



MAYFAIR IN MINUTES

"Wetherell Research for 2020 showed an uptick in Mayfair residential values compared to the rest of Prime Central London."

Peter Wetherell FRICS MARLA FNAEA Founder and Chairman Wetherell

A REVIVED DEMAND FOR LUXURY

In 2021, Mayfair will see a revived demand for the 'somethings' that add pleasure or comfort but are not absolutely necessary. These 'somethings' are indulgent but provide pleasure, satisfaction and ease - they are called 'luxuries'. Mayfair will once again provide that 'psychogeographic' experience that no other area can provide and what we have all missed in 2020.

Look back in time, a century ago, to 'The Roaring Twenties' - a dynamic Mayfair - a period in history of dramatic social and political change. The Roaring Twenties was a decade of economic growth and widespread prosperity, driven by recovery from wartime devastation and deferred spending, a boom in construction and the rapid growth of consumer goods such as automobiles and electricity in North America and Europe.



MAYFAIR - A HISTORY OF CHANGE

Even before The Great Fire of London of 1666, the 'Great Plague' had moved residents out of the City of London to new healthier grounds to the west – now known as Mayfair and The West End. The 18th Century saw the creation of the elegant Hanover, Berkeley and Grosvenor Squares. The power of the aristocracy and the wealth of the plutocrats created the Mayfair boom of the 19th Century.

World War I and the Spanish Flu made the grand mansions redundant resulting in mass demolition. Ironically, the remaining mansions and houses we see today were preserved by the Temporary Office Permissions for those vacant houses after World War II.

The reversion of offices back to original residential use in the late 20th Century, combined with the luxury residential boom of the new 21st Century, has heralded the return of Mayfair as London's No.1 residential location.

Perhaps we will look back on Covid-19 as another pivotal moment when opulent offices revert to residential and continue the residential trend?

MAYFAIR SALES AVERAGE £ PER SQUARE FOOT - 2020

ONE BEDROOM FLAT	TWO BEDROOM FLAT	THREE BEDROOM FLAT	FOUR+ BEDROOM FLAT	HOUSE
£1,887	£2,194	£2,392	£2,729	£2,044
£1,372 REST OF PCL	£1,446 REST OF PCL	£1,672 REST OF PCL	£1,919 REST OF PCL	£1,852 REST OF PCL

MAYFAIR SALES - 2020

-11% CHANGE IN ACHIEVED PRICES LAST 5 YEARS	12% % OF SALES WERE HOUSES	55% ACHIEVING £2,000 PER SQ FT OR HIGHER	36% % REDUCED IN PRICE BEFORE SALE
-13% REST OF PCL	28% REST OF PCL	19% REST OF PCL	40% REST OF PCL

£2,000 PER SQ FT

Both Mayfair and PCL saw an increase of sales more than £2,000 psf with Mayfair now at 55% of sales (PCL 19%) compared to 2020 at 51% (PCL 18%). Average Mayfair values for 2 bedroom flats are now £2,194 psf (2019 £1,977 psf) compared to £1,446 psf for rest of PCL (2019 £1,488 psf).

SALES PREDICTION

There are nearly 20% more properties available, giving a greater choice to the buyers who are taking their time in choosing the right property. Due to Covid nearly two thirds of the properties have been on the market for more than 6 months but still nearly a fifth sell within 3 months of coming to market.

Sophisticated and knowledgeable buyers recognise the right property when they see it. With 2020 volume of sales as low as Lehman 2008 levels, we see a potential 50% increase in the number of sales as buyers return to a wider choice of stock and comparative opportunities, when compared to the £psf of new developments plus everything that Mayfair has to offer.

For the PCL market, the final months of 2020 saw a higher number of sellers list their homes, meaning we started 2021 with 51% more stock on the market than at the same point a year ago.

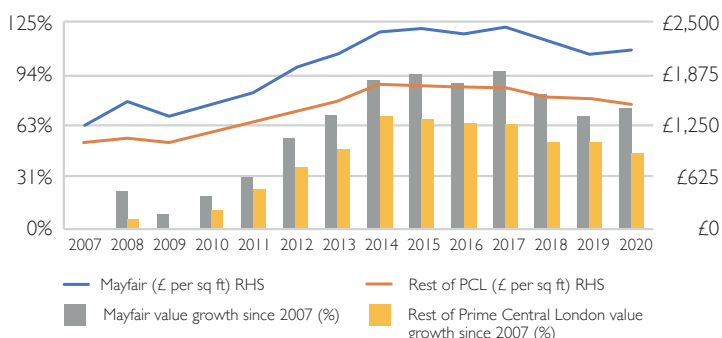
For London overall there are greater opportunities and choice, so 2021 will see more competition for the prime properties as the international market returns.

SALES BY PRICE BAND - 2020

Under £1m 18.2%	£1m to £2m 19.7%	£2m to £5m 33.3%
21.2% £5m to £10m	7.6% £10m+	

2020 SALES DATA

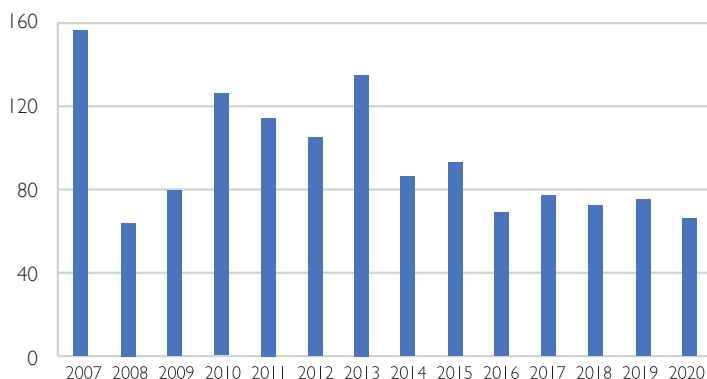
(EXCLUDING NEW DEVELOPMENTS FOR MAYFAIR)



© Wetherell Research using LonRes data (excludes leases of less than 30 years). Mayfair defined as W1J, W1K and W1S. Rest of Prime Central London: SW1A, SW3, SW7, SW10, SW1W, SW1X, W8. Chart shows growth since 2007 for each year e.g. 2020 bar represents growth from 2007 to 2020.

MAYFAIR RESIDENTIAL SALES

(EXCLUDING NEW DEVELOPMENTS)



Years 2007 to 2020.

Source: LonRes W1K / W1J / W1S postcode areas.

TRY BEFORE YOU BUY

In the Mayfair lettings market, the 'best of the best' are achieving record rental figures per week. Tenants can make speedy lifestyle choices without long term liabilities, in some cases they are not even looking but are attracted to properties that they never knew existed in Mayfair.

Overall the Mayfair lettings market has more stock availability and consequently there are great opportunities to be had.

However the prime end of the market is maintaining value. These trophy properties might have originally come to the sales market but the sellers preferred to become Landlords. The standard of quality on offer is exceptional and often brand new and therefore Wetherell have been assisting with our lettings and management service. Examples include two new 'glass houses' in a mews development at £9,000 pw; two adjoining maisonettes overlooking gardens at £8,500 pw and £9,000 pw; a wide fronted townhouse at £3,750 pw and a 'townhouse' with a glass staircase and own front door on Park Lane for £3,100 pw.

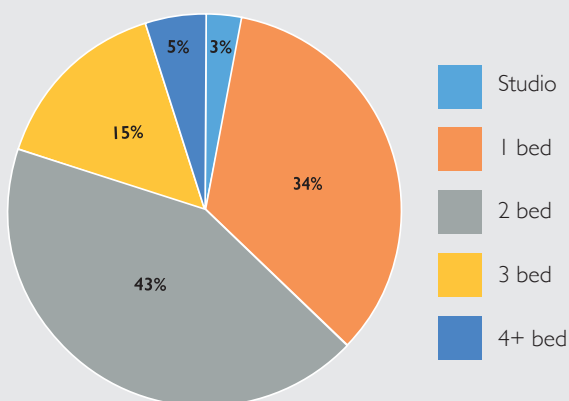


Chesterfield Hill - Let by Wetherell



Mayfair Row - Let by Wetherell

2020 PROPERTIES LET BY NUMBER OF BEDROOMS



Source: LonRes/Wetherell - Let in 2020

MAYFAIR LETTINGS - 2020

£59

AVERAGE
£ PER SQ FT

89%

% OF ASKING
PRICE ACHIEVED

£48 REST OF PCL

91% REST OF PCL

-5%
CHANGE IN ACHIEVED
RENTAL VALUES
FLATS, LAST 5 YEARS

39%
% REDUCED IN PRICE
BEFORE LET AGREED

-7% REST OF PCL

46% REST OF PCL

Source: LonRes - Let in 2020

MAYFAIR LETTINGS AVERAGE £ ACHIEVED PER WEEK - 2020

ONE BEDROOM
FLAT

£752

TWO BEDROOM
FLAT

£1,249

THREE BEDROOM
FLAT

£2,561

FOUR+ BEDROOM
FLAT

£3,175

HOUSE

£3,623

£538
REST OF PCL

£811
REST OF PCL

£1,597
REST OF PCL

£3,169
REST OF PCL

£2,284
REST OF PCL

Source: LonRes - Let in 2020

LOOKING FORWARD

Prime Central London will drive the recovery across the whole of the UK. We now appreciate what we have missed and possibly had previously taken for granted. Our future Mayfair will be, maybe, a different Mayfair but it is up to all to make it a better Mayfair. The West End will return as the world's pre-eminent business hub, after all, the success of London is essential for GB plc as it generates a £38bn tax surplus.

When the market starts thinking again about domestic and international travel, they will be reminded of all the exemplary facilities, culture and customs that Mayfair and The West End has to offer.

When those commuters and visitors return, we must ensure that the hotels, theatres, luxury retail shops, restaurants and pubs are ready to welcome them back. For our theatres, now is the time to put in place the actions required to help them thrive again. Our creative sector is of the utmost importance and once again will be one of the cultural centres of the world.

NOTHING HAS CHANGED

It is said that Covid has changed nothing *but* accelerated *everything*.

Whilst we will not return to the same as before Covid, Mayfair has shown its resilience and its remarkable ability to change, to adapt and weather the storms of the past 300 years.

Now, more than ever, people realise that our capital city is one of the best places in the world to do business and that Mayfair is one of the best places to live.

London's offerings make it a leader among the top global cities with its rule of law, its rich history, time zone, the pinnacle of culture, arts and sport plus the English language.

As vaccination gives us a positive hope for 2021, we will see the acceleration of people's 5 and 10 year plans. It might be a more fragile normality, but it will be a united effort from us all to try and rekindle that sense of normality - and where better than Mayfair.

NEW RESIDENTIAL DEVELOPMENTS - A NEW MAYFAIR



The 21st Century building boom in and around Mayfair has increased the housing stock by 10%, potentially increasing the residents by 25%. These new '7 Star' developments such as Clarges Mayfair, The Bryanston Hyde Park, Mayfair Park Residences, Hanover Bond, One Grosvenor Square and 20 Grosvenor Square, have redefined luxury with their facilities on offer and increased price levels.

Sales have been recorded between £5,000 to £10,000 psf for the trophy units. In the Mayfair pipeline, there are 5 new hotels being developed with several new clubs opening. CrossRail/ The Elizabeth Line will be partially open in 2022 and Westminster City Council will embark on £130m public realm improvements to Oxford Street.

NEW COMMERCIAL MAYFAIR DEVELOPMENTS

GROSVENOR

Grosvenor have obtained planning consent for the 2-acre South Moulton Triangle to transform an historic, but underused part of North Mayfair into 204,000 sq ft of new Grade A office space, 67,500 sq ft of shops, restaurants and cafés plus a 31 bed hotel, framed by wide pedestrian friendly routes and public spaces. 33 new homes are proposed within the designs - 22 open market homes and 11 affordable homes.

REUBEN BROTHERS - PICCADILLY

In South Mayfair, the development by the Reuben Brothers continues, turning the Piccadilly Estate into one of London's grandest hotels. This five-star Mayfair hotel development with stunning views over Green Park will feature 102 keys, a 2,360 sq ft grand ballroom, restaurant, bars, a spa, swimming pool and gym, plus seven residential apartments which will benefit from all the hotel amenities.



CLARIDGE'S

Following the completion of the magnificent 5 storey basement scheme at Claridge's the new upper storey phase is progressing at a pace providing 40 additional suites crowned with a penthouse suite of 400m², the main suite being 250m² with a guest suite 150m². The penthouse has its own secure drop off, with personal VIP lift, a 280m² garden, a 200m² reflecting pool and its own swimming pool.

REUBEN BROTHERS - SHEPHERD MARKET

The redevelopment of the NCP car park on Carrington Street together with associated buildings at Brick Street and Yarmouth Place will contain 30 homes, 31,000 sq ft of offices, a gym with 20m swimming pool, an art gallery, restaurant and shops. This 208,000 sq ft scheme will provide a new pedestrian link from Shepherd Market to Piccadilly.

BERKELEY SQUARE

Berger House, 36-38 Berkeley Square - Demolition of the existing building and redevelopment of the site to provide a new 9 storey office (Class B1 use) building of 85,000 sq ft with a retail and/or restaurant (Class A1 and/or A3).



LANSDOWNE HOUSE, 57 BERKELEY SQUARE

Demolition and construction of a new ten-storey building to include 225,000 sq ft of premium office space with 14,000 sq ft of retail and restaurants at the ground floor.



THE OLD AMERICAN EMBASSY

The work to revamp the Grosvenor Square building continues. Designed by David Chipperfield Architects (retaining the original Eero Saarinen façade) and including 137 guest rooms, five restaurants, six flagship retail units, a spa and a 1,000-person ballroom, the hotel will be operated by Hong Kong-based Rosewood Hotels.

LVMH – CHEVAL BLANC HOTEL

LVMH, the French company behind Moët & Chandon, Louis Vuitton and Hennessy, is bringing its exclusive Cheval Blanc chain to Grafton Street with plans for an 83-room hotel. Plans have been unveiled for what could be the most expensive hotel ever built in London, at a cost of £500 million.

PUBLIC REALM IMPROVEMENTS

GROSVENOR SQUARE

Grosvenor are revamping the Grade II Listed 2.5ha square, with a new lease of life following the completion of 1 and 20 Grosvenor Square and the transformation of the former US Embassy into a hotel.

Tonkin Liu's plans feature four interlocking gardens based on the original oval shape when the square was laid out nearly 300 years ago. The overall scheme will double the number of trees in the square and enlarge the garden areas by 32,000 sq ft to create a 'green oasis'.



A new look for Grosvenor Square

HANOVER SQUARE

At Hanover Square, the developer GPE PLC's new 221,200 sq ft mixed-use development scheme above the new Bond Street Crossrail station, also involves a £10m regeneration of the public realm, which will transform Hanover Square into one of Mayfair's premier garden squares.

MARBLE ARCH PLACE

2021 sees the completion of a new landmark for London - a mixed-used development by property developer Almacantar and freeholder The Portman Estate. Overlooking Hyde Park and Marble Arch with dynamic architecture, dramatic art installation and a new public realm location.

The 18-storey tower, designed by architect Rafael Viñoly, includes 54 apartments and a contemporary 7-storey commercial building providing over 95,000 sq ft of high quality office space. There will be five new retail spaces spanning over 48,000 sq ft plus an eye-catching art installation designed by Lee Simmons.

OXFORD STREET - £235M PLAN

Westminster City Council is to deliver a holistic, multi-layered approach to urban change. This is London's most important project delivering a long-term, innovative, sustainable and ambitious future for Oxford Street and the wider district to coincide with the opening of The Elizabeth Line.

THE ELIZABETH LINE

This is the largest infrastructure project in Europe at £18.5bn and will stretch more than 60 miles from Reading and Heathrow in the west through central tunnels under The West End and across to Shenfield and Abbey Wood in the east. 2022 opening for Bond Street station.

A NEW LONDON LANDMARK

The Bryanston, Hyde Park is a collection of 54 residences, enjoying a prominent location at the northern end of Park Lane by Marble Arch with the extraordinary views over the 350 acres of Hyde Park.

It is composed of two elements: the podium, with its gracefully tiered terraces, and the tower, which stretches to 18 storeys and provides 360° cityscape views into Hyde Park and the City.

World-renowned architect, Rafael Viñoly's inspired design takes in superb, panoramic views of Hyde Park, 350 acres of protected, historic parkland in the heart of the city. The curvature of the building with its large panoramic windows is specially designed to maximise the views, allowing residents to observe the park from above.



Large panoramic windows are specially designed to maximise the views, giving the impression that you are suspended above the park.

The development features two floors of superb amenities, including a 25m swimming pool, spa facilities, a state-of-the-art gym serviced by acclaimed international personal trainers Mer, a private cinema and secure underground valet parking, 3m ceiling heights, children's play area and 24-hour security and concierge.

Developed by Almacantar, a property development company specialising in large-scale, complex investments in central London. Known for its design-led approach, the company focuses on creating long-term value through development, repositioning or active asset management.



Terrace view from The Bryanston, Hyde Park



Skyline views over London



WETHERELL

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LONDON'S NO.1 AREA

