



## PRICE GROWTH & VOLUME OF SALES IN PRIME CENTRAL LONDON BY PROPERTY TYPE

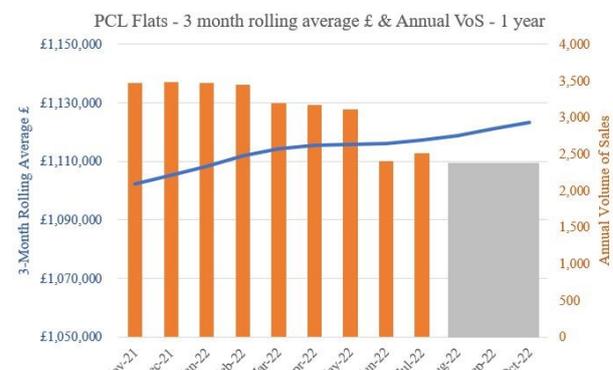
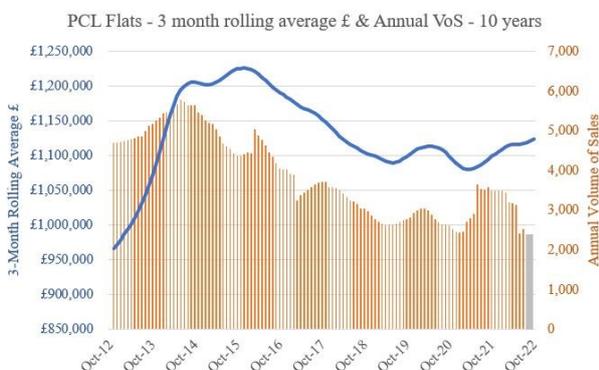
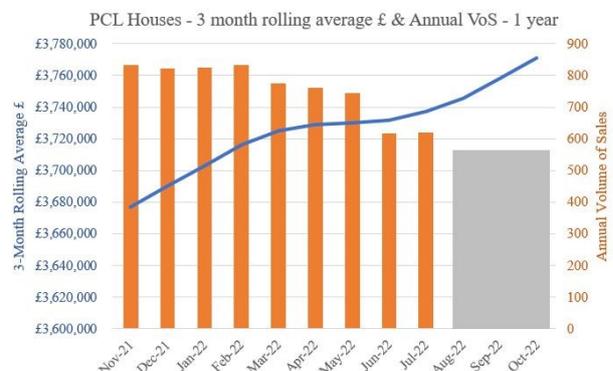
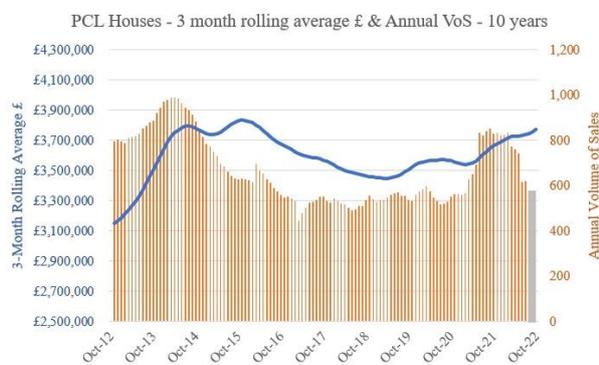
HOUSES		MONTHLY CHANGE	QUARTERLY CHANGE	ANNUAL CHANGE
AVERAGE PRICE	£3,780,397	0.3%	0.9%	2.9%
12-MONTH VOL. OF SALES (JUL-22)	620	0.6%	-18.5%	-24.6%

FLATS		MONTHLY CHANGE	QUARTERLY CHANGE	ANNUAL CHANGE
AVERAGE PRICE	£1,124,631	0.2%	0.5%	2.2%
12-MONTH VOL. OF SALES (JUL-22)	2,508	4.2%	-20.9%	-28.8%

### ANDREW WEIR, CEO OF LCP, COMMENTS ON PRIME CENTRAL LONDON

#### PCL HOUSE PRICES RECOVER WHILST APARTMENTS CONTINUE TO STRUGGLE

Prime Central London (PCL) house values have continued to show growth in the latest data with the average cost of houses reaching £3,780,397 which saw 2.9% growth in the year to October and stands at levels seen in the peak of 2015. However at just 12 sales a week on average this is a low volume market. Houses in PCL have historically proved resilient in times of inflation and interest rate rises as wealthier buyers tend to have discretionary leverage. However, it has been widely predicted that house price growth in PCL is expected to fall in 2023 as international buyers become unnerved by the rapidly changing global macro-economic environment.



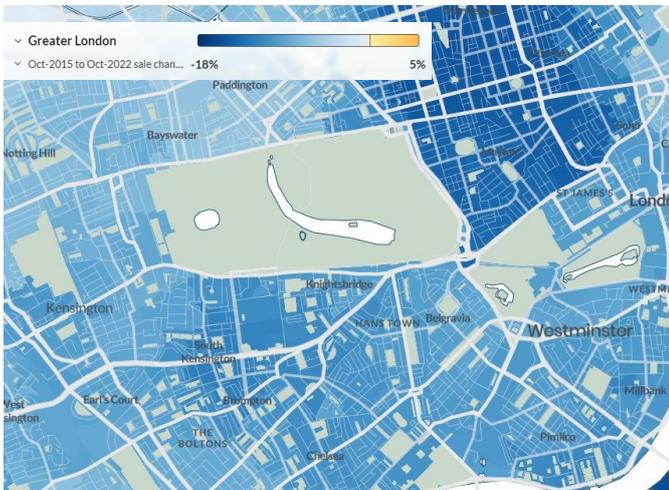
The apartment market has continued to lag behind that of houses with the average price of flats at £1,124,631 still 8.3% below the 2015 peak. The rolling 12-month transaction volumes to July 2022 has been one of the lowest recorded at 2,508 at less than 50 sales a week on average. High levels of tenant demand and rising rents could positively impact the apartment sales market where those fortunate enough to be able to purchase in cash would find this an opportune moment, especially buyers who can capitalise on weak sterling.



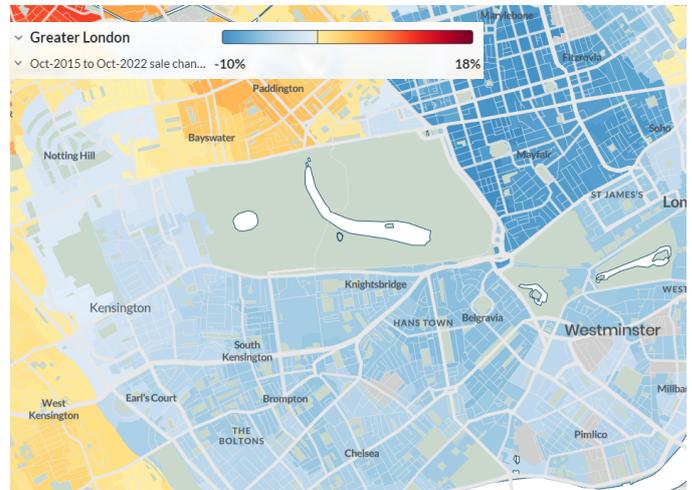
# LCP MARKET REVIEW

LONDON CENTRAL PORTFOLIO  
REAL ESTATE INVESTMENT ADVISORY

PCL flat (less than 850sqft) value change from peak to Oct-22



PCL house value change from peak to Oct-22



## PRICE GROWTH IN KEY PRIME CENTRAL LONDON VILLAGES BY PROPERTY TYPE

KEY VILLAGES	HOUSES			FLATS		
	AVERAGE PRICE	% CHANGE (12 MONTH)	% CHANGE (2015 PEAK)	AVERAGE PRICE	% CHANGE (12 MONTH)	% CHANGE (2015 PEAK)
Mayfair	£6,989,057	▼ -1.1%	▼ -9.8%	£3,627,827	▼ 0.0%	▼ -13.7%
Belgravia	£5,027,514	▲ 0.2%	▼ -6.1%	£3,058,332	▲ 1.9%	▼ -9.2%
Kensington	£4,917,541	▲ 1.4%	▼ -4.0%	£1,614,131	▲ 1.2%	▼ -10.1%
Knightsbridge	£4,702,920	▲ 0.8%	▼ -6.3%	£2,964,995	▲ 1.2%	▼ -10.7%
Chelsea	£4,469,424	▲ 0.7%	▼ -6.8%	£1,412,248	▲ 0.8%	▼ -11.5%
Notting hill & Holland park	£4,449,703	▲ 3.8%	▼ -0.1%	£860,632	▲ 2.4%	▼ -6.4%
South Kensington	£4,067,750	▲ 1.3%	▼ -5.6%	£1,732,630	▲ 0.7%	▼ -12.3%
St James & Westminster	£3,253,409	▲ 1.9%	▼ -5.1%	£1,034,954	▲ 2.0%	▼ -9.8%
Bayswater	£3,246,931	▲ 5.7%	▲ 2.3%	£894,017	▲ 3.6%	▼ -5.9%
Marylebone	£2,944,330	▲ 0.2%	▼ -9.0%	£1,539,640	▼ -0.2%	▼ -14.7%
Pimlico	£2,107,558	▲ 2.9%	▼ -4.6%	£695,056	▲ 1.6%	▼ -10.7%

Shown in the heatmaps above, small apartments in PCL have seen negative price growth when comparing against the 2015 peak. In comparison, houses have seen pockets of growth in villages north and west of Hyde Park that are relatively more affordable areas favoured by the domestic market.

In a more granular view of price movements in key PCL villages, Bayswater saw average values for both houses and flats reach 5.7% and 3.6% growth in the year to October. Only Bayswater house values have recovered from the 2015 peak exceeding it by 2.3%. With the promise of a redeveloped Queensway, Bayswater long considered the scruffy relation to its immediate neighbours is now seen as an investment hotspot.

Mayfair and Marylebone lag behind with the lowest growth across PCL. House values in Mayfair and Marylebone stand more than 9% below the 2015 peak whilst apartment values stand -13.7% and -14.7% respectively. In uncertain times, sellers residing in these exclusive central London villages are reluctant to sell resulting in reduced volume of sales which in turn creates pricing anomalies.

With the volatility of October behind us, and the Budget announced with no surprises for international house buyers, cash purchasers will seek to make the most of motivated sellers who are keen to create certainty in their own house move before Christmas.