

- News Release -

Drum Property Group Starts Construction at Stead's Place, Edinburgh

Edmond de Rothschild Real Estate Management to Forward Fund First Phase of 110 Build-to-Rent Apartments

Drum Property Group's ambitious vision for the long-awaited redevelopment of a key site on Leith Walk, Edinburgh, will soon be realised with on-site construction starting in July 2022.

Drum's ambitious proposals for Stead's Place, near the foot of Leith Walk, were approved by the City of Edinburgh Council in 2021 heralding a major regeneration of the 2.9-acre site and bringing much-needed investment to this important part of the city.

The Stead's Place site has been earmarked for development by the Council since 2008 and consisted largely of an aged industrial estate and office space, together with a two-storey red sandstone building facing directly on to Leith Walk.

With refurbishment of the red sandstone building nearing completion, Drum has cleared the Stead's Place site to the rear and, in the first phase of construction, will build 110 high-quality build-to-rent apartments for Edmond de Rothschild Real Estate Investment Management (REIM), who have agreed to forward-fund the development. The apartments will be completed by spring 2024.

The Stead's Place apartments represent the second Scottish investment for the firm, having forward funded a build-to-rent development of 114 apartments in Finnieston, at Drum's G3 Square development in December 2021.

Graeme Bone, Group Managing Director of Drum said: "The start of construction of the new apartments represents another significant step forward in the long-awaited regeneration of the Stead's Place site.

"Once completed, the apartments will be a huge boost to the area and to local businesses, bringing life and access to what has been an inhospitable gap site, and delivering much-needed homes for local people."

The Edmond de Rothschild Residential Investment Fund UK, which invests in the private rented sector (PRS) on behalf of European institutional investors, was launched in August 2018 and to date has raised equity commitments of £320m.

Charlie Miller, co-head of residential in the UK and director of residential transactions at Edmond de Rothschild REIM, said: "Stead's Place is an excellent opportunity to establish the fund's first development in Edinburgh and second in Scotland.

“We will provide high-quality rental accommodation at affordable levels in line with the strategy for the fund. Edinburgh is the sixth most competitive financial centre in Europe, second in the UK behind London and has six universities, a diverse economy and a thriving tourist market - all contributing to exceptionally strong demand for homes to rent”.

The final phase of construction at Stead’s Place will start at the end of the year, and will comprise of 38 affordable homes, owned and operated by registered social landlord, Hillcrest Homes, completing the attractive landscaped residential scheme linking Leith Walk to Pilrig Park and beyond.

David Milton, Development Manager at Hillcrest Homes said, “Stead’s Place provides the opportunity to deliver 23 new social-rented homes and 15 mid-rented homes, all of which will be allocated to those in housing need. The Social Rented homes will deliver a good mix of one, two and three bed apartments and we are particularly pleased to be delivering family sized homes in this location.

He added: “There is a continuing unmet demand for affordable homes across Edinburgh and this development will help meet this demand and provide high quality, energy efficient new homes to those who need them the most.”

The start of construction is the culmination of five years of research, planning and local community engagement by Drum since the company first purchased the site in 2017.

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About Drum Property Group

Drum Property Group Ltd is a property development and investment business with a long track record of growth throughout the UK. www.drumpropertygroup.com

About Edmond de Rothschild REIM

Created in 1953, the Group now has CHF173 billion (€160 billion) in assets under management, 2,600 employees and 32 locations worldwide. As a conviction-driven investment house founded upon the belief that wealth should be used to build the world of tomorrow, Edmond de Rothschild specialises in Private Banking and Asset Management and serves an international clientele of families, entrepreneurs and institutional investors. The group is also active in Corporate Finance, Private Equity, Real Estate and Fund Services. With a resolutely family-run nature, Edmond de Rothschild has the independence necessary to propose bold strategies and long-term investments, rooted in the real economy.

About Hillcrest Homes

Established in 1967, Hillcrest Homes is one of Scotland’s largest housing associations, offering over 8,000 homes across Dundee, Angus, Fife, Perth and Kinross, Edinburgh and Aberdeen City.

Note to Editors – Stead’s Place Development Timeline:

2008	The 2.9-acre Stead’s Place site is first earmarked for development by the City of Edinburgh Council and becomes one of the city’s most prominent gap sites.
Spring 2017	Drum Property Group purchases the site.
Spring 2018	Drum launches a comprehensive consultation programme - including five days of public exhibitions and setting up a community liaison group
August 2018	Drum submits a planning application to the City of Edinburgh Council for a £50 million mixed-use development plan comprising homes, student accommodation and a hotel - plus a row of retail and restaurant/café outlets overlooking Leith Walk replacing the original sandstone building.
Nov 2018	Revised proposals are submitted reducing the Leith Walk elevation by one storey to keep the building in line with surrounding tenements. The revised proposals also include a more defined and distinct row for the sandstone retail units as well as increased provision for cyclists and pedestrians. The proposals receive more than 700 letters of public support.
Jan 23rd 2019	The City of Edinburgh Council planning officers recommend approval for Drum’s revised planning application.
January 30th 2019	Despite the council planning officers recommending approval, Drum’s planning application is refused by the City of Edinburgh Council’s planning committee.
May 2019	Drum lodges an appeal with the Scottish Government challenging the council’s decision not to grant planning approval for the revised planning application.
Dec 2019	The Scottish Government Reporter decides not to uphold Drum’s appeal challenging the City of Edinburgh Council’s decision to refuse planning approval for the Stead’s Place development.
April 2020	Drum launches a Proposal of Application Notice (PAN) which retains the original sandstone building overlooking Leith Walk, which will be refurbished and made available for a range of commercial uses. The existing industrial units located behind Leith Walk are to be demolished and replaced with a new residential-led landscaped development linking to Pilrig Park and beyond.
July 2020	Drum launches an online consultation programme in line with Scottish Government advice following the restrictions in public movement imposed by the coronavirus pandemic.
Nov 2020	Following extensive feedback from the first online event, Drum launches a second online consultation event in advance of a planning application being submitted.
Dec 14th 2020	Drum submits a revised planning application to the City of Edinburgh Council following consultation feedback showing more than 80% of consultees wanted to see the site developed
June 2021	The City of Edinburgh Council grants planning consent for Drum’s revised proposals.
February 2022	Drum starts the refurbishment of the red sandstone building fronting on to Leith Walk.
July 2022	Drum commences construction of the residential development linking Leith Walk and Pilrig Park.

