

# Galliard and Frogmore do twist in Docklands

■ Stephen Conway and Paul White buy Ballymore's Baltimore Wharf for £30m

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Two of London's most seasoned residential developers are close to paying £30m for a site in London's Docklands that has consent for a 748,000 sq ft residential and hotel scheme, including a "twisting" 46-storey tower.

Galliard Homes and Frogmore are thought to be the preferred buyers for the second phase of Ballymore's Baltimore Wharf, a freehold site on the eastern side of Millwall Inner Dock that is around 600 metres south of the main Canary Wharf complex.

*Property Week* understands the longstanding partners, respectively led by Stephen Conway and Paul White, are likely to complete the existing scheme at the £30m site, which could be worth around £250m once developed.

The pair are believed to have beaten proposals from Essential Living, the

private-rented arm of Essential Land, and Hadley Property Group.

Galliard and Frogmore are expected to buy the freehold outright, but may seek to involve Ballymore as the scheme progresses.

Lenders of £265m against Baltimore Wharf, among them senior lender the Royal Bank of Scotland, took a 73% stake in January 2011, as part of a debt-for-equity swap. RBS holds £196m of debt and the remaining £68m is owned by the holders of 15% coupon mezzanine debt.

Ballymore asked agents at CBRE and Alan Selby & Partners in August to find an equity partner or buyer for the site.

The overall Baltimore Wharf scheme has consent for 972 flats. Phase one contains 473 flats, 450 of which have been sold – most at values of around £850/sq ft, sales particulars seen by *Property Week* show.

The highest-grossing residential element is expected to be the

46-storey tower, which will contain around 330 units. Neighbouring blocks will house 195 serviced flats and a 143-bedroom hotel.

The debt-for-equity swap was carried out last year at the same time as a restructuring of Ballymore's debt. It is one of the largest debtors to NAMA (Ireland's National Asset Management Agency), which bought €75bn of property debt from Irish banks.

Although other firms that came to epitomise the Celtic Tiger, such as Treasury Holdings, have been put into receivership, Ballymore has been backed by NAMA to manage its assets. It has sold some, such as Baltimore Wharf, and developed others, such as the site around the new US embassy in Battersea.

The site is owned by special-purpose vehicle Ballymore London Arena – a reference to the site's previous use as a 15,000-capacity venue.

All parties declined to comment.

