

Kirsty Mackenzie

From: David Berry
Sent: 29 January 2018 09:51
To: Katie Crerar
Subject: FW: Commercial conversion to holiday lets/residential -in need of an ally

From: Gordon Thomson [REDACTED]
Sent: 25 January 2018 08:58
To: Murray Ferguson
Subject: Commercial conversion to holiday lets/residential -in need of an ally

Dear Mr Ferguson

I hear you are a man of vision and I need such a man as an ally.

Hi there, My name is Gordon Thomson and for the last thirteen odd years I have lived in Kingussie at [REDACTED] a property that I converted from a redundant butcher's shop that had sat empty on the High Street for a number of years, which together with owner's double upper flat above, I transformed into a five bedroom "townhouse" for myself, wife and then four young children.

I had never heard of the term "commercial conversion to residential" it just seemed a clever way of using property that had outlived its current use to give me a large family home at less cost than buying a similar sized "residential" property with the added bonus of making use of traditional property that had become an eye sore to the High Street.

I became an accidental property developer and since then I have converted a derelict farmhouse into a very modern, young (my daughter designed the interior) luxurious serviced accommodation, holiday let, house which in our first year when it comes to an end in April, will have enjoyed over 80% occupancy. See air bnb "family friendly house near Kingussie" - Jacobite Lodge. There is clearly a need for this more modern type of holiday accommodation which can attract more people and give existing tourists extra choice to this part of the world that we all love.

There is, like other parts of the UK also a shortage of housing, particularly one/two bedroom starter flats which with government deposit help means that at last a whole generation forced into rented accommodation can once again enjoy what I enjoyed at their age namely to be able to purchase my first flat. Equally clearly there is now redundant commercial property on our High Streets and else where, a situation I fear that can only become worse in this fast changing world. It's not rocket science to conclude we should convert the the redundant commercial property into the needs of modern Scottish society.

The difficulty as I see it is to bring in the money to purchase and convert such property there needs to be a degree of certainty that just does not exist at the moment. Offers can be submitted subject to planning but the costs of the then planning process are at risk, the biggest cost from the point of view of an investor who can put their money else where often being the time involved.

Commercial conversion to residential is a huge thing in England at the moment. There is a great shortage of housing and technology changes means we need less offices, less shops, banks, police stations etc. I am a great fan of our Scottish government but I have to say hats off to Westminster in that they reacted by in effect granting approval for change of use for these properties as a

statutory right, taking it out of the hands of Planning and allowing, with that certainty, finance to come on board to convert redundant commercial property. As we speak Birmingham is being transformed. As a planner I can fully understand such a laissez faire attitude filling you with woe but there are restrictions and safe guards, but many restrictions often imposed by a city's development plan now some eight years old (these days you can't afford to base anything on plans made more than eight months ago far less eight years) have been removed. As a result Money is pouring into northern England and I rather fear our own towns and cities many of which have High Streets desperately in need of investment and change, are losing out

Prior approval is not available in England in conservation areas and National Parks and nor should it be but there needs to be at the very least a recognition that commercial conversion is a good thing, something to be encouraged. Here in Kingussie I am looking at a rather beautiful but closed, Victorian bank (of which many more are about to come onto the market) It is empty and deteriorating, water is coming in through the roof, the ceiling in the first floor office has collapsed - there is no parking which is more than likely to stop change of use to residential. None of my children currently own a car, they are part of the "Easy Jet" generation, they don't want cars! What is that building going to be used for if not residential?

Again on our High Street there is a most extraordinarily ugly 1980s former police station, which with a little architectural magic could be transformed into a Scandanavian style attractive building but again it needs to be allowed a modern use. Who has got the money to burn given such current uncertainty. There needs to be a relaxation of some rules, a presumption in favour of change of use that can overcome rules that might be imposed in a perfect world, that can be imposed in new builds where you are starting from a field but which serve to rule out so many redundant commercial properties - what are we going to do with the sixty odd banks that are closing if we rule out change of use because they have no parking!

Pre - planning applications do not work, the money folk in commercial conversions are not interested in further expense and delay. They don't need to invest their money here

Back to the police station. To obtain development finance , 4 x 1 bed plus 2x 2 bed, makes sense at its existing size. Down south with prior approval for conversions, one bedroom flats under 400 square feet are the norm. It is easy for us to criticise but as they say, in the south east, do you really want to pay £150,000 more for a corridor in a one bedroom flat.

I appreciate up here that is not going to happen, we like our space and I am not saying it should happen but given the low price of property in this area, I can't make conversions work financially, (the development banks won't give money without me showing over 20% profit after cost of finance, once developed, and the problem is that development costs are lower but not that much lower than down south), if we can't produce one bedroom flats to 500 square feet, maybe under 700 square feet for two bedroom.

So sorry for the rant but I can't believe it is beyond our ability to give more certainty at an early stage to enable Scotland to transform it's High Streets

Anything you can do, any advice - very much appreciated

\kind regards

Gordon Thomson 