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Summer 2017

LONDON RESIDENTIAL MARKET BULLETIN

Highlights in prime Central London

- The quarterly rate of decline of capital values in prime Central London appears to be slowing, with both Q4 2016 and Q1 2017 registering an average decrease of 0.4%, following sharper falls in the first half of last year.
- Key submarkets, such as South Kensington (2.1%), Knightsbridge (1.3%) and Chelsea (1.0%) showed signs of revival in Q1, with an increase in capital values for the first time since Q3 2015.
- In the lettings market, the widespread decrease in values has translated into a rise in enquiries for homes in the two- to five-bedroom bracket, as rates appear to have fallen to what are perceived to be acceptable levels.

Highlights in core Central London

- Central London Core submarkets recorded, a positive growth (0.2%) in the first quarter of the year, following three consecutive quarters of declining capital values.
- In the lettings market, rental values continued to drop (-1.2%) for the second consecutive quarter.
- However, submarkets such as Hammersmith and South Bank showed some resilience, with no change in rental values since Q4 2016.

Prime Central London

£1.98m

Average price for a 2 bed flat

Source: Cluttons

Central London Core

£980k

Average price for a 2 bed flat

Source: Cluttons

PRIME CENTRAL LONDON IN NUMBERS (Q1 2017)

Source: Cluttons

	Annual change		Calculated
Area	Rental values	Capital Values	Rental yield
Belgravia	-0.4%	-9.8%	2.7%
Chelsea	0.7%	-8.9%	2.6%
Covent Garden/Soho	-1.3%	0.0%	2.0%
Holland Park	-4.3%	-3.7%	2.5%
Hyde Park	-4.6%	-3.0%	2.3%
Kensington	-3.3%	-3.1%	2.6%
Knightsbridge	-2.2%	-9.6%	2.8%
Marylebone	-3.8%	-3.3%	2.7%
Mayfair	-1.0%	-2.9%	2.2%
Notting Hill	-2.6%	-4.1%	2.3%
Regent's Park	-1.4%	0.0%	2.2%
South Kensington	-0.8%	-8.2%	2.2%
St. John's Wood	-8.1%	0.0%	2.5%
St.James's	-0.6%	0.0%	2.0%
Westminster	4.7%	0.0%	2.6%
PCL average	**-2.0%**	**-4.0%**	**2.4%**

Source: Cluttons

Prime Central London residential market

£3.02m

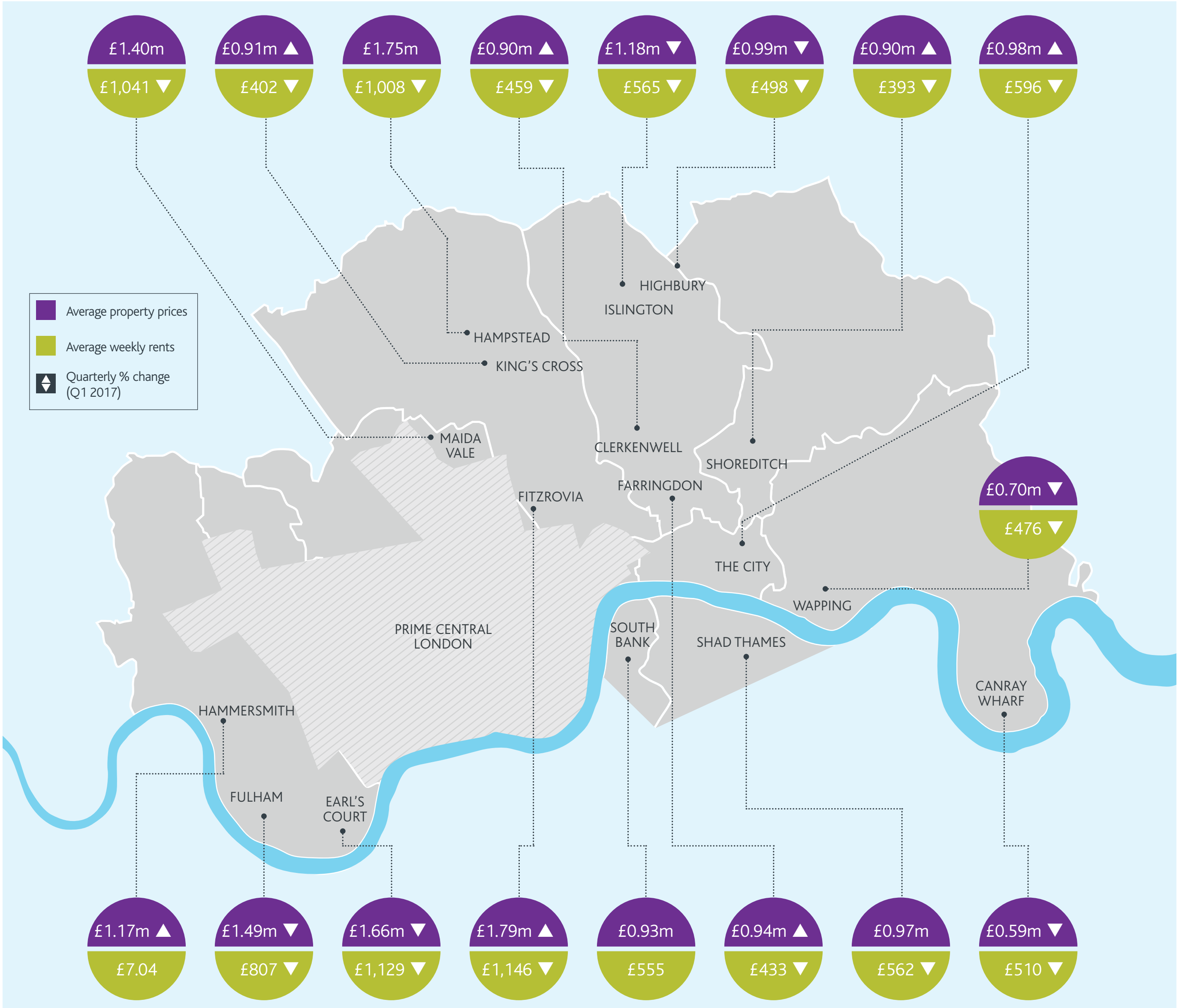
Average property price in Q1 2017

£1,411

Average weekly rental value in Q1 2017

Source: Cluttons

CENTRAL LONDON CORE IN NUMBERS (Q1 2017)



Source: Cluttons

Area	Annual change Rental values	Annual change Capital Values	Calculated Rental yield
Canary Wharf	-3.1%	-0.5%	4.5%
Clerkenwell	-1.8%	1.3%	2.7%
Earls Court	-0.5%	-0.4%	3.5%
Farringdon	-0.9%	1.8%	2.4%
Fitzrovia	-2.5%	0.7%	3.3%
Fulham	0.1%	-0.4%	2.8%
Hammersmith	3.1%	0.9%	3.1%
Hampstead	-2.2%	0.0%	3.0%
Highbury	-2.6%	-6.6%	2.6%
Islington	-3.4%	-7.7%	2.5%
King's Cross	-1.0%	0.9%	2.3%
Maida Vale	-4.3%	0.0%	3.9%
Shad Thames	-0.7%	0.0%	3.0%
Shoreditch	-1.8%	1.3%	2.3%
South Bank	0.9%	0.0%	3.1%
The City	-1.7%	1.4%	3.2%
Wapping	-1.8%	-0.5%	3.5%
Central London Core average	**-1.4%**	**-0.5%**	**3.1%**

Source: Cluttons

Central London Core residential market

£1.19m

Average property price in Q1 2017

£710

Average weekly rental value in Q1 2017

Source: Cluttons

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