



MAYFAIR IN MINUTES

“Looking back on 2019 and looking forward to the next decade with 2020 vision.”

Peter Wetherell FRICS MARLA FNEA Founder and Chairman, Wetherell

AFFORDABILITY - BUY NOW WHILE STOCKS LAST

Wetherell Research for the residential Mayfair market for 2019 shows a continued reduction in the volume of sales, down nearly 10% on 2018 and just over half the volume of sales of 2013.

Average £ per square foot (£ psf) values for apartment sales (on leases of 30 years plus) are now back to values comparable to the end of 2013 / 2014.

£2,000 PER SQ.FT.

In 2017 nearly three quarters of sales (74%) were over £2,000 psf (compared to 25% for rest of PCL). There was a drop to 59% in 2018 (20% rest of PCL) with 2019 seeing a further reduction to 51% (18% rest of PCL).

SALES PREDICTION

2020 Mayfair sales volumes could increase by 50% as buyers see historical values as a buying opportunity. As supply diminishes and demand increases vendors of new potential sales will not be tempted onto the market at these historical prices.

Vendors will harden up on low offers - In 2017 three quarters of Mayfair sales needed a price reduction before a sale compared to only half in 2019.

NEW DEVELOPMENTS

New landmark developments with all the recreational facilities have created new super prime values up to double established market values. The demand is now focused on these developments as new planning policies restrict similar offerings in the future. Buy now while stocks last.

350 ACRES OF HYDE PARK

The Bryanston, Hyde Park - a new development by Almacantar comprising 54 luxury apartments with the finest views over Hyde Park, Mayfair and The City. Available through Wetherell.

MAYFAIR IN MINUTES

MAYFAIR SALES AVERAGE £ PER SQUARE FOOT - 2019

ONE BEDROOM FLAT	TWO BEDROOM FLAT	THREE BEDROOM FLAT	FOUR+ BEDROOM FLAT	HOUSE
£1,957	£1,977	£2,343	£2,613	£2,355
£1,374 REST OF PCL	£1,488 REST OF PCL	£1,727 REST OF PCL	£1,896 REST OF PCL	£1,782 REST OF PCL

MAYFAIR SALES

-9% CHANGE IN ACHIEVED PRICES LAST 5 YEARS	11% OF SALES WERE HOUSES	51% ACHIEVING £2,000 PER SQ FT OR HIGHER	40% PROPERTIES REDUCED IN PRICE BEFORE SALE
-11% REST OF PCL	27% REST OF PCL	18% REST OF PCL	46% REST OF PCL

Source: LonRes/ Wetherell

WHAT TO BUY IN MAYFAIR FOR 2020?

APARTMENTS

The new modern residential developments can sell at over double average Mayfair values. This will create comparative value uplifts for the rest of Mayfair especially in close proximity to those developments.

MAYFAIR MANSION HOUSES

With large lateral apartments selling for £5,000 to £7,000 per square foot - the large volumetric Mayfair mansion will be back in demand giving privacy and control of costs as well as character and history.

WHAT SOLD IN 2019?

With the weakened London market, the strongest segment of the Mayfair market has been up to £2M.

Nearly 75% of the market was up to £5M with just over a quarter £5M+.

<£5M

Over three quarters of the market is up to £5M. The greatest growth will be in the £5M to £10M market as buyers see value compared to the new developments on offer.

<£2M

Up to £2M - In 2017 this represented over a quarter (26%) of Mayfair sales but has increased over last two years to nearly half (40%).

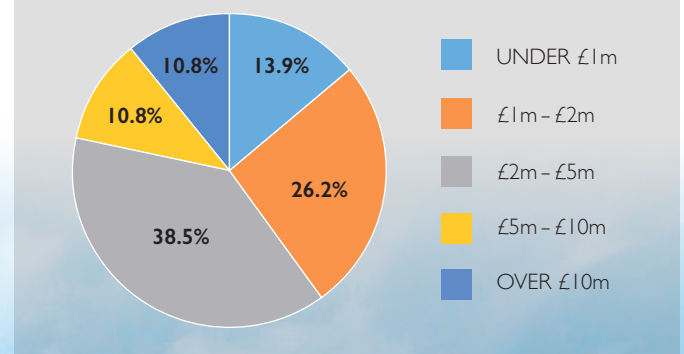
£2M TO £5M

Accounts for nearly 40% (38.5%) down from 2017 when it was closer to half (45.2%).

£5M+

The number of sales are consistent with 2018 at a fifth of market sales, however in 2017 this segment accounted for over a quarter (28.8%). The fall is due to buyers being diverted into new developments currently springing up all over Mayfair.

MAYFAIR SALES BY PRICE BAND 2019



Source: LonRes/ Wetherell - Sold in 2019

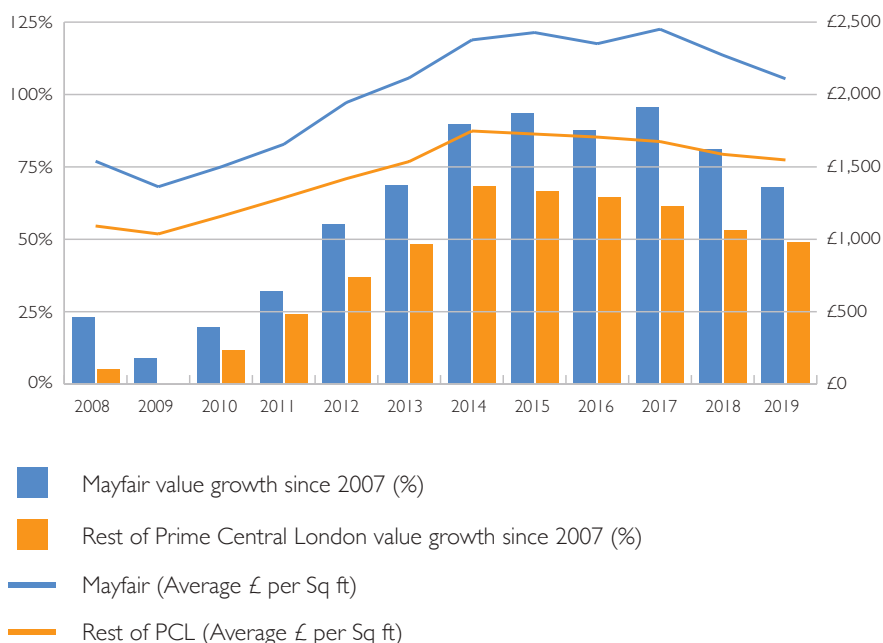
279 ACRES OF MAYFAIR

Over 5,000 Residents. 42 Nationalities.
42% aged between 25-44 years.



MAYFAIR OUTPERFORMS REST OF PRIME CENTRAL LONDON

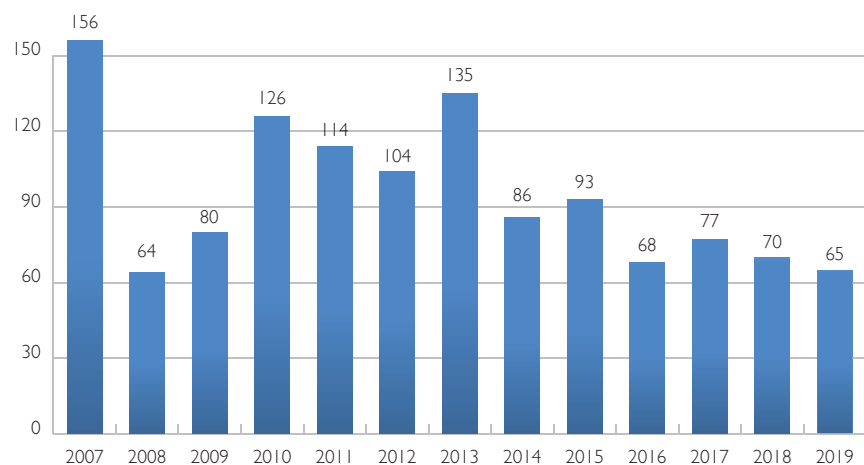
(Based on apartment sales excluding new developments. Leases 30 years+)



© Wetherell Research using LonRes data (excludes leases of less than 30 years).
 Mayfair defined as W1J, W1K and W1S. Rest of Prime Central London: SW1A, SW3, SW7, SW10, SW1W, SW1X, W8. CHART SHOWS GROWTH SINCE 2007 FOR EACH YEAR E.G. 2018 BAR REPRESENTS GROWTH FROM 2007 TO 2019.

ANNUAL NUMBER OF MAYFAIR RESIDENTIAL SALES - JANUARY TO DECEMBER

(Excluding new developments)



Years 2007 to 2019.
 Source: LonRes W1K / W1J / W1S postcode areas.

CLARGES MAYFAIR



ASHBURTON PLACE

"I am very proud to be responsible for the naming of the address – Ashburton Place for Clarges Mayfair – London's most prestigious residential development of 32 apartments.

The final 2019 selling phase at Clarges Mayfair saw nearly £225m of sales and 'W1J' will soon become one of London's most coveted golden post codes."

Peter Wetherell



Three Bedrooms with Roof Terrace.
 Asking Price £14.5M



Five Parkside Apartments Sold.
 Asking Prices £20M - £65M

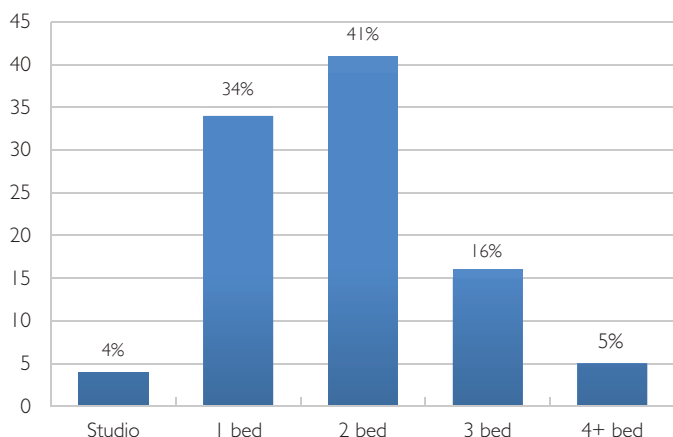


Parkside Two Bedroom Letting.
 Asking Price £7,750 per week

MAYFAIR LETTING MARKET

- The average rates for 1 and 2 bedroom flats have remained consistent however the 3+ bedroom market has dropped by 10%.
- Mayfair is seen as a campus for universities and a luxury base for "Empty Nesters".
- The Baby Boomers (currently aged 55 - 73) account for over 20% of residents with 35% being Millennials.
- The Millennials are a high performance lifestyle group, 25 - 39 years of age who will see the greatest growth in net wealth over the 2020s.

MAYFAIR PROPERTIES LET IN 2019 BY NUMBER OF BEDROOMS



Source: LonRes/ Wetherell - Let in 2019

Research Note: Mayfair catchment includes all properties let listed on LonRes in W1J, W1K and W1S. © Wetherell Research 1/1/20.

MAYFAIR LETTINGS - 2019

£64	AVERAGE £ PER SQUARE FOOT	96%	OF ASKING PRICE ACHIEVED
£51 REST OF PCL	Average annual rental value achieved per square foot	94% REST OF PCL	
13%	INCREASE IN ACHIEVED RENTAL VALUES FLATS LAST 5 YEARS	24%	PROPERTIES REDUCED IN PRICE BEFORE LET AGREED
6% REST OF PCL		33% REST OF PCL	

Source: LonRes/ Wetherell

MAYFAIR LETTINGS AVERAGE £ ACHIEVED PER WEEK - 2019

ONE BEDROOM FLAT	TWO BEDROOM FLAT	THREE BEDROOM FLAT	FOUR+ BEDROOM FLAT	HOUSE
£739	£1,373	£2,413	£3,545	£3,867
£558 REST OF PCL	£848 REST OF PCL	£1,552 REST OF PCL	£2,542 REST OF PCL	£2,243 REST OF PCL

LETTING PREDICTION

Rental Values to strengthen after years of no growth. 75% of the Mayfair stock is 1 & 2 bedrooms. Half of Mayfair residents are in rented accommodation. New development sales stock will be coming to market at higher asking prices and rental values will strengthen as home buyers take stop gap rentals whilst waiting for the perfect pad to buy.

2020 VISION FOR MAYFAIR

- The '20s will see the biggest changes to Mayfair since the 1920s.
- Mayfair's building boom will mature over the decade with fewer new schemes in the pipeline. Mayfair has become a worldwide destination "brand" for those that live, visit or work in Mayfair.
- Residents are living in a modern "Heterogeneous" Mayfair - a "brand" location which is diverse in character and content. All residents are demanding more from life and more from Mayfair.

THE BABY BOOMERS

(aged 55 to 73) are feeling younger, staying fitter and ready to spend - especially as they control the majority of disposable income. 693m boomers worldwide are still to reach retirement age of 65 years and represent 21% of the global population.

THE DEMANDING GENERATION X

(aged 40 to 54). Luxury equates to good taste in property and experiences plus seeking the work / life balance that Mayfair has to offer: 22% of Mayfair residents walk to work. Well qualified and professionally employed, they demand high quality services and are most likely to be settled home owners.

THE MAYFAIR MILLENNIALS

(aged 25 to 39). Competing for the facilities of Mayfair will be The Millennials who will have the largest share of the workforce (40% of the global age population by 2030 when they will be turning 50) and will be seeking easy access and walk-ability to local amenities.

THE DIGITAL NATIVES

(less than 25). Lastly but by no means least we have Generation Z who will be joining the workforce and will be about a third of the Mayfair population by the end of the decade. Tech-savvy with an entrepreneurial spirit, a high proportion are single, will be renting and taking part in the exclusive nightlife, fashion and retail that Mayfair has to offer.

"Don't wait to buy in Mayfair - just buy in Mayfair and wait - because the best is yet to come."

Peter Wetherell

CONCLUSION

Mayfair continues to outperform the rest of prime central London for growth. New "super sales" data of the new residential developments with 25 metre swimming pools are now being released on Land Registry giving comparative value to the rest of Mayfair's historical properties.

For the start of 2020 the availability of stock for sale is 25% less than the beginning of 2019. The last three years have been hampered by political uncertainties and a weak Sterling that has encouraged overseas buyers. With a political vision perhaps stable for a decade, with stock dwindling and demand increasing - Mayfair enters 2020 at the start of probably the most important and exciting decade for nearly a century.



WETHERELL
MAYFAIR'S FINEST PROPERTIES

102 Mount Street London W1K 2TH
020 7493 6935 · mail@wetherell.co.uk
wetherell.co.uk