

**Question for written answer E-010869/2012
to the Commission**
Rule 117
Robert Sturdy (ECR)

Subject: Leaseback properties in Member States

It has come to my attention that many UK citizens are being duped by leaseback schemes in other EU countries and then held responsible for the losses. Leaseback properties are when the investor buys a freehold property on a touristic development, which is then 'leased back' to a management company which pays a guaranteed rental. In some cases these properties are guaranteed by the national government. All of the purchase transactions are conducted through reputable agencies in the UK and in the country of the property. These properties are being used by many as a way to add to their retirement funds. In many cases management companies have stopped paying the rental fee or the management companies were sold to another company which does not pay. Investors have suddenly found themselves with large mortgages and no way to pay for them.

Is the Commission aware that these leaseback properties are still being sold as safe, guaranteed investments by property agents?

Surely the Commission can agree that this problem should be addressed in order to prevent other investors from falling into this disastrous situation?

While the Commission has no legal competence in property law, could the EU's partial competence in the area of consumer protection compel the Commission to prevent other consumers from being subjected to the same fate?

What is the Commission doing to protect consumers from this unfair treatment?