meetings were held in London and in the Birmingham area by SJI / HdT. Anthony Malpass attended the meetings on behalf of the SARC Committee, to observe, engage with members and to report back to the committee and membership.

Meeting content:

Almudena gave a presentation which commenced with a brief update of both HdT and SJI. Explaining about the Shepherd, Jumilla Town Hall and residents wanting SADM to go ahead and keeping in open communications with parties who wished to finance the development. She then explained that building had recommenced at EL Pinet and that 30 **apartments with higher specification** fittings would soon be completed which would be available for people to purchase. She further explained that these first 30 properties would have a garage space and store room included in the purchase price, plus **that there would be discounts/compensation for purchasers depending on their own unique circumstances.**

As part of the presentation the differences between new and resale purchases were given: the key points being:

- New properties have IVA at 4% and resale at 7%, with the garages, if bought separately having IVA at a commercial rate of 18%.
- 10 year guarantee on the property

Assistance with applying for a mortgage and getting it agree in principle prior to proceeding with a purchase was by Almudena.

Almudena also explained that those present had been invited because they expressed an interest in having a property at EL Pinet and their deposit size met the company's criteria. Not all the purchasers who expressed an interest to move their deposit were invited, due to their deposits being too high to enable the whole deposit to be moved to an apartment. **Almudena said that 100% of the deposit could be transferred but it needed to be below approximately 60,000 Euro to enable the finance of the build to be repaid and generate some income into the company.** She explained that she did not want to waste people's time and money or upset them by coming to hear about a possible deposit transfer, in which they could not transfer their full deposit. However, the plot with Azucena (Quad) properties would be restarting soon and that by repaying mortgages on the properties; it could make it possible for large deposits to be transferred in full.

Purchasers Response:

There were a total of 4 meetings, 2 in London and 2 in Birmingham, the response of the attendees at the end of the presentations varied but many entered into discussion with Almudena to discuss the possibility. Some said that they preferred a quad house and discussed when they might be available, while others felt this did not suite their circumstances and some that they preferred to wait for their SADM property or their money back

Many of the purchasers spoke to Anthony, with most saying that they thought they had lost their money and now saw that they could get something and out for themselves. Some reserved properties and made arrangements to fly out to see them before deciding to proceed with a purchase and appeared to be quite happy to do so.

Please note that we have details of a solicitor on the SARC website, which we consult and would recommend. We get nothing for this except for the belief that our members get good legal advice.

SJI Purchasers

There was a group of SJI purchasers who did not ask to attend the meetings and it appears that they are no longer in receipt of information from their solicitors. Unfortunately, SJI was asked by the solicitor to communicate to the purchasers only through them and not directly and they have abided by this request. This may have resulted in these purchasers not receiving information about the meetings. **SARC therefore, suggest that these people contact SJI directly, giving their contact details and ask for the company to contact them in the future.**

NEWS FLASH

Almudena 'phoned Anthony and informed him that the Supreme Court in Madrid has ruled that the Supreme Court in Murcia needs to rule on the Shepherd's claim. Importantly this Court has already ruled against the Shepherd once and is well aware of the issues in Jumilla and HdT can better communicate with this court. It is believed that this court will lift the hold on the development and should rule in favour of HdT.

There has been an announcement in Spanish press that the motorway link to Jumilla is going to be completed and opened to traffic this summer.

Almudena also said that the finance for the build of the plot of Azucena Quad houses at EL Pinet had been agreed and would be signed in the next few weeks.

Comment/Opinion:

This meeting was highly significant, as it is the first step in SJI and HdT beginning to deliver on the agreement that the purchasers signed up to and the companies have honoured the SARC request for purchasers to be able to move their

full deposits. **SARC looks forward to further progress** and with the very recent news from the court and the imminent recommencement of the quads, things appears to be moving forward and the light at the end of the tunnel looks a little nearer.

It was good to meet purchasers, many of whom were either members of SARC or utilised our website and to hear their thanks for the hard work that the committee has been doing to try to save our homes and our money. **To see people smile and to talk about how they could see progress is being made and that even if they did not want to move their deposit they felt more confidence in getting either their home or money was pleasant.**

With these developments if any purchasers are considering legal action against the banks, we urge caution and ask that the cost implications and the probable outcomes are weighed very carefully. It could be that people end up with legal bills, further stress and a long legal process, with no guaranteed outcome.

SARC ADM
24 May 2012