

Send us your feedback

tell us your thoughts on our new website's design and features...

PropertyWeek.com

SEARCH

NEWS | DATA | PROFESSIONAL | COMMENT | MULTIMEDIA

Events | Jobs | Network

News by Sector | News by Region | Global | Latest Issue | Industry Events | Derivatives | Ludgate

>> HOME | NEWS | NEWS BY SECTOR

London Rental Housing Company targets 'sandwich class'

29 October 2010 | By Doug Morrison



Print | Email | Share | Comment | Save

New venture aimed at capitalising on spending cuts

The idea of build-to-let as one way of boosting the private-rented sector has been around for years without ever being taken up wholeheartedly. But one entrepreneur believes he can succeed where others have failed

The government shows no sign of regulating the sector and its intransigence has prompted Iain Hutchinson to found the London Rental Housing Company, which he formed this year. It aims to

sustainability now
8-9 December 2010 | sustainabilitynowevent.com

Brought to you by
Building bd
Property Week.com

The free online event for sustainable professionals



SHOWCASE

Office Industrial Retail

To let For sale

Size (sq ft) to

MOST POPULAR

MOST COMMENTED

- Targetfollow in administration
- DTZ issues profit warning
- BNP Paribas Real Estate poaches Allsop west end agents
- £1bn West End deal-fest
- Westfield in talks to sell stake in Stratford mall

EMAIL NEWSLETTERS

SIGN IN

- Daily News Alert
- Breaking News
- Deals & Data Alert
- Global News Alert
- People Newsletter
- Weekly

provide grant-free housing for the "sandwich class" of people who cannot get into social housing or on to the property ladder.

Backed by Barclays and the Royal Bank of Scotland, Hutchinson wants to build 2,000 private-rental flats in London over the next five years. He hopes to secure 10 sites in the next year, and the acquisition of the first, in Greenwich, is imminent.

Hutchinson believes the public sector job cuts in northern cities after last week's spending review reinforces his take on "a cultural shift" from home ownership to renting in London.

"The problem of accommodation in London is going to be exacerbated after the public sector cuts," he says.

Hutchinson - chairman and majority shareholder of Dent, the luxury clock and watchmaker, and a financial backer of the Conservative Party - appears to have come from nowhere.



In fact, he calls upon 15 years' experience of residential development across London in a series of special purpose vehicles, as well as 150 investment properties, which includes a portfolio deployed for people on Tower Hamlets' social housing list.

The new company is also informed by Hutchinson's regular visits to Switzerland for Dent where he has seen first hand "warm but austere", purpose-built rented accommodation.

The key to success for Hutchinson in London is scale: schemes of at least 150 three-bedroom flats with communal facilities such as laundry services and weekly rents pegged at £300 - below the market rate - to ensure full occupancy.

That formula, he claims, will produce an investment that is not reliant on capital growth and delivers a sustainable gross income yield of 10% and a net yield of 7.2%.

"What we're trying to achieve is a no-frills airline approach to development," he adds.

 Like  Be the first of your friends to like this.

Related company resources

HAVE YOUR SAY

You must sign in to make a comment

[SIGN IN](#) [REGISTER](#)

 Print |  Email |  Share |  Comment  Save

Newsletter

[SUBMIT](#)

[> SIGN OUT TO LOGIN AS ANOTHER USER](#)

Property Week 4 jobs [LATEST JOBS](#) [SEARCH JOBS](#)

- WORCESTER COMMUNITY HOUSING: Head of Property Investment
- THE CO-OPERATIVE GROUP: Disposals Manager
- THE CO-OPERATIVE GROUP: Regional Acquisitions Manager
- THE CO-OPERATIVE GROUP: Regional Acquisitions Manager

 Dedicated to temporary and contract vacancies in property.

Barbour PRODUCT SEARCH [Search for Building Products for FREE](#)

I'm searching for _____ in [Search](#)



THE PROPERTY NETWORK

The Property Network - Connecting commercial property professionals throughout the UK, providing a platform for debate and collaboration

network.propertyweek.com

Blog Posts

- Christie + Co and John Miles & Co first to offer online property sales through [clicktopurchaseproperty.com](#)
Posted by Neil Singer
- France A Good Bet For Overseas Property Purchase
Posted by Kirstie Donovan
- NLA Event: Investing in Southwark
Posted by Azhar
- The Importance of Learning

Latest Pictures



Comment

- Blogs
- Story Comments
- Feedback
- Chat

Services

- RSS Feeds
- Newsletters
- Media Pack
- Advertise

Multimedia

- Video and Audio
- PW Podcast
- Webinars
- Digital Editions

Account

- Register
- Your Account
- Newsletters
- Subscription

Select an Award

Select an Event or Conference

Select one of our sister sites

News feeds

Newsletters

Add PW Search

Set homepage

Widgets Creator

PW on Twitter

© Property Week 2010 | [Terms and Conditions](#) | [Privacy Policy](#) | [Feedback](#) | [Contact us](#) | [Sitemap](#) | [About Us](#)

[Previous Issues](#) | [A-Z Subjects](#) | [A-Z Contributors](#) | [Related Company Resources](#) | [Company Showcases](#) | [RSS Feeds](#)



United Business Media

Site powered by [Webvision](#)