



Matthew Smith, Knight Frank's Head of Riverside Sales, discusses price trends, the best-performing developments and plans in the pipeline.

How have prices been performing?

On the whole, prices have been reasonably consistent, with a slow but steady rise in capital values being seen in most locations along the river and an increasing appetite by local, national and international buyers for new, hassle-free apartments with a river view. There have been some tremendous sales in recent months in many of our key buildings and developments on the river. Prices achieved between Battersea and Chelsea Bridges range between £750 and £1,850/sq ft, proving this is one of the most exclusive stretches of river in London.

Which developments have performed best?

Albion Riverside, Riverside One and Albert Bridge House have performed exceptionally well, with prices rising by up to 20% in some cases over the last 12 months. Hotspots such as the South Bank have seen incredible prices achieved, particularly at One Tower Bridge and Neo Bankside, which was recently voted the best international development in the world and has commanded prices as high as £2,000/sq ft. Grosvenor Waterside has also performed very well. St George Wharf in Vauxhall has been the talk of many a newspaper article this past year, enhanced by The Tower, a 50-floor skyscraper with valet parking and a pool, as well as a new pier, serviced by the Thames Clipper. Premium apartments in St George Wharf continue to achieve prices upwards of £1,000/sq ft. Prices achieved at The Tower have been considerably higher. Peninsula Heights leads the highest sales prices on Albert Embankment, with St George Wharf and Parliament View close behind.

What do you expect to see this year?

Our Residential Research department predicts that prices will continue to rise, but at a slower pace than in 2011. A stable market is certainly not a bad one. Of course, certain hotspots will continue to outperform others, but we believe the year ahead will be one of little repute. The spring market is usually

active and the big events coming up in the summer will shine the spotlight on London, attracting a surge of international buyers. We expect London to outperform the rest of the UK and many other international cities as it continues to offer a safe place to invest in bricks and mortar.

What was your most interesting recent sale?

We recently sold two flats next to each other in one of our prime buildings in Battersea, which the new owners intend to join. This will make it one of the most desirable riverside residences in London.

When will you be moving into your new office?

We are thrilled about moving into our new office in Norman Fosters' Albion Riverside, Battersea this spring. We sell property along the river between Putney Bridge and Tower Bridge, and our new location means we will be able to walk to many of our properties.

What's in the pipeline for the area?

There are some tremendously exciting developments planned for the coming years, such as One Tower Bridge, where your smartphone's bluetooth will open your door and call the lift for you. Others include Riverlight, One Blackfriars, Fulham Reach, and Chelsea Creek at Imperial Wharf, which is based on a similar waterfront scheme in Copenhagen. Other areas earmarked for development include Sands End, Grosvenor Road, Vauxhall, Albert Embankment and The Royal Docks. A number of major transport improvements have already taken place along the river to complement these new developments. Added to these is Blackfriars South which, when it opens in the spring, will be the first new train station to be built on the South Bank of the river in more than 100 years.



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Riverside sales market at a glance

Figure 1
Where does the money come from?
 Buyers, past 12 months

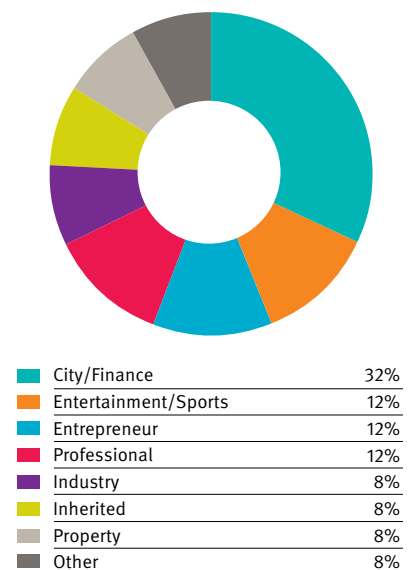
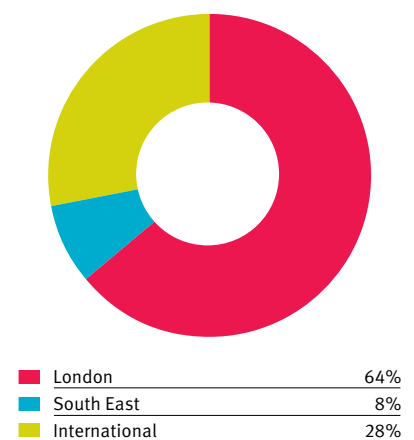


Figure 2
Where do our buyers come from?
 Buyers, past 12 months





Charting the Riverside market



Figure 3
What is coming to market?
 New instructions, past 12 months

under £500k	7%
£500k to £750k	13%
£750k to £1m	28%
£1m to £1.5m	24%
£1.5m to £3m	15%
over £3m	13%



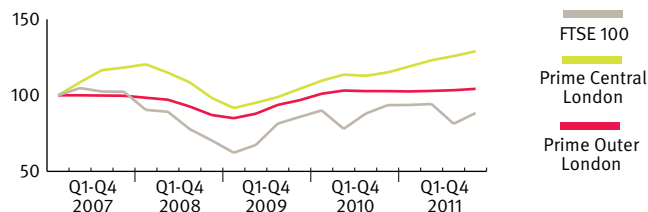
Figure 4
Sales by price band
 Exchanges, past 12 months

under £500k	3%
£500k to £750k	13%
£750k to £1m	19%
£1m to £1.5m	28%
£1.5m to £3m	27%
over £3m	10%

Figure 5
Market activity
 Year-on-year change (October 2011 to December 2011)

Exchanges	↑ 278%
New applicants	↑ 5%
New instructions	↓ -13%
Viewings	↑ 94%
Prices	↑ 0.4%

Figure 6
Wider market performance
 Prime London (sale prices) vs FTSE 100, past 5 Years



Riverside properties and the Knight Frank team

SOLD
Exceptional views
 RIVERSIDE ONE
 1
 £1.95m

SOLD
Contemporary luxury
 MONTEVETRO
 3
 £2.25m

SOLD
Stunning vista
 ALBION RIVERSIDE
 2
 £2.65m

SOLD
Elegant apartment
 DOLPHIN HOUSE
 2
 £895,000

SOLD
Panoramic views of London
 HAMILTON HOUSE
 4
 £4.75m

SOLD
Rare penthouse
 HEPWORTH COURT
 3
 £3.75m

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