

Intellectual property

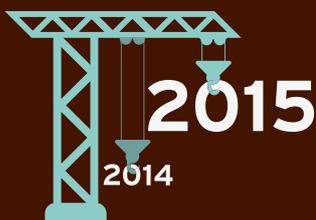
Notting Hill, Holland Park & North Kensington



buyers for every available property in Notting Hill, Holland Park & North Kensington



Page **3**



NEW HOMES: Construction starts in Q1 2015 were double what they were in Q1 2014 and up 177% on the quarterly average for the last 5 years

Page **8**



44% increase in corporate tenants seeking property

Page **10**



Bark Place W2
£3,800,000 EPC=D



Kildare Gardens W2
£3,950,000 EPC=F



Lansdowne Road W11
£1,795 per week EPC=C

HOT PROPERTIES

Full local property listings inside

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Certainty restored: What's next for the London property market?

Now that the dust has settled on the outcome of the General Election, we believe home-owners in London can heave a sigh of relief, confident in the knowledge that the onerous policies of mansion tax and rent controls are off the agenda.

The unexpected Conservative majority does not mean it will be a universally smooth ride for the market. I fully expect the new Government to raise new taxes on expensive property, probably via increased council tax bandings. In reality, this may be difficult to implement so it will be interesting to see how this is proposed. Either way, my view is that property taxes will increase in the coming years. Whilst this cannot be seen as good news for the market, it will do little to dim the attraction of London as a world class place to both live and to do business, and the confidence engendered by a pro-business government will continue to draw in capital and talent from all corners of the globe. We should applaud this as London is, and will continue to be, a huge

driver of the economy for UK PLC and we should interfere with it at our peril!

“ We should applaud this as London is, and will continue to be, a huge driver of the economy for UK PLC ”

So, what does this mean for property prices? Central London, by definition does not have huge swathes of building land, therefore it seems obvious to me that prices in London will continue to rise. Central London has never been affordable for most people and we're kidding ourselves if we think it ever will be. However, the rise in value in Central London has had the ripple effect of allowing developers and builders to look further afield and build high quality property in areas ever further out and I believe prices in adjacent suburbs



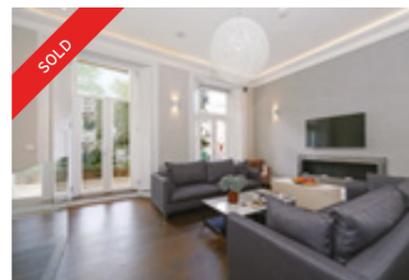
Peter Rollings FRICS
Chief Executive

will continue to increase at pace. Areas where the communications are good and there is a supply of good quality, attractive period properties, will appreciate the fastest and will also appeal to buy-to-let investors. Buyers will however, be prepared to pay 'top dollar' for properties in outer-prime parts of London. It's a fact of geography that however much we try, supply in London will always be limited and with that in mind, prices will continue to rise.



Addisland Court W14
£2,500,000

Following a great marketing campaign, we achieved a superb offer for this three-bedroom top floor apartment, resulting in a sale for £1,679 per sqft.



Colville Square W11
£2,000,000

Within just a few days of marketing this three-bedroom maisonette, we attracted a fantastic offer resulting in a sale for just under the asking price.



Berens Road NW10
£1,395,000

We attracted multiple competing offers for this beautiful mid-terrace house, resulting in a sale in excess of the asking price.

Local Sales Market Update

We've had a very positive year so far in the Notting Hill, Holland Park and North Kensington property markets. Much more than we were expecting given that the first part of the year was consumed with uncertainty about the election result. In fact, locally, house sellers and buyers continued with their lives and those needing to move, did so. However, now that the result is known, we have seen the market pick up pace and the number of buyers and sellers have both risen. We are now recording a healthy average of 15 buyers for every available property.

Whilst the £2m+ market was a little slower, not just this year but since previous stamp duty increases, we are seeing this shift and the pent-up demand is now ready to buy. We were marketing a house on Portobello Road for some months at £2.95m and our client eventually accepted an offer for £2.65m just prior to the election. Following the Conservative win, there are now several more offers for the same property. At the time of writing, both were very close to the original asking price and we may even see these increase further.

Typically, the types of sellers we are working with are 50% investors, who are 'cashing in' on their investments and 50% trading up to nearby areas such as Brook Green, Queen's Park and Chiswick - or in some cases relocating abroad with work.

In Notting Hill, as always, first-floor period conversions are in the hottest demand from buyers and these types of properties will always receive a premium. One-bedroom apartments priced between £500,000 and £700,000 are equally sought-after as they make such good rental investments and as long as they are priced correctly, they will sell well.

In North Kensington, a third of the properties we sold this year were to buy-to-let investors purchasing on behalf of their offspring and renting to tenants until their children are old enough to move in. Two- to three-bedroom lateral apartments are particularly sought-after in W10, and if they have a roof terrace or garden, are likely to achieve a 10-20% premium.

It has been interesting to see a shift in how the price per square foot values have changed over the years. Of course, these have risen across the board, however it's a new phenomenon that over the past few years properties at the lower end of the market command the highest price per square foot.

Traditionally, the bigger the property, the higher the value, but recently this has very much reversed. It will be interesting to see if this shifts back, now that the idea of a mansion tax has been removed.

There's plenty of regeneration taking place in the area; Golborne Road is going through a major smartening-up phase; there are new plans for northern parts of Portobello market; and there is



Craig Tonkin
Regional Sales Director
Central London

extensive work happening at Queensway (and rumours that this area might be pedestrianised), so there is no doubt that this pocket of London will continue to grow in popularity. I see no reason why property prices won't continue to rise, albeit at a slower pace than we have witnessed in the past. All in all, I anticipate an annual rise of at least 5% by the time we reach the end of the year.





Northumberland Place W2
£3,595,000 EPC=E



Napier Place W14
£3,300,000 EPC=C



Ledbury Mews West W11
£2,950,000 EPC=C



Holland Park Gardens W14
£1,600,000 EPC=D



Period property, extensively refurbished just off Harley Street



Ladbroke Square W11
£1,450,000 EPC=D



Lansdowne Crescent W11
£1,350,000 EPC=D



Westbourne Park Road W11
£1,600,000 EPC=C



Wilby Mews W11
£2,950,000 EPC=C



Talbot Road W2
£2,495,000 EPC=D



Ansleigh Place W11
£2,100,000 EPC=E



Abbotsbury Road W14
£1,299,000 EPC=F



Clarendon Road W11
£1,250,000 EPC=D



Leamington Road Villas W11
£1,250,000 EPC=D



Waldo Road NW10
£825,000 EPC=D



Smartly designed living space, with magnificent glazed frontage



Bassett Road W10
£735,000 EPC=E



Westbourne Park Road W11
£750,000 EPC=D



Kensington Park Road W11
£725,000 EPC=C



St Marks Place W11
£1,195,000 EPC=D



Talbot Road W2
£1,150,000 EPC=D



Elsham Road W14
£899,950 EPC=D

Matching people and property in London for over 150 years.

Prime Sales

Whilst Prime Central properties priced over £5 million have faced headwinds over the last twelve months, recent activity has been promising. In a recent four-week period, we exchanged close to £40 million worth of property in Notting Hill alone, with an average value in excess of £8 million; this points to a positive and welcome improvement in market conditions at the higher end of the market. Strong capital appreciation and a good number of transactions in outer London led to a lot of inaccurate commentary in 2014.

In reality though we saw measured capital appreciation for properties valued over £5 million in our central region, and while good premiums were achieved, careful management and profiling remains crucial. With credit markets still tight, constrictive City legislation and greater transaction

costs, buyer confidence still needs to be won. This said, with the threat of a Mansion Tax lifted and London's appeal as a global centre more certain, I believe the 12-month outlook will be positive and look forward to a good activity-inducing period of stability. While international reach is important in the sale of Prime London property, I find it's equally important not to undermine the value through haphazard advertising, marketing "glare" and unwelcome intrusion. Often, our best results are achieved through a highly targeted approach, where discretion is preserved and potential buyers are identified through our existing network; the largest network of offices in Prime Central London. Our Prime Sales Department offers a bespoke service, where our experience and intimate understanding of the Prime London Market enables us to navigate through the difficulties that might otherwise derail transactions.



Keith Gorny
Prime Sales Director

To find out more about our Prime Sales service, please feel free to contact Keith Gorny, Director of Prime Sales.

Contact Keith on:
T 020 7368 4197
E kgorny@marshandparsons.co.uk



Kensington Park Gardens W11

Within hours of our being consulted on the sale of this magnificent Notting Hill house, we identified a buyer. We had been working



with the purchaser for some time and knew that their requirements perfectly matched the property's attributes. The price achieved represents the highest amount ever paid for an un-modernised, Notting Hill house.

£24,000,000 (£2,181/sqft)

Argyll Road W8

Following unsuccessful marketing campaigns with several agents, we advised the vendor to withdraw all advertising material and take a



short break from the market. Having restored confidence, we introduced the house through our network to well qualified buyers whose search criteria were the best match. A sale was agreed in excess of the value sought earlier in the year.

£9,000,000 (£2,297/sqft)

Pembridge Place W2

After showing a prospective purchaser several apartments in the Hyde Park area, we approached an owner whose property

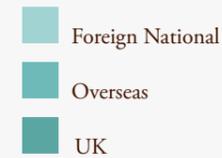


wasn't on the market, but that we knew would be a good match for their requirements. Capitalising upon the positive relationship we had developed with the buyer and the tight control of the apartment's profile, we achieved a precedent price.

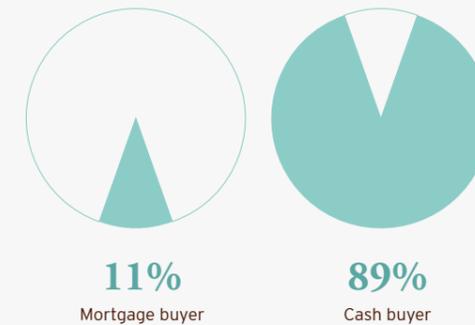
£12,275,000 (£2,866/sqft)

Buyer profile for Prime Central London Sales 2015 to date - £5m+

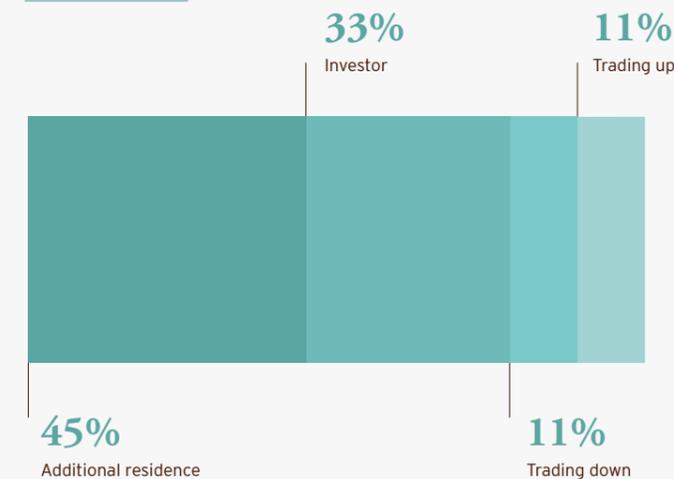
Resident



Financing position



Buyer profile



“In a recent four-week period, we exchanged close to £40 million worth of property in Notting Hill alone, with an average value in excess of £8 million...”

New Homes

The London residential development market is one of the most dynamic markets in the world. In terms of development activity, the last time the Capital witnessed such a boom in housing delivery was in the 1930s, and much of that was on greenfield land. Whilst much criticism is rightly levelled at an undeniably bureaucratic and overburdened planning system, we should not judge it too harshly.

The statistics below make for compelling reading:

- 01 Construction starts in Q1 2015 were double what they were in Q1 2014 and 177% up on the quarterly average for the last five years (source: Molior)
- 02 Total units under construction are double what they were in the previous peak in 2007
- 03 There are eight regeneration zones being delivered simultaneously across the capital comprising a total of 84,000 units - this is an unprecedented level of development! The regeneration zones are: Vauxhall/Nine Elms, Silvertown, Brent Cross, Old Oak Common, Earl's Court, King's Cross, Greenwich Peninsula and Stratford/Olympic Park.

To put this into context, since 2008 London's population has increased by 600,000 to a level of 8.6m. By 2020 it is forecast to be 9m and by 2031 it is predicted to breach the 10m barrier. From a supply perspective, it is well known that London faces a chronic under-supply of housing. What is perhaps less well known is what it will take to remedy this scenario. According to research undertaken for the Mayor's Office, London needs to see twice the current increase in house building levels to deliver 42,000 new homes a year until 2035. That is the equivalent of 50% of the combined total units being provided across London's eight regeneration zones in a single year for 20 years!

Outside of a dramatic overhaul of our planning system and a streamlining of the manner in which development land (and specifically land held in the public sector) is brought forward for development, it is hard to see the demand / supply imbalance being corrected any time soon. All of which means that despite the inevitable ups and downs of a cyclical market, the long



Charles Holland MRICS
Director, Head of Residential Developments & Investments



Above: Hoola, E16

term projection for house prices and rents remains upward and it is hard to argue against the consensus forecast of 25% growth in London house prices over the next five years. What is certain however, is that there has never been a more dynamic or exciting time to invest in the London residential development market, given the truly world class supply of cutting edge residential developments on offer.

Contact Charles on:
T 020 7368 4831
E cholland@marshandparsons.co.uk



Above: Parkside Place, W12



Providence Tower, E14

Rising above London, Providence Tower provides breath-taking views of Canary Wharf and the River Thames.

£375,000 - £1,175,000



**Embassy Gardens
Nine Elms Lane, SW8**

This luxury development comprises a variety of apartments with amazing views of Nine Elms Linear Park.

£540,000 - £2,750,000



**Hoola
Royal Victoria Docks, E16**

Individually designed apartments with 360 degree views over the Royal Docks, The Thames and the City of London.

£421,000 - £898,000



**Parkside Place
Ravenscourt Park, W12**

Parkside Place brings the vibrant and fashionable West London lifestyle to your doorstep. Close to three tube stations.

£500,000 - £1,100,000



**The Lourdes Collection
West Kensington, W14**

A historic church newly converted into eight luxury apartments and one spectacular penthouse.

£525,000 - £1,600,000



**Hampton Row
Woking Close, SW15**

12 contemporary apartments and nine luxurious townhouses in a stunning development overlooking Barnes Common.

£675,000 - £2,255,000



Alie Street, E1

This fantastically located block is moments from Aldgate underground station and Liverpool Street.

£750,000 - £1,500,000



**The Lighthouse Collection
Rothsay Street, SE1**

The Lighthouse Collection is a striking, distinctive styled development in the Tower Bridge area. Five remaining.

£825,000 - £1,200,000



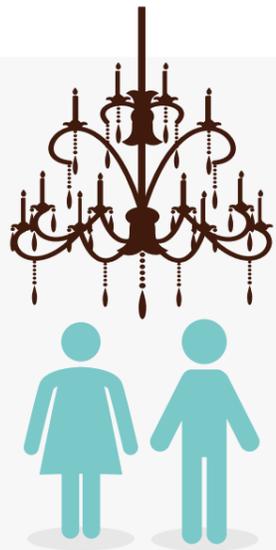
Royal Wharf, E16

This exclusive neighbourhood combines the principles of the new Georgian revival with contemporary riverside living.

£275,000 - £875,000

Local Lettings Market Update

As always at this time of year, the lettings marketing in Notting Hill, Holland Park and North Kensington is firing on all cylinders and whilst we have 8% more tenants looking for property now (Q2 2015), compared to the previous quarter, fortunately, we also have an increased supply of property on the market. That said, we currently have eight tenants registered for every available property, compared to six in the same period last year, which is a clear sign that competition for the best properties is very hot.



“The trend towards couples preferring larger and more luxurious one-bedroom flats rather than average two-bedroom flats continues”

The trend towards couples preferring larger and more luxurious one-bedroom flats rather than average two-bedroom

flats continues from last year. However, we are noticing that more couples are seeking, and successfully renting, high-end two-bedroom flats, at good prices because there are simply more properties of this type available.

The market is seemingly shifting from the majority of younger, professional sharers towards slightly older couples (28-40 year olds) with dual incomes, due to price rises in the sales market making it difficult for them to get onto the property ladder. Often, they are seeking luxury flats and have budgets of £800 per week or more. Also, we've been working with a large number (more than usual) of tenants who are already renting in the area and up-sizing to more luxurious properties.

Interestingly, we have seen an increase in home-owners re-mortgaging their first home as a rental investment and then buying a second. This has led to some unusually high quality property coming onto market - and these are invariably decorated and furnished to owner-occupier standards, rather than specifically for rental. This is helping to meet the demand from higher budget tenants and very often we're receiving multiple offers for these properties, which is resulting in offers that can significantly exceed the asking price.

Bayswater continues to offer good value compared to W11 and with recent infrastructure improvements at Paddington and the planned changes at Queensway, including the new John Lewis store on Porchester Terrace, the profile of the whole area has improved. Additionally other development and regeneration projects in the area continue to build upon the landscape and attract tenants and landlords alike. Leinster Square's 'change of use' back to residential units and townhouses, as well as Portobello Square at

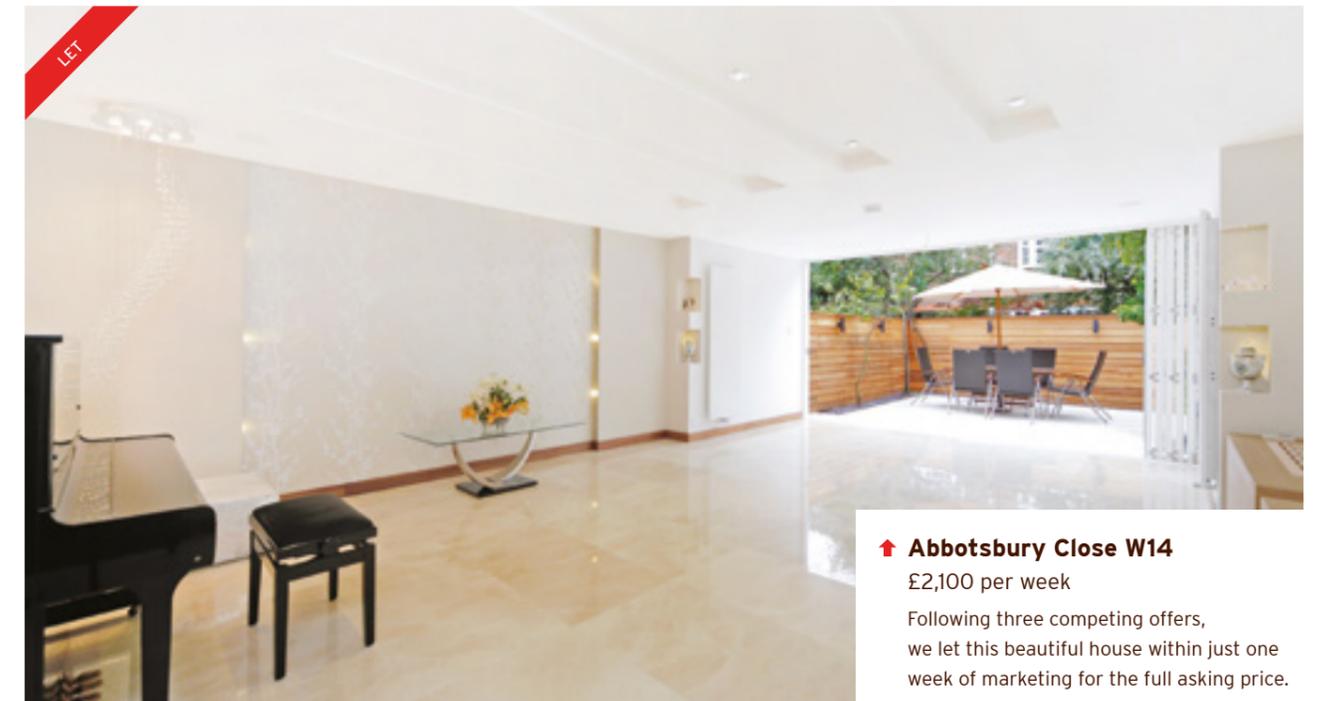


Anna Ambrose MARLA
Area Lettings Director

the North end of Ladbrooke Grove have both improved the area vastly, not forgetting the recent addition of the Kensington College and Leisure Centre on Silchester Road.

In contrast to earlier in the year, larger family houses are currently in short supply. Though well-organised tenants are making plans earlier than ever, we are already seeing competitive situations in the house market and at the time of writing, we had three offers in one week for a house on the market at £2,200 per week.

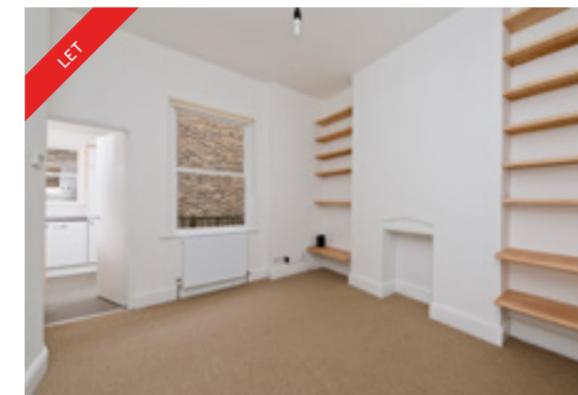
The area continues to attract an increasing number of corporate tenants, either those coming from abroad or outside of London. Our Corporate & Relocation Services Department now works with almost 800 organisations across varying sectors including finance, entertainment, and technology as well as 100s of relocation agents. Indeed, we've seen an astounding 44% increase in corporate tenants compared to the same period last year, and expect this to continue as London remains a global economic powerhouse for business. In our experience, these corporate tenants tend to be the most favourable as they invariably have excellent budgets, and spend very little time in the property, so minimising wear and tear.



↑ Abbotsbury Close W14
£2,100 per week
Following three competing offers, we let this beautiful house within just one week of marketing for the full asking price.

Property Showcase

↓ Cornwall Crescent W11
£465 per week
We let this beautiful two-bedroom apartment for the full asking price and a two-year tenancy following just days of marketing.



↑ Colville Terrace W11
£725 per week
We recently let this sensational garden flat just moments from Portobello Road, within days of marketing for the full asking price.



TO LET

Lansdowne Road W11
£1,795 per week EPC=C



TO LET

Sunderland Terrace W2
£1,100 per week EPC=F



TO LET

Westbourne Gardens W2
£1,200 per week EPC=B



TO LET

Colville Road W11
£895 per week EPC=D



**Elegant, high-end dwelling
exquisitely decorated throughout**



TO LET

Cornwall Crescent W11
£750 per week EPC=C



TO LET

Upper Addison Gardens W14
£695 per week EPC=E



TO LET

Ossington Street W2
£825 per week EPC=C



TO LET

Upper Addison Gardens W14
£1,150 per week EPC=C



TO LET

Portobello Road W10
£925 per week EPC=E



TO LET

Penzance Place W11
£895 per week EPC=D



TO LET

Artesian Road W2
£695 per week EPC=D



TO LET

Lorne Gardens W11
£650 per week EPC=D



TO LET

Chepstow Crescent W11
£595 per week EPC=C



TO LET

Hunt Close W11
£460 per week EPC=C



TO LET

Norland Square W11
£450 per week EPC=G



**Double fronted property of
magnificent proportions**



TO LET

Bassett Road W10
£425 per week EPC=C



TO LET

Ladbroke Crescent W11
£395 per week EPC=D



TO LET

St Stephens Gardens W2
£535 per week EPC=C



TO LET

Hereford Road W2
£525 per week EPC=D



TO LET

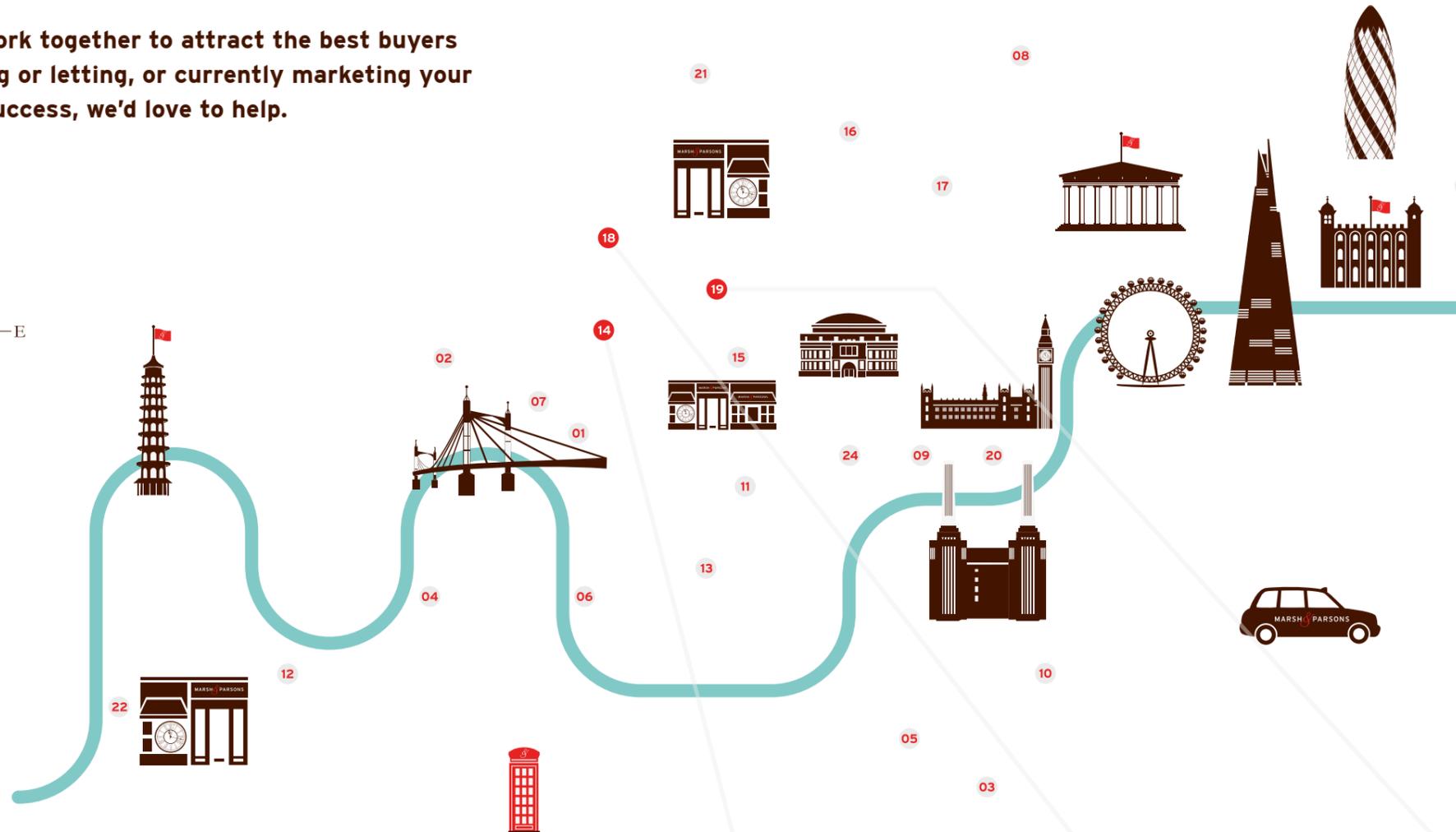
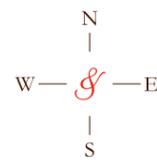
Enbrook Street W10
£500 per week EPC=D

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Our network

Our network of 24 London offices all work together to attract the best buyers and tenants. If you're thinking of selling or letting, or currently marketing your property with another agent without success, we'd love to help.

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- 02 Askew Road**
120 Askew Road, W12 9BL
T 020 8102 0123
- 03 Balham & Clapham South**
45 Balham Hill, SW12 9DR
T 020 8673 4377
- 04 Barnes**
73/75 Church Road, SW13 9HH
T 020 8563 8333
- 05 Battersea**
118 Northcote Road, SW11 6QP
T 020 7228 9292
- 06 Bishops Park**
333 Fulham Palace Road, SW6 6TE
T 020 7993 9888
- 07 Brook Green**
107-109 Shepherds Bush Road, W6 7LP
T 020 7605 7760
- 08 Camden & Regents Park**
27 Parkway, NW1 7PN
T 020 7244 2200
- 09 Chelsea**
Rawlings House 2a Milner Street, SW3 2PU
T 020 7591 5570
- 10 Clapham**
28 Old Town, SW4 0LB
T 020 7501 3666
- 11 Earls Court**
246 Old Brompton Road, SW5 0DE
T 020 7835 0620
- 12 East Sheen**
202 Upper Richmond Road West, SW14 8AN
T 020 8878 2828
- 13 Fulham**
103-105 Moore Park Road, SW6 2DA
T 020 7736 9822
- 14 Holland Park**
57 Norland Square, W11 4QJ
T 020 7605 6890



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- 16 Little Venice**
35 Maida Vale, W9 1TP
T 020 7993 3050
- 17 Marylebone & Mayfair**
94 Baker Street, W1U 6FZ
T 020 7935 1775
- 18 North Kensington**
136 Lancaster Road, W11 1QU
T 020 7313 8350
- 19 Notting Hill**
2-6 Kensington Park Road, W11 3BU
T 020 7313 2890

- 20 Pimlico & Westminster**
53 Warwick Way, SW1V 1QS
T 020 7828 8100
- 21 Queen's Park**
91 Salisbury Road, Queens Park, NW6 6NH
T 020 7624 4513
- 22 Richmond**
1 The Quadrant, TW9 1BP
T 020 8939 1770
- 23 Shoreditch**
70-72 Bethnal Green Road, E1 6GQ
T 020 7613 2746
- 24 South Kensington**
29 Harrington Road, SW7 3HD
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Holland Park

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Immaculate plot with south-facing patio

Matching people and property in London for over 150 years.

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