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Luxury property predictions for 2017



One Park Drive, Canary Wharf

By **Zoe Dare Hall**

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As 2016 fades out, leaving the world reeling in various states of insanity, the microcosm that is the London property market has troubles of its own. Brexit has given European buyers the jitters (though it has also plunged the pound to attractively low levels), stamp duty has all but seized up the prime market and the battle rages for more affordable housing. But it can't all be bad news can it? Here's what to look forward to in 2017.

Most exciting new London development

Super-prime new-build sales (that's properties priced £10m+) have collapsed by 86 per cent this year, but perhaps Trump's election and the weakening Euro will persuade overseas buyers to reconsider London as a safe investment.



Ten Trinity Square CREDIT: RICHARD BRYANT

There to tempt them is Ten Trinity Square, overlooking the Tower of London, which sees its Four Seasons Hotel open in January, followed by its private members' club (which includes the first ever Chateau Latour dining room). The first residents of the 41 fully-serviced residences arrive in summer and prices start at £5m, or £18m for the three-bed show apartment.



Ten Trinity Square CREDIT: JULIAN ABRAMS

Clarges Mayfair on Piccadilly sees completion in late 2017. The final 12 apartments will go on sale then through Knight Frank and Wetherell - and prices achieved so far have beaten Mayfair records, with an average value of £4,720 per square foot. The 34 residences overlook Green Park and Buckingham Palace and will have use of what developer British Land's head of residential, James Taylor, describes as "one of the best private wellness spas in London" - with wellness, he believes, a key focus for super-prime buyers next year.



Clarges Mayfair

Canary Wharf's landscape is changing – and its new skyscrapers still offer relative value for money compared with central London. Launching next year is the 58-storey One Park Drive, designed by Herzog & De Meuron. On the doorstep of the Crossrail station, which opens in 2018, Mark Collins, chairman of CBRE Residential, says the development has “world class credentials”.

West London is keeping the cranes busy too. BBC TV Centre in Shepherds Bush, whose third phase goes on sale in 2017, is instantly familiar to generations of BBC viewers. Some will soon call it home as this iconic building that has launched many a prime time TV career is turned into luxury apartments, with a Soho House as part of its attractions, and an expanding Westfield shopping centre on its doorstep.

“BBC TV Centre is setting a new benchmark for the area, with prices towards £1,500 per sq ft almost double what the second hand market achieves,” says Guy Meacock, director of buying agency Prime Purchase.



One Blackfriars

For a true show-off investment, Ben Morris of Colliers International thinks the voluptuous, vase-shaped One Blackfriars, one of Europe's tallest mixed used towers, will attract "buy to let investors who want to add a trophy property to their portfolio".

Flats cost from £1.3m, but investors who want to show and tell might be interested in the five-storey penthouse whose price has yet to be revealed, but will be significantly higher than the £23m asked for the biggest apartments beneath it.

London neighbourhood to look out for

Fitzrovia is tipped by many prime London agents and Facebook have already given their seal of approval by making it their home from 2017. The area boasts five Michelin-starred restaurants and, from 2018, will handily have Crossrail in Tottenham Court Road.

"Historically, Fitzrovia has been seen as the disreputable sibling of Marylebone and Mayfair, but now it is recognised for the iconic Charlotte Street, glamorous restaurants such as Berners Tavern and a great vibe brought in by the tech-hipster industry," says Knight Frank partner Daniel Dagers.



190 The Strand

Now known as Midtown, the area between Holborn and The Strand is taking on a new hue too as developments including Lodha UK's Lincoln Square and Berkeley St Edward's 190 The Strand bring high-luxury living to the heart of legal and intellectual London (developers are seeing high interest from buyers with links to the nearby law courts, barristers' chambers and university colleges including LSE).



190 The Strand

The rise of the “south east corridor” – aka Southwark – will continue, according to Colliers International’s Ben Morris, who predicts a migration among some would-be Mayfair buyers to the newly buzzing areas of SE1 and SE17. Pimlico will take on a new vibe, thanks due to Grosvenor’s massive regeneration of the area around Victoria coach station. “It will go from scruffy transport hub to cool design and craft district,” says Louisa Brodie of Banda Property.

Hottest overseas destination

Barcelona is booming again, with local agency Lucas Fox reporting a 40 per cent increase in sales compared with 2015. Even the number of Brexit-hit British buyers has increased by 10 per cent this year, according to Lucas Fox’s co-founder Alexander Vaughan. Prices are still around 20 per cent lower than their 2008 peak and the lifestyle offering is getting more glamorous by the year (new additions include a Soho House and the trendy OneOcean club in the revamped marina).

House and the trendy OneOcean club in the revamped marina).



Completely refurbished Palace in Palma Old Town

Staying in Spain, Ibiza and Mallorca are high on agents' lists for 2017. Palma de Mallorca's prices are likely to rise by 8-10 per cent next year, following 12 per cent rises in 2016, according to Alejandra Vanoli of Mallorca Sotheby's International Realty. "We see most interest for property in Palma priced €1.5m to €8m," says Vanoli.

Lisbon has become white hot this year too and its resurgence in popularity is set to continue, with overseas buyers making the most of tax and residency perks offered by the Golden Visa and Non-Habitual Residency schemes. Locations don't get more central or prestigious than Avenida da Liberdade, the Champs Elysees of Lisbon, where a period building at No. 71 has been converted into luxury apartments costing €550,000-€3.5m.



The Landings, St Lucia

Further afield, in St Lucia the final phase at The Landings, which was recently taken over by a consortium of owners, is looking like hot property. It's the island's only five-star beach and marina development to offer freehold ownership and has seen global interest from buyers. Beachfront villas start at \$1.325m.

For those seeking a property investment that offers adventure, exoticism and exceptional service from a global brand, Robert Green of Sphere Estates recommends Alila Villas Koy Russey in Cambodia, set to open in 2017 with one-bed residences from US\$480,000, and the newly-opened Six Senses Zil Pasyon in Mauritius, with villas from €4.8m.

Design/interiors trend

Scent styling: Infusing a luxury development with a bespoke scent is on the rise, with Buxmead, Chelsea Island and Beau House among those who have enlisted top professional noses to scent their apartments and communal areas. "It is the next frontier in interiors," says Sharon Lillywhite, co-founder of interior design company Oliver Burns, who have designed one of the most aromatic apartments in London – the penthouse at Beau House in Jermyn Street, whose bespoke scents are provided by Floris, local perfumers since 1730, Floris.

Separate bedrooms: No longer something to keep hush hush, designers are blurring the distinction between master bedrooms and spare rooms in the knowledge that many clients sleep separately. Alexander James have done it at Landmark Place. Oliver Burns do it – and call them ‘high end suites’. And high-end Hampstead developers Harrison Varma are no stranger to the trend. “When one half of a couple travels on business regularly, a personal bedroom can feel appropriate and more homely than a shared master suite designed for two,” says Marisa Varma.



Salt grotto in Avenue Road, St John's Wood, available to rent from Knight Frank

Salt therapy grottos: They're popular in Poland, big in the US, and these salt-encrusted caves, designed to provide all sorts of health benefits, are coming here to our homes. "They're the latest must have in the luxury lettings market and set to be huge in 2017, taking home beauty rooms to the next level," says Stevie Walmesley, lettings manager of Knight Frank St John's Wood, who is marketing an ambassadorial residence on Avenue Road, NW8, whose spa includes a salt grotto. The house is available to rent for around £20,000 a week.



Avenue Road, St John's Wood, Knight Frank

Opulence: Golds, silks, velvets and metallic materials will be big next year. "We've seen the back of restrained minimalism," says interior design Sophie Ashby from Studio Ashby. "We'll be seeing much more in the way of patterned, punchy, plush, palatial fabrics – a trend that comes from the catwalk and the likes of Dries Van Noten." Ashby sees it as part of a post-Brexit/Trump trend towards "audacity" in design. "A healthy dose of anarchy is what's called for. We will look to beauty, the sublime and the magical for enrichment and inspiration."

Biggest talking point in luxury London property in 2017

Stamp duty reform: London agents are praying for it to kickstart the prime market. “The increase in stamp duty for £1m+ buyers has reduced the number of transactions by around 50 per cent in London since 2014,” says Will Watson of Middleton Advisors.

Brexit uncertainty: “One thing the property market really doesn’t like is uncertainty and 2016 has throw a lot at us. It has shaped the PCL marketplace into a hesitant one,” says Spencer Botchin of Sandfords in Marylebone/Regent’s Park. He expects many clients to continue sitting on the fence in 2017, “particularly foreign buyers, who are waiting to see if the pound falls even further”.

Tie rise and rise of the super prime lettings market: Stamp duty and Brexit wobbles are driving many wealthy Londoners to rent instead of buy. “We have exceptional turnkey top end stock coming onto the market in 2017, which allows clients the flexibility of trying before they buy,” says Rahim Najak of Knight Frank Mayfair.