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Galliard hires industry heavyweight amid talk of flotation

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GALLIARD, the largest privately-owned property developer in London, has appointed industry heavyweight, Paul Huberman, as a non-executive director, fuelling speculation that the housebuilder may be gearing up for a stock market float.

Mr Huberman, formerly of Grantchester Holdings and Asda Property Holdings, joins the Galliard board as housebuilders Miller Homes and Countryside, along with retirement builder, McCarthy

& Stone are thought to be preparing for a stock market listing.

Galliard, founded and run by Stephen Conway, was responsible for developing Whitehall's Great Scotland Yard into a £10,000-a-night hotel, and the construction of Baltimore Tower in Canary Wharf. It has hired Mr Huberman to "advise on corporate growth" as part of the company's expansion plans. Mr Conway confirmed to *The Sunday Telegraph*.

"We are a private company, driven by entrepreneurial

flair which has benefited us as we can move quickly; we can buy a site in seven days while some companies are still doing due diligence on it seven weeks later. And in 45 years we've not made many mistakes," he said.

"But we've taken on a £75m corporate loan from Deutsche Bank and £50m from [US investment company] Cain Hoy, and therefore wanted to add some corporate and quoted expertise as well."

Born and bred in Bow, and estimated to be worth around £270m, the chairman of

Galliard Homes has developments scattered all over London, including the Chilterns, upmarket apartments in Marylebone in which Angelina Jolie showed an interest last November when she was considering buying a UK pied a terre.

Galliard, which has a residential and commercial portfolio of £2.4bn, is in the throes of a massive expansion programme, following an announcement in November that Cain Hoy will invest £225m in new residential projects over the next three

years, triggering over £1bn of new development in London and delivering 4,000 homes.

The developer is also converting West Ham's ground, the Boleyn Ground, into a mixed-use residential scheme before the club's move to the Olympic Stadium next season.

"Over the next few years Galliard Homes will significantly increase the size of its operations. This expansion requires enhanced corporate structuring and disciplines," said Mr Huberman. A flotation is not

imminent but "never say never", said Mr Conway, 66.

The chief executive of a rival FTSE 100 housebuilder said: "Galliard could be a likely candidate for an IPO."

British developers had a bumper year in 2014 amid rising demand for new homes.

The combination of the Government's shared equity and loan guarantee scheme, helping first-time buyers get on the property ladder, low interest rates and credit availability in the first half of the year boosted forward sales.

However, after the post-downturn spike in activity levels and prices, the high-end central London market showed signs of cooling in the autumn and winter, at which point Galliard launched its "getting on the ladder" campaign.

With the average London house price now 12 times average earnings, according to new data from Hometrack, putting home ownership out of reach for many, Galliard is developing studios in areas such as Hounslow in West London, starting at £250,000.

"The top end of the central London market is fighting shy and there's no movement until after the election," said Mr Conway.

"We may see it was a mistake to introduce a 12pc stamp duty tax, introduced [by the Conservatives] to thwart mansion tax but we might get both."

He said that the middle market was moving well and any new houses priced between £250,000 and £400,000 were "flying off the market and we can't build quick enough".