

CONFIDENTIAL



Prime Minister ②

MBH 11/4

PRIME MINISTER

ms

1. Mr. [unclear] - 15 sec.

2. CF 15 pc.

CEB

ST GEORGE'S HOSPITAL: SALE OF HYDE PARK CORNER SITE

As reported in my Private Secretary's letter of 14 March, we offered the Grosvenor Estate the opportunity of signing a 'two payment' agreement for the purchase of our freehold interest in the St George's Hospital site. In accordance with the advice of the Attorney General we gave Grosvenor fourteen days to sign this agreement and made clear that if they declined to do so we would regard ourselves as free to treat with other parties.

In the event, Grosvenor decided that they did not wish to pursue the 'two payment' agreement because in their view it involved them taking an unacceptable financial risk. They made instead a final payment offer of £8 million. This contrasted with the single payment offer of £10.75 million which we had already received from HPC Trustees Ltd. On the advice of Richard Ellis, who are acting for us, and the Chief Valuers Office we have accepted this and the sale is due to be completed tomorrow. I propose to make a short press announcement of the sale then.

Ref.

N F

W. April 1986

CONFIDENTIAL



COMMUNIST



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PRIME MINISTER

**ST. GEORGE'S HOSPITAL:
SALE OF HYDE PARK CORNER SITE**

Mr. Parkinson has mentioned to Mr. Idris Pearce of Richard Ellis, the chartered surveyors who advised DHSS in this sale that you were somewhat concerned about the arrangements finally agreed. Mr. Pearce telephoned me today to say that he is coming to the meeting of the Sainsbury Group on 30 April and would be very glad to give you some extra briefing on why the terms agreed were defensible and right. I thanked him for his offer which I would draw to your attention. I do not think that he will raise the matter with you and you of course need not raise it with him.

N. h. W.

ms

Nigel Wicks

23 April 1986

NIGEL

Mr Idris Pearce of Richard Ellis

(Chartered Surveyors) would be grateful
if you would telephone him about a
recent discussion you had with Cecil
Parkinson about St George's.

Preferably this morning, as Mr Pearce
will be out this afternoon.

01 629 6290

Ann

~~CF~~
~~Propl on~~
~~Sale of St Georges~~
~~Hospital site.~~
W.