

Yorkshire Water dives in for 12,000 homes

CHRIS BERKIN

Yorkshire Water's development arm is to preparing enter the open market in a bid to double its residential pipeline to 12,000 homes.

Keyland Developments, which at present works only on sites fed through from Yorkshire Water's circa 70,000-acre land bank – has opened negotiations to partner on several large out-of-town sites in the North.

The firm also wants to double its 6m sq ft pipeline of

commercial space through the partnership.

The move has been sparked by strengthening demand for Yorkshire development land, and the chance to capitalise as local authorities draw up their core housing strategies.

Keyland expects the new venture – which will sit within the existing corporate structure – to focus on the North and Midlands.

In most instances, the firm will form joint ventures with landowners, working

with them to draw up schemes, unlock sites and gain consent before selling on to third-party developers.

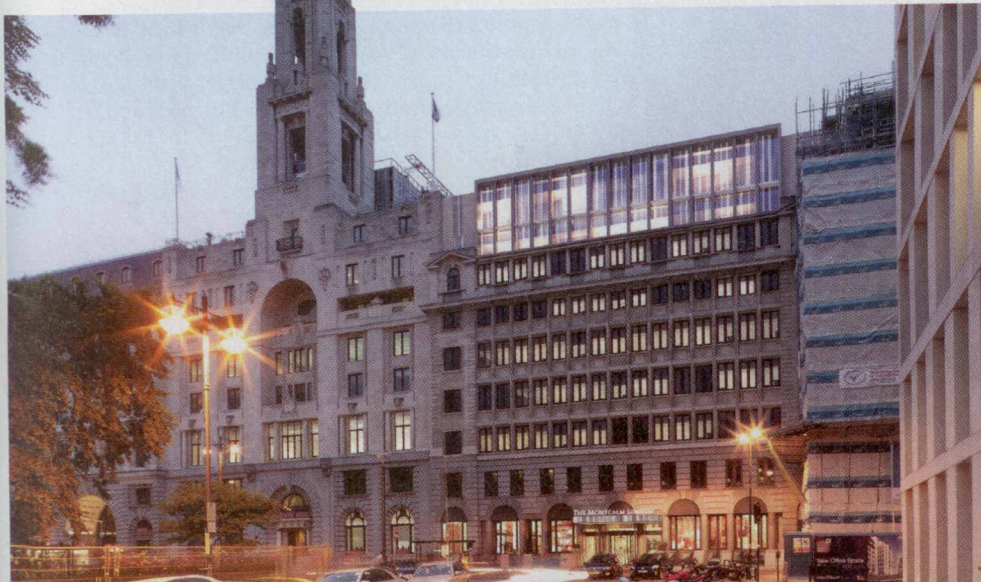
Managing director Peter Garrett said the operation was “not a threat” to developers already operating in the regions, but would instead complement house builders that scrapped their strategic land teams during the recession and no longer retain the skills to convert raw sites into viable large-scale proposals.

Garrett said: “We would not

have done this a few years ago, certainly during the depths of the recession. If we had just downed tools, as some other people did [at the onset of the recession], and waited for things to get better we would not be in the favoured position that we are now.”

Keyland's existing pipeline on Yorkshire Water land stands at 6,000 homes as well as its 6m sq ft of commercial developments.

YORKSHIRE FOCUS, PAGE 110



FIVE-STAR IN ISLINGTON

Montcalm Hotels Group has secured planning permission for Islington's first five-star hotel. The hotelier has got the

go-ahead from Islington council to convert 1950s office block Royal London House on Finsbury Square, E1, into a 256-bedroom hotel. 5Plus-designed proposals also

include restaurants and leisure facilities at the 10-storey development. Construction will start early next year. Savills and Jon Dingle advised on planning.

JV marches off with £50m US Air Force site

The US Air Force's residential base in Suffolk has been sold by Ireland's National Asset Management Agency for £50m.

Addington Capital and fund manager Europa Capital have bought 473 homes let to the US Air Force at RAF Lakenheath.

The base's married quarters and an adjacent small shopping parade were sold by bad bank Nama as part of a consensual sale process.

The purchase marks the joint venture's third transaction, following the acquisition of a £39.1m UK student housing portfolio in 2012, and a shopping centre portfolio in 2006.

Europa Capital bought the properties on behalf of its Europa Fund IV, a closed-ended pan-European fund. Investors in the vehicle include the \$58.3bn (£34.3bn) Virginia Retirement System pension fund, which committed €75m (£59m) to Europa in April.

The transaction provides “an opportunity to purchase a significant quantum of residential accommodation in an area and sector which is steadily improving”, said Europa partner Rob Sim.

Cushman & Wakefield Corporate Finance advised Nama; Savills acted for Europa Capital and Addington.

Developer makes case for Lincoln's Inn resi

An office building in London's legal heartland is to be converted into a luxury residential scheme as demand for housing in WC2 heats up.

James Taylor Construction has exchanged contracts to buy 64 Lincoln's Inn Fields, WC2, for around £9m from Cannon Estates.

The 7,500 sq ft vacant property has consent from Camden council to be converted into a Purcell-designed nine-flat

scheme valued at circa £18.5m.

Lincoln's Inn Fields has for centuries been a popular base for legal practitioners owing to its proximity to the Royal Courts of Justice.

However, the design and access statement for the flats conversion said there was now “greater demand for residential properties due to [Lincoln's Inn's] location and excellent transport links”.

Nicholas Marks, director at

James Andrew International, which advised the buyer, said: “This type of building no longer suits today's modern office user, specifically the lawyers who more commonly occupied this area.”

According to Colliers International, some 123,000 sq ft of Holborn office space has been earmarked for residential use in the year to date.

CBRE represented Cannon Estates.