

# London Super-Prime Lettings Insight

## Autumn 2020

In a similar way to the wider UK property market, tenants in the super-prime (£5,000+/week) lettings market have sought more space this year.

To underline this trend, Hampstead became the third most popular location for tenancies agreed in the year to September, with the number of deals rising to 12 from 5 in the previous year (figure 3).

The overall number of super-prime tenancies fell to 101 in the year to September, from 146 over the previous 12 months. However, there were 37 deals in Q3, which was higher than the same period last year and the maximum rental value recorded was £40,000 per week for the second consecutive quarter (figure 1).

“We have seen some migration away from central areas,” said Tom Smith, head of super-prime lettings at Knight Frank. “Tenants are prioritising home gyms over gym membership and placing more priority on outdoor space. However, if they are moving outside the capital, they need to know they can get back quickly and many are adding a place in the country rather than replacing their London base.”

Furthermore, the trend for country living has not been as prevalent during the second national lockdown. “The difference this time is that the schools have stayed open,” said Tom.

At the same time, the desire for the best amenities is also driving demand

for luxury new-build schemes in central London. “Some high-value schemes are trading incredibly well because everything tenants could possibly need is on site.”

Rental values have been more resilient in the super-prime market than the rest of London. Rental values in prime central London fell 9.1% in the year to October, which was in large part caused by high levels of supply as more short-term lets came onto the long-let market.

This has not been the case in the market above £5,000 per week, where rents have remained flat compared to where they were 12 months ago, according to Tom.

“If a property came on a year ago at £20,000 per week, it's coming on at the same price today. There is such little new supply coming through that this will support rents for some time.”

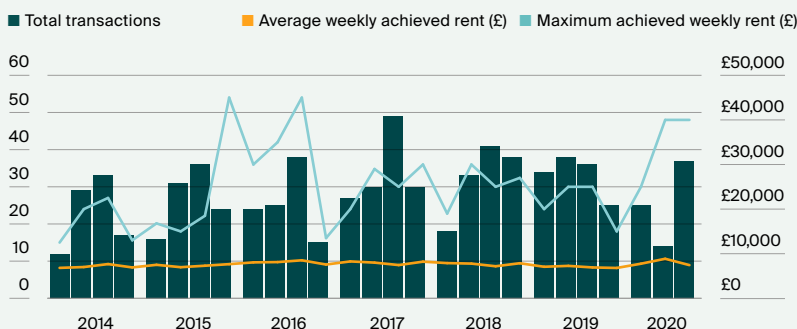


**Whistler Square, Chelsea Barracks**  
guide price £8,750 per week



**Pond House, Hampstead**  
guide price £9,000 per week

### 1 London super-prime lettings volumes and achieved rental values (quarterly)



Source: Knight Frank Research / LonRes

## 2 Super-prime lettings map of London

Tenancies agreed, year to September 2020

□ N/A / Sub-£1,000   □ £1,000 to £2,500   □ £2,500 to £5,000   □ £5,000 to £10,000   □ £10,000-plus

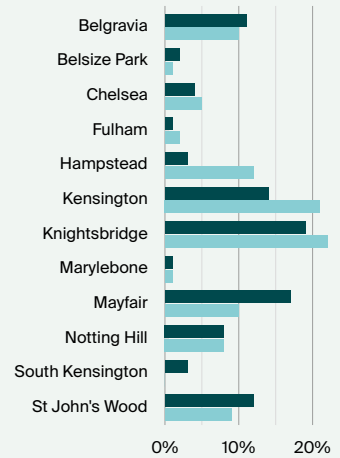


Source: Knight Frank Research

## 3 Super-prime lettings market share

Percentage of super-prime lettings deals agreed by neighbourhood

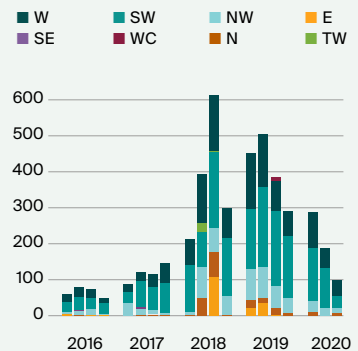
■ Year to September 2019  
■ Year to September 2020



Source: Knight Frank Research / LonRes

## 4 Super-prime supply

New £5,000-plus per week listings by postcode, per quarter



Source: Knight Frank Research / LonRes

## Please get in touch with us

If you're thinking of letting your property, renting in London or would just like some property advice, please do get in touch, we'd love to help



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