

## Newsletter

## Issue : 2

Here we are nearing the end of 2011 and there are so many things to tell you.

This year has been a busy one for us with our acceptance in to the AIPP (Association of International Property Professionals) and our partnership with Rightmoveoverseas.co.uk. We have also launched our microsite on Home Away Holiday Rentals.co.uk and our twin centre holidays are up and running for 2012 offering people the chance to sample two or more destinations on the beautiful Costa de la Luz.

It would be wrong not to mention what a tough year this has been for Spain in many ways but with hard work and determination, we are convinced, Spain will come good again and we are certainly doing all we can to keep it up there as one of the most popular countries to visit or relocate to.

I have a lot of thank you's to do in this Newsletter so here we go.

We would like to thank Darren Merritt from At Your Service our IT company in the Costa de la Luz who have built us a very nice new website with a lot of new functions on it. So please go and have a look and tell us what you think. Darren who lives and works here is not only a website wizard but also repairs computers and sorts out the mundane everyday niggles which we all encounter with using the internet. He is a genius but also very professional and friendly, so if you have any problems with your computer no matter how small get in touch with him at [www.atyourservice.es](http://www.atyourservice.es)

Another thank you to Jilly and Sjoren at LHD in the Carretera de la Barossa for kindly offering the use of their Mailboxes facility for my weekly property surgeries. The firsts surgery is today, 1 December from 4 – 6pm with two more on 8<sup>th</sup> & 15<sup>th</sup>. If you have any property problems or concerns about

illegality pop in for a chat and we will see if we can help you. The service is free and you do not need an appointment. Jilly and Sjoren are well known for their very professional insurance broking company in Chiclana so if you need to renew your insurance for the house, car or business get in touch and see what they can offer you.

I also want to thank our contributors for this month, David Vila from Foremost Currency who's money market update was so popular last time that we have asked him to contribute again. Thanks also to Graham Saunders and Jane Holmyard from Toursareus. If you like motorbikes, Jane and Graham are the people to speak to for a holiday with a difference. From bike tours through the Riff Mountains in Morocco to the famous Route 66 they are the people to speak to. My thanks also goes to Steve Litchfield, who to my knowledge is the only British butcher on the Costa de la Luz and provides an excellent service to all nationalities on the coast.

Finally, we would like to thank you our customers, who have helped us to build our business through very difficult times and we would like to wish you and your families a very Happy Christmas and a Peaceful and Prosperous New Year.

*Lesley McEwan, MD, Cadizcasa.com*

### STOP PRESS...STOP PRESS...STOP PRESS

The Iberian Lynx love life has taken an upturn with 25 kittens born in captivity under the Ex Situ conservation programme this year compared to only 8 last year. This is the best result they have had with the programme since it was first launched in 2004. The Iberian Lynx is a critically endangered species specific to the Iberian Peninsula and a popular attraction for the Doñana National Park

where they are bred at the Acebuche Breeding Centre.



Cadizcasa have announced their partnership with Rightmoveoverseas.co.uk. Always with their fingers on the pulse of the Spanish property market, Cadizcasa Estate and Rental Agent's Managing Director, Lesley McEwan said "We were approached by Rightmove who were looking for a partnership with a professional and forward thinking estate agent in the southwest of Spain to service the thousands of clients who contact them every month looking for property in the Costa de la Luz.

The offer of partnering Rightmove was very interesting to us. There is no doubt that Spain needs to look to foreign buyers to get our property market back on its feet and Rightmove have the infrastructure and market placing to provide high volumes of potential UK buyers.

During the current international economic crisis it is important to put in place quality working relationships and in Rightmove we see a good, professional and proactive partner. Nothing will change within our organisation and we will continue to do the work we always have done which is to provide an honest, professional, efficient and friendly service to our clients. However, we now hope to provide our clients who have property to sell in Spain with an even wider audience direct from the heart of the UK, under the banner of a well respected market leader. This is an excellent complimentary partnership whereby our two companies will assist and promote one another whilst each retains their individual identity and market presence.

## STOP PRESS ....STOP PRESS....STOP PRESS

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The Reggie Perrin style disappearance of a Cadiz business man in 2008 caused great speculation. It was thought he had drowned off the coast of Tarifa

but he had in fact fled to Paraguay leaving behind a 31,000€ debt to the Bankinter. He married a beauty queen and fathered a daughter who he named after the wife he left behind in Cadiz! On returning to Spain he was arrested and went to trial but his luck held out and he was acquitted of fraud and falsifying documents. His two wives have not yet commented.

## EXCHANGE RATE OUTLOOK

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So what's happening in the currency markets, and which way may exchange rates move in the coming months?

In the last few months we have seen wild swings in both directions with the GBP/EUR reaching as high as the 1.17's but also getting down into the 1.12's at one point.

Europe has it's problems and these have been bubbling over for a while now. The consensus amongst analysts is that things will get worse before they get any better. One market commentator went as far to say that if things keep going the way they are then it 'could be enough to derail the World'. But it is not just Europe that has worries, the UK has just registered its highest level of unemployment for 17 years. Inflation is also at a record high it is looks like growth in the country has stalled.

Regardless of these problems, it is not all doom and gloom! There seems to be a plan emerging from a recent EU summit in which the leaders have discussed bank re-capitalisation, a revised bailout for Greece and finally an agreement on the size and structure of the European Financial Stability Facility (EFSF) and the contributions from the European central banks. The Chancellor George Osborne has recently stated that there is real progress being made and many believe that there is light at the end of the tunnel with UK and European talks.

It is hard to tell which way the rates will move in the next month but it looks like Europe are driving for

some decisive measures and trying to take action now rather than letting things drag on. We can not get away from the fact that we are tied in with Europe. Seeing as 40% of our trade moves backwards and forwards in the Euro zone, we have a great interest in saying what happens. If we just sit back and let the Euro fail then it will have a knock on effect for us and this will be seen in the currency markets.

It is a difficult time to predict what will happen so it is even more important to keep in contact with a currency broker. Please feel free to get in touch with David Vila at the Foremost Currency Group to discuss your options and let him guide you through the markets with his expertise.

Q “We’ve paid a deposit on a property in Spain, and have 2 months until the balance of €175,000 is needed with the Lawyer. I’ve heard of Stop Loss and Limit Orders; how could these be of use in our situation, how do they work and what are the benefits?”

*Gary & Sara Archibald.*

A A Stop Loss order will protect you against adverse exchange rate movements and secure your currency if it falls below a pre-agreed level. The other type of order you mention is a Limit order, which is placed at the top end of the market to secure currency at a specific price that may not be currently available.

In your situation, these types of orders can be used to help you achieve the best possible exchange rate within your 2 month timeframe. In the last month alone, the exchange rate to buy Euros has fluctuated by over 5%, meaning the cost to purchase €175,000 has been between £152,000 & £160,000 – a remarkable £8000 difference in just a few weeks. This clearly illustrates how much the cost of your property could fluctuate while waiting to complete the purchase. Of course leaving things to chance could mean your property costs many thousands more than necessary.

You could place a Stop Loss order to purchase your currency should rates fall below a pre-agreed level of €1.12 for example. You then have a safety net should rates drop away, and a worst case scenario of what your property will cost you. At the same time, you can place a Limit Order to purchase should rates improve, for example to €1.17.

In this way you know within a set range what your Euros will cost you, and should the problems in the EU continue and GBP/EUR rates improve, you can take advantage of any gains without leaving yourself exposed to deterioration in the rate.

The other option is waiting until you need the funds before transferring them to the Lawyer, but of course in this way you will not know the rate and therefore the cost until the last minute, and should the market move against you this could inexorably increase the cost of your property. Stop Loss and Limit Orders allow you to take control of the markets, rather than letting the markets control you, and potentially means your Euros cost thousands less than simply leaving it chance.

**David Vila at Foremost Currency Group**  
0044(0)1442892060 [www.foremostcurrencygroup.co.uk](http://www.foremostcurrencygroup.co.uk)

## **STOP PRESS ....STOP PRESS....STOP PRESS**

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Baywatch magazine has returned to the directorship of its creator Lee Dean. Having thought he had retired, he is up with the bats and owls again compiling and publishing the very popular local magazine and directory. The first edition which came out in October is the usual mix of local contacts, information and short stories about the people and businesses who make this area tick. Lee’s plans for the future are to develop the magazine, show more local content and make Baywatch a publication to be proud of.

## **HAS THE SPANISH HOUSING SECRETARY TAKEN UP A BIT OF DIY?**

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It is a reasonable question following the Spanish Secretary of state for Housing’s recent visit to the UK. It certainly looked to me from the press reports that she has taken up a bit of DIY in the form of papering over the cracks. I only hope she is using a strong adhesive as these cracks are going to take some covering up!

Attending the Property Investor and OPP Live show held earlier this month in London Ms Corredor

spoke during her keynote speech of the measures Spain is putting in place to give overseas buyers added confidence in the flagging Spanish property market. She mentioned the falling prices, Land Registry in English and the reduction in IVA.

We should of course also remember the new cross border conveying scheme brought in to help give reassurance to prospective buyers but are these measures really enough to kick start the flagging Spanish market?

Well, the Land Registry in English is a great idea but only if you already understand something about the Spanish system. I doubt many people would understand the difference between rustica, urbana, segregada and division horizontal even if they were written in English. I am not sure I do and I have worked in the industry for some years. The property size may be stated in the documentation but are most people aware that under declaration of property sizes is common in Spain so it is unlikely what you are buying matches what is on shown on the paperwork? Does your average buyer know what should be shown on the documents and therefore able to spot anything which is missing? The land registry documents fail to point out any issues regarding land grab and proposed new road networks etc so DIY due diligence in this instance could leave you in a right old mess.

The reduction in IVA is welcome but sadly way under powered to get the large number of unsold properties built near the Spanish coast off the shelves and the Cross Border Conveyancing Scheme while again an excellent idea is in its infancy and we have not actually seen how it will work when – god forbid - a problem arises and the purchaser tries to take action.

Seems I am not the only sceptic about Spain's new property face. I read in the press that the MEP Marta Andreasen took exception to the Secretary's

over confident approach to the market in her keynote speech and alleged that she was "living on another planet and refusing to acknowledge the problems that there had been....".

It is fair to say that the crux of the matter is not what Spain is now doing to help overseas buyers and encourage some confidence in the market, but more what it has failed to do in the past. We have some 300,000 illegal properties in the Andalusia area alone still unresolved and this is causing a lull in the overseas buying market. I think some of the effort put in to re-branding and re-launching the Spanish property market would have been better used to show at least a willingness to address these problems and change for the better.

To my mind a bit of paper and some paste is not going to be enough to cover the mess which has been created by what I see as poor policing of our industry. We have a wonderful country and some excellent property offers but what we need is a bit of honesty and an acknowledgement of where we went wrong.

Still I suppose her career options are open. It pays to have skills in our ever changing world but I am not sure painter and decorator was what she had in mind.

### **STOP PRESS...STOP PRESS...STOP PRESS**

The contract to build the last section of the A7 Autovía Mediterráneo has been awarded and work is to be completed in 2013. The section from Gorgoracha to Puntalón will cost 39 million euros and construction is due to start next month and also includes finance for the access road to the port at Motril. This last section of motorway has been long awaited and anyone who has bumped their way along it will know how very necessary it is. Many travelers thought they had got lost when the motorway suddenly turned to a B road beneath their wheels.

## TOUR MOROCCO OR FOLLOW STEVE MCQUEEN?

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Toursareus offer once in a lifetime motorbike tours all over the world from the Rif Mountains in Morocco to Route 66 or even Stalag Luft III made famous by the Great Escape. The company is owned by Graham Saunders and Jayne Holmyard who are both lifelong bike enthusiasts.

Graham says of their Rif Mountain tour “Morocco is a sight that you always dreamed of visiting, with the rolling green hills of the Rif and the stunning Atlas Mountains plus the mysterious desert sand dunes of the Sahara. The tour also takes you to the kasbahs, oases and you have the opportunity to drink mint tea and even take a ride on a camel. Morocco is a magical place and what better way to see its diverse beauty than from a motorbike”. A guided tour is often the best way to see a country as you get down to grass roots level rather than seeing what the Tourist Authority want you to see and a bit of insider knowledge can only enhance any trip to a new country.

If you don't fancy being in the saddle for a few days then Toursareus can also sort you out with some Moto GP Race Weekend Packages. Jayne says “most of us, along with millions of others, will probably see most races on television. The usual shouts and judgments are made as you watch the action unfold and afterwards you will talk about it with your friends, swapping opinions and theories about whom, why and what they should have done, all in good fun but it's never the same as actually being there. Attending a race meeting allows you to live, feel and taste the atmosphere of excitement and anticipation, which is truly unique. It's an experience you will never forget and talk about for weeks, months and even years later with your friends. We

offer Full MotoGP and World Superbike Hospitality”. The venues Toursareus host packages at include Brno Czech Republic, Mugello Italy & Laguna Seca USA.

Go online to their website for more information and prices and don't forget that our very own Jerez Moto GP is coming up early next year.

Toursareus attract all types of riders from the outright sports bike riders to the cruisers and the adventure BMW riders. Graham says, “we know the best routes and the local history so we can really give you an insight to the country. We offer a personal and professional service for touring motorcycles in Europe to places like Croatia, Slovenia, Slovakia, Germany, Czech Republic, Austria, Switzerland, France, Italy, America, USA Route 66, Alaska and the Canadian Rocky Mountains, places that using a map or brochure can't possibly match. Our mission is to ensure that you have the "Ultimate Riding Experience" while riding with a team that has been around the world on motorbikes themselves.



The latest tour from Toursareus is “The Great Escape”, it was put together in honour of the men who took part in the original escape. Men like Squadron Leader Roger Bartlett who's real life escape was recreated using the character Squadron Leader Roger Bushell played by Sir Richard Attenborough. Roger took command of the 92<sup>nd</sup> squadron based at Biggin Hill in 1939. After being shot down and captured, he masterminded several escapes and finally was transferred to Stalag Luft III a camp intended to hold the most difficult prisoners. Here he set about planning his most daring escape ever and lead the escape from Hut 104, Stalag Luft III in March 1944. This was the last of many escapes he made with the intent of keeping the Germans occupied searching for escapees. The plan was to break out 250 prisoners far, in excess of any other attempt, through a tunnel dug by the men and nicknamed Harry but the tunnel fell short of the woodland they expected to come up in and the tunnel

was discovered before all the men could get out. Nonetheless, 76 men did escape and 3 of them made it to freedom with the help of partisans. Sadly Roger Bartlett was rounded up the day after the escape, Aged 33, he along with 49 of the organisers and escapees from Hut 104 was murdered by the Gestapo in a field.

The tour is 15 days long and covers 3,500 miles. It starts very appropriately at Biggin Hill and takes in Berlin, the Stalag Luft Prison Camp Poland, Hut 104, The Dresden Memorial, Colditz Castle SS Barracks, The Eagles Nest, The Black Forrest and The Menin Gate. You also get to do some tank driving.

Most importantly 500 pounds of every booking will be donated to the Afghan Heroes Charity.

*Contact Graham Saunders or Jayne Holmyard*  
[www.toursareus.co.uk](http://www.toursareus.co.uk) 0044 1934 743716

## **STOP PRESS...STOP PRESS...STOP PRESS**

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Spanish TV fortune tellers have come under scrutiny with hundreds of complaints from the public and a legal process has been opened in Malaga. Main problem seems to be the premium rate numbers which callers use to contact the numerous programmes for on screen fortunate readings. The channels numbered 67 but another 64 have now sprung up and invaded the TDT frequency without licenses. Many callers are being kept waiting several minutes pushing up the cost of the calls.

## **CHANGE IN GOVERNMENT BUT WILL THERE BE A CHANGE IN THE PROPERTY MARKET**

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The National elections took place on Sunday, 20 November and we have the PP in power now - who are basically the Conservatives. Is the change in

power the turning point for the property market that we have all been waiting for – well, we shall just have to wait and see. Historically the conservatives in Spain are better at doing the housekeeping accounts but let's be honest, the house is in a right old mess so it is going to take some financial juggling to sort it out. That said if you are on a sinking boat it is nice to know that the man at the helm at least has his marine proficiency certificate.

Our problems are multiple, the worldwide financial crisis, the overbuilding of the 00's, bad press and banks who sit on their assets and refuse to lend them to us poor people so we can buy a house. The market has stagnated with more houses for sale than we have buyers, so something has to give if we are to get Spain moving again and the thing we really need to loosen its strange hold is the banking system. Notorious for charging every time you breath, the Spanish banking system is one of the most voracious in the world. Indications are that they have the money but they are just not prepared to lend it at present.

The excuse I had most recently was that the borrowers were foreign so more likely to default. Wake up, you are reclaiming Spanish properties from Spanish people daily at the moment and you need to empty the store cupboard soon or the bad debts will count as a loss against your profits. Perhaps that is the answer, you are sitting on your funds to finance purchasers for your own properties?

The system needs a good doze of the trots to clear itself but until that happens there is a new mortgage product which landed on my desk the other day and is being released next week. It offers funding for a new house purchase, investment purchase, buy to let or indeed a re-mortgage or equity release. It is available in 10 countries including France, Hong Kong, Singapore, UK and Spain and in 10 currencies. I cannot give you the name of the lender for fear of being shot for letting the cat out the bag but they are an award winning overseas lender so I suspect they will ping up on a Google search.

They are offering 60% ltv on Spanish properties or you can borrow against another property for instance in the UK in which case they will do 70% lending. The maximum loan is up to 5 times your income, sole or joint.

The rate as per the example (so it could change) was 4.25% for euros and for an additional .20% you can have interest only or a dual currency mortgage. There is the usual 1% opening fee. However, the loan term is 5 years so it is a stop gap measure and you would have to consider remortgaging not that far in the future.

Not only do Spanish banks like to charge lots for their service, they like to haggle. Most people do not realise that mortgage terms are negotiable, the opening fee, the closing fee, the fee for paying off part of the mortgage midway through the loan term. Everything is negotiable and that can mean great savings so make sure you go through the terms and conditions before you sign and most important - haggle. I know it is not in our polite British nature but you really have to summon up the guts and do it.

I suspect this is the tip of the iceberg with new mortgage offers as the banks have to release their iron grip soon so keep your eyes open and compare what is on offer.

## **STOP PRESS...STOP PRESS...STOP PRESS**

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The ex Socialist Mayor of Valverde de Camino in Huelva, Miguel Ángel Domínguez, allegedly used the municipal VISA credit card to pay 3,685 € at a brothel in Sevilla while he was Mayor. He has resigned from his role as Provincial Delegate for Public Works and Housing for the Junta de Andalucía, as well as the other positions assigned to him in the PSOE. El Mundo (newspaper) claims that his credit card was used to make 7 payments on one day in February totaling 3685 euros.

## **BORN TO BE A BUTCHER**

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I always thought it curious that a traditional English butcher would set up shop in the Costa de la Luz but now it makes sense.

Steve Lichfield left school at 16 and went to work in the local family butcher's shop in Queens Park, Bedford. He started as an apprentice under the watchful eye of John Dew the shop owner working in the back shop making sausages, beef burgers and pies and helping to cure the bacon sides and smoke the hams. I dare say at 16 it was a job which provided money to do the things he wanted to do when not at work but that early training was to change Steve's life and give him the skills to set up his own business in Chiclana many years later.

Steve says "I loved that shop, on a Saturday we could have literally 100 people queuing to get through the doors. I worked in the back shop for about 2 years until I was proficient enough to work out the front. I used to carve the hams and I could easily do 5 whole hams on a Saturday all cut fresh to order for the customers. People came from miles to buy from Mr Dew. They knew it was a quality homemade product and they always got good friendly, professional service in the shop.

Sadly, the time came for Mr Dew to retire and he sold the business. The new owner was not the same type of butcher, he added water to the meat and we stopped producing a lot of our trademark products. After about 6 months I could see the writing on the wall so I left. The business closed down about a year after that.

I went to Safeways and within a short space of time was promoted first to Meat Supervisor then Meat Manager. I was with Safeways for 16 years and progressed through the ranks to Assistant Manager, Deputy Store Manager and finally a Manager. I worked around Camden, Towcester and then Northampton.

To be honest the move abroad was sparked by watching the Brits shopping when I was on holiday. They all bought their meat at the local supermarket because they did not speak the language but they knew by the colour of the label what was in the packet, red was beef etc so it made it easier for them but I always thought it was denying them the ability to buy good fresh produce from an independent. I thought there was a market sitting there untapped.

My first idea was to go to Cyprus but being an island it was quite restrictive so Spain then came to mind. My wife Nicky and I came over and had a look about. I did some homework on where the concentrations of ex pats lived on the coast, what type of products they wanted to buy etc and we settled temporarily in Conil. A shop became available in Chiclana and we thought all we had to do was set up.....I had not really allowed for Spanish bureaucracy. It took us 14 months to get all the papers filed, processed and signed. I even had to pay 1,000 euros for a noise nuisance survey. The poor guy stood out on the street with all his sound equipment and told me to switch on the various machines one after the other to see what sort of noise output they had. I have never known anyone be deafened by a bacon slicer but we just went with the flow.

We have been here 5 years now and we are doing well. We added a dry goods section including Indian pickles and sauces plus a cheese deli with quality cheeses both of which are very popular”.

I asked Steve what the difference is between UK meat and Spanish. He told me it is basically the age. The Spanish like young meat so the beef comes from 8 – 12 month old animals whereas a good bit of Aberdeen Angus would be 2.5/3 years old at slaughter. Most Spanish meat is fed on milk as we are very short on pasture so it changes the taste too. The Spanish find UK meat stronger as it has time to chew on the grass and absorb the flavours. Steve buys all his beef from Toledo as they have good pasture there and the animals get to roam and feed which Steve believes produces a better piece of

meat. The Spanish lamb is likewise smaller, normally around 8 kilos and fed on milk whereas the lamb Steve buys from La Mancha is around 16 kilos and again has enjoyed some nice pasture. Pork is the same, he always buys from Malaga as it has a good fat covering which adds to the flavour protecting the meat while it cooks and if you like a bit of crackling with your pork Steve can sort you out on that too. All the meat comes in to the shop whole and is then butchered down by Steve so if you want a Barnsley chop he can do that or indeed any other cut of meat which you might be missing from the UK.

Amongst Steve’s most popular products are his home made sausages, burgers and smoked bacon. In fact, Steve has managed to turn a few Spanish people and they now come in for their English style sausages. The day I was there, Steve was busy making meat balls for some Norweigen customers and he had their Jarlsberg cheese in the deli ready for them to collect.

Steve has never forgotten his days with Mr Dew who trained him well and instilled the basics in him. Like good quality meat, good customer service and offering what your customers want. Pop along and have a look at Steve’s shop it’s an Aladdin’s cave for carnivores.

***Litchfield’s English Butcher, Chiclana  
Call 661 971 462***

**“We hope you enjoyed the Newsletter. Our next edition will be out on 1 April 2012”**