

Theo Moyo/Apex: Blink

Prospect House, in south Devon, was turned into 16 homes with sea views in 2006



No booking required

Seaside hotels are being converted into flats, providing opportunities for holiday-home buyers, says Cally Law

Time was when a stay in a seaside hotel was the preserve of maiden aunts and illicit couplings. Most of our old hotels and guesthouses lost their appeal decades ago. However beautiful the location, nobody wants to eat in a dreary glassed-in restaurant or creep down dark, linoleum-clad corridors in search of the loo. On the other hand, if you wanted your own holiday home on the coast, you usually had to forsake a stunning view, thanks to the substantial premium demanded.

Now the tide has turned. All round our coast, hotels and boarding houses have been closing their doors, only to reopen, transformed, as luxury residential developments with WiFi, big TVs, granite kitchen worktops, ensuite bathrooms, natural flooring — and enough outdoor space for a barbecue and a G&T.

“Forty years ago, families came for a fortnight, stayed in a hotel or guesthouse and ate in every evening,” says Rick Marchand, director of the West Country estate agency Marchand Petit. “Now it suits them to stay in a flat and eat out.”

It is a trend, he says, that began in earnest on his South Hams patch back in the 1970s, when the Great Gates hotel, in Salcombe, and the Links, in nearby Thurlestone, were both converted. There was another spate of redevelopment during the 1990s property boom, and developers and the buying public are coming round to the idea once again. “Three hotels in Thurlestone have been

converted into luxury holiday bolt holes in the past seven years,” Marchand says. “They were snapped up. People love them, they are easy to lock up and leave, and you can earn a good income.”

When Prospect House, between Salcombe and Dartmouth — formerly Trouts, a family establishment run by two spinster sisters — was converted into 16 homes, each with sea views, in 2006, most sold within 12 months. Prices ranged from £225,000 to £660,000 and all were decorated in a seaside style inspired by houses in the Hamptons. Communal facilities include a heated outdoor pool, tennis courts and clifftop gardens.

They appeal to planners, too, as the transformation of hotels into self-catering residences does not take homes away from people who want to live permanently in the area. Indeed, most planners specify that new flats should be restricted to second-home use only.

From the developer’s point of view, it’s a dream: a faded hotel in a prime location is an ideal brownfield building site. Just so long as you can find one that’s still unconverted and available, that is: “I can’t think of any in choice locations that are likely to go now,” Marchand says.

In this respect, the Coast Group has been lucky. Rob Dickson, 59, has been a builder/developer for decades. After finishing work on a retirement village in the Cotswolds in 1999, he was casting about for the next project. “I had lunch with a friend who talked about heart-breaking half-term holidays, paying a

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Rob Dickson, right, with his son, Sam, on site at Gara Rock

lot of money to stay in run-down flats,” he recalls.

The plan was to provide just the sort of holiday apartment that his friend would love. A call to another old friend, a land buyer, resulted, in 2004, in Dickson investing in a down-at-heel hotel at Saunton Sands, near Barnstaple, on the north Devon coast. It had a stupendous view over protected sand dunes and, revamped into 16 holiday flats and renamed Oceanpoint, it sold out almost immediately.

“By the time we finished them, in November 2009, we’d sold the lot,” says Dickson, who now works with his son, Sam, 29. The development sold steadily, even through the depths of the depression. “It was a bit of a

rollercoaster,” Sam admits, “but we just knew it was a cracking spot.”

It was also a cracking concept: families with small children don’t like airport-security queues any more than they like musty hotels. What they want is well-designed luxury homes in the best seaside spots. Now the Coast Group is applying that formula to Gara Rock, a new development of 14 flats and five cottages, with a bar, a restaurant, a gym, a spa, an indoor pool and a tennis court. It’s on the cliffs overlooking one of the most spectacular stretches of the South West Coast Path, across the water from Salcombe. The company is still sinking the foundations, but already two flats are sold and two have been reserved. Prices range from £640,375 to £1.41m.

While Coast has been lucky, others have fared less well. Jonathan Cunliffe, director of Savills estate agency in Truro, says it’s become harder to find suitable sites partly because there aren’t many hotels left, and partly because planners aren’t granting permission. “Over the past 20 years, a lot of hotels have made way for flats, to such an extent that, about seven years ago, the planners stopped giving consent. They didn’t want to lose all the hotels.”

Newquay, for example, was badly hit. Back in 2008, the Cornish surf capital was defying the property slump. Hotels and hostels overlooking the surf were being bought by eager developers, and “superflats” were selling for as much as £2.5m (although more usually between £200,000 and £800,000).

Then, abruptly, the frenzy of development came to a halt. As many as 600 flats were finished and unsold, or part-built, or ready to go on sites with planning permission. At one point, there were more than 20 large developments for sale or under construction.

Dickson is undeterred. He knows there’s a market for “world-class” locations, and he’s sending his team to Northumberland, Wales and the Isle of Wight.

➔ Gara Rock; 0845 602 9311, gararock.com

HEAVENLY COAST

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IT’S A SHORE THING Redeveloped hotels on sale around the British coast

Cornwall £105,000

The Atlantic House Hotel, in New Polzeath, is being turned into 10 flats (this price is for a two-bedder), for sale on a fractional-ownership basis. Due for completion in 2011. 01392 477884, winkworth.co.uk



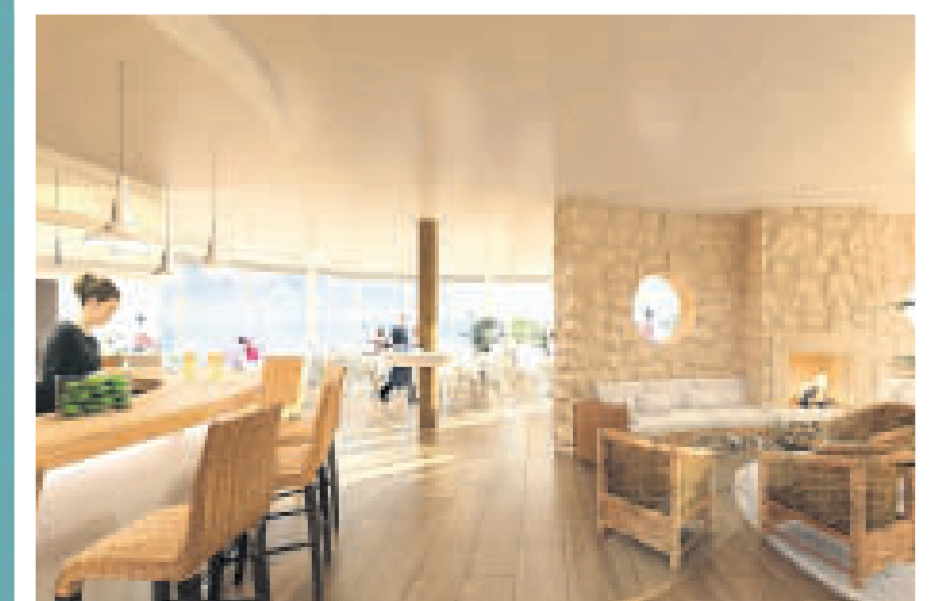
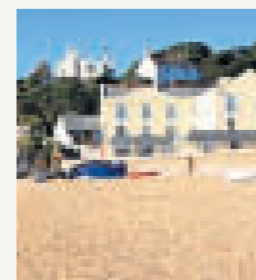
Norfolk £175,000

This one-bedroom flat is one of seven in Seaview Court, by the coast in Mundesley, a conservation village 22 miles from Norwich. 020 7861 5443, knightfrank.co.uk; 01603 229336, www.bidwells.co.uk



Devon £270,000

Part of the converted Torcross Hotel, this one-bedroom cottage is a short walk from the beach at Torcross and six miles from Kingsbridge. 01392 848844, knightfrank.co.uk



Computer-generated images of the planned bar at Gara Rock and, top, the exterior