



Conversion plan aims to ease Geneva housing crisis

By Jeremy Allen
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Swiss Serviced Apartment Property LP

James Fry, a British expat entrepreneur, is raising 100 million francs in a bid to provide more accommodation in Geneva by converting hotel rooms and offices into furnished flats. A limited partnership is hoping to purchase 200 units in the city centre. Fry is promising high quality housing - at a lower cost than most hotels - that caters to arriving expats looking for interim accommodation and other individuals seeking a short-term lease.

A British entrepreneur is working on a project that promises to ease Geneva's accommodation crisis by transforming space currently used for hotel rooms or offices.

James Fry, 33, is the partner of an outfit called Swiss Serviced Apartment Property that is hoping to raise 100 million francs for the project. Fry said half of the money will come from

institutions and qualified investors, the other half from loans.

The limited partnership intends to use the money to buy up office units or small hotels within a one-kilometre radius of the Mont Blanc bridge in the city centre. It plans to then refurbish and furnish them - all to a four-star standard.

" We have spoken to a lot of hotels and have identified a number we'd like to buy," Fry, a Londoner who has lived in Switzerland since October 2008, told Swisster.

Although it is unclear precisely how many buildings the partnership will purchase, he said it plans to buy up to four with the goal of creating 200 apartments. Their surface area of each apartment would range from 25 to 70 square metres, he said.

Studios, as well as one and two-bedroom accommodation, are envisaged, all equipped with a bathroom and kitchen.

The goal is to cater particularly to companies that bring over expat employees who require short-term interim housing before they find something more permanent. The flats could also provide short-term accommodation to people who want to visit relatives living in Geneva. Fry believes there is a big demand for this type of service, given the difficulty many newcomers face in finding a place to live. Currently the demand for housing in the city far outweighs supply, with only 0.2 percent of properties vacant at any one time.

As well, Fry said, firms employing staff from outside Switzerland and other customers might not want to commit to a full-year lease, and may be reluctant to pay the high costs of putting up employees in hotel rooms.

As a result, he believes there is a niche in the market that is not being served. The partnership plans to provide short-term leases for as little as one week. Fry said with Geneva hotel rooms costing about 220 to 240 francs per night for four-star accommodation, a stay in one of his apartments would be 25 percent cheaper, working out at around 5,000 francs per month, depending on the size of the flat.

Dominic Longcroft, who runs Geneva Real Estate Services, a firm that helps expats to find accommodation in the region, said he believes there is a market for the proposed flats.

Longcroft said he often comes across companies facing the dilemma of finding accommodation for newly-arrived expat employees, as standards in serviced apartments are not high enough and hotels are expensive.

" The standard here is very much below par here compared to a city like London," he said. "If you look at similar flats in Pimlico or Chelsea, everything has been refurbished within the last five years. In Geneva that's often not the case."

Fry hopes the refurbishing work on the accommodation can start in the autumn and anticipates the units will be available within 18 months. They will be modern, comfortable and functional, he said.

" They will be up to 2009 four-star standards, as opposed to 1989 standards like a lot of accommodation in Geneva."