

# Bayswater hotel to revert to residential gold with Alchemi

■ Umi hotel in Leinster Square will be combined with terrace to create luxury homes

BY KAT SPYBEY

Residential developer Alchemi Group is working up plans for a £150m luxury scheme in Bayswater, west London, after taking control of the Umi hotel.

Alchemi is working on plans to convert two hotels into more than 30 luxury flats, which are expected to command values of around £2,000/sq ft, and will dominate the northern side of the square.

US private equity investor Angelo Gordon has bought the Umi hotel, at 13-19 Leinster Square, from the Lowy Group for a price thought to be around £30m. Alchemi has been appointed as the development manager to convert the three-star, 116-bedroom hotel, which is also known as the Westminster Hotel, into 15 to 20 flats, which could be worth around £90m when completed.

In 2012 JR Capital, a Middle Eastern consortium working with Alchemi, bought the adjacent 80-bedroom Leinster Inn, at 7-12 Leinster Square, for £20m. Last year the pair won



planning consent to convert it into 11 flats with an estimated value of around £60m. Five of the flats will have their own ground-floor entrances.

The acquisition of the Umi will more than double the number of flats Alchemi can create on the square.

Despite the different owners of the

two sites, Alchemi is in talks to try to combine the two schemes, which could share communal facilities such as a gym, spa and swimming pool.

A combined scheme would take in 13 grade II-listed buildings that make up most of the square's northern side.

Architect Tate Hindle, who designed the first element of the scheme, has also been lined up for the Umi hotel.

Lowy Group has taken a lease on the Umi property until March, and will have a rolling lease after that to wind down the hotel. Alchemi is expected to submit a planning application for the Umi by the end of May.

Work is expected to start on 7-12 Leinster Square in February, with Alchemi hoping to be on the Umi site by the end of the year.

The conversion of the hotels comes as London councils appear keen to support planning applications to convert hotel properties that were originally designed to be private residential, back into residential use, behind the retained traditional facades of the buildings.

## French Sole step into Leeds

Hammerson has signed luxury footwear retailer French Sole for its first store in the UK outside London at Victoria Quarter in Leeds.

The 200 sq ft store, which is due to open at the end of February, will front on to Vicar Lane and will be next to upmarket skincare retailers Space NK and Liz Earle.

French Sole celebrates its 25th year in business this year and its expansion outside of London marks the retailer's appetite to grow its UK retail



venture, it said.

The store will carry French Sole's signature ballet flats, along with special editions and selected ranges specifically designed for the Victoria Quarter store.

Hammerson bought the grade II-listed Victoria Quarter

in Leeds in September 2012. The scheme is anchored by Harvey Nichols, and is home to Louis Vuitton, Vivienne Westwood and Paul Smith.

## Blackstone's welcome to America for Chubb

Blackstone has secured a 44,000 sq ft letting to Chubb Insurance at One America Square in the City.

The insurance company will move out of its headquarters at 106 Fenchurch Buildings in the City of London later this year. It is understood to be

paying around £40/sq ft at the new offices.

Chubb is the eighth-largest property and casualty insurer in the US.

It has more than 120 offices in 29 countries.

One America Square is a 226,000 sq ft art deco-style

tower with lower-ground, ground and 13 upper floors.

Blackstone bought the building in October last year from Nationwide Building Society for £85m in an off-market deal.

All parties declined to comment.

## Nigerian trader's slick Hanover move

NOM, Nigerian Oil Mills, has taken the top two floors at 8 Hanover Street in Mayfair for its UK headquarters.

The commodity trader has signed for 3,550 sq ft in the property on the boundary of Hanover Square, at £115/sq ft for the top floor and £110/sq ft on the fifth floor. It is thought it

has just less than two years rent free.

SOF Investments is understood to have taken 1,896 sq ft on the ground floor at £70/sq ft. The 3,857 sq ft fourth floor is also thought to be under offer.

Morgan Capital Partners, acting for a private Swiss

family, bought the 27,342 sq ft property from LaSalle Investment Management for more than £25m in 2011.

Strutt & Parker are the letting agents. Summit Property Advisors advised NOM, BDG Sparkes Porter advised SOF Investments. All parties declined to comment.