

Santa Ana del monte



Residents Cooperative

Throughout January and February Anthony Malpass has been communicating with HdT and expressing the concerns of the purchasers. Last week communications were had with both Tomas and Almudena and the points were as follows:

- Tomas confirmed that the courts are currently overwhelmed with work and that is slowing down the process.
- Before the creditors meeting can take place the court has to deal with challenges from some regarding the letters sent out to purchasers/creditors stating the amount of money credited to them.
- Negotiations to refinance SADM are still underway and the complexity of the negotiations, due diligence checks etc is taking time.
- Almudena has stated that they are committed to SADM and are optimistic of gaining the finance and continuing the project.
- SARC have requested for purchasers to be actively involved with any public area decisions when (all being well) SADM recommences.
- The inform (report) is currently being fully translated into English, with the cost being divided between three purchasers and will be made available as soon as it has been completed.

Opinion/Comment

Over the past few months it has become apparent that the only way forward for SADM is for refinancing to be negotiated. These negotiations are ongoing and it is understandable that due to the nature of the project and the complicated financial nature of any agreement that it will take time. The viability of SADM is improved by purchasers supporting SADM and making the project attractive by having purchasers ready, willing and able to spend their money on the purchase of their properties. Furthermore, the building of the new motorway link near to SADM and its location inland away from the toxic coastal build may also increase the attractiveness of SADM.

For those without Bank guarantees, who with changes in circumstances are unable to continue with their purchase, it is by SADM going ahead that the repayment of their deposits could be more realistically facilitated. Crucially for all purchasers without BG's is that with there being no money in the company to repay clients, if SADM does not go ahead the probability of getting any meaningful refund is very low. This is exacerbated by the current economic climate within Spain that would impact upon trying to realise the value of any assets.

Therefore, it seems prudent to remain calm and support the continuation of SADM as this has the probability of the best outcome for those without BG's.

24/Feb/2009