



Above: penthouse at Paramount, Miami, remaining apartments from \$3.4m for three bedrooms. Clockwise from near left: McLaren P1 car; Louis Vuitton bag charm; Chanel bag; Apple Watch

SETTING GREAT STORE BY...

Developers cultivating a stylish symbiosis of ultra-chic retail and world-class property are shifting perceptions of urban villages and attracting new buyers. Lisa Freedman reports

It was Harry Gordon Selfridge, the founder of Selfridges, who first defined shopping as one of the finer things in life. By doing so, he transformed Oxford Street from an urban outpost to a fashionable destination. A hundred years on, his legacy seemed threatened by the advent of the digital age, but over the past 10 years Selfridges has reinvented itself as a sleek, globally savvy Mecca for luxury. In the process, it's become an envy-inducing example for other retailers – including those who sell property.

Buying property is, of course, a form of shopping, and while the price per square inch for even a covetable handbag is unlikely to rival a top home purchase, those browsing for bedrooms and bathrooms are often driven by a similar consideration: the quest for a lifestyle that reflects their identity. "Bringing out the personality of a building is the biggest focus in luxury

developments now," says Niccolò Barattieri di San Pietro, CEO of London property developer Northacre. "People want to be somewhere that says something fundamental about who they are."

If this applies to buildings, it's even truer of their surroundings, and today the shops involved in the term "just popping out to the shops" have become critically important in determining who decides to buy what where. "By introducing the right mix of retail, recreation and culture, it's possible to add 30 to 50 per cent to housing values and shift the perception of the kind of person who will want to purchase there," says Martin Raymond, co-founder of trend forecaster The Future Laboratory.

A few months ago Selfridges reported that it had made record annual profits in 2014 and, talking to its customers, it's easy to understand why. "Selfridges is my favourite department store," says one London-based shopper, also the owner of a significant property

portfolio. "It carries the best lines from the best brands and you'll always find something you can't get anywhere else. The customer service too is outstanding. I even get personal Christmas cards from the staff."

Carefully "curated" shopping cum-residential districts, such as Mount Street in Mayfair or Jermyn Street in St James's, and indulgent retail/residential combinations, like The Shard or One Hyde Park, have attempted to replicate Selfridges' must-buy attributes, and London's longest-established landlords have undoubtedly been at the forefront of this movement.

The Howard de Walden Estate, for example, with roots going back to the 18th century, has famously taken its domain in Marylebone, long a sleepy backwater of doctors' waiting rooms and bourgeois mansion flats, and transformed it into one of London's coolest and most costly locations by introducing a tapestry of sophisticated brands. "They've completely changed the nature of the area," says Justin Gaze, joint head of residential





development at estate agent Knight Frank. According to the property firm, prices in Marylebone have risen by 75 per cent since the last low point in March 2009. "It's definitely a case of cause and effect."

Today, those who want to fall out of bed to peruse The Conran Shop, Paul Smith or Bonpoint or to dine at Chiltern Firehouse's grill for a reservation, restaurant will pay a significant premium for the privilege. (On the same street, a duplex penthouse apartment in The Chilterns – pictured above – is on the market for £25m through Harrods Estates.) But there are other models for this rearrangement, and The Future Laboratory has identified an emerging trend of "urban guilds", where specific neighbourhoods are colonised by clusters of an individual trade.

This approach can be seen in Belgavia, where Grosvenor, the private property company belonging to the Duke of Westminster and his family, has barnished Finsbury Road into a compelling hub for interior design. Now, those considering a five-bedroom townhouse in Chesham Place (price on request through Napier Watt) or a four-bedroom flat in Eaton Square (£19.75m through Ayrton Whyte) will find Victoria Beckham's decorator Rose Unlatch and blue-blooded furniture maker David Linley conveniently to hand when kitting out their new purchase.

In Covent Garden, Capco (Capital & Counties Properties) is pursuing a slightly different strategy, reconfiguring Inigo Jones's stately 17th-century piazza and its surrounding streets along the lines of the department store itself. "We've treated the old market hall [pictured overleaf] like the ground floor, offering lots of energy, pit-stop food and gift shopping," says CEO Ian Hawksworth. "In King Street we've concentrated on contemporary luxury, while Henrietta Street focuses on menswear." Alongside five-star brands it has introduced in recent years, such as Apple and Chanel, Capco has carefully revamped the residential offering, launching a series of appropriately glossy apartments at The Russell, The Henrietta, The Southampton and The Beecham (where remaining apartments start at £2.75m; penthouse pictured overleaf).

These long-established districts have undoubted cultural and architectural advantages, but a much bigger challenge is to ignite areas like Earl's Court, a long-neglected no-man's-land of backpackers' hostels and exhibition space, which Capco is planning to rebuild as a seemingly bridge between Fulham and Chelsea. Four "urban villages" will eventually provide 7,500 new homes intersected by both a Broadway and a High

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Street. (Flats in Lillie Square – the first phase is due for completion this summer – start from £799,000 through Knight Frank and Savills.) "It's all about creating a high-quality lifestyle," says Hawksworth.

Developing this lifestyle requires a close analysis of the priorities of your desired shopper, and in Earl's Court – as in King's Cross, the South Bank, Shoreditch and Battersea – the next generation of affluent trendsetters are the buyers being watched. "These younger consumers tell us they want independent, niche boutiques, where the bragging rights lie in saying, 'I found this tiny, tiny brand with great, unique clothes,'" says Peter Firth, insight editor at The Future Laboratory. Redchurch Street in Shoreditch, on the cusp of shabby and the cutting edge of chic, is currently considered a Platonic ideal of the venue for this type of discovery, and, in nearby Ravey Street, Hamptons is selling a three-bedroom warehouse conversion (pictured above) for £6m. Other essentials, both on site and off, are the availability of "authentic" bars and restaurants with an insider feel, and state-of-the-art fitness facilities.

Traditionally, living above a shop itself was considered something of a property no-no, but now the association of the right type of living with the right type of selling

can prove highly successful. "There has to be an appropriate symbiosis," says Paul Cook, MD of Dukelease, which is forming just such an alliance at Beau House, a former office building in Jermy Street, where eight one- to three-bedroom apartments (from £2m) will sit stylishly above quintessentially British outfitter Daks. "Buyers today are happy to be associated with top-quality retail in prime locations. They're glad to live above a high-end fashion brand or an art gallery, particularly if they can say, 'I'm just going downstairs to a private view and will be allowed in early.'"

Equally, exclusive brands are seen to ooze up to the highest-end living space. So, in Knightsbridge, residents at top-of-the-range One Hyde Park will not have to go far to check out a McLaren P1 or Rolex GMT-Master II.

While the growing clutch of global billionaires – the type of buyer who features prominently at One Hyde Park – is an exciting sector of the market for developers, and London has a healthy concentration of yacht owners and jet-setters, the US tops it as billionaire capital of the world, with over 500 national icons enjoying a worth of 10 figures or more. Understandably, shoppers of this type (and even those with less money) anticipate something special in their purchasing options.

And, as Linda Hewson, creative director of Selfridges, puts it, "They also expect nothing less than extraordinary from luxury brands." Certainly developers are working along these lines, providing the ultimate bespoke experience in terms of architecture, interior design and location. New York's 432 Park Avenue (pictured overleaf), for example, where apartments start at \$16.95m and penthouses have sold for \$95m, is distinctive in a number of instantly comprehensible ways. First of all, it's the tallest residential building in the western hemisphere, but equally significant is its architect, international superstar Rafael Viñoly, and interior designer, Deborah Berke (soon to become dean of



Yale School of Architecture), both iconic brands for the discriminating property shopper.

432 Park Avenue is located in Midtown, just round the corner from Bergdorf Goodman and Tiffany & Co, but elsewhere in the city the shopping has followed the residential buyers, particularly Downtown, where there's been a growing integration of the work-life balance. "The Financial District near Wall Street has seen a steady growth of young professional buyers over a number of years," says Amy Williamson, licensed associate real estate broker at Douglas Elliman Real Estate. "What always lagged behind were amazing restaurants and great stores." Now there's been what can only be called a revolution in terms of quality and abundance, and, while Manhattan has traditionally led malls to the suburbs, two new star attractions here – Brookfield Place (where the anchor tenant will be Saks Fifth Avenue, with designer labels including everything from Gucci to Hermès) and Westfield World Trade Center – will be carefully protected from both heatwave and blizzard.

"To complement these sumptuous shopping worlds, the one- to three-bedroom residences (from \$1.65m through Douglas Elliman and Knight Frank) on top of the nearby Beekman hotel, one of New York's first-ever high-rise buildings, have been designed with the highest-end buyers in mind. "People don't want to live in a desert," says Williamson. "They want street appeal, café society."

In hard-working cities like London and New York, shopping is primarily a background event, a delightful adjunct to a hectic 9 to 5, but elsewhere it can become the major objective. For instance, Miami, though today a major business centre, is also a holiday town where pleasure is business, and here developers are firmly co-ordinating a luxury retail offering with equally indulgent homes. This transition is particularly noticeable away from the traditional sun, sea and sand locations. For example, in Brickell, Miami's Financial District, Swire Properties' Brickell City Centre combines two sleek and stylish condominium towers, Reach and Rise, with a shopping centre in the same mode. Designed for "fashion grabbers", among others, the streamlined contemporary residences are intended to unite inhabitants with an "unprecedented urban playground" involving a chef-driven restaurant, artist bistros and a dine-in cinema. A stately pleasure dome indeed.

Here, in what is sometimes called "the capital of Latin America", the wealthy South American shopper is a key client. "Brickell is very popular with Latin American buyers," says Daniel de la Vega, president of One Sotheby's International Realty, which is selling the 780 units (starting from \$995,000). "Many people will fly here for the weekend just to



Above left: a penthouse at Capco's The Beecham in Covent Garden, remaining apartments from £2.75m. Above: 432 Park Avenue, New York, apartments from \$16.95m. Left: Covent Garden's revamped market hall. Clockwise from below left: Paul Smith sunglasses; Rolex watch; Dior lipstick holder; Hennessy cognac; Chopard earrings

go shopping, not only because they'll find brands they can't get locally, but because prices are generally lower. The retail has definitely helped sell the condominiums."

Wealthy Chinese buyers are considered one of the driving forces of the global luxury market, and three-quarters of their purchasing takes place away from home, primarily because the cost of luxury goods in China can be up to 50 per cent higher than elsewhere. This consumer-driven wanderlust has meant they too are sought-after property customers.

Miami Worldcenter, a few minutes' drive from Brickell City Centre, is another impressive development in a similar format, with Bloomingdale's and Macy's planned among its main attractions. Here Paramount, a 60-storey condominium tower, will offer up-to-the-minute housing in 513 residences (from \$1.4m for three bedrooms, penthouse pictured on opening pages), set amid high-street-style shopping, and developer Dan Kozlowski actively sought Asian buyers not commonly seen in Miami. "This is a model that has previously featured much more prominently in Hong Kong and other southeast Asian cities. Essentially, you have a private elevator from your home taking you straight down to the stores." Clearly, whatever your nationality, it's never been so easy to shop till you drop through your own front door. ✦

SHOPPING CENTRED

432 Park Avenue, t:212-432-2657; www.432parkavenue.com.
Ayrton Whyte, 020-7730-4628; www.ayrtonwhyte.com.
Beau House, 020-7493-0676; www.beauhouse.london.com.
The Beecham, 020-7420-3050; www.thebeecham.co.uk. Capco, see The Beecham. **Douglas Elliman Real Estate**, www.elliman.com. **Dukelease**, see Beau House. **Hamptons International**, 020-7236-8398; www.hamptons.co.uk. **Harrods Estates**, 020-7409-9001; www.harrodsestates.com. **Knight Frank**, 020-7861-5495; www.knightfrank.com. **Napier Watt**, 020-7935-0011; www.napierwatt.co.uk. **One Sotheby's International Realty**, +1305-964-8977; www.onesothebysrealty.com. **Paramount**, +1855-756-0123; www.paramountmiami.com. **Savills**, 020-3430-6605; www.savills.co.uk.

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