

THE WALL STREET JOURNAL.

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London's Most Elite Streets

Average home prices on these four London streets top £10 million—or \$13.4 million. A look at luxury homes in London.

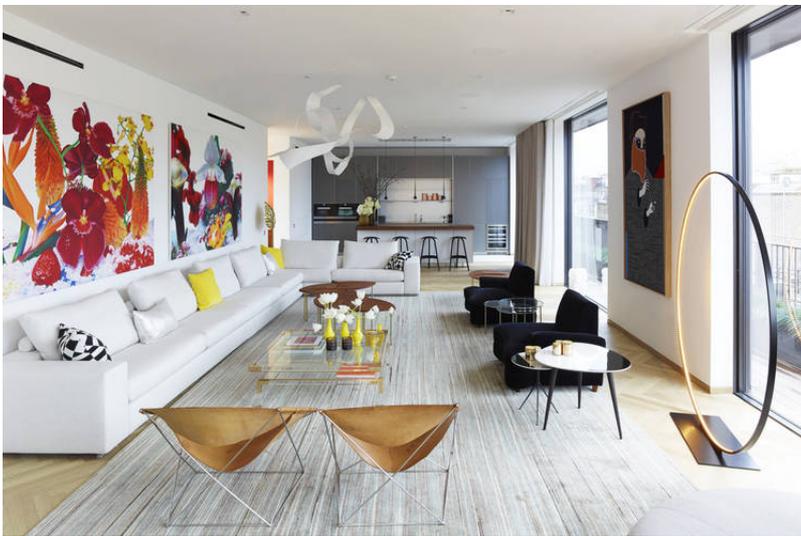
By *Ruth Bloomfield*

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Being a real-estate millionaire in London is so passe. Of London's 32 boroughs, 28 of them have at least one street where the average price is £1 million or more.

Instead, the real cachet is found on the handful of streets where average home prices top £10 million—or \$13.4 million. These four “super streets” are all in Prime Central London, the center-west section of the city, and all attract a global mix of buyers.

Their housing stock ranges from contemporary lateral apartments that span the width of a building to historic houses that have stood for almost two and a half centuries.



A 5,250-square-foot penthouse at The Mellier on Albemarle Street is listed for \$40.1 million PHOTO: GLEBE

Buying agent Guy Meacock, director of Prime Purchase, believes there is an undoubted “snob factor” about owning a home on one of these streets. “We are talking

about a pretty rarefied market,” he said. “But for some people, London prime real estate is an asset class tantamount to gold.”

Research by estate agents Hamptons International, which audited property transactions in London during the first three quarters of 2017, found that Albemarle Street topped the list of London's super streets with an average home price of \$19.02 million.

Located in the Mayfair neighborhood, Albemarle Street was once a haunt of artists and writers.

A Tour of London's Priciest Streets

On just four streets in London—Albemarle, Egerton Crescent, Phillimore Gardens and Kensington Road—the average home price exceeds £10 million, or about \$13.37 million.



The Mellier, a boutique development on Albemarle Street with asking prices of up to £30 million, or about \$40 million. ALICE WHITBY FOR THE WALL STREET JOURNAL

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Brown's Hotel, which opened in 1837, was popular among writers such as Arthur Conan Doyle (Sherlock Holmes) and J.M. Barrie (Peter Pan). Most famously, it was at the Albemarle Club in 1895 that Oscar Wilde was accused of being a "sodomite" by the Marquess of Queensbury, a confrontation that led to the playwright's downfall.

More recently, Albemarle Street has seen offices converted into large, lateral apartments. The five homes at a development called The Mellier have been selling since 2015 at asking prices of up to \$40.1 million for a 5,250-square-foot penthouse.

Simultaneously, Trophaeum, the company that owns about 60% of the buildings on Albemarle Street, has been "curating" its storefronts to create "a new luxury lifestyle location," said Matt Farrell, director. This means the introduction of international fashion brands, including Amanda Wakeley and Thom Browne, as well as restaurants like Isabel, owned by society restaurateur Juan Santa Cruz. Next year, Robin Birley, whose father Mark founded London's celebrity-friendly Annabel's nightclub, will open a private members' club on Albemarle Street.



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At second place on the list of London's super streets is Egerton Crescent in South Kensington, half a mile from the Harrods department store. The crescent's roughly 30 white-plastered townhouses have an average price of \$18.24 million.

The street dates from the 1840s and has long been regarded as one of London's most exclusive addresses thanks to its prime location and half-moon-shaped communal garden. Estate agency JLL is currently listing a three-bedroom, three-bathroom house for about \$11.36 million. It features private front and backyards and 3,052 square feet of living space.



The dining room of a three-bedroom, three-bathroom house for listed for about \$11.36 million on Egerton Crescent. PHOTO: JLL RESIDENTIAL PROPERTY

Jake Russell, director of Russell Simpson estate agents, said homes at the center of the crescent are particularly prized because their squared-off roofs mean larger top-floor rooms. Those just to the northeast are also popular since they have the largest backyards.

He credits the crescent's popularity to its architecture: large windows and high ceilings make for beautifully airy rooms. Its location close to Harrods appeals to Middle Eastern buyers, and its history attracts buyers from Europe and North America.

These buyers also favor Phillimore Gardens, in Kensington, where the average price is \$14.75 million—third place on the list.

This sum would surely have astounded William Phillimore, scion of a landowning family, who in 1779 inherited a parcel of land in Kensington and decided to try his hand at house-building. Over the next century Phillimore and his descendants created a small network of streets lined with elegant Italianate villas today known as the Phillimore Estate.

In those early days the street was aimed not at oligarchs and oil royals, but squarely at the middle classes. The census of 1861 records several lawyers and doctors, a dentist, several retired army officers and a smattering of artists living there.



Phillimore Gardens, in London's Kensington neighborhood, where the average house price is \$14.75 million. PHOTO: ALICE WHITBY FOR THE WALL STREET JOURNAL

The street's blockbuster sale took place in 2008, when the Ukrainian oligarch Victor Pincuk spent a reported \$106.88 million on a property. Currently listed with John D. Wood & Co. is a 10-bedroom, 10-bathroom property measuring 12,260 square feet and priced at over \$40 million.

Nearby is Kensington Road, where average prices stand at \$13,708,100, No. 4 on the list. The street runs along the south side of Kensington Gardens and Hyde Park, and is close to Kensington Palace.

Richard Barber, director of residential agency at JLL, suspects that its success is due to its heavy concentration of large apartments. "In Prime Central London, some things have plummeted and some seem to be virtually bulletproof," he said. "It is very idiosyncratic. But in very general terms, tall, thin houses with no lifts have gone down, and lateral apartments have gone up."

Even on Kensington Road, Mr. Barber said values vary wildly between different buildings.

A sought-after building—which will have excellent park views, impressive architecture and large lateral apartments of around 3,000 square feet—could sell for as much as \$3,700 per

square foot. In less sought-after buildings, however, prices hover at around the \$1,500 to \$2,400 per square foot mark, said Mr. Barber.



At the junction of Kensington Road and Rutland Gate is an apartment listed for \$7.35 million in a French Renaissance-style building. PHOTO: JOHN D WOOD & CO.

Currently listed, at the junction of Kensington Road and Rutland Gate, is an apartment in a French Renaissance-style building, with views toward the park. The property, built in 1899, has four bedrooms, three bathrooms and 2,529 square feet of living space. It is listed with John D Wood & Co. for about \$7.35 million.

While these four streets have documented prices of a minimum of £10 million, in reality London may well have several more super streets.

Streets where no homes have been sold during 2017 were, by necessity, excluded from the research. And those sold through a company shell, a popular technique for overseas buyers anxious to maintain their privacy, aren't recorded.

Mr. Russell believes these super streets demonstrate that while London's prime property market has had a subdued three years, with prices falling since late 2014, a truly "best in class" property will still sell for a premium.

"Normal stock has had a bad couple of years, but the best of the best, something which comes up very rarely, is still performing as well as it did in 2014," he said. "The only difference is that it might take a bit longer to sell."

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