

Autumn 2022

JOWEBSTER

Viewpoint

As we approach our 20th year in business, Jo Webster Properties can testify to the resilience of the prime London property market, despite the many challenges faced over the last two decades. Selling and letting properties in some of the capital's most prestigious locations and developments, our discreet, personal service has earned us an enviable international reputation.

The iconic Albion Riverside designed by Foster and Partners, four-bedroom penthouse comprising 3,758 sq ft. £6,500,000.





Jo Webster

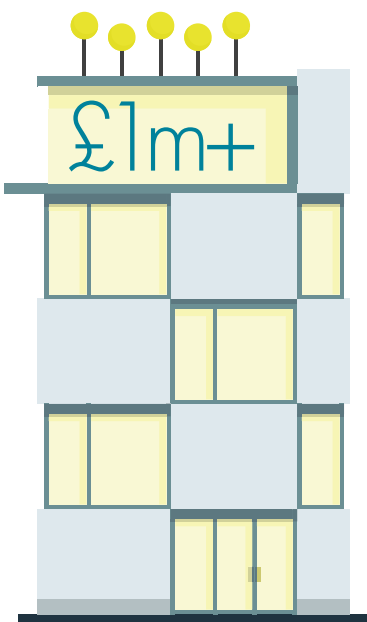
While economic uncertainty has no doubt impacted the mortgage market, activity in our prime central market remains strong. Sales volumes are healthy and demand in the rental market is at an all-time high, with many of our properties being let prior to marketing and in excess of their asking prices. This year we have realised the highest £per sqft recorded in the past decade at both Kensington Green and Montevetro.

99.5%

on average
of initial
asking price
achieved

at Jo Webster
Properties

The London market remains resilient



SALES INCREASE

↑ 11%

Sales of apartments
£1m+ are up 11%
Q3 2022 vs Q3 2021

Dataloft, LonRes

RENTS INCREASE

↑ 17.6%

Rental values are
up 17.6%
Q3 2022 vs Q3 2021

Dataloft, LonRes

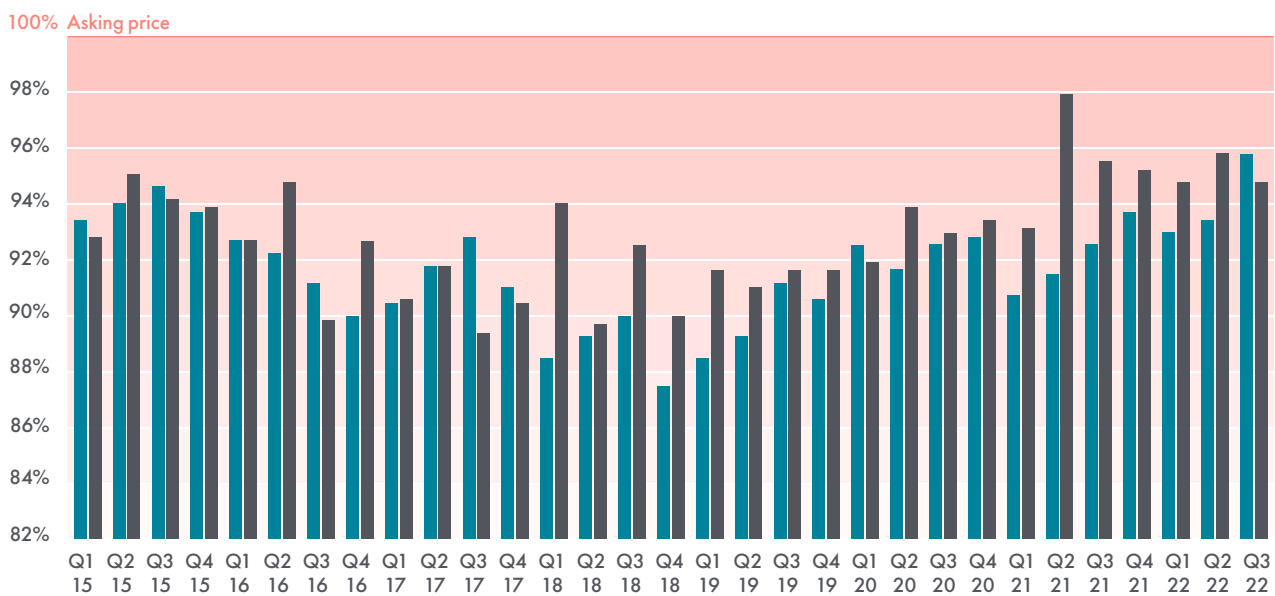
Price and transaction levels are up

Demand for property across our prime central market area exceeds the supply of available stock. Sales prices are up 3.5% compared to a year ago, with average discounts on asking prices at their lowest level since the peak of the market in 2014. With the exception of the stamp duty holiday in 2021, the number of sales we are experiencing is the highest we have seen since 2015. Sales of apartments over £1,000,000 are up 11% compared to a year ago. In the past three months more than one in four sales has been property priced at more than £3 million, the highest proportion ever recorded. Data shows that 23% of properties across our catchment area* are selling within three months, compared to 18% for central London as a whole.

CLOSE TO ASKING PRICE

Achieved prices for apartments closest to asking price since 2015

APARTMENTS HOUSES



Dataloft, LonRes

Rental records

The supply demand imbalance is continuing to exert pressure on rental prices and competition for properties is fierce. Rental values are rising at record levels, up 17.6% in Q3 to date compared to a year ago. With many tenants seeking to renew existing tenancies, the number of properties available to let is some 30% lower than the same period last year. Competition is strong; more than one in three properties currently available are under offer. Young professionals and young families dominate the rental market, with 80% of properties let being 1, 2 or 3-bed apartments.

*Jo Webster Properties defined areas: Only flats: W8, W11, SE1 7, SE1 8, SE1 9, SW3 3, SW3 4, SW3 7, SW3 8

Now is the time to buy

Property an asset of choice

Residential property has long proved its resilience as an investment asset and has performed strongly over the past decade. Average annual returns on London residential property have been higher than across the UK housing market as a whole.

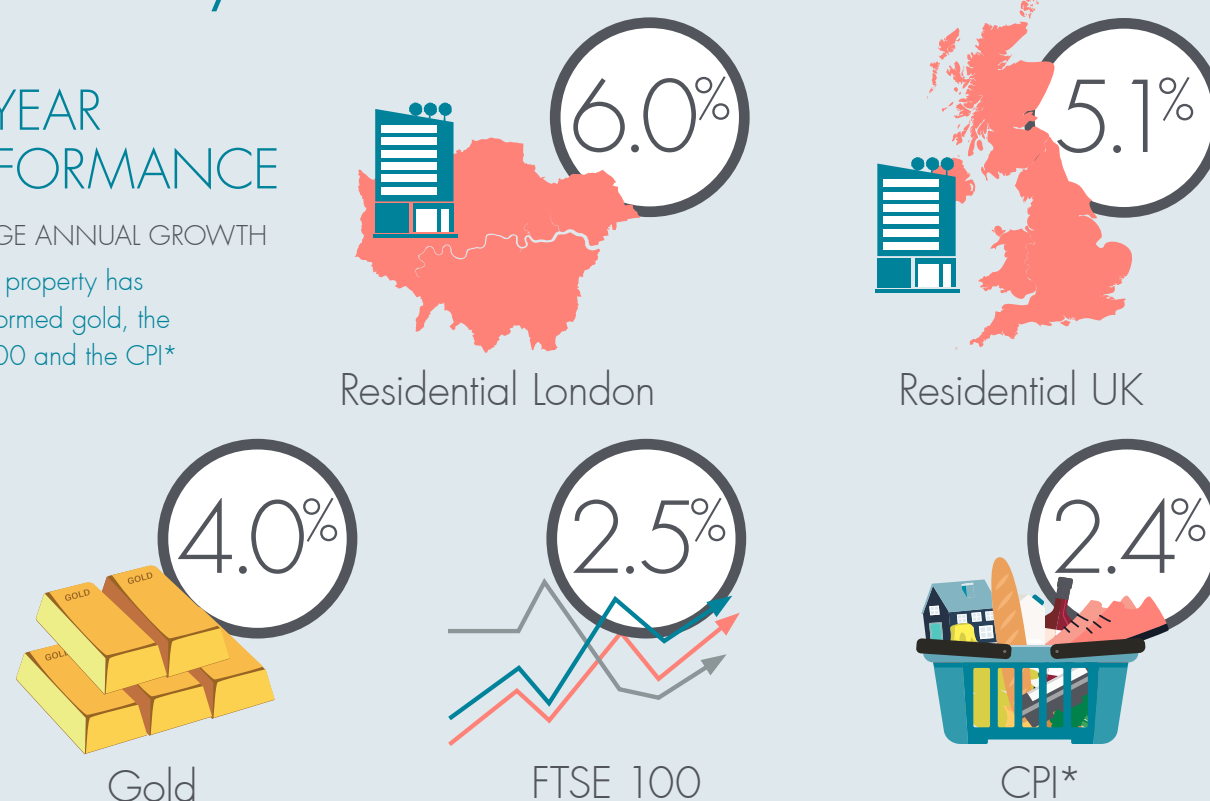
Outperformance

A higher proportion of sales in the prime London market are cash purchases, making this market less exposed to rising mortgage costs. The latest forecasts for property price growth predict prime central areas will outperform the wider UK housing market over the five years to 2026.

10-YEAR PERFORMANCE

AVERAGE ANNUAL GROWTH

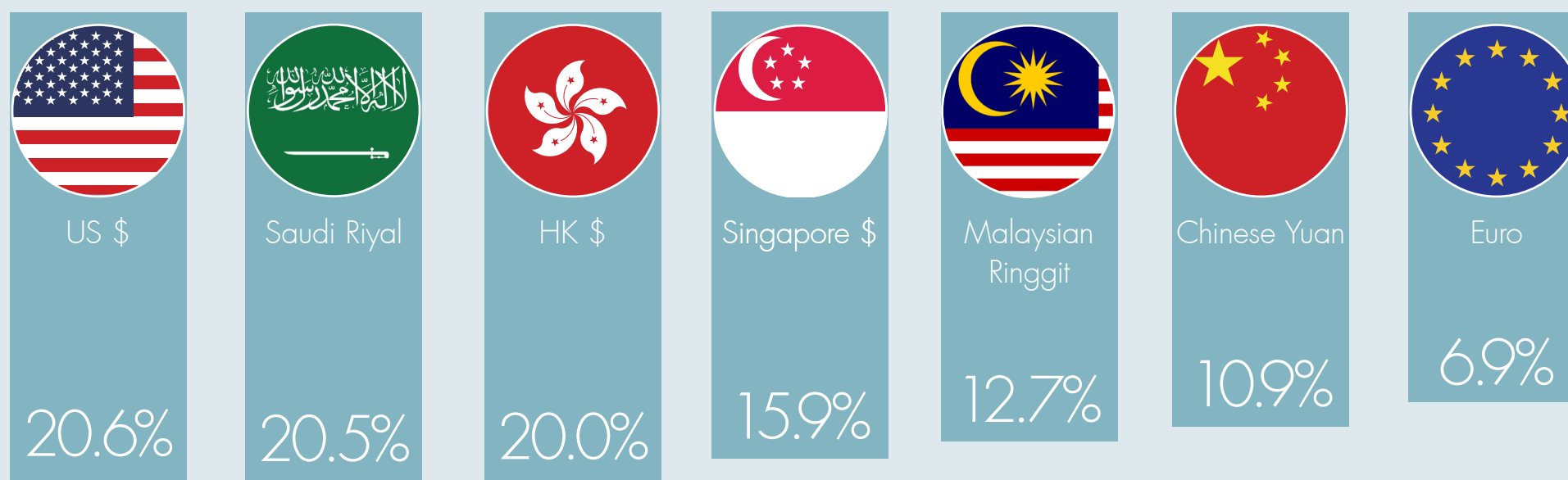
London property has outperformed gold, the FTSE 100 and the CPI*



Dataloft, LBMA, Nationwide, ONS, London Stock Exchange, average growth per annum June 2012 to June 2022.
*Consumer Prices Index

WINDOW OF OPPORTUNITY

Saving as % of current purchase price in local currency versus start of 2022



Dataloft, Bank of England, exchange rates at 26 September 2022, based on £1 million property, assuming a non first-time buyer with relevant Stamp Duty taxes included.

Exchange rate advantage

The value of sterling in global markets has fallen to new historic lows in recent weeks, providing a window of opportunity for those seeking to purchase in the world's number one city¹. Against many global currencies, the effective exchange rate of sterling is lower than that witnessed during the UK market shutdown during Covid and after the Brexit referendum in 2016.

Price savings

The effective taxation rate for overseas purchasers on a £1 million property in the UK is the equivalent of 9.1%², rising to 15.2% on a property purchased at £5 million. This remains competitive by global comparisons. With the current rate of sterling, those purchasing from overseas will make a saving of over \$300,000 or €90,000 compared to the start of 2022.

²Based on a £1 million property purchased by an overseas investor as a second home, calculations take into consideration 2% surcharge for non-resident purchasers introduced 1st April 2021 and abolition of stamp duty up to £250,000 from September 22nd 2022.

Stamp duty cuts

The UK property system has seen a sweep of taxation changes over the past decade. The record monthly sales volumes recorded in June 2021, March 2021 and March 2016 were all a direct result of taxation intervention (HMRC). The abolition of stamp duty on property purchases up to £250,000 provides an instant saving of £2,500 for many home purchasers. First-time buyers will also benefit from a saving of up to £6,250 with 0% taxation payable on the first £425,000 of purchases up to £625,000.

¹Resonance (2022), Global Finance (2022)

“... this is the tale that
the River told”

Rudyard Kipling

14%

Average price
premium for riverside
property along the
south side of the
Thames¹

Dataloft, Land Registry

The River Thames, the life source of London and the backbone upon which the city rests, offers the feeling of space, lifestyle, and openness that many crave. The sight and sound of water is scientifically shown to aid wellbeing. Waterside living is sought-after and a price, for many, worth paying. The average premium over the past decade for properties located within 100m of the South Bank of the River Thames, compared to those located up to a 5-minute walk away (100 to 500m) is 14%¹.

North versus South

The north side of the river is within striking distance of some of the highest value real estate in the world and prices here are significantly higher than those on the South Bank. However, the price differential is narrowing. In 2016, the price differential between the North and South Bank for a waterside property was over 60%. With a suite of high calibre developments opening on the South Bank, in 2021 it had fallen to just 34%¹.

¹Dataloft, Land Registry, based on property sales on the 6.3 mile stretch of The River Thames between Wandsworth Bridge and London Bridge.

A SELECTION OF PROPERTIES FOR SALE

Please call us for information on these or any of our other exciting instructions as shown on our website.

Kensington Green
W8

£5,150,000



3-bed penthouse

Albion Riverside
SW11

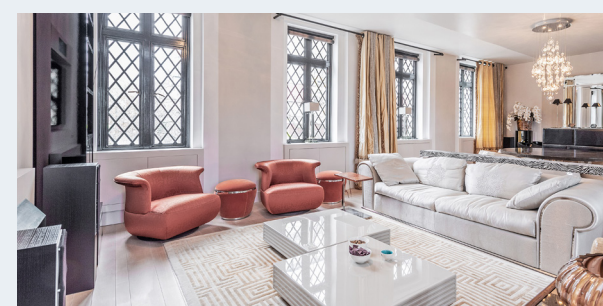
£3,300,000



3-bed apartment

Kensington Green
W8

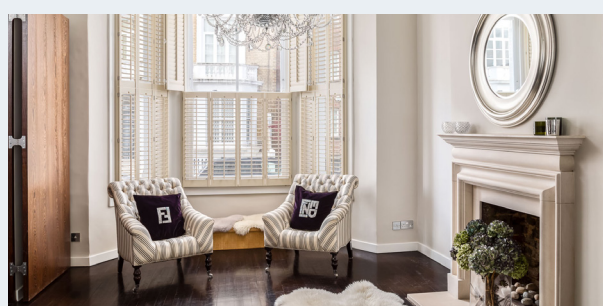
£3,525,000



2-bed apartment

Chelsea
SW3

£6,000,000



4-bed freehold house

Riverside One
SW11

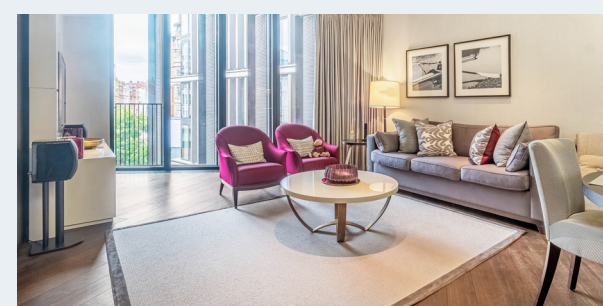
£4,950,000



3-bed apartment

One Hyde Park
SW7

£5,500,000



1-bed apartment

Jo Webster Properties Ltd

Worlds End Studios
132-134 Lots Road
Chelsea
London
SW10 0RJ

T: +44 (0)20 7349 7055
E: Sales@jowebster.com
E: lettings@jowebster.com
W: www.jowebster.com

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