

Stalled tower could finally rise

ALEXANDER PEACE

Ballymore has put the largest residential development opportunity in Manchester centre and once the tallest proposed tower in Europe up for sale.

Eastgate Tower, now known as Piccadilly Central, is being sold through CBRE. The 710-flat project is expected to benefit from the regeneration of Piccadilly station, the intended terminus of HS2.

Plans for the consented 60-storey tower, which rises to 616ft – 59ft higher than the city's tallest building, the Beetham Tower – were first submitted in 2004, but the scheme stalled as a result of the financial crisis.

Ballymore is understood to be expecting bids in excess of £25m for the three-acre site, which also has planning in place



Piccadilly Central

for two adjoining blocks rising to six and 16 storeys and a separate 220-bedroom hotel.

The development is expected to deliver the most luxurious flats in the city. Prime values in Manchester are around £450 per sq ft. The price of an average prime two-bedroom flat is £250,000, according to CBRE. As a result, Piccadilly Central is expected to have an end value well above £200m.

Alistair Chapman, director at CBRE, said: "It's a landmark building in a premium location on the doorstep of one of the busiest transport interchanges in the North, making it one of the most high-profile prime residential development opportunities in the city."

Ballymore bought a 95% stake in the scheme from Inacity in 2007. Inacity retained 5%.

L&Q snaps up 800-home site in Reading

Housing association L&Q has bought an 800-home residential development opportunity in Reading, Berkshire, from TH Real Estate.

The eight-acre site at Kenavon Drive sits on the Kennet and Avon canal, and was once the home of the Huntley & Palmers biscuit factory.

L&Q is working up plans for between 700 and 800 homes, ground-floor commercial uses, two new public squares and upgrades to the public realm.

Around a third of the homes will be affordable, with a split between private rent and private sale for the rest.

Depending on the mix, the scheme could have an end value of more than £150m.

Over the past year L&Q has ramped up its housebuilding operations, with the launch of a dedicated private rented sector arm and the acquisition of larger peripheral London sites, including Barking Riverside and Beam Park, with Countryside.

It is undergoing merger discussions with the Hyde Group and East Thames housing associations. The merged company would create one of the largest housebuilders in the country with the stated intention of delivering 100,000 homes by 2025.

Wealthy commuter-belt towns such as Reading are being sought out by developers looking to tap into demand for centres outside the overheated London market.

Average house prices in the town stand at around £320,000, according to Rightmove, and it offers rail access to London in less than 30 minutes, while Crossrail is set to arrive in 2018.

James Cobb, director in the residential land team at JLL, said: "This is the first significant place-making site within eastern Reading and will set the benchmark for future developments of this kind in the city."

JLL acted for TH Real Estate.

Berkeley fronts back-to-back terraces

Housebuilder Berkeley is to introduce a new form of terraced housing in schemes around the country that it claims can increase densities, build speed and development viability.

The Urban House differs from traditional terraced housing as the rows of homes sit back to back with the garden relocated to the roof, doubling

the density of sites and boosting the viability of schemes.

The format will use modern construction methods that could speed up delivery, lower costs and bypass the skills shortage.

"I think it is something we can roll out in all cities," said Karl Whiteman, executive director at Berkeley. "There is an opportunity to deliver it in any location

across the country."

Although the design could prompt concerns about overcrowding, Whiteman said that the response from councils and buyers has been positive.

The firm has built 22 units as a trial at its Kidbrooke scheme, SE3. These have been sold for around £750,000 each. Traditional terraces in the area sell for around £1m.



MAYFIELD TO BUILD BAYSWATER LUXURY FLATS

Mayfield has won consent from Westminster Council for a 15-flat scheme in Bayswater, W2. The development, on the site of the former Westland Hotel at 154 Bayswater Road and 6 Palace Court, was designed by Hamiltons Architects, and has an end value of £60m, equivalent to an average of £4m per flat. Mayfield bought the two existing buildings at the site in March last year from a private vendor.