

PRESS RELEASE

NEWS - FOR IMMEDIATE RELEASE

Med meltdown avoided thanks to Genus' crusade

It's taken 12 months of frustrating campaigning but there is light at the end of the tunnel for thousands of berth owners in Spain where the authorities have finally called-off plans to impose the dreaded 'Ley de Costas'

Earlier this year Genus Marine – Europe's leading marina berth broker – became aware of an onerous new development in the Spanish legal system. Ley de Costas (Spain's long-ignored 'Law of the Coast') was devised by the Spanish authorities in 1988 to restrict new marina berth leases to 30 years. However, for the last twelve months, the Spanish authorities have been applying the law retroactively to all berths, even those built and purchased prior to the law's introduction.

The practice has had a catastrophic affect on berth sales in Spain. "We were expecting a 30% drop-off in sales due to the financial downturn, but the market has actually flat-lined in the last 12 months," explains John Brewster, Director of Genus Marine & Leisure. "Every berth sale would fall through at the Notary stage when the property deeds were returned from Seville with the lease expiration date incorrectly adjusted to 2018, thirty years from the law's inception date."

Genus watched sales fall through in Estepona, Duquesa and Sotogrande, as the Junta in Seville tried to impose the original 30-year lease limit on any berth being sold throughout Andalucia. For berth owners in Sotogrande, this meant that 39 years would be slashed off their original 2057 leases. The future was even worse in Puerto Banus where owners were facing a loss of 51 years of ownership. The uncertainty decimated berth values overnight.

"We've been fighting for clarity for over 12 months now," explains Brewster. "Initially, we had a job convincing some people that there was even a problem. The real breakthrough came following a press release by our PR company Sharp Communication, in early June. The boating media really picked-up the story and the resulting publicity has lead to a surge in pressure from the boating community against the Spanish authorities."

“Once people were made aware of the problem, opposition has been legion, and I would like to thank all those who have taken time to contact their local government bodies, port authorities and politicians to apply pressure to the notoriously slow Spanish legal system.”

The result is a huge relief for owners. “In a combination of saving face and seeing sense the central authorities have now recognised that the law was wrongly applied and have assured the legal system and the port authorities that original berth lease dates will be honoured. This will help restore confidence in the market and help to get it off the floor,” concluded Brewster.

Photo caption: Finally seeing sense, the Spanish authorities will not change berth lease end dates



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