

**Jim Fitzpatrick MP**  
Member of Parliament for Poplar and Limehouse  
House of Commons  
London  
SW1A 0AA



**ROYAL MINT COURT  
RESIDENTS**

ROYAL MINT STREET, EAST SMITHFIELD, ST MARY UNCHURCH COURT, LONDON E1 8AN

*31<sup>st</sup> August 2018*

*Dear Mr Fitzpatrick,*

**RE: SUSPECTED MALFEASANCE BY THE CROWN ESTATE RESULTING IN INJURY TO THEIR  
SOCIAL HOUSING TENANTS & THE BRITISH PEOPLE**

**1. Introduction**

Further to our recent meetings, we are writing to formally request your help with a serious matter concerning the Crown Estate Commissioners (CEC) and their professional advisors; and the purchase of the freehold of our homes by the Government of the People's Republic of China (RMC).

We are Leaseholders of affordable housing, a children's nursery and small shop at St Mary Graces Court, Royal Mint Court (RMC) a historic property adjacent to the Tower of London that was owned for centuries by the Crown Estate. Our residents include key workers, teachers, nurses, military veterans, transport and local government workers, pensioners and small children. As this is a very sensitive matter, we would like our identities to remain confidential and are using a pseudonym. However, our group have provided our names and addresses to you and consent to you holding these details and communicating with us.

We believe we are the victims of a serious fraud but stress that we have no malice and wish no offence to Her Majesty the Queen, the Chinese Government or any other innocent parties in this matter. Our complaint is against the CEC and their professional advisors. It concerns the CECs controversial disposal of their social housing stock and the RMC in 2010; and the conduct of banks that provided individuals and offshore companies with mortgages on the four Leasehold offices at RMC and securitised these and other loans as the financial crisis was beginning to emerge in 2006.

We are very concerned that important information about this matter appears to have been deliberately concealed in such a way that it was unlikely to be discovered by HM Treasury and the British public for some time, even with reasonable diligence. It came to light in June this year following access to new information and extensive research. As this is a serious case and of considerable public interest, we respectfully request that the matter is referred to HM Treasury (HMT) and the Serious Fraud Office (SFO) for independent investigation.

**2. The Complaint**

The matter has raised suspicions about the CEC's 'off market' sale of the historically significant 5.4 acre RMC freehold to an offshore company that was a wholly owned subsidiary of DV4, a fund advised by Delancey Real Estate Ltd ('Delancey') for £51m (the lower of two bids); failure to disclose information to HMT, Parliament and the British people; and the CECs practice of forming partnerships with companies where the Ultimate Beneficial Owner (UBO) and their Source of Wealth (SoW) is unknown or intentionally withheld. The National Crime Agency (NCA) has warned that properties bought by trusts and companies in offshore tax havens can be used to facilitate money laundering and tax evasion<sup>1</sup>. We also question the conduct of bankers and other regulated professionals who arranged mortgages, property valuations and securitisation and gave advice.

---

<sup>1</sup> Foreign criminals use London housing market to launder billions of pounds. Guardian. 25/07/2015

This is a complex matter and we are in possession of other information that we can share with you and the SFO. The overview is as follows:

The Crown acquired the RMC in 1539 following the dissolution of the monasteries. It later became home to the Royal Mint. On 03/02/1852, HMT sanctioned the lease of the RMC buildings and equipment to Anthony de Rothschild to manage the gold refinery. The family held the lease for over a century and retained a conveyance and licence on the Land Registry Title<sup>2</sup>.

In 1987 the CEC commissioned 100 affordable leasehold homes on the site and became the Superior Landlord. When RMC was sold in 2010, the CEC did not account for the homes, children's nursery and hair salon that were clearly marked on the CEC's Location Plan (and were worth an estimated £32m). The process to assess value was very different to that used to value residential leasehold properties where members of the Royal Family were CEC tenants<sup>3</sup>. The published valuations<sup>4</sup> of the 4 'freehold' offices (combined total £51m) was far below the then market value of £88m - £120m as shown below in the two comparative transactions for sales in that vicinity that have similar floor space (but do not have the substantial acreage of freehold land that surrounds RMC):

Comparative Transaction 1						
Seller	Buyer	Transaction Date	Property	Size & Tenure	Sale Price	Price S/FT
Crown Estate	Delancey	Jun 2010	Johnson Smirke 4 RMC EC3N 4HJ	39,442 S/FT Freehold	£2.9m	£74
London County	City of London	Sep 2010	65-73 Mansell Street E1 8AN	38,549 S/FT Freehold	£16.5m	£428
Comparative Transaction 2						
Seller	Buyer	Transaction Date	Property	Size & Tenure	Sale Price	Price S/FT
Crown Estate	Delancey	Jun 2010	2 Royal Mint Court EC3N 4HJ	196,321 S/FT Freehold	£18.06m	£92
Thomas Enterprises	KOP Group	Dec 2010	10 Trinity Square EC3N 4JH	158,066 S/FT Freehold	£70m	£443

### 3. Associated Events

In 2005, British Land announced that N M Rothschild & Sons arranged completion of a £1 billion securitisation for Hercules Unit Trust (HUT)<sup>5</sup>. In 2006, Barclays Capital securitised a £401m package of loans for mortgages that included Nursing Homes, Retail Parks and Bedsits and a loan that Barclays arranged for the 4 Leasehold offices at RMC (then sub-let to Barclays). Barclays classed RMC as Prime CBD (Central Business District) offices and valued them at £114.7m<sup>6</sup> ('Leasehold' without rights to the freehold). However, the CEC's Investment Proposal (sales) Document dated 8/10/2009 (disclosed under FoI) presented by Mr James Cooksey, described the RMC as follows:

<p><b>Property description</b>          Whom are we are dealing with? What is the nature of the interest? Size of building? If mixed use a broad split in the capital values.</p> <p><b>c440,000 sqft of office space across 4 principal buildings on a 5 acre island site, and c30,000 sqft of leisure space. Two of the buildings are listed.</b></p>
---

This is very different to the Barclays' assessment in 2006 that the leasehold offices (without the freehold) were Prime CBD. The total space for the 4 offices is also 17% less than the 566,678 S/F

<sup>2</sup> Rothschilds Continuation Limited licence dated 28/04/1962 registered on the RMC Freehold Title No EGL198329.

<sup>3</sup> The Crown Estate – Property Leases with the Royal Family. National Audit Office Report. 07/04/2005

<sup>4</sup> Freehold commercial property sales in London EC3 & EC1 postcode 2009-10. CoStar UK.

<sup>5</sup> HUT - Hercules Unit Trust completes £1 billion securitisation. Press release. British Land. 26/09/2005

<sup>6</sup> Equinox (Eclipse 2006-1) plc Commercial Mortgages. Prospectus 28/06/2006 p.109-113. Irish Stock Exchange

published on property site CoStar. CEC records also state a total redevelopment of the site would cost £130,440,134. This appears high and the CEC did not publish how any valuations were made.

The proposal contains no mention of the 100 affordable homes nor a licence and conveyance on the Land Registry Title relating to the HM Postmaster General and Rothschilds Continuation Limited (relating to the walls and a security fence<sup>7</sup>). Delancey later sold the 4 office buildings at RMC with the freehold to an offshore sister company for £75m. In 2018, that company sold it for an undisclosed sum to the PRC for their new Embassy. Mr Yehuda Barashi at LRC Group (Delancey's partner in the purchase) described the sale:

*"With its striking historic buildings, combined with adaptable modern infrastructure, excellent accessibility to the City and the west End, and the listed wall dating back to circa 1810 which surrounds the site, we always knew that Royal Mint Court was special. Home to the Royal Mint from 1810, this landmark site has already helped to shape the economic future of the UK, and we are excited to see it evolve and move into its fitting new chapter with the People's Republic of China"<sup>8</sup>*

#### 4. The Exhaustive Sales Campaign

A document presented to the CEC Board on 20/10/2009 states, 'An exhaustive campaign by our appointed agents, BH2, initially failed to identify a purchaser for this asset'. There are no details about the extent of this campaign and if the CEC, BH2 and Delancey had any communication with property developers that were seeking land of this kind for prestigious hotel developments or the Governments of the United States of America (USA) and the PRC. In 2009, it was public knowledge that HE Robert Tuttle, USA Ambassador to London was seeking land to relocate the US Embassy in London as the lease was expiring at Grosvenor Square. The PRC was also seeking a new Embassy.

On 09/07/2017, the BBC reported Qatari Diar, Delancey's investment partner had acquired the former US Embassy and was converting it into a luxury hotel<sup>9</sup>. This raises the question of whether the CEC and/or Delancey disclosed any information about the proposed sale of the RMC to the US Ambassador prior to the sale in 2010.

On 14/08/2014, the FT reported that the CEC had a partnership with a Chinese state-backed property group called Gingo. The CEC's £345m joint venture with Gingo was to acquire a Retail Park in Leicester. The article reported that Chinese investors were 'snapping up office blocks in the City of London' and quoted CEC Head Mr James Cooksey (who presented the proposal to sell the RMC<sup>10</sup>). This raises the question of whether the CEC and/or Delancey disclosed any information about the proposed sale of RMC to Gingo or the Chinese Government prior to the sales in 2010 and 2011.

#### 5. Information Withheld

Unbeknown to the RMC Residents, in February and March 2010, the House of Commons Treasury Committee (the Committee) was examining the CEC's proposed sell-off of social housing at four other locations in London. The CEC was proposing to dispose of social housing to focus on investment in Retail Parks. The CEC was not disposing of private leasehold homes and historic properties located in and around Pall Mall, St James's, London SW1. The CEC consulted the 1,500 tenants at the four social housing sites. They opposed the sales, challenging the CEC's case for disposal; alleged concealment of information about buyers and the injury that the loss of the social housing would have on key workers. The CEC did not notify residents at RMC or consult

<sup>7</sup> Conveyance dated 10/04/1929 and Licence dated 11/12/1962. Land Registry Title Number EGL198329

<sup>8</sup> <https://www.savills.co.uk/insight-and-opinion/savills-news/242937/delancey-s-client-fund-and-lrc-group-complete-the-sale-of-the-royal-mint-court-site-to-the-people-s-republic-of-china>

<sup>9</sup> Qatar: Buying Britain by the pound. BBC Business News. 09/07/2017

<sup>10</sup> Queen's property company in £345m Chinese tie-up. Financial Times. 14/08/2014

Metropolitan Housing Trust (MHT) - the body that was granted the Head Lease by the CEC to manage RMC homes since 1987. However, on 03/03/2010, Mr Roger Bright, then Chief Executive of the CEC gave oral and written evidence to the Committee. He explained the reason for selling the CEC's social housing and gave assurances that the CEC was committed to consultation, saying:

**Q148** *"as a public body, we are acutely conscious of our wider responsibilities, both to our tenants and our customers....Good management is important for good business. If you like, there is a particular expectation on us that we always do the right thing"*

**Q159 (Affordable housing)** *"It is not one of our core assets and it is not a core area of expertise for us. Therefore, we thought it right to explore the possibility of selling it to a more focused housing provider who would have that expertise..."* and

**Q159** *"We do take very seriously the concerns of our tenants. That is why we are conducting a consultation period at the moment where we are very anxious to hear what our tenants feel about this and also to give an opportunity to explain more of the thinking behind this proposal."* and

**Q162** *"Could I also add that my chairman, Sir Stuart Hampson<sup>11</sup>, and I have also said that we want to meet the chairs of the residents' associations on these four estates before the board takes any decision on that. That meeting has been arranged for early April"*.

He did not mention the RMC housing and that on the 20/10/2009, he and the CEC Board approved the sale of the entire RMC freehold including the 100 affordable homes to Delancey (with completion deferred to June 2010). Similarly, he did not mention that there had been no consultation with MHT who had over 20 years expertise in managing the CEC's affordable housing at RMC. He made no reference to retaining private leasehold housing in Mayfair including properties at 73 St James's Street, Mayfair, where tenants had exercised their Right to Manage the property themselves.

Since Delancey acquired the RMC from the CEC (and sold it to a related offshore company), no refurbishment took place, a high security fence was erected, the site fell into decline and was vandalised. Since 2013, all 4 offices at RMC have remained vacant and undeveloped resulting in an estimated loss of income from business rates due to Tower Hamlets of c£31m<sup>12</sup>.

## 6. Business Relationships

Mr Bright told the Committee that some information was not disclosed to the public to protect personal confidentiality. However, this is reason is questionable given a comment in the CEC Proposal for the sale of RMC, which states the following:

<b>Opportunities for reputation enhancement</b>	As this is a sale the opportunities are limited. It is however an opportunity to strengthen our relationship with Delancey, and in so doing the Ritblat family.
<b>Contribution to corporate responsibility / sustainability targets</b>	This is an unsustainable set of buildings that will require capital expenditure. By pursuing a sale we will remove the impact from the portfolio.
<b>External advisors</b>	Agency – BH2 <sup>13 14</sup> Legals – SJ Berwin <sup>15</sup>

<sup>11</sup> Minutes of the CEC Main Board of 20/10/2009 list Mr Ian Grant as Chairman

<sup>12</sup> Estimated Loss of business rates to Tower Hamlets based on 566,678 sq ft (52,646m<sup>2</sup>) office space at 40% of rateable value of £300 per m<sup>2</sup>/unit giving a total rateable value of £22m per annum, and £79m over 5 years.

<sup>13</sup> Post sale of the RMC, BH2 were retained by Delancey to advise on redevelopment of RMC. [www.bh2.co.uk/services](http://www.bh2.co.uk/services)

<sup>14</sup> Other BH2 clients published online include, CEC, China Overseas Land & Investment and Carlyle Group

<sup>15</sup> A Telegraph article 'All in the Family' (07/07/2001) alleged that SJ Berwin acted for Delancey and the Ritblat family.

CEC documents (released under FoI) make no reference to the CEC's social responsibility to the wider community; the economic impact on Tower Hamlets (as a consequence of multi-million pounds lost revenue from business rates); and the securitisation of the mortgage that was secured against the 4 leasehold offices by Barclays. Nor do they note the existence of affordable housing at RMC and the reasonable foreseeable consequences the sale would have for the HMT, British public, key workers and those who invested in the loans (securitised by Barclays). The CEC do not appear to have given any consideration to the reputation of the CEC if the full details about the RMC sale and the relationship with Delancey became known to the public.

The CEC's practice of withholding and redacting information about buyers and partnerships brings into question the adequacy of CEC procedures for disclosing information and conducting enhanced due diligence. Policies for dealing with influential individuals and entities where the UBO and SoW is unknown (or not disclosed for reasons of client confidentiality) are a special concern due to the risks the UK faces from fraud, money laundering, tax evasion and terrorist financing.

## 7. Risks & Issues Not Disclosed

The Committee asked Mr Bright about the CEC's 'property joint venture partnerships' and a potential £18m loss incurred with Gibraltar Limited Partnership and the lessons he learnt from this. He explained why the CEC entered into partnerships and spoke about another partnership saying:

*Q143 "We joined forces with the Hercules Fund which has experience of managing retail parks; it is their core expertise".*

He omitted to inform them about the Committee's relationship with Delancey and relevant information about the financial health of Hercules Unit Trust (HUT). For example, that mortgages securitised in 2005 had suffered severe losses<sup>16</sup> and on 29/06/2009 the FT reported:

*'The UK's largest retail park fund, the £1.5bn Hercules unit trust run by British Land and Schroders, had secured vital funding from one of the largest North American pension funds to help pay bondholders in a restructuring of a £800m debt facility. The attempt to restructure Hercules is an important market test case of the ability to renegotiate the billions of pounds of securitised debt due for repayment in the next few years, or face the alternative of default owing to breaches of loan-to-value covenants'.*

Losses continued and on 21/09/2011, CoStar reported that HUT would repay £250m of its securitised debt as it sought to deleverage ahead of a 2012 debt maturity deadline; and the loan servicer Rothschild<sup>17</sup> confirmed the early repayment would not trigger the sale of any of HUT's Retail Parks. HUT had outstanding securitised debt of £694.1m plus a further £95.8m tranche of debt through a JV with Gibraltar Limited Partnership. HUT extended its fund life from 2012 to 2020<sup>18</sup>.

Also, Mr Bright did not tell the Committee about an issue the CEC had with the Isle of Man registered company called Gulldale. On 29/12/2005, it received a £98m loan from Barclays Capital which was secured against the leases of the 4 offices at RMC. Barclays were the main tenant of these offices. In 2006, Barclays included this loan in a £401m securitisation of multiple loans and classed the offices as Prime CBD with a value of £114.7m. CEC Minutes of 20/10/2009, a meeting attended by Mr Bright, record two comments about the benefits of selling RMC:

- 'A sale would bring to an end a dysfunctional relationship with a highly geared head lessee'.
- 'The main occupier, Barclays, saw no long-term future in the property'.

<sup>16</sup> Hercules (Eclipse 2006-4) PLC, End of year report for year ended 31/12/2009.

<sup>17</sup> Rothschild's Continuation Limited has a licence dated 28/04/1962 registered on the RMC Freehold Title No EGL198329.

<sup>18</sup> Hercules powers through £790m debt mountain. Costar.co.uk. 21/09/2011



These are references to Gulldale Limited and Barclays Bank. The second of four options noted in the CEC's investment appraisal, was to 'Buy Gulldale Interest and Re-develop'. This option was dismissed and it is unclear how the redevelopment costs, returns and benefits of this option were calculated. The documents and Mr Bright's evidence gives the appearance that the decision to sell RMC quickly, without consultation was influenced by the relationship with Delancey; information from Barclays that they had vacated the site and considered RMC was no longer Prime CBD office space (despite the 2005 valuation used by Barclays); and concerns about losses if Gulldale defaulted on their loans. In 2013, Barclays vacated the offices and Gulldale defaulted on its loan and was put into liquidation with £84m debt outstanding<sup>19</sup>.

## 8. Reasonably Foreseeable Consequences

The CEC's conduct resulted in injury for both the CEC's affordable housing tenants and the British people that was reasonably foreseeable. Prior to the sale, the Leaseholders at RMC, had the CEC as their Superior Landlord and enjoyed to security and protection afforded by a public authority. The CEC took this away without notifying HMT or conducting consultation, contrary to the assurances that Mr Bright gave to the Committee. The sale transferred Superior Landlord rights to the offshore company DV4 (Delancey). The subsequent sale to the Chinese Government makes the PRC their Superior Landlord, with various entitlements under the Head Lease covenants including the right to enter their homes and businesses and consent to certain activity.

Since 2010, several of the UK's largest retail stores have collapsed resulting in job losses and loan defaults and placed liabilities on the Pension Protection Fund. Some stores were tenants on CEC Retail Parks. The fallen retail giant Homebase has claimed that rental costs were unsustainable and contributed to their collapse as many stores were loss making<sup>20</sup>. The information published by the media in 2009 highlighted the serious issues HUT had faced with securitised debt repayments and the fund's end life was extended from 2012 to 2020.

This made the current challenges in the Retail Park sector reasonably foreseeable. In June 2018, the CEC sold its stake in Fort Kinnaird Retail Park in Scotland to M&G Real Estate and acquired full ownership of Gallagher Shopping Park in Cheltenham (previously part owned with Gibraltar English Limited Partnership and HUT<sup>21</sup>).

Similarly, the recommendations the CEC received from tenants, councils and the Committee gave ample warning of the urgent need for social housing and the risks to key workers if the sell-off went ahead. Since the CEC sold its social housing in 2010, the absence of affordable housing has hiked living costs for the less well-off. Local Authorities have lost millions of pounds in income from council tax and business rates due to luxury homes being unoccupied and offices vacant; simultaneously facing high demand for social housing. Tower Hamlets alone has suffered a severe loss of income owing to RMC being vacant for 5 years. In the same period, rough sleeping, drug dealing and street crime around the Tower of London and vacant RMC site has soared. Homeless individuals include veterans of the British Army Royal Household Division who have resorted to begging at Tower Hill.

Meanwhile, demand for hotels and luxury apartments in Central London have skyrocketed. This delivered a windfall for corporate property investors and landlords that entered the private rental market early including Delancey's partners<sup>22</sup> and the CEC.

In 2017, one private leasehold apartment in a CEC owned property (converted to residential) in Giltspur Street SW1 was sold for £13.35m<sup>23</sup>.

<sup>19</sup> Delancey faces international competition over Royal Mint Court leasehold. CoStar.co.uk. 25/03/2014

<sup>20</sup> Homebase to shut 42 stores and slash jobs to stay afloat. FT. 15/08/2018

<sup>21</sup> The Crown Estate acquires sole ownership of Gallagher Shopping Park. The Crown Estate.co.uk. 07/06/2018

<sup>22</sup> Get Living opens door to recapitalisation and targets 12,500 homes. PDF. Delancey.com. July 2018

<sup>23</sup> Apartment 1, Oceanic House, 1, Cockspur Street, London, SW1Y 5BG. rightmove.co.uk

## 9. Sale of Crown Estate Assets to Offshore Investors

This situation draws into question the morals and social responsibility of the CEC when they decided to sell the RMC at below market value and dispose of all social housing in prime London locations to focus on Retail Parks (in partnership with the Hercules Fund that was known to be suffering substantial losses at the time). The CEC did however retain ownership of the freeholds of private residential leasehold properties in Mayfair<sup>24</sup>. In a Delancey publication dated 4<sup>th</sup> April 2016, Mr Jamie Ritblat, CEO of Delancey provides a quote about a merger with Qatari Diar, APG and Delancey Fund Assets that states,

*"This merger marks the end of the beginning for our efforts to deliver desperately needed innovation, scale and true customer experience to the UK's residential market. From a blank sheet of paper in 2010, we have worked tirelessly alongside forward thinking global institutions in a number of separate strategies to build the foundations of a very significant enterprise for the long term. We have been pioneers as the first major investors in large scale professionally managed residential, now with over 2,600 residents living in our homes and increasing every week. Bringing our businesses and partners together into a single group marks an important early landmark, and delivers the first new powerhouse to this exciting new investment class."*<sup>25</sup>

This statement raises questions about what if anything the CEC knew of Delancey's plans in 2010. Also if the CEC's decision in 2010 to retain their private residential properties in London but sell RMC and social housing assets (to reinvest into Retail Parks with the Hercules Fund) was taken for the benefit of the British people. Or was it intended to benefit the CEC's international property partners that had a different strategy e.g. to minimise HUT losses and facilitate foreign investment into the private rental market in British cities at the start of the residential property, hotels, and student accommodation boom?

## 10. Fiduciary Duties & Conduct of the CEC Board & Professional Advisors

The actions and omissions by the CEC and their professional advisors give grounds to suspect:

1. **Malfeasance in public office and fraud.** First by selling the RMC for below market value to an offshore company and being unduly influenced relationships. Second by wilfully neglecting to inform and consult HMT, Parliament and public about the sale. Third by presenting evidence to the Committee that was misleading. Their conduct resulted in injury through the loss of a historic asset and lost income from Business Rates and money that could have gone to HMT's Consolidated Fund for the benefit of the British people. The conduct may also have violated the Fraud Act 2006, money laundering regulations, and rules on competition and State Aid. The alleged conduct appears unlawful, unreasonable and unjustified and taken together is such a degree as to amount to an abuse of the public's trust in the office holders.
2. **Nonfeasance and gross negligence.** First by failing to act with integrity, honesty and transparency by concealing or omitting to disclose information about the disposal of the RMC and existence of the housing at RMC to HMT, the Committee and the public. Second by failing to act and consider the financial and other interests of leaseholders at RMC. This caused the leaseholders at RMC to lose the security and Superior Landlord services afforded to them by the CEC since 1987. It also denied them the opportunity to take advantage of leasehold enfranchisement opportunities that Mr Bright said the CEC gave to some tenants.

<sup>24</sup> Our places, London, Online asset map. 2018. <https://www.thecrownestate.co.uk/en-gb/our-places/asset-map/>

<sup>25</sup> Merger of Qatari Diar, APG & Delancey Fun Assets Creates Partnership to lead London & UK residential market. PDF dated 4 April 2016. Delancey.com.

3. Deliberate violations of the Human Rights Act 1998. First by discriminating against them as social housing tenants and showing favouritism to a prominent family. Second by causing citizens to lose the right to the security of their homes that was afforded by the CEC as a Superior Landlord. Third by denying individuals access to information that unlawfully interfered with their rights to freedom of expression. It follows that these are serious violations of the Principles of the European Convention on Human Rights (ECHR).

#### 11. Outcome Sought

We have lost trust in the public office holders and fear other important information may remain concealed. The SFO has the statutory powers and expertise to investigate such allegations and an investigation is necessary and proportionate to restore public trust. The outcome we are seeking is one of just satisfaction by returning to Leaseholders at RMC the security of their properties that was afforded when the CEC was our Superior Landlord. The housing is conveniently divided from the commercial site by a service road and residents would like a settlement that results in either the CEC regaining ownership of the residential part of the land; or gives residents Leasehold Enfranchisement rights for a price that reflects the market price at the time the injustice occurred in 2010.

We do not have the legal and diplomatic expertise to deal with this matter alone and understand that major law firms are conflicted due to their work with the CEC, Delancey and others. Therefore, we would be very grateful if you would write to the Foreign Secretary to ask him to engage with the Chinese Ambassador on our behalf and to arrange expert legal representation for us.

#### 12. The Government's Residential Leasehold Reform Programme

We thank you for the continuous support you have given to constituents in Tower Hamlets. Also, for the crucial work you, Sir Peter Bottomley MP and other members of the All Party Parliamentary Group looking into Leasehold and Commonhold reform are doing to address problems that affect residential leaseholders in England & Wales. The issues outlined in this complaint illustrate some of the terrible consequences that can arise when citizens do not have freehold or commonhold rights to their homes.

On 05/03/2018, The Prime Minister delivered a speech in East London about making housing fairer<sup>26</sup>. She said, *"More than 70 years ago, Anthony Eden told the world that the ownership of property is not a crime or a sin, but a reward, a right and a responsibility that must be shared as equitably as possible among all our citizens"*. The speech overlooks the impact of the huge growth in speculative investment in the private leasehold residential market by British and foreign investors.

Our case also exposes why speculative property investors are attracted to Britain and so determined to maintain the Leasehold system in England; it is to generate long-term personal wealth from leasehold apartments. This is at the expense of homeowners, tenants and local and national government who must pay the price for an absence of affordable and social housing.

Contrary to popular thinking, residential and commercial property speculation is not solely the preserve of wealthy foreign individuals; the CEC and British citizens seem particularly attracted to this form of investing via offshore companies and banks and other professional enablers are only too willing to provide the funding and structures to do so.

Yours sincerely,

*George & Mary Ordinary*

ATTACHMENT: Land Registry Title, Map and Photographs of RMC and CEC Documents Released Under Fol

---

<sup>26</sup> Speech by the PM the Rt Hon Theresa May MP on making housing fairer: 5 March. Gov.uk