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Why London's super prime property is booming ahead of Brexit - and which £15m+ trophies are still up for grabs



A sleek interior at 3 Carlton Gardens

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They hunt alone with a clear target in their sights. They may wait for months, even years, before they pounce. But once they get what they want, they know they have a rare and beautiful beast for all to admire.

They are the Brexit trophy hunters – the world's wealthiest property buyers whose lavish spending sprees on prime London residences are bucking the Brexit trend. While the rest of the housing market stagnates amid political uncertainty, the £15m+ market is flying, according to Savills, who cite 73 sales at this level last year, a 43% increase on 2017, with a combined value of £2bn.

The weak pound and big price falls are making prime London look like good value – particularly for those with dollars in their pockets, who are effectively paying 30%

less than they would have three years ago, comments Liam Bailey, Knight Frank's global head of research.



3 Carlton Gardens, which was purchased last month by US billionaire Ken Griffin for £95m; other prized London addresses are being snapped up by buyers sensing a chance to invest

It was enough to persuade American hedge fund tycoon Ken Griffin to part with £95m on a Georgian mansion in Carlton Gardens, near Buckingham Palace, marketed by Savills and Knight Frank. It's the most expensive house sale in the UK since 2011. His stamp duty bill alone was £14m. But it was still a steal compared with the £125m price tag the property had for the two years it sat on the market.

“It actually looks like value if you get into the minds of buyers at this level,” says Tim Macpherson, partner at the high-end agency Carter Jonas. “For Griffin, this was just one of three transactions – the others were the most expensive property in Chicago and a \$200m apartment in New York.

These huge outlays to them are marginal decisions. They are divorced from the rest of the market or reality. They're riding above it.”

Leading the charge for trophy hunters, says Macpherson, are high-end renovations and new-builds – particularly those that set new price records, such as Clarges Mayfair, overlooking Green Park, where apartments have sold for around £8,000 per sq ft.

Living room at Clarges Mayfair, a development where one penthouse recently sold for more than £55m



An “international family” relocating to London have just bought one of Clarges Mayfair’s penthouses for in excess of £55m through

Quintessentially Estates. “It was the first property they saw. But the rarity value of a new-build Mayfair development in this prime park-front location, plus high security and first-class facilities, meant that within a week, we had put in an offer for them,” says Quintessentially Estates’ director Simon Garcia, who sealed the deal.

“We are much busier at the £20m+ level than any other. Clients want fully finished products mainly – the walk in and put your handbag down type. They are end-users, even if it’s their third or fourth home. They aren’t buying to rent them out,” adds Quintessentially Estates’ CEO, Penny Mosgrove.

While home-owners and would-be movers lower down the chain are paralysed by the uncertainty caused by Brexit, those at the top end are largely immune or positively benefitting from it.

“They want to move and have the capacity to do so, irrespective of the Brexit outcome. They are in the global UHNW community and now is a good time to buy rather than after Brexit. They all know that,” says Mosgrove.

New-build may be the preference, but a rare chance to restore the shine to a slightly tarnished trophy is too much to resist for some, such as the buyer who paid £33.5m in November 2018 for historic Wantage House in Notting Hill.

“It’s crazy money. That price catapulted an unmodernised house into new-build, finished territory,” says Tim Macpherson. “But it’s the best in the street, best in class and it’s truly unique. If you can tick those boxes, you’ll sell at a price that’s irrelevant to what the market is doing.”



The exterior of Clarges Mayfair; properties that are completely finished and ready to live in are most in demand CREDIT: JAMES JONES

The super-rich aren’t just prolific buyers; they also make for more compliant vendors in a challenging market, thinks Macpherson. “The very, very wealthy are more business-like and less emotional than other vendors. They tend to be more malleable about accepting a lower price.”

When the stamp duty bill adds a further few million to the asking price, any discount you can get – even if you are a billionaire – helps, and Ken Griffin isn’t the only super-prime buyer lately to get a bargain. A British financier recently paid £60m for a 20,000 sq ft Grade I listed mansion in Belgrave Square, sold by Beauchamp Estates.

The house had been for sale for nearly a decade at £100m. “The market has been extremely volatile in the past year, but amazingly – given the stagnation lower down the market and the background context of Brexit - there has been an exceptional level of top end deals done,” comments Beauchamp Estates’ founder, Gary Hershman.

UK-based buyers may not have the perk of the falling pound to sweeten a high-priced property purchase, but they are still in the market for trophies. These are the sort that are meant to be enjoyed and used, though, not locked away and left untouched, apart from the occasional polish.

High-net worth Brits are big buyers in luxury new developments in red-hot Marylebone, including The W1 London on Marylebone High Street, whose penthouse

recently sold to a British buyer for over £20m. The views over the rooftops “are pure Mary Poppins London”, comments The W1’s head of sales, Joanne Ellison.



Open plan living area, The Townhouse Collection, The W1 London on Marylebone High Street. A penthouse here recently sold for £20m CREDIT: © RAY MAIN 2018

Among the properties still available is an extraordinary four-bed, turnkey townhouse priced at £11.95m, with three storeys of living space set around a 10-metre high atrium topped by a retractable glass roof.

Covent Garden’s boutique new-builds have a similar lure for London-based buyers, including Floral Court, where residents have priority access to services from the brands on their doorstep, from Peloton to Petersham Nurseries.

Coming to the market in May is Floral Court’s huge, lateral 5,000 sq ft penthouse – price on application through Capco - where you can bathe with a view of the London Eye.



The Floral Court Collection, where a 5,000 foot penthouse is still available CREDIT: © 2018 PHILIP DURRANT

And for those who want to walk to work in the City or simply can’t resist an iconic London view, there’s the duplex penthouse at Landmark Place, priced at £8.895m through Savills and Knight Frank. You can gaze over the Tower of London from your bed and Tower Bridge from the sofa.

The relative shortage of such bespoke and newly-finished properties, and high demand from the super-rich, is helping to “focus minds and lead to rising sales volumes at the high end of the market”, says Knight Frank’s Liam Bailey.

“These buyers are taking a long-term views of London’s resilience beyond Brexit. They view current pricing as offering a once in a decade

opportunity.”

To read more, please visit: <https://www.telegraph.co.uk/luxury/property-and-architecture/londons-super-prime-property-booming-ahead-brexit-15m-trophies/>