

CHELSEA – CHELSEA PARK

Knight Frank



Best known for its green spaces, garden squares, café society and great restaurants, there is plenty to see and do in Chelsea.

The area north of the King’s Road, between Park Walk and Old Church Street, was once Chelsea Park. It is now home to some of the most highly regarded addresses in London, including the grand town houses of The Vale and Elm Park Road, the wide and low-built houses of Mulberry Walk, Mallord Street, and of course Chelsea Park Gardens. We have also included in this generic term Carlyle Square and Chelsea Square, once known as Oakley Square and Trafalgar Square respectively. Keen shoppers have the King’s Road, which has been synonymous with high-end and cutting-edge fashion since the 1960s. There are a number of sport and recreational venues for active types, from the tennis courts of Burton Court to the open spaces at The Boltons and Battersea Park. Travelling in, around and outside London is easy, with nearby Earls Court, West Brompton and Gloucester Road underground stations, a rail station at West Brompton, a brand-new rail station at Imperial Wharf, and a number of buses that run regularly. South Kensington and Sloane Square underground stations are also within walking distance.

CHELSEA PARK

SALES MARKET

How has your market performed this year?

The market in Chelsea has gone from strength to strength this year. Currently prices are more than 12% up on the previous year. There is a shortage of good quality stock available at all levels of the market with demand growing from home grown buyers as well as a widening number of nations abroad.

What nationalities are buying in your area?

We have seen a broad range of nationalities so far this year. We are seeing more buyers from South East Asia, Singapore and Malaysia particularly. We have also seen Russians, Austrians, British and French. Given what has happened with presidential elections in France we will be seeing many more French buyers shortly. We have also seen a huge spike from people in France searching on our website for properties in London.

What’s the most interesting sale you and your team have been involved in recently?

We had an amazing family house on The Vale that was available either for sale or for rent. The purchaser wanted to try the house out before he bought it so we agreed a price for them to rent the house and a price to buy the house. The agreement was that he would complete the purchase within three months of moving in to the property or continue to rent the house for 12 months, if for any reason the house did not live up to his expectations. It did and the sale went through at a record price of almost 3,000/sq ft. Both buyer and seller were delighted with the result.

Do you think the stamp duty increase will affect your market?

It is fair to say that there is some impact on properties priced just over the new £2m threshold with buyers negotiating aggressively to avoid the new 7% rate. However, the further away one gets from £2m the less the impact we are seeing. When compared to some of the other major cities of the world the cost of buying a prime property in the UK is still relatively low.

What property types are most in demand?

We are seeing a great deal of demand for good family houses and flats as well as smaller flats for investment purposes.

Contact: John Waters, Associate

Charting the Chelsea sales market



Figure 1
What is coming to market?
New instructions, past 12 months

under £750k	17%
£750k to £1.5m	31%
£1.5m to £2.5m	17%
£2.5m to £3.5m	8%
£3.5m to £5m	12%
over £5m	14%



Figure 2
Sales by price band
Exchanges, past 12 months

under £750k	18%
£750k to £1.5m	24%
£1.5m to £2.5m	16%
£2.5m to £3.5m	16%
£3.5m to £5m	9%
over £5m	18%

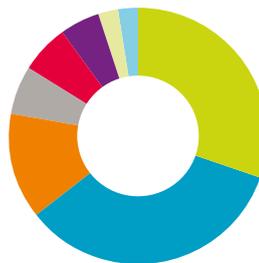


Figure 3
Nationality of our buyers
Buyers, past 12 months

English	25%
Other	28%
Russian	11%
Italian	5%
French	5%
South African	4%
Bermudan	2%
Spanish	2%

*%s may not add up to 100% due to rounding



LETTINGS MARKET

How has the lettings market performed so far this year?

The healthy lettings market continues with a historically limited number of quality properties available to rent. Whilst accurate pricing is critical, the best properties are attracting quality tenants as soon as they come to the market, in some cases we are able to place the property with no marketing whatsoever due to our extensive contact lists. Over the last four months we have experienced a slight increase in the numbers of new properties coming to the market, but we feel rents will remain strong throughout 2012. We continue to register applicants looking specifically at living within this leafy part of Chelsea and the area continues to offer a highly-sought after prospect for many.

What type of property is in high demand?

There is always a high demand for the well-presented family houses this area is known for. Presentation is key, both the internal specification and the exterior of a property will be valued by the best tenants. The family house market in SW3/SW10 has been particularly buoyant over the last 3 months with more family houses securing tenants than in the preceding 6 months combined. Landlords should address all decorative issues and consider updating kitchens and bathrooms that appear dated. Clean, comfortable modern spaces are greatly appreciated and present a strong marketing image to a potential tenant.

What type of tenants are attracted to the area?

This part of prime central London has a strong synergy with tenants from mainland Europe, North America and from the UK. The typical profile is an upwardly mobile couple or family who enjoy the café culture and fantastic schooling all within walking distance, often working in the financial, legal or media sectors in London.

Contact: David Mumby, Partner

Chelsea Park properties

SOLD

Un-modernised house with private parking

ELM PARK ROAD

4 bedrooms

£6,000,000



LET

Stunning wide semi-detached period house

ELM PARK ROAD

4 bedrooms

£3,500 pw



SOLD

Un-modernised garden square house

CARLYLE SQUARE

5 bedrooms

£6,250,000



LET

Low built family home

CHELSEA PARK GARDENS

4 bedrooms

£2,700 pw



Figure 4
What is coming to market?
New instructions, past 12 months

under £500	10%
£500 to £750	37%
£750 to £1,000	11%
£1,000 to £1,500	10%
£1,500 to £2,500	11%
£2,500+	21%



Figure 5
Tenancies by price band
Exchanges, past 12 months

under £500	26%
£500 to £750	34%
£750 to £1,000	16%
£1,000 to £1,500	8%
£1,500 to £2,500	9%
£2,500+	8%



Figure 6
Nationality of our tenants
Tenants, past 12 months

United Kingdom	50%
United States	15%
France	5%
Russian Federation	5%
Germany	3%
Others	21%

*%s may not add up to 100% due to rounding

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LONDON LIVING

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