



LONDON CENTRAL PORTFOLIO
REAL ESTATE INVESTMENT ADVISORY

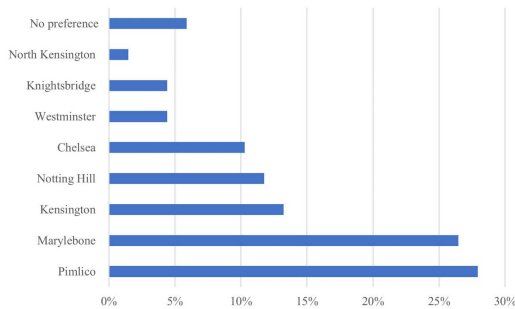
PRIME LONDON Q1 LETTINGS REPORT 2021

20th April 2021

London Central Portfolio (LCP) issues its first lettings report for 2021 showing early signs of a recovery in the prime London market. This report analyses the performance of rental units in LCP's managed portfolio.

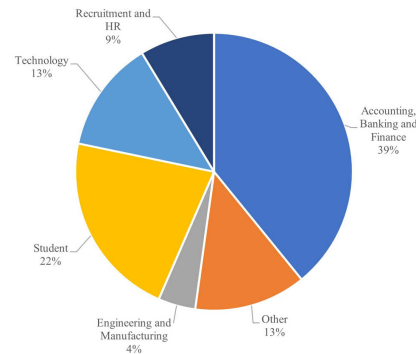
	PRIME LONDON RENTAL VALUE CHANGES		AVERAGE VOID PERIOD
	RENEWALS	RE-LETS	DAYS
QUARTERLY	-4.29%	-13.0%	63.6
ANNUAL	-2.09%	-13.9%	69.0

Applicant breakdown by prime London sub-market (%), Q1 2021



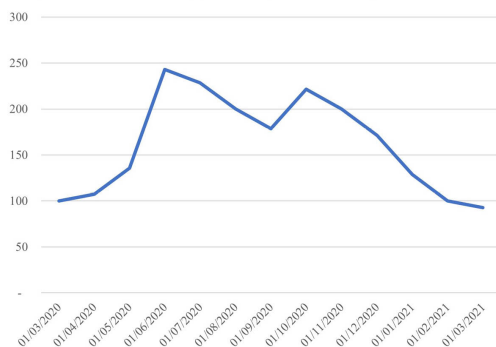
Marylebone and Pimlico were the 'hotspots' in Q1 2021 with over half of new applicants wanting to move to these areas. Only 6% of new applicants had no preference as to prime London locations, demonstrating the unique offering within each sub-market or 'village.'

New tenants in Q1 2021 by profession (%)



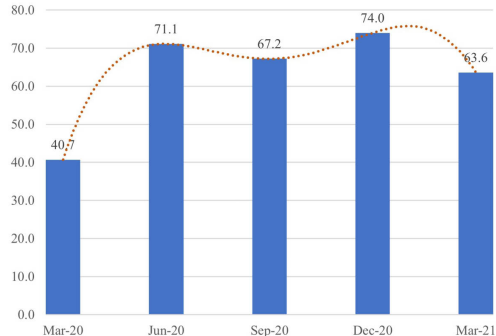
Tenants from the banking and financial industries represented the most new move-ins at 39%. HNW students were strongly represented at 22%. Tenants also came from a range of other professions, illustrating a diverse tenant base driving demand.

Properties available for let, year ending March 2021 (Mar 2020 = 100)



During 2020, an unwillingness of prospective

Average vacant period between tenancies (days) by quarter

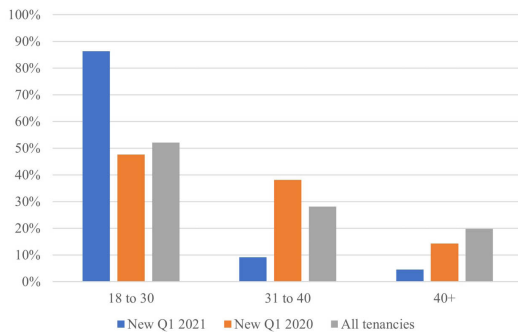


Time taken to let a vacant property decreased in

international tenants to move into London and a glut of short-let stock coming to the market saw a marked increase in properties available to let. The situation generally improved from June 2020 as tenants adjusted to the Covid crisis and Q1 2021 saw less stock available than a year ago.

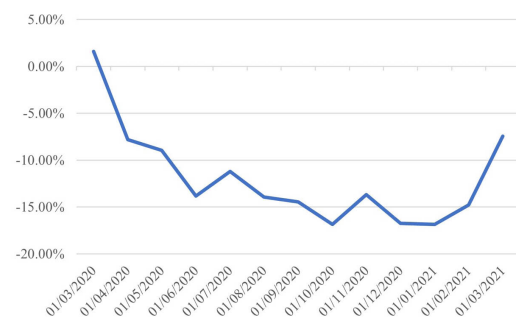
Q1 2021 to 64 days, the lowest level since March 2020 prior to the first UK lockdown. The void period between tenancies remains above LCP's historic average, however the recent decrease indicates a return of activity in the rental market despite challenging times.

Tenant profile by age, new and all tenancies (%)



86% of new tenants in Q1 2021 were 30 or under, continuing a trend seen in 2020. These tenants are capitalising on historically lower rents whilst still available, as the promise of easing restrictions is slowly being realised. This contrasts with a reluctance of older tenants to move into London during the pandemic.

Average change in agreed rents on re-lets by month (%)



As the level of available stock decreases, there has been a reduction in the rental discounts demanded on re-lets in recent months. Rents have not yet returned to previous passing levels, however, the upward trajectory provides positive early signs ahead of the traditionally busy summer period.

Andrew Weir, CEO of LCP, comments on the market

Despite a third UK lockdown, Q1 2021 saw a continued desire to live in prime London. Village-like neighbourhoods with good shopping facilities and outdoor recreation received the most demand. Our tenant base continues to be formed from a diverse array of professions and industries. One of the qualifications that classifies London as a global city is the wide range of ancillary industries that surround and support the City of London; breadth and depth that has been decades in the making.

With a roadmap out of lockdown, rental activity increased over the quarter resulting in less available stock than this time prior year, as opportunistic UK-based tenants continued to benefit from discounted rents. Void periods remained higher than pre Covid levels but Q1 2021 saw the shortest voids since the pandemic. Whilst it is too early to declare the return of normality, perhaps we are beginning to witness the positive effects of a successful vaccine roll out and easing of government restrictions.

A continuing trend which has accelerated across the previous year is the younger audience renting in prime London. 86% of new tenancies in Q1 2021 were 30 years old or under, a 23% increase from prior year. A strong indication of what a post Covid London may look like with a new generation viewing the capital as an employment hub and with the easing of restrictions, a vibrant cultural city.

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About London Central Portfolio (LCP)

For UK and overseas property investors and homebuyers seeking exclusive prime London real estate, LCP provides superior access to buying opportunities as well as meticulous project management and creative design solutions, to suit all aspirations and budgets. Using sophisticated financial modelling with a detailed appraisal of every proposed opportunity, LCP will negotiate and secure each property for the best price and as part of its end-to-end service, offer an efficient letting & management service so landlords can enjoy a seamless, hands-off investment.

Data: London Central Portfolio Limited conducts regular audits of all assets under management. This data has been used to produce the information contained in this report. Disclaimer: This report is published for general information and should not be relied upon in any way. No responsibility can be accepted by London Central Portfolio Limited for any loss or damage resulting from any use of the contents of this report. Any forward-looking statement involves known and unknown risks, which could differ materially from those expressed or implied.

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