

CONFIDENTIAL

cc: Mr Hamilton Mr McConnell

PROPERTIES OCCUPIED BY SINN FEIN

Thank you for your minute of 19 June. I am sorry that it has taken so long for me to respond but I felt that if action was to be taken against any of the properties mentioned in Mr Hamilton's minute of 16 June then we would need to be certain as to the grounds.

I have therefore had enquiries made into the properties, and can now confirm that each has strong UVF links. 200A Shankill Road is the office of the Progressive Unionist Party, the political front of the UVF; the North Belfast Mutual Association at 182 Shankill Road, is run by UVF members and provides income for the organisation's activities; while the two social clubs are frequented by UVF members and, as you know, a large store of bomb-making equipment was found in the Craven Street premises in April.

In the circumstances then I would strongly support your suggestion that DOE be encouraged to press ahead with repossession. The question of timing would be important since we should be seeking to avoid any unnecessary publicity which would surely arise if the tenants were not given sufficient opportunity to find alternative premises. Despite the disreputable nature of the premises they are, to all extents and purposes, legitimate businesses, and we would therefore be conconstrained as to what could be said publicly if the Department's actions were to receive widespread attention. This is particularly so when Sinn Fein continue to occupy public (ie Housing Executive) property, and all the more when they are operating without permission. The best time to act might therefore be when the current contracts between the tenants and DOE expire, providing this is not too far in the future.

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D J R HILL 25 September 1986 CONFIDENTIAL