

## GoNative: building an Empire

14 September 2017 | By [Helen Crane](#)

The site of an old fighting pit is being turned into an aparthotel but it is its proximity to the City that is grabbing wider attention.

Empire



Warehouse on London's South Bank has an interesting history to say the least. Empty since the 1950s, it is one of the last vacant warehouses in the formerly industrial area. Its most recent use was as a tea warehouse – but before that the site on Bear Gardens was put to a much more gruesome use as a bear- and bull-fighting pit in the 16th and 17th centuries.

It is now set to get a new lease of life, as aparthotel operator GoNative and owner Create REIT redevelop it into a 75-unit property that will open in a matter of weeks. It is one of only a handful of significantly sized aparthotels to open in the capital this year.

So what are GoNative's plans for this unique yet challenging site, and what does it say about the health of the aparthotel market?

GoNative may not have had the opportunity to occupy it had it not been for Southwark Council's planning department.

"We first met the owner of the site, Create REIT, five years ago," says [Guy Nixon, the chief executive of GoNative](#).

"They had acquired the building with a view to getting residential consent but Southwark Council wouldn't give them planning permission for it. They gained permission for an aparthotel and then appointed Christie & Co to run a process to decide whether they should sell it on or develop the site themselves and find an operator."

GoNative was approached and has taken a 25-year lease on the site.

## Challenging site

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The site was a constrained and difficult one, and this led to some delays – but it is now set to open in around six weeks.

“It’s been a very challenging site for Create REIT, but they have risen to those challenges. It’s an incredibly tight site – there are offices and resi around it and it is also adjacent to Shakespeare’s Globe,” Nixon explains.

“In essence, it’s a typical old medieval site in London. The winching equipment is still there from when it was used as a warehouse, and they found the old bear pits with bear and dog bones.”



GoNative has been involved in the design of the Empire Warehouse scheme since its inception

The prime location of the site makes all the challenges it presented worthwhile. It is next door to the Globe and the ground floor will also provide rehearsal studios for the theatre, linking directly into the neighbouring Sackler Education Building.

The South Bank is ideal because it caters to GoNative’s two principal target markets: business travellers and tourists. “It was the history that attracted us, and the location,” Nixon says. “It’s such an exciting location. If I was a young guy with no kids I would be right on that as a place to live.”

As well as being seconds away from the Globe and Tate Modern on the South Bank – and having views over the River Thames – it is a 10-minute walk to

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St Paul’s Cathedral and Borough Market. The site is also within walking distance of the major corporate headquarters in the City as well as London Bridge office schemes such as The Shard and More London.

“It’s fantastic for both the corporate and leisure market, and both are seeing very strong demand,” Nixon says.

Due to planning restrictions, sites such as this are the closest aparthotel developers get to the City of London at the moment. “If we could get bigger in the City, we would,” Nixon says. “But the City of London won’t give any more planning consents for aparthotels, hotels or residential.”

This has led aparthotel operators and developers to look at locations around the circumference of the City, of which the South Bank is a prime example.

The City of London's reluctance to grant consents for aparthotels could lead to locations such as London Bridge, Shoreditch and Farringdon becoming aparthotel hotspots. For example, GoNative has also opened a 183-unit property on Commercial Street for similar reasons.

## Specific brand focus

The design is an important part of the Empire Warehouse scheme, and GoNative has been involved in it since the project's inception. "We really insist on being involved because we have quite a specific brand focus," Nixon explains.

"We are becoming much closer in look and feel to the hotel operators." This also extends to the services on offer. At Empire Warehouse the apartments will be serviced by a 24-hour concierge, which Nixon says will be someone who "knows and loves the local area".

Although it does not have a food and beverage offer – which Nixon says is because of the "fantastic amenities" already available on the South Bank – it does have a 'guest pantry' stocked with basic items for them to use.



Architect Spparc will complete what Nixon describes as the "hard fit-out" of Empire Warehouse, while Archer Humphryes – which has previously worked on the Chiltern Firehouse and Great Northern Hotel, as well as on other GoNative schemes – has been appointed to design the interiors. It is being furnished by Conran, and GoNative will commission local artists to create works illustrating the colourful history of the site.

We are becoming much closer in look and feel to the hotel operators – Guy Nixon, GoNative

The thought that is increasingly going into the design of GoNative developments is inspired by the interesting and unique buildings that it is acquiring, says Nixon.

"The buildings we are working with now are quite historic, and even the new-builds are in locations such as Brick Lane and Kirkgate in Leeds, so they are not boring places. We want to be really, really consistent in the design and quality."

## In the pipeline

Empire Warehouse is one of only a handful of aparthotels that will open in London this year. Others include Residence Inns by Marriott (owned by Starwood) in London Bridge and Kensington and Staycity Aparthotels' property on the Strand, which will be operated under its new premium brand, Wilde.

This could be because operators are busy expanding their portfolios in the regions. Research by Savills at the end of 2016 predicted that serviced apartment stock in London would increase by 8.1% this year, compared with an average of 20.5% across regional markets and 73% in Manchester alone.

GoNative itself has openings coming up in Glasgow, Manchester and Bristol and is actively seeking schemes in Edinburgh as well as Oxford, Cambridge, Reading and Birmingham.

Nixon remains



confident in the market and says there are plenty of London sites in the longer-term pipeline. "There have not been a lot of openings this year, but there are a lot in the pipeline," he says, adding that GoNative is "very much looking for new opportunities." It already has around 75 sites in the UK, and he hopes it can establish "complete coverage" over the next 12 months before starting to look at cities elsewhere in Europe.

This positive outlook is being bolstered by the current economic climate.

"We are having a good year," says Nixon. "For us there have possibly been a few benefits from Brexit, such as the 15% devaluation of sterling against the US dollar and euro, which has made London much more affordable than it has been for a very long time." In the year to July, revenue per available room at GoNative was up 17.9% compared with the same period in 2016, while occupancy rates increased 4.9%.

With demand for rooms so strong, the challenge of developing Empire Warehouse looks set to be well worth it.

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