

Minutes Committee meeting of October 21, 2011 - 10:00 am Spanish time

Order of the day:

1. The debtors of update.
2. Q3 Finance
3. Presidents update actions since the last committee meeting including the issues to be discussed.
4. AOB - Next meeting Tuesday, November 22, 2011 at 10 am Spanish time.

Debtors of update

The figures below do not include charges recovered by our UK debt collector to be received shortly. I have been told that a transfer of € 30,590.37 is on its way to us and a number of owners had requested payment plans but have not accepted the conditions offered for justice officials will shortly recover funds according to the instructions of the courts from United Kingdom.

The 10 2011 rates are due now that please check your bank accounts to ensure payment has been made.

All debtors currently stand out in the recovery process in Spain or the UK.

The current outstanding debt is as follows:

2008: 40,912

2009: 63,845

2010: 139,111

2011: 141,529

Total 385,397

Q3 Finance

There are no surprises with the conciliation for the 3rd that shows an overhead of the planned budget of 237,940 euros for the year.

Our expectation to spend more has increased by 10,082 euros in the quarter two figures, mainly due to the cost of increasing pool water during the summer in the pools that have had installed meters this year as they had not paid for water and additional electricity used in the operation of the pool engines for longer during the main holidays, which did not result in the pool closing and many favorable comments regarding the pools.

Spending on these two items should be much less in the 4th quarter.

STV have reduced irrigation times, so let's anticipate spending a little less than the estimate at the end of the current year of irrigation water.

The review of electricity has the potential to save electricity costs next year.

I have already communicated to you the problems with irrigation water and the measures that we must take into account to reduce consumption next year.

We have met with STV to request a reduction of some of the communal areas of street cleaning frequencies even though we have a contract so we do not need to be offered a reduction.

Shortly the shipping options for cleaning buildings to the presidents of the building decide which company to use next year and what frequency of cleaning they are required so that we can prepare the sub community budgets towards the end of the year.

The figures are expected for the pools and maintenance of the source, the fumigation plague and the Administration.

An expense for installing water meters and repainting near the pool will not be repeated next year.

At the moment we are receiving legal advice to see if we can transfer the costs of public lighting of the City.

We have made savings in lift maintenance costs of 64,109 euros this year to offset some

of the excessive expenses above.

Presidents to update the actions since the last meeting of the committee.

Security

We have received bids from a two-company security maintenance contract that we will consider over the next few months with a view to starting the contract on 01/01/2012 and will be included in next year's budget.

More appointments are expected from both companies as an offer includes parts and the other we do not have to compare similar things.

(These minutes were produced prior to the recent thefts so they are not mentioned here although I have been sent a communication to all and a full update of the actions taken will be included in the minutes of the meeting on November 22, 2011.)

Of water

Alternative sources of water for the project team.

The actions you plan to take are detailed in the recent gardening update sent to all owners.

If you have not received such communication, please contact Resortalia to confirm that they have your registered email address.

Electricity Resort use of project equipment

Work has begun and this project is likely to take a number of months to complete.

During the project, we will try low-power bulbs and LED bulbs in areas of the facilities to see if we can reduce consumption.

Gardens

Ann Dyos, President of Phase 6, has assumed the role of Head of Gardening.

Before, or at least, the General Meeting of Shareholders presented some options to reduce water consumption.

Fumigation

Our fumigation contract expires later this year and will have to be renegotiated or retendered.

Team Project website redesign

Wireframes have been produced by John Slater and are now being discussed by the project team.

Many thanks to John for a very professional job.

Polaris World Issues.

Polaris World have denied the landscape of the area where they have been the former bar, supermarket and golf shop removed.

We will request a meeting with the golf course, once it is clear who it is.

New letters have been sent to the City of Murcia in relation to the storage area in Phase 7.

Statutes

Rewrite the by-laws in order to present options for owners to vote at the next General Shareholders' Meeting or an EGM is an ongoing project.

EUCC

We have the correspondence of a Professor of Administrative Law at the University of Valencia gives options for a potential legal case and we will explore our options in this area.

We have also contacted a lawyer who successfully processed a similar case. One or both of these gentlemen will be asked to provide the legal opinion that we may consider our options for action against either Polaris World or Murcia City Council regarding the differences between our statutes and the EUCC.

Rooms for garage storage

Polaris World initially indicated that they move the garage storage rooms to the community for free even though they are now unwilling to do so while the defects of our case is ongoing.

Legally, storage rooms do not exist and Polaris World have assumed ownership of them so this issue is ongoing.

It seems they do not want to have dealings with us at this stage which is nothing else we did not expect.

Resort Meetings

Further meetings are planned on a quarterly basis.

Contracts

We will try to renegotiate the road cleaning contract by reducing the frequency of certain activities. We have met STV, which will take into account our request.

We are happy with our pool contractor, Atlantis, and have requested an appointment for a three year contract and a 3 year part and labor contract. If the figures presented are not attractive they will retract the contract.

We have used the same fumigator, Natural Control, for a number of years, although we have asked for two more bids this year as Natural Control are now charging more for nest wasp elimination.

We are also talking to our administrator requirements.

We have asked quotes from the experience of Murcia, and Fausan Loymer for the construction and cleaning of garage and will present the figures to the presidents of the building so they can make decisions for their buildings.

It is now a legal requirement to have an electricity maintenance contract for community workshops and we have asked the appointments.

Any other business.

Confirmation that as agreed earlier in the year, gravel will be set up on some side golf areas, where there is only one mud trail with a cost of just under 7,000 euros. This work will be integrated into STVs schedule in the coming weeks.

Isaac has been asked to organize a meeting with IRM / Global Golf to discuss the outstanding issues.

We have received quotes from our Community insurances from Mapfre, Liberty Seguros and Zurich. Zurich had the cheapest item premium to an evaluation of the station, but for the moment we took in excess by accident, multiplied by the approximately 200 claims we make every year, it was cheaper to stay with Mapfre who already know the resort and our claims history and have offered the conditions for next year at the same price as this year.