

THE TIMES

bricks & mortar

Friday November 11 2011

Property
Supplement
of the Year

Plus

How Barratt
is trying to
tempt you to
buy new build
Page 4

Kitchen
Confidential:
cool cookers
and gadgets
Page 16

Dig a basement
and your neighbours
will want one too Page 12



Cover story

Going underground? You're not alone

It might not make you popular, but a basement extension could add value to your home, says Lucy Alexander

Basements used to be dank, stuffy rooms where the rich kept their staff. Now they're well-lit, airy spaces where the middle classes host kitchen suppers. Neighbours used to complain to the council at the first sign of excavation work on their street. Now they're pestering the builders for cost estimates. With 350 planning applications for basement extensions last year in Wandsworth alone, everyone now wants to dig deep.

Subterranean extensions hit rock bottom a year ago when there was a lot of excitement about the so-called "Belgravia basement wars". The cast featured Nigella Lawson, a skip that dared to dent a piece of pristine SW1 tarmac and lots of disgruntled extras complaining about the "iceberg homes" of the rich. Sir Simon Jenkins, chairman of the National Trust, fulminated in May about "London's guts being ripped out". While this was going on, everyone in Wandsworth was putting their planning applications in the post.

For London homeowners whose property is nudging £1 million (which is most good four to five-bedroom houses in smartish areas such as Fulham and St Johns Wood), basement extensions have become a way of acquiring more space without having to uproot your family. During 2008-09 they became popular because nobody could move. In 2010 business boomed because no one wanted to pay the new 5 per cent stamp duty rate for transactions over £1 million.

Today, as prices have crept beyond their 2008 peak, popularity is reaching new heights as techniques have improved so much that basements are now valued at the same rate as the rest of the house, and thus can add value to the property.

"When basements first became fashionable, agents would assess the space below ground at a lesser value than the above-ground accommodation," Mark Pollack, of Aston Chase estate agents, says. "However, with the quality of space now being created, these areas are now valued



'I negotiated a fixed price up front'

Joanna Yellowlees-Bound is building a double-storey basement and a loft extension in her mews office in South Kensington. The original two-floor building, "which would have had servants upstairs and horses downstairs", will double in size and provide three floors of office space for Yellowlees-Bound's company, Erna Low Property, and a two-floor flat on top, which she will let. The total cost of the project is £600,000, split between the roof and basement extensions, and the value of the finished property will be about £2.8 million. "I did months of research", she says, "and decided on Cranbrook Basements (cranbrook.co.uk). I negotiated a fixed price up front and I am also using builders whom I trust to manage the whole project."

Her neighbours have presented no problems. "The house badly needed modernising and it was the only one in the mews not to have had the top floor converted, so it will be an improvement to the street. In fact, the house that backs on to us will probably do the same and another neighbour is talking with Cranbrook Basements. It seems a lot of people have been thinking about going subterranean. Many people like myself are desperate for extra living or work space, but don't want to move to a bigger place."

on a par with above ground and in certain instances are proving more desirable than eaved space on the top floor."

The average client of London Basement (020-8847 9449) is, according to its business development director, Jake Puddy, "a hard-working young family", not "international billionaires digging down five floors to create a subterranean space for their Aston Martins". His colleague Stephen Merritt says that he expects to convert 60 basements this year. "It has probably doubled in the past five years," he says, "mostly because people see the hoardings and are curious. Initially the neighbours jump up and down about the noise and then after a couple of weeks they're asking about the cost."

In September the Oxford and London Basement Company launched a fixed-price offshoot, BasementWorks (020-8877 0555), to cater for the growing demand for more affordable extensions. Rosie Caley, of BasementWorks, puts

the cost of a single-storey basement extension at a minimum of £300 per sq ft, including excavation and fit-out. With the average extension measuring 540 sq ft to 1,300 sq ft, this is a cost of £162,000 to £400,000.

"If a house is worth more than £400 per square foot, it's worth it," says Ed Mead, a director of Douglas & Gordon estate agents. "If it's not, it isn't, simple as that." Caley warns that "habitable space does have a value, but not nearly as much if it is not good living space, and this could be the tipping point between making a profit on the investment or not."

To achieve good subterranean living space, light and air are crucial. The excavation is extended beyond the footprint of the house to create a lightwell, like a traditional "area" at the front of a London townhouse. At the back of the house, if the garden is big enough, you have "a deeper lightwell and sliding doors with steps up to the garden", Caley says.

Meanwhile, in prime Central London, basements of two or three storeys are the next craze. "They are really confined to the super-rich because the next level down costs more than the first," Caley says. "They are best for gyms and pools as the light quality is poorer."

Merritt says: "We've just completed a 2.5-storey extension in Belgravia and have two in planning in Holland Park."

The maximum depth is three storeys, he says, "or you get something called disproportionate collapse. Any lower and you have to remove the building on top first and build up from the bottom."

This is not a problem faced by new-build developments, so such projects in Central London nearly all now include lavish basement space. When the Lancasters building by Hyde Park was converted from a hotel, the developer, Northacre, dug down to create flats where much of the living space was arranged around central



Basement courtyard at The Lancasters development, above; a basement living room by the Oxford and London Basement Company (olbc.co.uk), left

Initially the neighbours jump up and down about the noise and then after a couple of weeks they are asking about the cost

courtyards below street level. "You'd never know," says Nick Vaughan, of Hamptons International, the agent (020-7402 8822). "It's very light and private — you can walk around in your dressing gown."

Basement companies are keen to minimise disruption to neighbours, because, as Merritt says, "they are potential clients". This means allaying concerns about structural damage. "You follow a properly approved sequence of underpinning," Merritt says. "Where there have been problems, it's been because adequate support isn't being done."

The Royal Borough of Kensington and Chelsea published a report in 2009 into the structural effects of multiple basement extensions, which found that subterranean developments "can be built safely in nearly all circumstances". Just watch out for disproportionate collapse.

