

Property

SW1 the only place for super-rich

Even the most optimistic observers could have been forgiven for writing off One Hyde Park as a badly mistimed venture.

In 2007, when the £1.5bn luxury apartment development was still two years from completion, the economic weather turned. By the time the doors opened this year, under the banner of London's most exclusive address, the storm was in full force.

"Between October 2008 and January 2009 global property markets didn't just seize up, they looked deep into the abyss," said Liam Bailey, head of residential research at Knight Frank.

The fate of the development should have been sealed. In practice, however, it has bucked just about every trend in UK property.

All but 18 of the 80 apartments have been sold and recent buyers have spent more than £7,500 a square foot – the highest price for any residential property worldwide.

"I don't think super-prime property in London is comparable to any other asset class at the moment,"

said Nick Candy, chief executive of Candy & Candy, development managers of One Hyde Park. "About 80 per cent of people buying in the

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Share of super-prime buyers who are foreign

super-prime London market are international and it is not just about wealth preservation.

"The returns they can

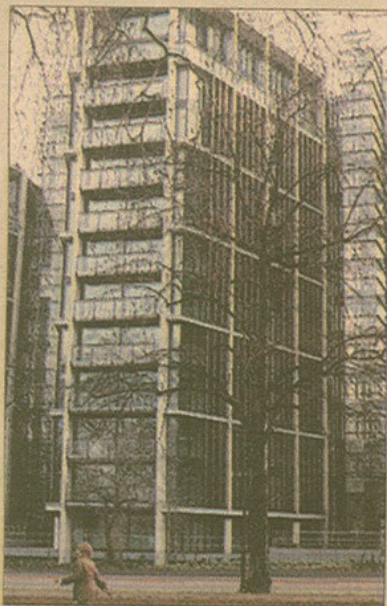
make are massive," Mr Candy added.

The market for upmarket apartments and houses across Mayfair, Knightsbridge and Chelsea has boomed during the downturn, outstripping both the UK property market and comparable European and US cities.

A one-bedroom flat in One Hyde Park, which would have cost £3.6m when the project was first marketed in 2007, is on sale today for £6.35m, an increase of 76 per cent.

Part of the reason for the growth is that cash that once flowed into the equity and corporate bond markets is finding its way into London's housing stock. In the past 18 months, foreign buyers have spent £6bn on upmarket London homes, according to estimates from Savills, the property group.

Yolande Barnes, Savills director of residential research, said: "It is clear that international buyers are buying a haven store for their wealth. Some are also making a currency play on cheap sterling."



One Hyde Park has bucked every trend in UK property

Ed Hammond

