



Tithe an
Oireachtais
Houses of the
Oireachtas

Joint Committee of Inquiry into the Banking Crisis

Witness Statement of

Gerard Barrett

Strictly Private & Confidential

As indicated on its cover page, the document(s) contained within are confidential unless and until the Joint Committee decides otherwise including where the Joint Committee publishes such document(s). For the avoidance of doubt, “documents” include witness statements in this context. Further to section 37 of the Houses of the Oireachtas (Inquiries, Privileges and Procedures) Act 2013 (“the Act”), while the documents remain confidential, you must not disclose the document(s) or divulge in any way that you have been given the document(s), other than:

- “(a) with the prior consent in writing of the committee,
- (b) to the extent necessary for the purposes of an application to the Court, or in any proceedings of the Part 2 inquiry, or
- (c) to his or her legal practitioner.”¹

Serious sanctions apply for breach of this section. In particular, your attention is drawn to section 41(4) of the Act, which makes breach of section 37(1) a criminal offence.

¹ See s.37 of the Houses of the Oireachtas (Inquiries, Privileges and Procedures) Act 2013

Part 1. Overview of relationship between your company and banks

1.1/1.2 Loan application & assessment

There was a standardised template for use internally when approaching a loan application to a financial institution. Generally, this consisted of a detailed business plan for the particular project which included but was not usually limited to title maps, planning permissions where applicable, financial projections (construction costs, micro-business plans, projected rental income).

In our experience the financial institution would normally assess each application over a period of 8 weeks. This assessment would take the form of several interviews with our own company representatives and several external consultants, the main being quantity surveyors, architects, project managers, planning consultants and any others that were deemed appropriate or necessary to the process. In our experience these interviews were conducted diligently by banking executives. During and after this process the financial institution and their own consultants would have been provided with preliminary budget estimates and order of magnitude costs by our own consultants. In turn this would lead to further interaction and assessments, entailing interviews with relevant parties in the institution's Dublin headquarters or locally in its branch network. There would also be corresponding visits to our own corporate headquarters and familiarisation tours of the relevant project or site subject to the application. Each institution would then normally appoint a cost-controlling company from the larger firms based in Dublin to further scrutinise our cost plan figures. This stage of the process would involve strong interaction with our own principals.

If an application was successful there was a further series of negotiations on our part with banking executives on the level of banks fees and interest that would apply to each loan and the duration of the term. In our experience when negotiating with Anglo Irish Bank, we did not feel that we were in a position to counter same, whereas other institutions were more amenable to negotiating fees and rates to an extent.

1.3/1.4 Governance & oversight

In our experience some but not all projects were monitored thoroughly by the relevant financial institution. The level of oversight was often down to the personal relationships between our principals and banking executives. Each institution would appoint external cost control monitors who interacted with our own quantity surveyors and our principals where necessary. One aspect on which all institutions insisted was the provision of quarterly progress reports.

While there may have been standardised monitoring processes by each institution the interaction with each when it came to drawdowns was different. Prior to drawdowns in one case senior bank officials would visit to discuss same, progress and completion dates. Coordination and securing of tenants was also of concern. Other institutions would require detailed inspection by their own cost controllers prior to any drawdown. Drawdowns were always monitored vis-à-vis the construction program and cash flows initially submitted to the institution. This was done to mitigate against any overrun in the construction process. It is our view that there was always substantial diligent interaction between our office and the institutions. We cannot comment on the internal processes of each institution.

1.5 Business plan & strategic direction

This office produced a detailed business model supporting the need to expand our company in 1996. This was done with the aid and input of several external consultants and pinpointed specific areas for expansion and directions in how to grow our trading assets. It took into account the requirements of my adult family and we adhered to that plan over the following years. Prior to the downturn, we had achieved some ninety percent of the plan's requirements.

1.6 Multi-bank lending

Our only observation on multi bank lending is that each institution would require from us an up to date position of our position vis-à-vis their peers. This was adhered to and information provided where and when necessary. We are not in a position to make any assessment of their own interaction.

Part 2. Your company – its performance and modus operandi

2.1 Profile of business

The Edward Holdings Group was established in the late 1980s and has specialised in property management and development over the last 20 years. It became one of the largest such companies to be based in the regions and its growth has meant it was one of the largest indigenous employers in its base city of Galway.

Evolving over two decades, the Group became a specialised retail developer and operator and has established prime retail developments in both Galway and Drogheda. While retaining a core focus on retail and investment assets, in recent years the Group had also successfully diversified into the leisure sector, and has established a highly successful cinema operation and hotel group with a number of high profile, well-regarded hotels in Ireland. The Group has also made a significant contribution to mixed-use developments in other regions and holds a number of significant assets across a range of sectors in Drogheda, Waterford, Dublin, Cork, Mayo as well as in Galway.

The Group's large-scale activities commenced in 1991, with a mixed-use regeneration project at Kirwan's Lane. Other major projects which followed included Edward Square and Wellpark Retail Centre in Galway. The Group undertook its most significant projects over the period 2005 to 2007. These included the creation of the Edward Hotels portfolio with the opening of The g in Galway and The d in Drogheda, the acquisition of three Great Southern hotels, the acquisition of Ashford Castle, the creation of the EYE Cinema brand, a large mixed-use development at Scotch Hall in Drogheda and the acquisition of development lands in Waterford.

The majority of the Group's retail experience had been concentrated in Galway. It is a market in which the Group is predominant and it was the largest landlord of commercial property in Galway.

The Principals have lived and worked in Galway for decades and they have developed an unrivalled network of contacts amongst its retailers, its business community and local authority. The Group has successfully completed some complicated developments in the region and in the past has worked laboriously with all stakeholders to see developments through to completion.

With its status as the largest indigenous corporate employer in Galway, the Edward Holdings Group has always been active in the local community. It had sought to always act through consultation with local interest groups and stakeholders in order to develop schemes and manage properties in a manner which best suits the community.

The Edward Holdings Group acts predominantly in two sectors of the Irish property market, retail and leisure. In both of these sectors it has developed a competency that sets it apart from its peers.

Since its inception, the Group has had a strong focus on the retail sector. It is landlord to some 125 national and European retail tenants under direct tenancies or under management at various sites around Ireland. In these trying economic conditions, many of these tenants are experiencing varying levels of stress. As a result of its retail background, the Group fully understands the stresses and strains of achieving targets in such conditions and as such, has sought to assist its tenants' survival and have been openly commended for doing so by various market authorities.

In the current market environment, the survival and management of risk amongst the Group's tenant base depends on the expertise, attention and support of the Group. Management recognises that such active management of a distressed tenant base will help to enhance the return on its retail based assets over the medium to long term. Gerry Barrett, the Group and its management team are fully hands-on in this regard and are available to assist and negotiate with tenants as required on an ongoing basis.

Having regard to its leisure assets, the Group's primary concentration is in Galway City, arguably Ireland's leading leisure destination. Having established itself as the City's leading hotelier, the Group has capitalised on Galway's reputation as the premier tourist destination and the cultural capital of Ireland. The successes of the hotel group and its ability to withstand the current economic difficulties which have had a more detrimental impact on its peers, has been enabled by the abilities and experience of its board and senior management, all of whom are amongst the best operators and leaders in the Irish hospitality industry. Their abilities have successfully been concentrated to other hotels in the Group outside of Galway, such as The d Hotel in Drogheda, which through their intervention is now best-placed to capitalise on the emerging popularity of the North East as a tourist destination.

Property segmentation & core activities

Retail

The Group's expertise is based upon its in-depth understanding of the demands, economies, efficiencies and key drivers of profitability in the retail sector. The Group's abilities and long established expertise in this field enabled it to develop a significant high-quality portfolio of largely retail-based assets.

It had been Edward Holdings Group policy to hold and maintain its completed retail developments as long-term investments. The development, management and ongoing maintenance and protection of these retail-based assets is the most significant activity undertaken by the Group in recent years. Despite challenges in the Irish economic environment and indeed the retail sector, the Group's retail assets continue to perform well. The Group's assets are located in strong retail locations and despite retail pressure and increased vacancy rates, continue to generate significant rental income, which is key to covering overheads and servicing debt for the Group.

By extension from this core area of specialisation, the Group has also expanded its interests into some limited yet bespoke residential development (primarily through Bloomfield), and to a greater extent the leisure sector, with the development of the EYE Cinema and the establishment of Edward Hotels.

Leisure – Hotels & Cinema

In 2005 Edward Holdings created a new Irish cinema concept: the EYE Cinema. The opening of the EYE Cinema in Galway was a new departure for Irish movie theatres with its ground breaking and unique internal and external design features. The interiors were created to appeal to a cinema-going public than the more conventionally designed cinemas. Since its opening, the EYE remains one of the most visited leisure facilities in the West of Ireland. It is led by a highly experienced management

team who have successfully positioned the EYE as a growing, profitable business and the leading cinema in the Galway market. Management of the cinema has deep industry experience which can also be leveraged to perform strategic reviews of underperforming cinemas or to manage such cinemas on a short or long-term basis, as appropriate.

The Group has also established a substantial hotel group; Edward Hotels, that includes a numbers of iconic hotel properties in Ireland, including the g Hotel and the Meyrick in Galway, Ashford Castle in Mayo and the d Hotel in Drogheda. Edward Hotels has consistently outperformed its competitors in each of the markets in which it operates and the Board of Management of the hotel group succeeded in achieving a profit turnaround of c. €2.9m in 2009.

Further detail on the cinema and hotel operations of the Group are set out in their respective business plans attached as Appendices to this document.

Asset Management

As a result of the significant economic challenges of recent years the Group has worked diligently in order to protect those investment assets which have formed part of its portfolio. The Group has chosen to hold several of its completed developments as investment assets and in doing so it has created an extensive portfolio which it actively manages, with particular hands on management required in light of current market conditions and tenant pressures.

Each of its investment properties is distinct in its location, its challenges and its opportunities. Having seen these assets through from planning, construction, letting and opening, the Edward Holdings Group and its senior management are fully informed and aware of all issues confronting these assets. These issues are unique to each asset and the market in which it operates, and can be varied in their scope and the response required in order to ensure an optimal output both for the landlord and the tenant.

At all times the Group has sought to enhance the value of these assets and continues to do so, in order to ensure that there is no mismatch between the cost value and the rental value. This is a creative approach which has become steadily more necessary in the current economic environment. The Group's ability to do this is predicated on the strength of the relationships which it has developed with all third parties and stakeholders across each of the locations in which it operated.

Edward Holdings Group - Profile of Business

| | Y/E 31/12/2008 | Y/E 31/12/2007 | Y/E 31/12/2006 | Y/E 31/12/2005 | 9 Mths Ended 31/12/2004 | Y/E 31/03/2004 | Y/E 31/03/2003 | Y/E 31/03/2002 |
|-----------------------------------|-------------------|-------------------|-------------------|-------------------|----------------------------|-------------------|-------------------|-------------------|
| Property Rental - Note 1 | 19,695,278 | 19,114,926 | 19,442,791 | 11,611,820 | 4,658,393 | 4,342,072 | 3,736,418 | |
| Development Income - Note 2 | 12,936,832 | 44,979,346 | 34,670,178 | 16,660,926 | 4,250,642 | 10,257,812 | 12,546,068 | |
| Cinema Sale & Advertising Revenue | 4,294,361 | 3,842,530 | 3,870,340 | 2,451,329 | | | | |
| Hotel Income | 23,060,678 | 6,963,722 | 2,580,314 | | | | | |
| | 59,987,149 | 74,900,524 | 60,563,623 | 30,724,075 | 8,909,035 | 14,599,884 | 16,282,486 | - |

Note 1 - Property Rental

| | | | | | | | |
|------------|------------|------------|------------|------------|-----------|-----------|--|
| Retail | 17,584,571 | 17,024,446 | 17,267,648 | 9,722,971 | 3,266,260 | 2,848,644 | |
| Offices | 1,176,717 | 1,177,121 | 1,289,510 | 1,047,168 | 1,047,030 | 1,046,210 | |
| Apartments | 493,240 | 483,359 | 455,633 | 465,431 | 345,103 | 447,218 | |
| Hostel | 440,750 | 430,000 | 430,000 | 376,250 | | | |
| | 19,695,278 | 19,114,926 | 19,442,791 | 11,611,820 | 4,658,393 | 4,342,072 | |

Note 2 - Development Income

| | | | | | | | |
|-------------------|------------|------------|------------|------------|-----------|------------|--|
| Residential Sales | 11,771,128 | 43,538,623 | 20,620,463 | 862,555 | 2,950,642 | 7,609,062 | |
| Car Park Income | 1,165,704 | 1,440,723 | 1,163,931 | 206,706 | | | |
| Nursing Home Sale | | | 12,885,784 | 15,591,664 | 1,300,000 | 2,648,750 | |
| Retail Unit Sales | | | | | | | |
| | 12,936,832 | 44,979,346 | 34,670,178 | 16,660,926 | 4,250,642 | 10,257,812 | |

2.2 Structure

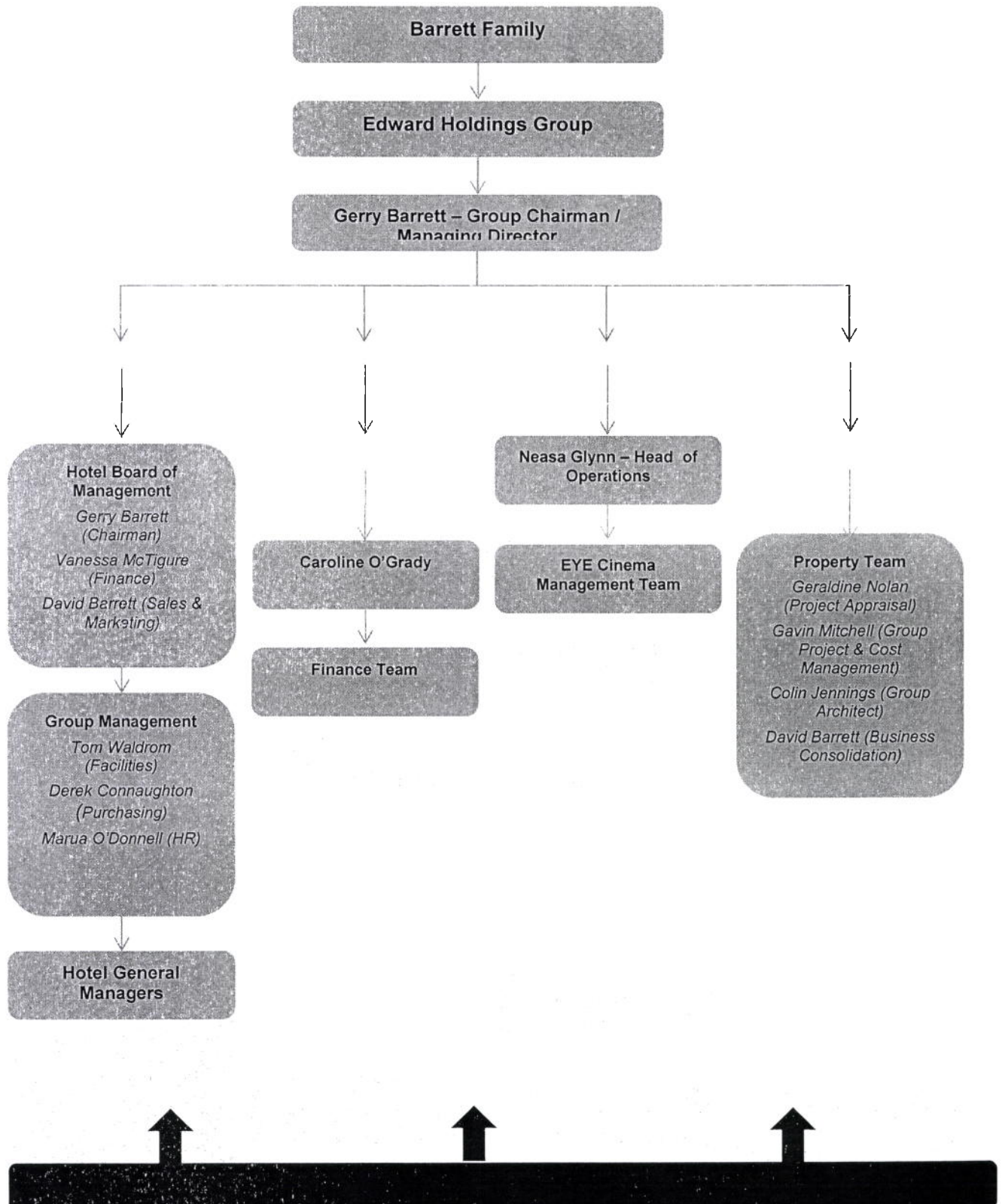
Edward Holdings is a family owned business, owned and controlled by the Barrett family, including Gerry Barrett, Catherine Barrett, Triona Barrett, David Barrett and Emily Barrett.

Gerry Barrett is the Group Chairman and Managing Director. Mr. Barrett plays an Executive role in the operational management of the Group, and is heavily involved in the management of the Group's property assets, as well as the EYE cinema and the hotel group.

In line with the areas of focus of the Group, the organisational structure is built around four key functional areas; namely the Property, Finance, the EYE cinema and the Hotel functions. Some key points to note include the following:

- Angela Cooney is the Head of Group Finance, with overall responsibility for the Group's finance function. Ms. Cooney is a key support to Mr. Barrett and is responsible for the overall management and monitoring of the Group's financial position, as well as interaction with its lenders. Ms. Cooney is supported by a highly qualified finance team, including Caroline O'Grady, who has particularly responsibility for the financial management of the EYE cinema.
- Gerry Barrett takes a direct role in the management of the Group's property assets. Including Geraldine Nolan, Gavin Mitchell and Colin Jennings, the Property Management arm of the Group is highly experienced in managing and supporting tenants, with a significant focus on the retail sectors in Galway and Drogheda. As previously outlined, the team has a very strong understanding of the key attributes and challenges of each of the individual markets in which the Group operates and takes a hands on approach to the management of stressed tenants, with a view to protecting and enhancing the values of its core assets in the current market environment. This team also actively seeks value enhancement opportunities to attract tenants to vacant units in its properties and is particularly well placed to continue to manage the Edward Holdings investment assets over the medium term, in order to optimise the value on disposal for NAMA.
- The hotel group is directed by a separate Board of Management. Established in 2007, the Board has overall responsibility for the operational and strategic direction of the Group's four hotels. Remaining under the chairmanship of Gerry Barrett, the hotel board acts as a support to the general managers and formulates and implements strategic initiatives for the hotels, including the recent profit turnaround strategy.
- Style City, a direct subsidiary of Radical Properties, is the main operating company for the EYE cinema. Neasa Glynn is the Head of Operations in the EYE cinema and, supported by a highly efficient team of managers, has established the EYE as a leading operator in the Galway market. The cinema group is also supported by the finance function of the Group and, as previously mentioned, Caroline O'Grady has been responsible for all financial aspects of the EYE cinema since its inception. Further detail on the organisational structure of the EYE cinema and Edward Hotels is set out in their respective Business Plans.

It should be noted that the scale of the senior management team in the Group is tightly controlled, in order to maintain an efficient structure and with a view to minimising the level of fixed overheads in the Group. The Group maintains a flexible approach and there is significant cross functional interaction across the Group.



2.3 *An Outline of total outstanding debt by property type & institution & geographic area*

Edward Holdings Group - Debt Analysis 31/12/08

At
31/12/2008

Outstanding Debt Analysis by Property Type

Outstanding Debt Analysis by Financial Institution

| | |
|-------------|-------------|
| Anglo | 621,749,711 |
| BOSI | 116,558,936 |
| AIB | 93,443,978 |
| Ulster Bank | 53,365,002 |
| | 885,117,627 |

Outstanding Debt Analysis by Geographic Area

| | |
|-----|-------------|
| ROI | 860,685,516 |
| UK | 24,432,112 |
| | 885,117,627 |

Loans Analysed by Property Type

| | Retail | Leisure | Office | Hotels | Hostel | Residential | Zoned Land | Other | Anglo Equity Release | AIB Equity Release | Ulster Bank Equity Release |
|----------------------|-------------|------------|------------|-------------|------------|-------------|-------------|-----------|-------------------------|-----------------------|-------------------------------|
| 885,117,627 | 266,993,326 | 29,401,741 | 24,818,958 | 301,882,214 | 21,954,136 | 39,166,020 | 116,648,120 | 3,993,069 | 73,370,029 | 1,500,000 | 5,390,014 |
| 895,936,815 | | | | | | | | | | | |
| (10,819,187) | | | | | | | | | | | |
| Excluded | | | | | | | | | | | |
| MT Mono - Overdraft | | | | | | | | | | | |
| ECAL - re o/s cheque | | | | | | | | | | | |
| 112,727 | | | | | | | | | | | |
| 10,706,460 | | | | | | | | | | | |
| (0) | | | | | | | | | | | |

Loans Analysed by Bank

| Total | Anglo | BOSI | AIB | Ulster Bank |
|--------------|-------------|-------------|------------|-------------|
| 885,117,627 | 621,749,711 | 116,558,936 | 93,443,978 | 53,365,002 |
| 895,936,815 | | | | |
| (10,819,187) | | | | |

Excluded

MT Mono - Overdraft
ECAL - re o/s cheque

| |
|------------|
| 112,727 |
| 10,706,460 |
| (0) |

2.5 *Detail collateral by type & value for all outstanding debt*

2.9 *Detail the collateral required by financial institutions*

| Anillo Irish Bank | | Owner | Floating Charge | Borrower |
|---|---|-----------------------------------|---|--------------------------------|
| Cork Site | First Legal Mortgage over Property | Aquila Properties Limited | No | Talebury Properties |
| Merrimans Road | First Legal Mortgage over Property | Talebury Properties | Yes | Talebury Properties |
| Scottish Hall Development | First Legal Mortgage over Property | Talebury Properties | Yes | Talebury Properties |
| South Bank Site | First Legal Mortgage over Property | Talebury Properties | Yes | Radical Properties |
| Edward Sq Shopping Centre | First Legal Mortgage over Property | Radical Properties | Yes | KH Kitty Hall Holdings Limited |
| Edward Sq Apartments Gates | First Legal Mortgage over Property | Radical Properties | Yes | Radical Properties |
| Wellpark Retail Park | First Legal Mortgage over Property | Radical Properties | Yes | Radical Properties |
| Panorama Industrial Unit | First Legal Mortgage over Property | Radical Properties | Yes | Talebury Properties |
| Bow St | First Legal Mortgage over Property | Edward Leisure Assets UK Limited | No | Edward Leisure Assets |
| The 6 Hotel | First Legal Mortgage over Property | Edward Leisure Assets | No | KH Kitty Hall Holdings Limited |
| The 6 Hotel | First Legal Mortgage over Property | ML Merrick Limited | Debiture | KH Kitty Hall Holdings Limited |
| Meyrick Hotel | First Legal Mortgage over Property | Talebury Properties | Yes | Gerard Barrett |
| Fairgreen | First Legal Mortgage over Property | Talebury Properties | N/A | Gerard Barrett |
| Taffies | First Legal Mortgage over Property | Gerard Barrett | N/A | Gerard Barrett |
| Barna Apartment | First Legal Mortgage over Property | Gerard Barrett | N/A | Gerard Barrett |
| Chestnut Lane Site | First Legal Mortgage over Property | Jupiter Moon LLC | N/A | Gerard Barrett |
| 87 Monte da Quinta | First Legal Mortgage over Property | Radical Properties | Yes | Radical Properties |
| Salin Apartment | First Legal Mortgage over Property | Radical Properties | Yes | Radical Properties |
| Loan Repaid but unsure if security released | | | | |
| Anillo Irish Private Bankings | | Gerard Barrett | N/A | Gerard Barrett |
| Topaz Shareholding | First Legal Charge over Shareholding & Loan Notes | Gerard Barrett | N/A | Gerard Barrett |
| JC Flowers Shares | Assignment over Investment in Shares | Gerard Barrett | N/A | Gerard Barrett |
| 825 Michigan Ave | Letter of Pledge over Investment | Gerard Barrett | N/A | Gerard Barrett |
| Bank of Scotland | | Shancar Developments | Yes | Radical Properties |
| Eyre Sq Units | First Legal Mortgage over Property | Shancar Developments | Yes | Radical Properties |
| 16 Eyre Sq | First Legal Mortgage over Property | Shancar Developments | Yes | Radical Properties |
| Eyre Sq Ramps | First Legal Mortgage over Property | Shancar Developments | Yes | Two Towers |
| Eyre Sq Common Areas | First Legal Mortgage over Property | Shancar Developments | Yes | Radical Properties |
| Fraser Unit | First Legal Mortgage over Property | Radical | Yes | Radical Properties |
| Unit 16.2 Edward Sq | First Legal Mortgage over Property | MD Merlin Developments Ltd | No | Radical |
| Comb Site | First Legal Mortgage over Property | MD Merlin Developments Ltd | No | KH Kitty Hall Holdings Limited |
| Ashford Castle | First Legal Mortgage over Property | Ashford Castle Estate Ltd | Yes | MD Merlin Developments Ltd |
| Ashford Lands | First Legal Mortgage over Property | Ashford Castle Properties Ltd | Yes | Ashford Castle Estate Ltd |
| 40/41 Aengus House | First Legal Mortgage over Property | Gerard Barrett | N/A | Talebury Properties |
| 47 Quinta de Lago | First Legal Mortgage over Property | Gerard Barrett | N/A | Gerard Barrett |
| AIB | | Edward Residential Assets Limited | Yes | Radical Properties |
| Heich Hall | First Legal Mortgage over Property | Orst Enterprises Limited | Yes | Radical Properties |
| Waterford Site | First Legal Mortgage over Property | Radical Properties | Yes | Radical Properties |
| Wellpark Leisure Block | First Legal Mortgage over Property | Gerard Barrett | N/A | Gerard Barrett |
| 7 Hazenwood | First Legal Mortgage over Property | Style City Ltd | N/A | Gerard Barrett |
| Ulster Bank | | Style City Ltd | Floating Charge over interest in Wellpark | Radical Properties |
| Bloomfield Residential Develop | Fixed & floating charge over the property, undertaking, rights & revesn | Style City Ltd | Floating Charge over interest in Wellpark | Radical Properties |
| Ely Place | First Legal Charge over Property | Style City Ltd | Floating Charge over interest in Wellpark | Radical Properties |
| Bank of Ireland Private Banking | | Style City Ltd | Floating Charge over interest in Wellpark | Radical Properties |
| Clyde Rd | First Legal Mortgage over Property | Gerard Barrett | Yes over property & related assets | Talebury Properties |
| Adelaide Rd | First Legal Mortgage over Property | Gerard Barrett | No | Radical Properties |
| Other | | Gerard Barrett | N/A | Gerard Barrett |
| Quail House Investment | Property secured under Consortium Loan but no further security held | Radical Properties | N/A | Gerard Barrett |
| | | Radical Properties | No | Radical Properties |

2.6 *Detail of the valuation methods and firms used*

Edward Holdings Group

Valuation Methods & Firms 2001-2008

| Date | Properties | Method | Firm |
|------------|--|--|-----------------------|
| 15/12/2008 | All BOSI Properties exc Ashford | Market Value | DTZ Sherry Fitzgerald |
| 24/10/2008 | Grand Canal Hotels & Apts | Market Value | CBRE |
| 10/09/2008 | Scotch Hall Multi Story Car Park | Market Value | CBRE |
| 12/03/2008 | Ashford Castle | Existing Use Value | DTZ Sherry Fitzgerald |
| 04/03/2008 | South Bank | Market Value | CBRE |
| 27/03/2008 | Unit 116/117, 212 & 213 Eyre Sq Shopping Centre | Market Value | DTZ Sherry Fitzgerald |
| 20/12/2007 | South Bank | Market Value with the current planning grant for the commercial schē | CBRE |
| 14/11/2007 | Hatch Hall | Market Value | CBRE |
| 31/08/2007 | Meyrick Hotel | Market Value based on sale to party contracted to develop CIE lands | DNG |
| 19/06/2007 | Fairgreen House | Market Value | DTZ Sherry Fitzgerald |
| 21/12/2006 | Cork Site | Market Value | DTZ Sherry Fitzgerald |
| 30/09/2006 | Scotch Hall Retail, Office, Car Park, Apts & Hotel | Market Value | CBRE |
| 21/09/2006 | Edward Sq Apts | Market Value | DTZ Sherry Fitzgerald |
| 21/09/2006 | Fairgreen House Unit | Market Value | DTZ Sherry Fitzgerald |
| 28/06/2006 | Wellpark Leisure Park | Market Value | CBRE |
| 25/05/2006 | Hatch Hall | Market Value | CBRE |
| 20/09/2006 | The Meyrick Hotel and The Corrib Great Southern | Alternative Use Basis | DTZ Sherry Fitzgerald |
| 14/12/2005 | Wellpark Retail Park | Market Value | CBRE |
| 14/12/2005 | The g Hotel Wellpark | Existing Use Value | CBRE |
| 14/12/2005 | Scotch Hall Retail, Office, Car Park, Apts & Hotel | Market Value | CBRE |
| 14/12/2005 | Edward Sq Retail Units & Apartments | Market Value | CBRE |
| 27/10/2004 | Wellpark Retail | Market Value | DNG |
| 22/09/2004 | Scotch Hall Retail, Office, Car Park, Apts & Hotel | Residual Valuation | DNG |
| 22/12/2003 | Scotch Hall Site | Market Value assuming vacant possession | DNG |

In most instances Valuations in the year end accounts were supported by detailed valuation reports carried out by one of the top three valuation firms in the country.

2.10 *The extent of equity and interest roll up*

Interest Roll Up element of Loans

| | |
|-------------|------------|
| Total Loans | IRU |
| 885,117,627 | 86,042,471 |

895,936,815

(10,819,187)

Excluded

MT Mono - Overdraft
ECAL - re o/s cheque

112,727
10,706,460

(0)

Equity Release Loans

Equity Release

Anglo
AIB
Ulster Bank

| |
|------------|
| 73,370,029 |
| 1,500,000 |
| 5,390,014 |
| 80,260,043 |

2.11 *Details of corporate hospitality*

This group was often a reluctant participant in such occasions. However on a handful of occasions and out of necessity such events were attended. It was usual to receive some 2-3 invitations per year from different financial institutions. The scale and nature of these gatherings varied. On recollection those attended during the period in question consisted of an invitation to the Galway Races by Bank of Scotland Ireland. Several invitations from Ulster Bank to events in Galway and Dublin were declined. An invitation to attend an Ireland v France fixture in Paris was accepted when invited by Anglo Irish Bank. There were also occasions when company representatives attended pre rugby fixture buffet lunches at the headquarters of Anglo Irish Bank.

2.12 *Political contributions*

Our group being one of the largest indigenous employers in Galway City often had occasion to interact with public representatives, be they at a local or national level. As part of this interaction it was normal to annually receive letters demanding support for golf classics or other fundraising initiatives. Another form of interaction that did take place on occasion was support for the Labour Party in the Galway West constituency, in the form of provision of office accommodation during election periods.

2.13 *Lobbying*

This office did not engage in lobbying as described. Its interactions with public representatives often took the form of briefings to describe the advantage of development in in certain areas vis-à-vis job creation. Invitations were often extended to public representatives, business groups and civic leaders when such briefings were taking place. It was up to those individuals to attend whether they saw fit.

2.14 *NAMA*

As this group is currently under the remit of the Agency, we do not feel it would be politic or appropriate to offer commentary on its operation and effectiveness.