

3 August 2007

NOTHING QUITE CAPTURES THE IMAGINATION OF residential developers in the capital as the opportunity to build by the Thames – even in Deptford, a part of south-east London that until now has been impoverished and overlooked.

Mark O'Grady, co-founder of developer Lane Castle, walks along the riverfront next to the Payne's and Borthwick Wharves. Because of the bend in the Thames here, there is a clear view of the Naval College at Greenwich, downstream and on the same side of the river.

It is easy to forget that Deptford High Street is barely half a mile away as O'Grady gestures in the other direction, across the water, towards the first wave of residential development in Docklands with Canary Wharf as its backdrop.

'It's one of the best sites on the south bank – historic Greenwich and 21st-century London as part of the same view,' he says. 'If you can't sell residential here, you might as well give up.'

But until recently, no one had bothered to try. Just glancing at the sheer density of apartment blocks on the Isle of Dogs helps explain why it was only a matter of time before developers homed in on the open spaces of the south bank at Deptford.

It is only from the riverfront that the potential of Payne's Wharf, which began life in 1860 as a base for marine engineering but was used latterly by Hays for document storage, can be seen.

Development will open up this stretch of riverbank to the public for the first time in 150

■ London riverfront residential development has reached the banks of Deptford.

Doug Morrison reports

years and they will see why this building, with its dramatic river-facing, Italianate arches, has been grade II listed.

Contractors moved in after Lane Castle secured planning permission in January for a scheme of 257 homes, which involved restoring and partially redeveloping Payne's Wharf, as well as demolishing the adjacent Borthwick Wharf and replacing it with an 18-storey tower.

SPECIAL INTERESTS

This the first project for Lane Castle, a company established by O'Grady and co-founder William Avery to seek out 'interesting properties with an angle' after cutting their teeth in residential development with Berkeley Group and Garbe Group respectively.

Financial backing comes from JER Partners, no stranger to the residential sector in countries such as Germany. But the wharf scheme marks a London first for the private equity firm.

JER looks to have timed it right. Last month Lane Castle put 34 flats on the market through King Sturge. They were snapped up by owner-occupiers as well as investors for between £275,000 and £1m. Construction is not due to be completed until spring 2009.

These off-plan sales coincided with Galliard Homes paying Derwent London £113m for the Greenwich Reach site, which will provide 980 homes just downstream of Payne's and Borthwick. Galliard has said it will launch a forward-sale of its first phase in September, even though construction is unlikely to start for two years.

Immediately upstream is Convoy's Wharf, the site of a longrunning masterplan by owner News International to build 3,500 homes, which has yet to win the necessary approval from London mayor Ken Livingstone.

In planning terms, Payne's and Borthwick Wharves also have history. George Wimpey won outline consent initially before selling on to Oakmayne Properties, which in turn sold the site to Lane Castle last year for £13m.

Payne's Wharf was always integral to the scheme, but there has been local opposition to demolishing Borthwick Wharf, a 50-year-old cold store designed by Royal Institute of British Architects gold medal-winner Sir Edwin Cooper.

O'Grady is confident his scheme will succeed after refining the detailed plans. Lane Castle's angle is a twist on the usual nod towards mixed use. Around 38,000 sq ft of Payne's Wharf will be offices and restaurants, but 11,000 sq ft will be set aside for a cultural venue.

Lane Castle wants to tap a burgeoning creative arts scene in Deptford. Although it has yet to determine the exact format of the venue, the developer has already established an online 'cultural showcase' to promote local artists and creative businesses.

'We wanted to do something that associates the site with the arts,' says O'Grady. 'We want to make sure it's integrated with the community.'

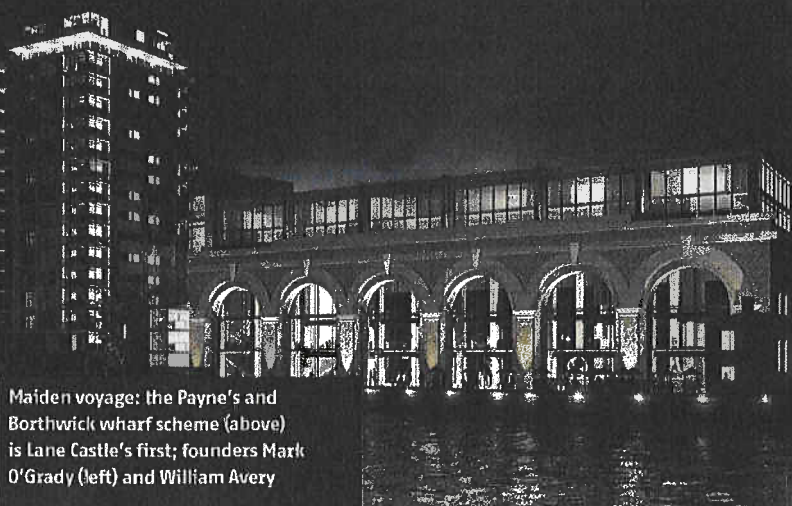
King Sturge partner Tim Wright welcomes this fresh approach to development by O'Grady as a contrast to the 'build, sell and move on' policy of most housebuilders.

'Nothing much happens during the day at most residential developments. Here there will be an active environment,' says Wright.

'Lane Castle has worked at creating something that will last beyond when a developer usually leaves the site. Bearing in mind this is its first big scheme, there is a real involvement from Lane Castle through the community and out to the people who are buying here,' he adds.

As O'Grady says: 'If you just have residential, it's going to be a dormitory.' ■

Just add water



➔ Maiden voyage: the Payne's and Borthwick wharf scheme (above) is Lane Castle's first; founders Mark O'Grady (left) and William Avery

