

Levy's Golden Mile

Euston Road

Levy's Stock Conversion may have received the full glare of publicity over Tolmers Square. But what is less known is that Levy, over the past few years, has accumulated a substantial holding in a comparatively small 1½-mile stretch of a central London thoroughfare (see map).

At one end, next to Hampstead Road, stands the Euston Centre, already well publicised after Levy's infamous description of it as 'monopoly towers.' At the other, opposite Kings Cross station, Stock Conversion has been steadily buying in to a large block of run-down property bounded by York Way and Caledonian Road.

Although at present this largely consists of low-rental housing, in the future there are hopes for it to become the main terminal for Maplin Airport. Its convenient siting next to the railway station is likely to be a crucial factor in the final decision. Levy is reported to be very close to achieving a controlling interest in the site.

In between these two sentinels to speculator's buying power (not forgetting Tolmer Square) would appear, at first sight, to be no man's land. Not so.

Stock Conversion also have a substantial and, until now, undisclosed interest in the 405,000 sq ft office development planned to fill the space between Euston Road and Euston Station. The new development, which consists of four blocks varying from 50 to 180 feet in height, will completely hide the station from view and consume a large proportion of the gardens in front.

The scheme is being underwritten by the Peachey Property Corporation, whose chairman and managing director is Eric Merton Miller, JP. Mr Miller

is also a director of NWR Sites, Lime Street Developments and Hawarden Properties. So is Mr Joseph Levy of Stock Conversion. The Peachey Property Corporation itself owns 20-25% of the shares in NWR Sites and Lime Street Developments. So does Stock Conversion through two of its subsidiary companies.

The clear inference from all this is that one might not be too far wrong in assuming a certain alignment of interests between Peachey and Stock Conversion over the redevelopment of Euston Road.

Quite apart from these overt displays of Stock Conversion's involvement, there are also the three major railway holdings to be considered—the Midland Road Goods Depot, St Pancras Station and Kings Cross. The Goods Depot is at present in a state of virtual redundancy, whilst it is common knowledge that one of the two main-line stations is to be dispensed with. The recent statement by British Rail that St Pancras was 'not worth cleaning' must have made a few developers' noses twitch with anticipation.

A few years ago the area around Euston Road might have been described as a varied, if run-down, working-class community. In the future it may be better known as Levy's Golden Mile.

Tolmers Square

Camden Council's Community Planning and Resources Committee is this week due to make a final decision on the two rival schemes for Tolmers Square off Euston Road. One of those, the original, was submitted by Joe Levy's Stock Conversion property company. The other,

and more recent, is a non-profit making proposal put together by two freelance journalists, Christopher Booker and Bennie Gray, under the aegis of a £100 company called Claudius Properties.

The difference between the two schemes is fairly dramatic. Whereas both would involve a certain amount of office development, under the Claudius proposal the remainder of the land (about 8½ acres out of a total of 11.2) would be transferred to the Council for the nominal sum of £1 per acre. Camden would also get any surplus profit, estimated by Claudius to be about £5 million.

But although the Council is on the surface still prepared to make an objective choice between the two, the dice have been cast pretty firmly in favour of Stock Conversion.

As long ago as July Mr BH Wilson, the borough's town clerk, was already beginning to cast doubts on the viability of the Claudius plan. In a report to the Community Planning Committee of June 25 he noted that 'a scheme of this size and complexity requires considerable expertise in both assembling land and in the letting and management of the development. Stock Conversion have demonstrated that they have this expertise and it was for this reason and the fact that they have a large land holding in the area that the Council agreed to negotiate with them...'

Earlier this month Wilson prepared a second report, this time doubting the ability of Claudius to get a compulsory purchase order on the 4.96 acres of land already owned by Stock Conversion and its subsidiaries.

He pointed out not only the delay which might occur if Claudius' offer was accepted but the duty which Camden might feel to a company (ie Stock Conversion) with which negotiations had reached such an advanced stage.

But the most crucial factor in

the decision is likely to be a lengthy legal opinion obtained from George Dobry QC on the instruction of the leader of the Council. The opinion lays down in no uncertain terms that Camden would be extremely unwise to continue its discussions with Claudius.

After underlining the unlikely event of the government approving a CPO on Stock Conversion's land, Dobry continues: 'One holds no particular brief for Stock Conversion but one must recognise that they are well established and experienced developers with considerable economic and building expertise. Normally the Department (of the Environment) favours partnership schemes with experienced developers and for many years has recommended in its Bulletins and Policy Statements the use by local authorities of the commercial experience of major development companies... In these circumstances, we frankly think it conceivable that the Department would view with favour the replacement of Stock Conversion at this late stage by Claudius Properties'.

At a later stage Dobry describes the Claudius offer as 'somewhat nebulous'. 'It certainly sounds attractive and interesting and may well be public spirited. It is supported to some extent by the advice of extremely experienced valuers and has some encouragement from one of the leading Merchant Bankers; but at the end of the day one cannot escape the fact that the Council is being asked to commit itself in partnership with a £100 Company with no track record of any major development schemes'.

At the end of the day, needless to say, Dobry's opinion could prove decisive. The Town Clerk has already suggested that Claudius would do better to use their obvious flair on another site in the borough. Stock Conversion, meanwhile, will add yet another feather to its speculative cap.

