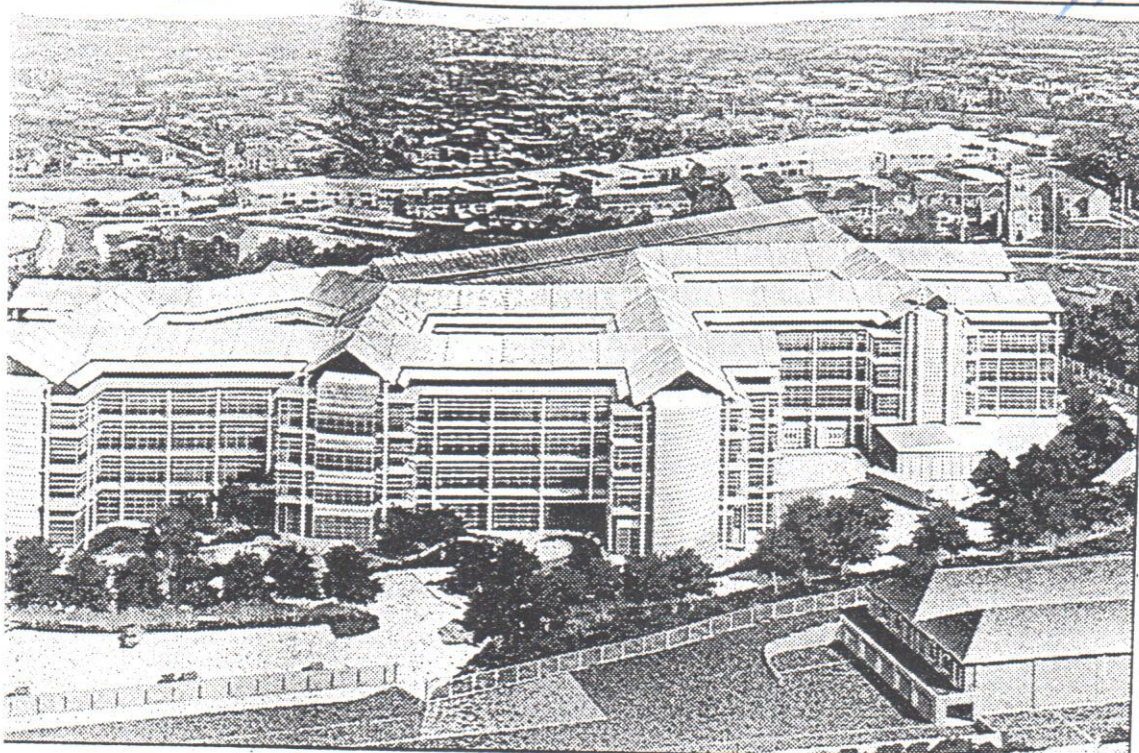


PROPERTY / EDITED BY BRUCE KINLOCH



Demand in east Germany to soar

THERE will be demand for nearly 1.5 billion sq.ft of new office, retail and business space in eastern Germany over the next 10 years, a German real estate consultant told a seminar in London last week.

Caspar von Weichs, a partner of Dr Seebauer & Partner, an associate of estate agent Drivers Jonas, said that there will be demand for 1.08 billion sq.ft of business space, plus 370m sq.ft of offices and 44.13m sq.ft of shops in eastern Germany, which is expected to reach the productivity levels of western Germany by 2001.

Speaking at a seminar on the German property market, organised by Drivers Jonas, Mr von Weichs said more than 150m sq.ft of the space would be needed in east Berlin, including 80m sq.ft of offices.

He also estimated that 1,250 new hotels would be required in the eastern sector of Germany.

The cost of the investment needed in commercial property is estimated at 350 billion marks (£121.5 billion), with another Dm594 billion (£206.2 billion) required to upgrade and replace housing in eastern Germany.

University appeal succeeds

CITY University has won a planning appeal against the London Borough of Islington to build 260,000 sq.ft of offices on a site currently covered by students' accommodation, dating from the sixties at 25 to 32 Chiswell Street, London EC1.

A Department of the Environment inspector dismissed the council's objections that the proposed office project was too big. The ruling said it failed to conform with Islington's unitary development plan.

The office project will help City University to pay for improved student accommodation and a new business school.

pression of Hyperion 000 sq.ft headquarters Service at St Mary's suggests the building more secure than Brixton biggest office building in largest single office pro-

ject to receive planning consent and funding this year. The offices are designed to house 2,000 employees, with about 60 p.c. expected to be relocated from London. The remaining 800 will be recruited locally. Work will begin early next year and the Prison Service should

take occupation in early 1994. It is expected the Home Office will purchase the freehold of its headquarters from Hyperion, which is a subsidiary of NFC. St Mary's Wharf will provide a further 100,000 sq.ft of offices and five acres of housing for other uses.

Mountleigh rollercoaster

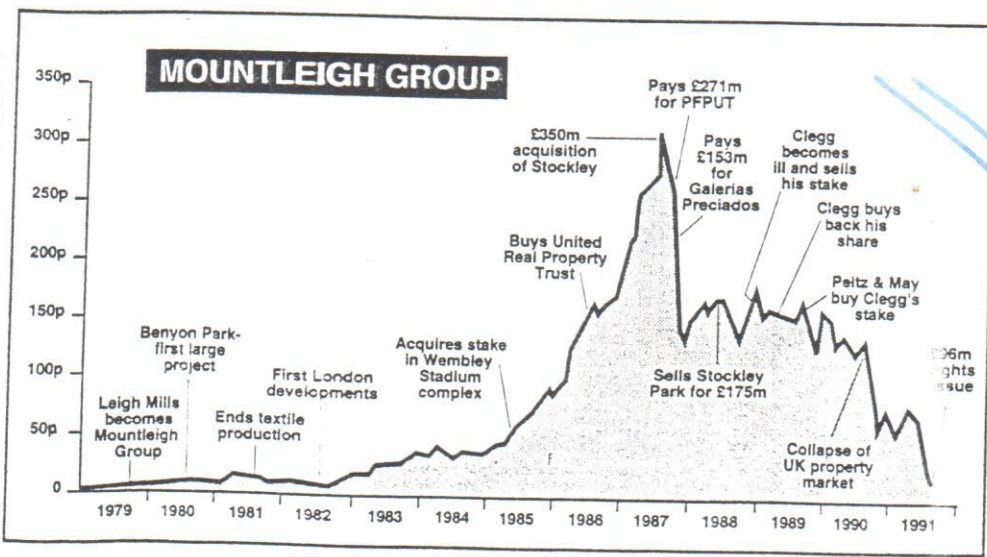
Barrie

the property American Nelson Peltz which has raised £96m issue, was fastest growing in 1980s.

invested company in early Leigh Mills, group just property, a £1.47m their stake. By then it had pulled of huge

ts. at least ear between each £70.7m ear to April on frantic which could last week it loss. first major as in 1983 mes to the rce at £2m diversified

te in Wem- 85 and also



eventually sold for £318m. Mountleigh also paid £350m for Stockley, a company which had a wide range of property assets including a 350 acre development site near Heathrow airport which was later to become one of the best business parks in Europe. This was later sold to a consortium which included Elliott Bernard's Chelsfield.

ies and in late 1987 moved into retailing by paying £153m for the loss-making Spanish department store, Galerias Preciados.

However, the pace took its toll on chairman and chief executive Tony Clegg's health, and he underwent intensive surgery in late 1988, and sold his stake in Mountleigh. He later bought back

heat, but this did not deter Nelson Peltz and Peter May from buying Clegg's 22 p.c. stake for £70m in November 1989 as they looked to invest their fortunes, estimated at a total of \$850m, in Europe.

Peltz and May paid 200p a share for Clegg's stake, and said they hoped "to enhance shareholder value", but since they took over Mountleigh