



July 29th 2010 Update Report

On Tuesday the 27th of July 2010 Anthony Malpass, on behalf of the SARC membership had a meeting with Almudena at the HdT offices and the following items/points were discussed:

The Creditors Vote:

At the time of the meeting the official result of the vote had still not been issued by the Court. However, on the morning of the 29th Almudena , telephoned Anthony Malpass and informed him that the **court had issued the document** that day. The document is in Spanish and will be placed upon the SARC website but it declares that the **settlement agreement has been accepted and HdT are out of Administration.**

Jumilla Town Hall:

HdT's urbanisation solicitors have been liaising with the Jumilla Town Hall and the documents for the creation of plots and the issuing of the final build licence are in process.

Now that the court has issued the document confirming a yes vote HdT will be giving a copy to the Jumilla Town Hall to enable the completion of the issuing of the final build licence and other necessary documents.

Finance:

The negotiations have been ongoing and BBVA have now also expressed an interest in financing SADM. The issuing of bank guarantees to ALL purchasers is currently being discussed, as HdT are aware of their importance to purchasers. The document that has been issued by the court declaring a yes vote will be sent by HdT to the companies ASAP.

San Jose Inversiones:

SJ have presented their settlement agreement to the court and as part of the SJ feasibility plan, SJ own a section of land at SADM and will be building 100 properties. If SJ come out of administration and proceed to build these properties HdT purchasers will have the option to move to a SJ property on SADM.

Purchasers' Options:

All purchasers no matter how they voted or whether they have a live or cancelled contract will be offered the same choice of options. With regard to purchasers moving their deposits to a SJ property at el Pinet or Playa Golf, this was discussed and SARC had recently asked its members if they were interested in this option. The result was that some due to change in circumstances or the change in prices of coastal properties expressed an interest but asked to have more information. Almudena was informed of this and asked to ensure that availability and locations of any available SJ properties are clearly presented at the forth coming UK/Eire meetings. One member had concern that this could cause delays or affect the viability of SADM but Almudena assured that this was not the case as there will probably be only around 100 SJ properties available.

It was asked that for those who wished to sell on their contract but not complete their purchase have clarity as to how this will work to ensure that when the property is completed there is no issue of the purchaser being liable to buy. Almudena stated that purchasers who wish to continue with the purchasers so that they could sell their contract on and get all of their money back should make this clear at the beginning and then if their contract is not sold before the completion of "their property" they would revert to 65% refund. Those who continue with their contract & have any change of circumstances etc must declare this ASAP to HdT before the completion of their property to request a change in their status

Purchaser / HdT meetings:

At the meetings purchasers will be able to discuss their options and whether they wish to have their money back as per the agreement (65% in 5years), or to continue with their contract but with the aim to sell it on or to continue with a purchase (including moving plot, type of property or consolidating deposits onto 1 or more properties).

At the meetings those who wish to continue with a purchase contract will discuss their individual compensation from HdT. SARC have asked for ALL purchasers to be treated equitably but with their individual circumstance taken into account, possibly by the use of an Excel formula into which various factors (E.G. length of delay etc) could be entered and result in a numerical outcome. This would ensure parity and equitability.

SARC have requested that a plan of the new phase 1 of SADM is made available for purchasers to be able to review by the latest at the UK/Eire meetings but preferably ASAP. It has also been requested that the SJ section on SADM is included but clearly identified as SJ rather than HdT.

Comment / Opinion

It appears that we are now beginning to come out of the mess that we were all in and that with HdT out of administration they will finally be able to move forward with SADM. The SARC Executive Committee has asked to build upon the working relationship that has been built up over the last 2 years and be an active participant in SADM. This will enable us to ensure that the communal areas and facilities truly

meet our needs and enable us to create an inclusive community built on mutual understanding and tolerance.

The SARC Executive believe that if purchasers had not come together as a group and worked to ensure that information was accessible and communication maintained with HdT ,that the positive outcome most probably would not of been achieved. Therefore, we would like to thank every person who joined and supported SARC, all of those who access the SARC website, all of those who voted yes and also the SARC webmaster Mr Chris Wheatley, who is not a purchaser but still gave his time freely in support of our cause.

The work of SARC will continue but for now thank you all and please raise a glass to one and other "Salute".

SARC

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