

Research

- ◆ Land Registry data shows that in the year to September house prices across London increased by 9.3% to a new high of £393,462, meaning the average price of a London home is 135.5% higher than the national average.
- ◆ The latest sales volumes statistics (July) show that the number of sales above £1m in London increased by 44% in comparison with July 2012.
- ◆ The average monthly rent in London fell 4% in October to £1,283 according to the Homelet Rental Index, although on an annual basis rental values were up 2.6%. The average monthly rent across the UK dropped 4.6% in October to £815 per month, meaning it is 91% more expensive to rent in the capital.
- ◆ Mortgage lending data from the Council of Mortgage Lenders highlights the continuous growth of first time buyers in London, as 13,100 loans were advanced in Q3 last year representing a 32% uplift on the same period in 2012.
- ◆ In the third quarter of last year 10,900 loans were advanced to home movers in London which was an increase of 28% compared to Q2 2013, as well as a 6% improvement on the same period in 2012.



DIFFERENCE IN SALES PRICES FOR PRIME CENTRAL LONDON OFFICES: END 2012 VS END 2013.

Source: Chesterton Humberts Residential Sales Index, Zoopla.

SALES

- The most recent figures from our prime sales index show that while prices across Prime Central London continue to climb, the rate of growth throughout 2013 slowed in comparison with the rest of London. Across Chelsea, Kensington, Knightsbridge and Mayfair house prices moved up on average by 5.1% since the end of 2012, with the average price now £2,790,812.
- House prices in Kensington experienced the most notable uplift with a rise of 7.8% recorded since the end of 2012, with the average house price now £2,240,455. Knightsbridge remains the most expensive location within Prime Central London as prices increased 5.9% through 2013 to a new high of £3,805,625.
- In Chelsea and Mayfair house price growth slowed in 2013, however Chelsea saw an uplift of 3.9%. In Mayfair house prices picked up just 2.9% in 2013, only just above inflation, but at £3,144,667 prices in W1K and W1J are still among the highest in the capital.
- Despite the fact house price growth slowed down last year buyer activity remains high as prime London property remains such a valuable and safe asset for wealthy domestic and foreign purchasers. In particular our Chelsea office enjoyed a bumper year as viewings and exchanges increased a huge 93% and 200% respectively, while appraisals and instructions were both up by over a third against 2012.
- Positive trends have also been observed in Kensington and Knightsbridge as both offices reported a 27% jump in exchanges in comparison with 2012. This is despite the fact viewings increased by just 3% in Kensington and 5% in Knightsbridge, but as stock levels have been more constrained buyers have been more decisive.

LETTINGS

- While the Prime Central London sales market has enjoyed an exceptional few years the lettings market has endured a more taxing time. Our Prime Central London offices experienced mixed performance in 2013, in particular in Chelsea as weekly rental values have receded 7.6% since the end of 2012. At £1,222p/w Chelsea is currently the area in Prime Central London with the lowest average weekly value.

- In conjunction with the sales market the lettings market in Kensington has enjoyed the most success in the Prime Central London market, as average weekly rental values moved up 2.6% in 2013 to £1,323, edging ahead of neighbouring Chelsea.
- Average weekly rental values in Mayfair endured a volatile year with a 6.3% fall in the first quarter of the year corrected by an 8% uplift in the third quarter of last year. In the end weekly values moved up 2.1% from the end of 2012 to £1,782p/w.
- A similar pattern took place in Knightsbridge as weekly rental values moved up 5% in the first quarter of the year before falling 4.7% in Q2. Over the course of 2013 weekly rental values in Knightsbridge increased 1.1% to £1,782p/w.
- As weekly rental values receded in Chelsea in 2013 activity among tenants increased as viewings were up 29% against 2012 resulting in a 7% improvement in the number of agreed lettings. In Kensington the number of agreed lettings matched the figure recorded in 2012 but activity increased noticeably with new applicants rising 8% and total viewings were up by over a third from 2012.
- Knightsbridge also saw viewing numbers improve, up 9% on 2012, along with a 6% gain in the number of agreed lettings. Although viewings in Mayfair only nudged up 2.4% in 2013 new applicants jumped up by 51% resulting in a 16% increase in agreed lettings.

Rents in London are
91%
greater than the average
for the rest of the country

