

# AREA INSIGHT TEN ACRE ESTATE

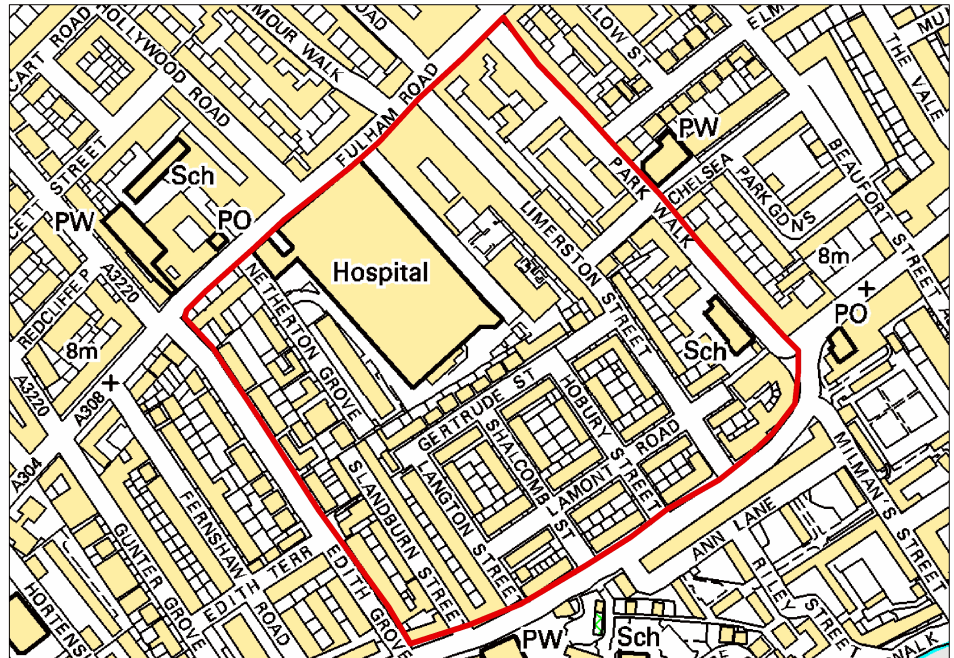
**Knight Frank**



## Ten Acre Estate overview

Since the 'gentrification' of Fulham Road between Chelsea and Westminster hospital and Beaufort Street, the Ten Acre Estate has become a hugely popular area to live in, particularly with young families. The residences are predominantly houses with some conversion flats, however anyone looking for a purpose built flats can find Elm Park Mansions and Devonshire Mews on Park Walk. The boundary of the Estate is Fulham Road to the north, King's Road to the south Park Walk to the east and Slaidburn Street/ Nethernton Grove to the west.

The Ten Acre Estate, Chelsea



## Sales market update

In comparison to the weakening UK market, 2010 was a good year for prices in Prime Central London. The driving factors behind this performance were strong demand, weak supply, a weak pound and a perception of the market as a 'safe haven' investment, especially for those affected by the Eurozone crisis.

Prices and activity had significantly begun to improve in mid-2009 but by May of last year this had begun to drop away. But price increases picked up again and on average they were 10.3% higher at the end of the year than they were in December 2009. It should be noted, however, that this is still 4.4% below the peak of 2008\*

Since we have re-opened following the Christmas break, we have been inundated with enquiries from people looking to buy. Considering this logically it is hardly surprising - bonuses are likely to feature again this year, interest rate & stamp duty rises are looming on the horizon making it more expensive to purchase property, and many are simply fed up with looking and waiting for the huge increase in stock that has never happened.

It is thus our opinion in Chelsea that 2011 will most likely pick up from where 2010 left off, for Q1 at least. For sellers, now is an excellent window where there is significant demand and low supply and for buyers with high levels of equity, borrowing costs are still historically low.

Figure 1  
Sales market activity, Chelsea  
Last 3 months, year-on-year change

Sales	-23.1%	New applicants	+15.0%
New instructions	-8.3%	Viewings	+61.6%

## Lettings market update

Rents in Ten Acre Estate rose a further 2.2% in the final quarter of 2010. This rise means that rents have risen by 16% in 2010 as a whole and by 19% since their low point reached in late-2009 when the market was suffering from significant over supply.

The main narrative in Ten Acre Estate rental market for the last 18 months has been thin supply meeting strong demand. The volume of available rental properties across the year was 20% lower than in 2009, and - even more strikingly - down by 36% compared to 2008. Set against this reduced supply was the fact that the volume of prospective tenants registering in Chelsea fell only marginally (by 1%) compared to 2009, but actually rose by 10% compared to 2008.

Why has the rental market in Ten Acre Estate seen such demand from tenants? Two reasons stand out. Firstly, employment conditions in central London are much healthier than they were in 2009. Morgan McKinley, the City recruiter, noted that the number of new positions advertised in the central London financial and business services sector rose by 9% in November 2010 compared to November 2009. Secondly, many prospective buyers are still locked out of owner-occupation and have to consider rental as the alternative.

With landlord investments delivering 3.5% yields, together with capital growth of 10.3% in 2010, the rental market remains an attractive proposition for Landlords.

Figure 2  
Lettings Market activity, Chelsea  
Last 3 months, year-on-year change

Managed tenancies	+70.0%	New applicants	+/-0%
New instructions	-20.0%	Rents achieved	+2.2%

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## Charting the market

Figure 3  
Number of properties sold  
Last 12 months, year-on-year change

Ten Acre Estate		-12.5%
Prime central London		-1.1%
Prime property prices		10.3%

Figure 4  
Where do our buyers come from?  
Sales, last 12 months

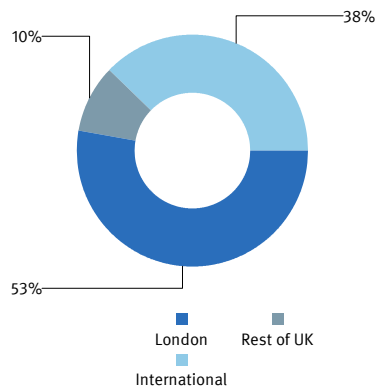
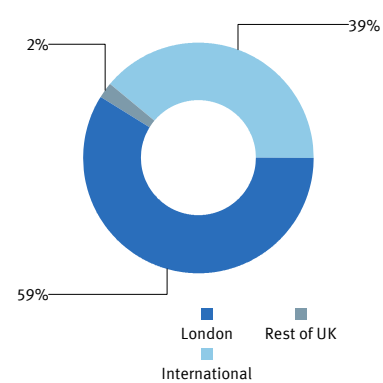


Figure 5  
Where do our tenants come from?  
Tenancies agreed, last 12 months



## Your properties, our people

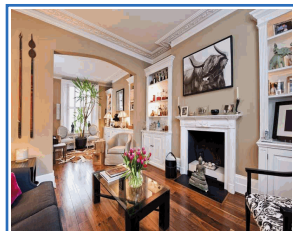
### Stunning and immaculate family house

**LET**

4 bedrooms

**Asking rent:** £2,950pw

Limerston Street, London  
SW10



### Corner house with parking

**SOLD**

4 bedrooms

**Guide price:** £2,850,000

Lamont Road, London  
SW10



### Newly refurbished two bedroom flat

**TO LET**

2 bedrooms

**Asking rent:** £595pw

Gertrude Street, London  
SW10



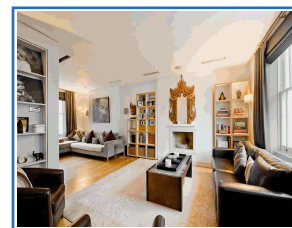
### Family house in Ten Acre Estate

**FOR SALE**

4 bedrooms

**Guide price:** £2,800,000

Lamont Road, London  
SW10



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