

# Check-in to home comforts

UK property Dilapidated hotels in London's Westbourne Grove are being converted into high-end housing, reports *Francesca Steele*

When Laura Marino, creative director at the property developer Alchemi Group, first visited the six derelict, stucco-fronted, terraced properties that once formed the Leinster Inn hotel in Bayswater, west London, they were in such bad condition that no more than two people at a time could stand in any of the upper rooms for fear of falling through. "The ceilings were crumbling, and there was a damning environmental report. It had been a hotel but it looked like a carved-up youth hostel," says Marino.

There are numerous squalid dilapidated properties in Westbourne Grove, an area of Bayswater sandwiched between the brightly painted terraces of Notting Hill and the shopping mecca of Shepherd's Bush.

Despite its proximity to Hyde Park and a profusion of fine stucco-fronted townhouses and elegant garden squares, the property market in the W2 postcode suffers from an inauspicious past. It was here, during the 1950s, that the notorious landlord Peter Rachman turned a once genteel area into an overcrowded slum. Ethics aside, the material effect of his actions was the subdivision of a lot of local housing into countless tiny flats, bedsits and, eventually, hostels and hotels, many of which subsequently fell into disrepair.

In recent years, however, shrewd hoteliers have begun to sell up to property developers such as Alchemi, which hope to return the buildings to their former glory, converting them into high-end apartments and townhouses.

This is in no small part thanks to the success of The Lancasters, a former Thistle hotel overlooking the north end of Hyde Park. The renovation by developers Northacre was



quickly sold out with price tags of up to £3,500 per sq ft.

Giles Hannah, senior vice-president of Christie's International Real Estate, attributes the area's recent price rises almost entirely to the success of hotel conversions such as The Lancasters.

"Prices in W2 have risen over the last three years by 16 per cent, and the once run-down streets nearby have become much sought after," he says. "Several streets within Bayswater and Queensway are experiencing a complete transformation, with budget hotels being turned into prime residential apartments. W2 remains undervalued compared with its neighbour W11 (around Notting Hill), but is expected to see further price rises as these old hotels are converted into luxury apartments."



The Lancasters, a former Thistle hotel overlooking Hyde Park that has been turned into apartments

Westbourne Grove is still a relative bargain compared with some of its neighbours, particularly for older properties. Three- to four-bedroom terraced houses are available for between £1m and £2m. In Notting Hill and Ladbroke Grove (W11), prices are more likely to run from £2m to 10 times that. High-end conversions are usually significantly more expensive, however. Westbourne Grove itself, a meandering road which stretches all the way from Ladbroke Gardens in the west to Queensway in the east, is already a hub of designer shops, cafés and delis, while the markets of Portobello Road are a short walk away.

When it is completed in 2015, the Alchemi scheme in Leinster Square will consist of five family townhouses and six three-bedroom apartments. The buildings, which are listed, will retain their white stucco façade, as well as numerous original Victorian features. The apartments are due to go on sale with Knight Frank this spring, with prices from about £3.3m.

Nearby, boutique developer Amazon Property is converting the former Comfort Inn Hotel in Craven Hill Gardens and the adjacent Hempel Hotel, which it bought with British Land for £33m, into a range of apartments and townhouses called The Hempel Collection. When it opened in 1997, the Hempel Hotel, with its fashionable

## Buying guide

- Westbourne Grove has higher crime rates than Notting Hill. There were 300 incidents reported in W11 in October 2013 and 647 in W2, according to UKCrimeStats.com
- The area has a significant Arab population around Edgware Road, a large Greek community and London's main Brazilian community
- Crossrail will link Paddington to Bond Street and Farringdon in 2018

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1960s actress-turned-hotelier Anouska Hempel, was the place to see and be seen, with celebrity guests including Michael Jackson and the Beckhams.

Like The Lancasters, The Hempel Collection development will involve the demolition of everything behind the Georgian facade. This type of conversion contains unique challenges, such as the construction of floors on rubber springs, so as to counter the vibrations of the nearby Tube line.

insists that Hempel, when it is completed in 2015, will be "the next Lancasters". "There is a list of buyers who missed out on The Lancasters, to whom we will be marketing. The architecture here is unique, irreplaceable," he says. Phase One of The Hempel Collection, containing 12 flats and three houses on the former Comfort Inn site, is now on sale with prices from £2.6m.

Those who buy into these hotel conversions will also benefit from local commercial improvements. A Brunel investor has committed £500m to transforming nearby Queensway into a smart urban estate like Marylebone High Street. The investor has bought up 75 per cent of the street's buildings, including the listed Whiteleys shopping centre. Dixon Jones, one of the architecture firms behind the redevelopment of the Royal Opera House, has been hired to draw up a master plan.

Smaller, less ostentatious developments like The Hempel Collection often appeal to British buyers, and do not prompt much overseas marketing, according to Lamitis. "We're not trying to be the Candy Brothers or One Hyde Park," he says. "Unlike many prime central London developments, we have a lot of success with domestic buyers as well as international ones, I think because they still look so quintessentially British."