

CBRE Hot 100

The winners of London's residential market





It's time for CBRE's annual review of what's hot in the London residential property market

Contents

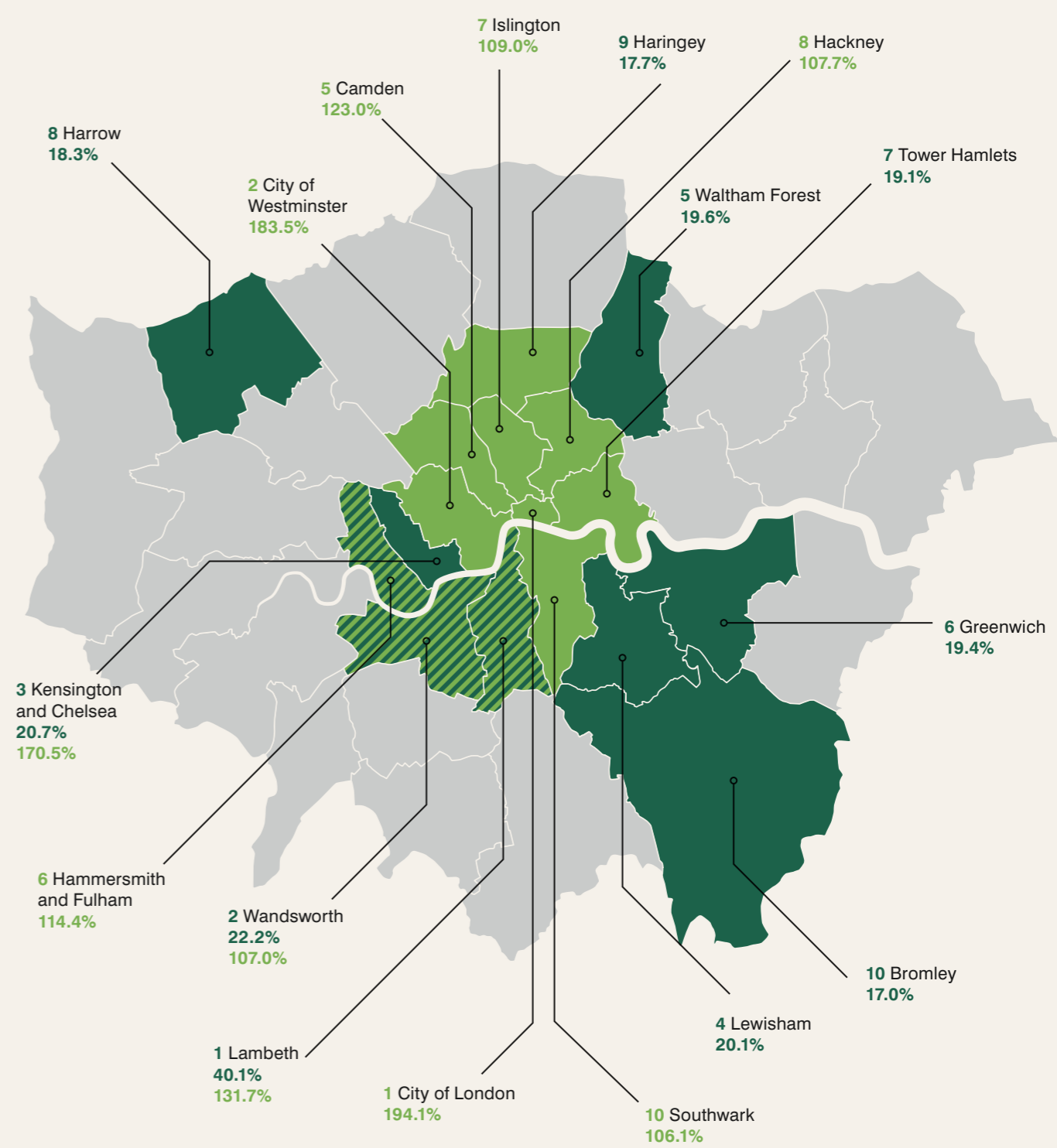
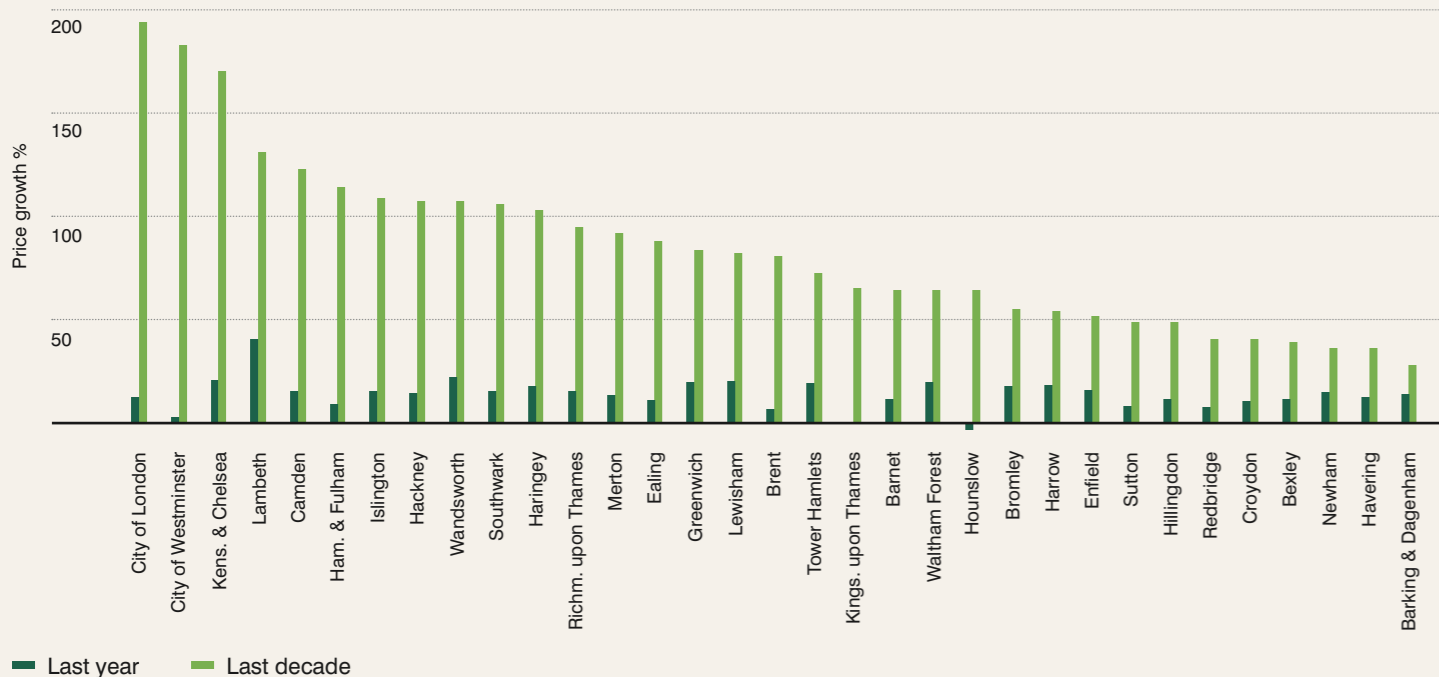
Best performing boroughs	4-5
Niche and boutique schemes	8-9
Most affordable boroughs to buy	10-11
Areas where demand is not matched by supply	14-15
Ten towers that raise our expectations	16-17
Tallest towers	18-19
Highest share of private rental households	24-25
Areas with highest expected rental growth	26-27
Commuter towns	30-31
Ten developers to watch	32-33
Bonus ball top tens	34-35

Top 10 Best performing boroughs

Over last year	%	Over last decade	%
1 Lambeth	40.1	1 City of London	194.1
2 Wandsworth	22.2	2 City of Westminster	183.5
3 Kensington and Chelsea	20.7	3 Kensington and Chelsea	170.5
4 Lewisham	20.1	4 Lambeth	131.7
5 Waltham Forest	19.6	5 Camden	123.0
6 Greenwich	19.4	6 Hammersmith and Fulham	114.4
7 Tower Hamlets	19.1	7 Islington	109.0
8 Harrow	18.3	8 Hackney	107.7
9 Haringey	17.7	9 Wandsworth	107.0
10 Bromley	17.0	10 Southwark	106.1

Here we identify the boroughs with the highest price growth over the last year and compare with growth over the last decade. The really interesting thing is how the price growth has evolved. While over the last decade the central boroughs have outperformed, more recently there has been a ripple out, with stronger growth in slightly off-pitch locations such as Lambeth and Wandsworth. This has been driven largely by a resurgence in domestic buyers.

Price growth





Top 10 Niche and boutique schemes

1	81 Dean Street	W1D
2	Gatti House	WC2
3	The Palladio	WC2
4	15 Craven Street	WC2
5	The Southampton	WC2
6	3-4 Great Marlborough Street	W1F
7	Aldwych Chambers	WC2
8	17-19 Bedford Street	WC2
9	10 Soho Square	W1D
10	The Pathé Building	W1F

Our top ten has been chosen for their meticulous attention to detail with interior design, encapsulating unique character and moving away from the traditionally 'typical' developer fit out. Our team spend many hours advising our clients on what is best for each development.



1



3



4



5



6



2



7



8



9



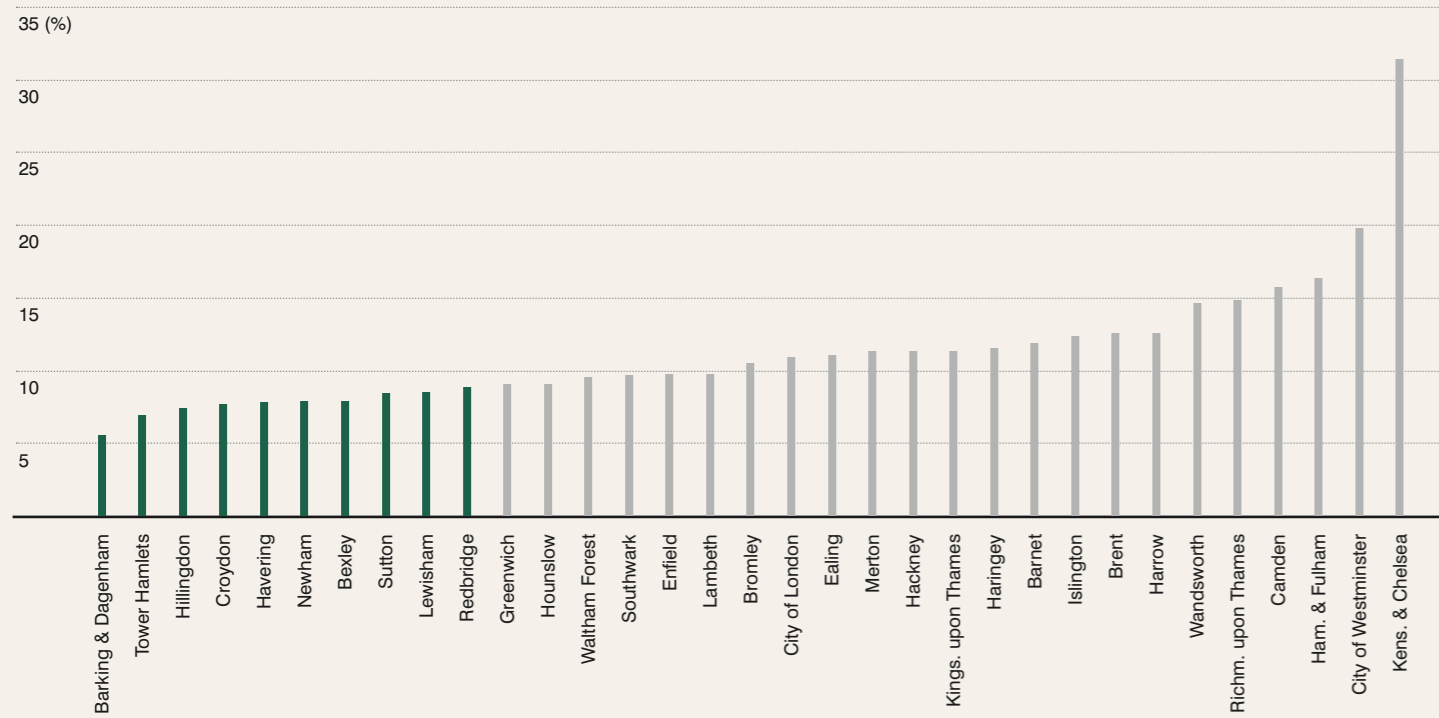
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Top 10 Most affordable boroughs to buy

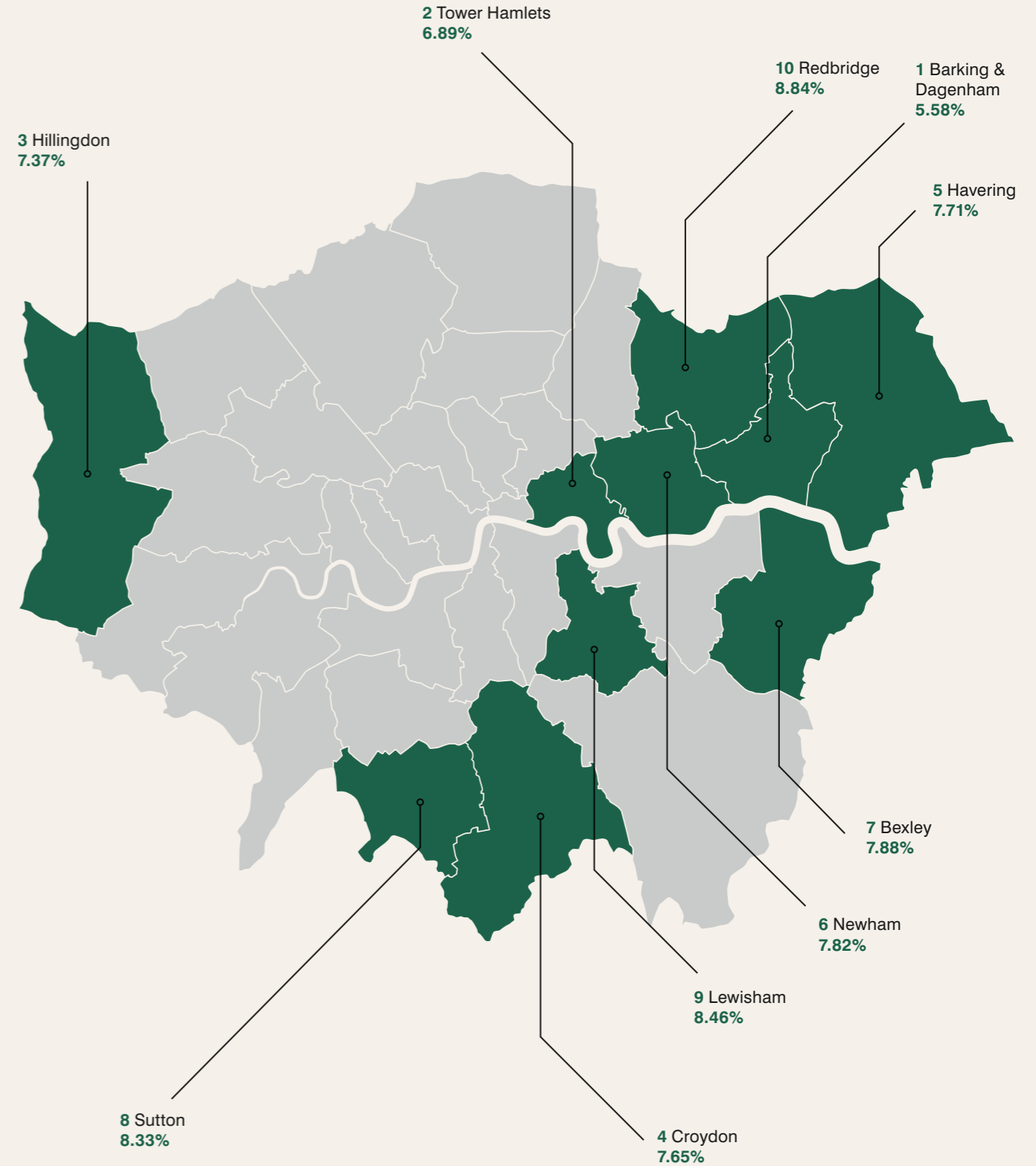
- 1 Barking and Dagenham
- 2 Tower Hamlets
- 3 Hillingdon
- 4 Croydon
- 5 Havering
- 6 Newham
- 7 Bexley
- 8 Sutton
- 9 Lewisham
- 10 Redbridge

London is one of the most desirable global cities to live in and this is reflected in prices. However, there are areas of London that still provide good value for money and here we list the top ten most affordable boroughs to buy as measured by the house price to earnings ratio.

House price to earnings ratio



■ Most affordable ■ Least affordable



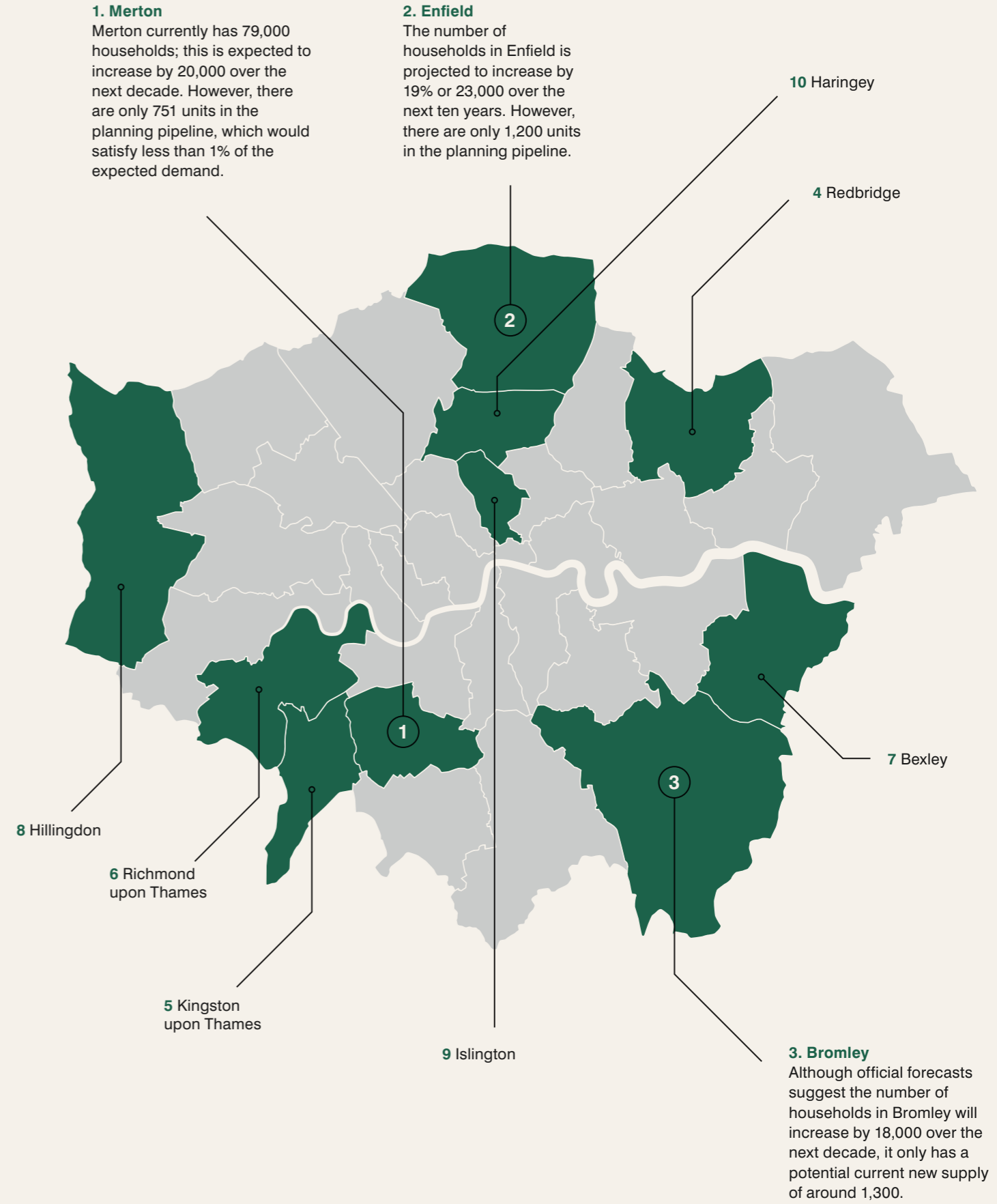
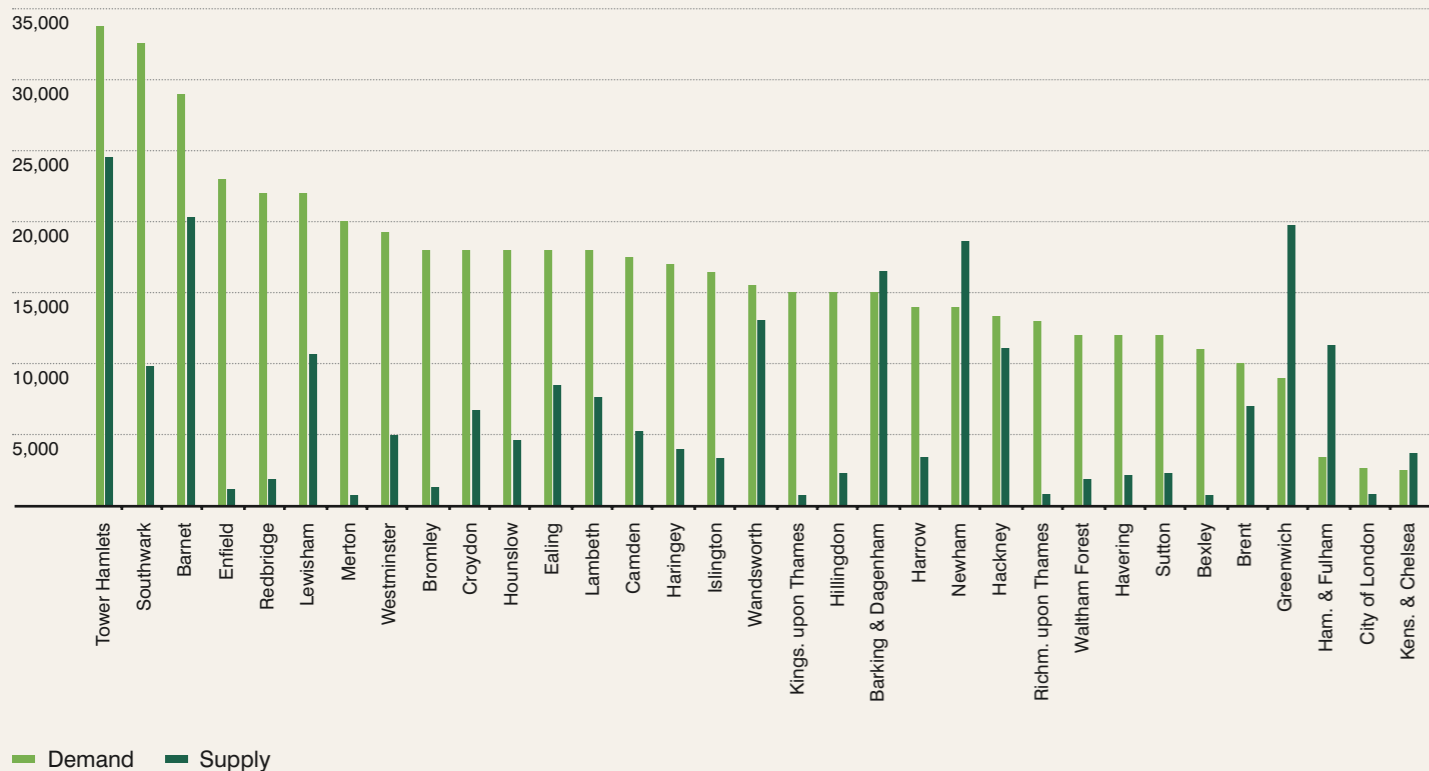


Top 10 Areas where demand is not matched by supply

- 1 Merton
- 2 Enfield
- 3 Bromley
- 4 Redbridge
- 5 Kingston upon Thames
- 6 Richmond upon Thames
- 7 Bexley
- 8 Hillingdon
- 9 Islington
- 10 Haringey

London suffers from a huge under supply of housing, with around one home built for every five people who move here. This is one of the factors underpinning recent house price growth. Here we list the top ten boroughs with the largest demand and supply imbalance, which indicates they have the potential for stronger capital growth.

Demand (increase in households) vs supply (planning pipeline)



Ten towers that raise our expectations

Being tall gets the headlines, but it isn't the only thing that makes a tower stand out from the competition. It's view, location and amenity offer are also important to buyers. Here are our top ten buildings that are currently available to buy; they reach for the skies in more ways than one.


South Bank Tower

Developer:	CIT Developments
Height (Storeys):	42
Amenities:	9
Location:	9
Views:	10




Lexicon

Developer:	Mount Anvil/Affinity Sutton
Height (Storeys):	36
Amenities:	9
Location:	7
Views:	9




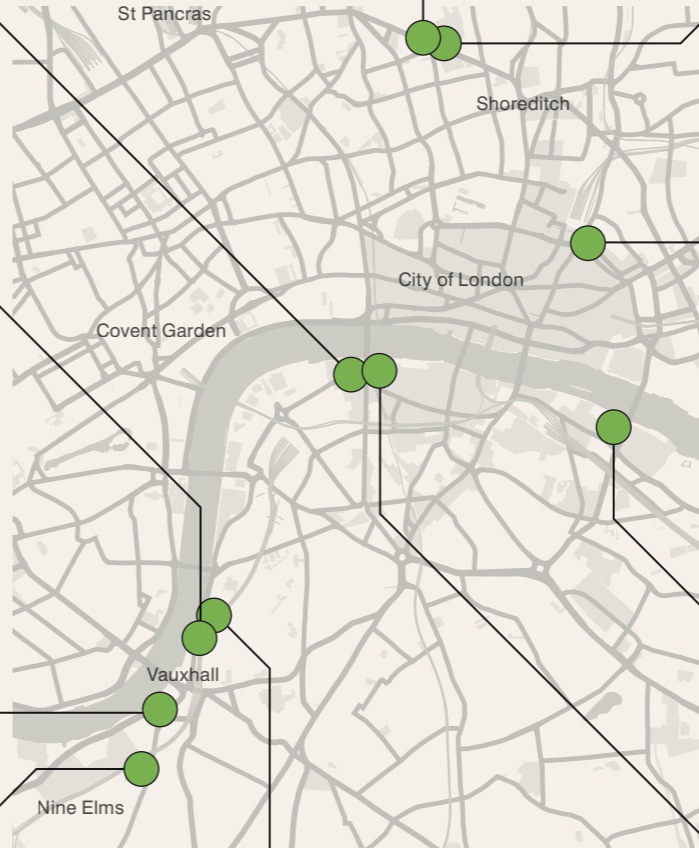
Caneletto London

Developer:	GrovworlD
Height (Storeys):	31
Amenities:	9.5
Location:	7
Views:	8




Merano Residences

Developer:	St James
Height (Storeys):	28
Amenities:	9
Location:	9
Views:	10


The Heron

Developer:	Heron Corporation
Height (Storeys):	36
Amenities:	9
Location:	8
Views:	10




One Nine Elms

Developer:	Dalian Wanda
Height (Storeys):	59
Amenities:	9
Location:	8
Views:	10



One Tower Bridge

Developer:	Berkeley Homes
Height (Storeys):	22
Amenities:	9
Location:	9
Views:	10



Nine Elms Point

Developer:	Barratt
Height (Storeys):	39
Amenities:	8
Location:	7.5
Views:	8




The Corniche

Developer:	St James
Height (Storeys):	27
Amenities:	9.5
Location:	8
Views:	10



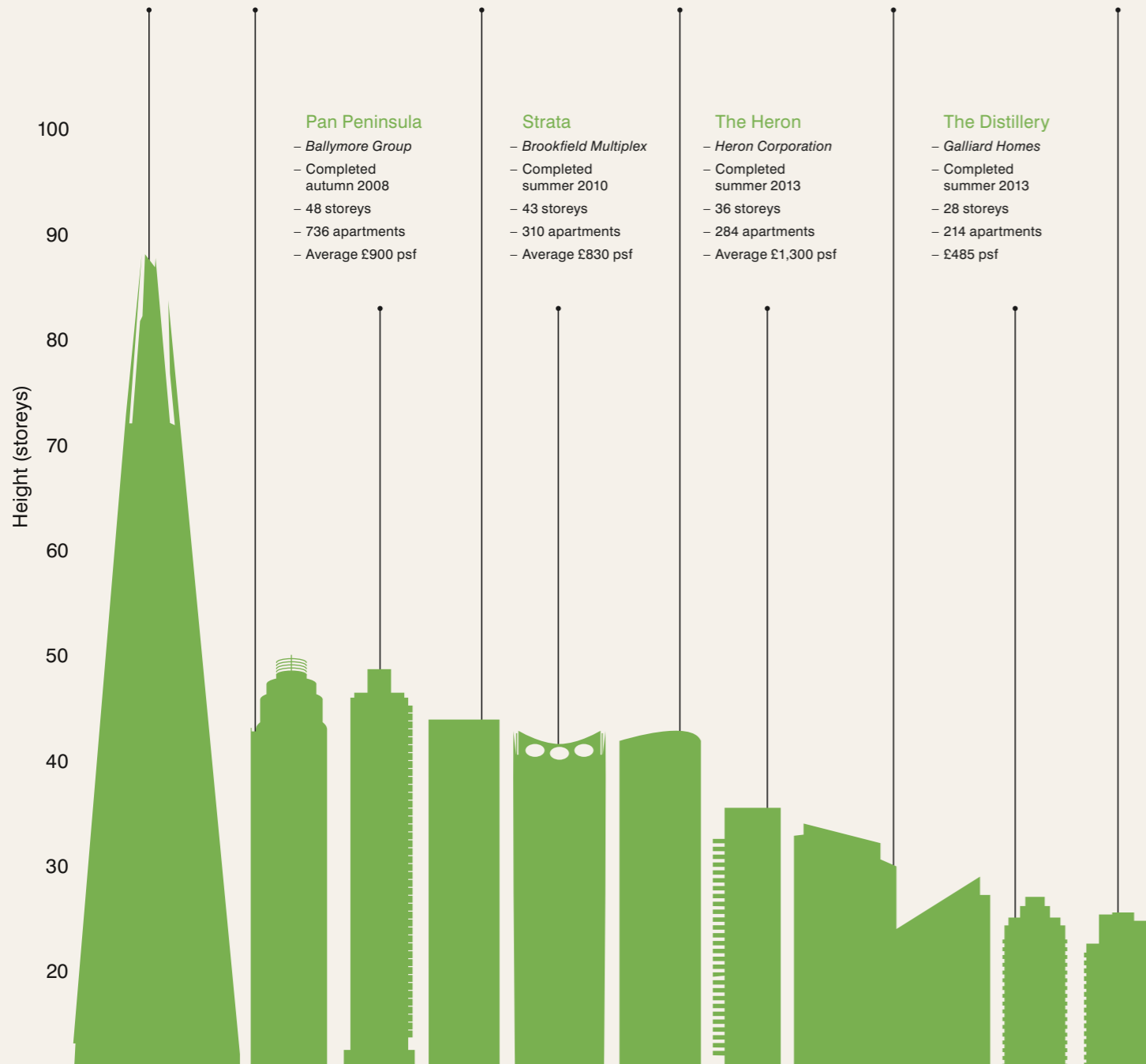
One Blackfriars

Developer:	St George
Height (Storeys):	50
Amenities:	9.5
Location:	9
Views:	10



Top 10 Tallest completed towers in London 2013

- The Shard**
 - Sellar Property Group
 - Completed summer 2012
 - 87 storeys
 - 10 apartments
 - Estimated £50m each
- The Tower, One St George's Wharf**
 - St George
 - Completed summer 2013
 - 50 storeys
 - 223 apartments
 - £0.8m - £8.5m
- The Landmark**
 - Charlegrove Properties
 - Completed summer 2010
 - 44 storeys
 - 647 apartments
 - Average £700 psf
- Stratford Halo**
 - Genesis Housing Association
 - Completed summer 2013
 - 43 storeys
 - 410 apartments
 - For rental market
- Pioneer Point**
 - Empire Property Group
 - Completed summer 2011
 - 33 storeys
 - 267 apartments
 - For rental market
- Woodberry Park**
 - Berkeley Homes
 - Completed autumn 2012
 - 27 storeys
 - 298 apartments
 - Average £455 psf



Top 10 Tallest future towers in London 2013

- The Landmark North (CityPride)**
 - Charlegrove Properties
 - 75 storeys
 - 752 apartments
 - Planning permission
- One Nine Elms**
 - Dalian Wanda
 - 59 storeys
 - 436 apartments
 - Planning permission
- Arrowhead Quay (Waterside House)**
 - Ballymore Group
 - 55 storeys
 - 423 apartments
 - Planning application
- One Lansdowne Road**
 - Guildhouse UK Ltd
 - 55 storeys
 - 377 apartments
 - Planning permission
- Principal Place**
 - Brookfield Europe
 - 50 storeys
 - 243 apartments
 - Planning permission
- Vauxhall Cross / Vauxhall Square**
 - CLS Holdings
 - 50 storeys
 - 410 apartments
 - Planning permission



Top 10 Tallest completed towers in London 2014

Last year the average height of towers in the planning pipeline was 56; this has increased by 5 stories to 61.

The Shard – Sellar Property Group – Completed summer 2012 – 87 storeys – 10 apartments – Estimated £50m each	The Tower, One St George's Wharf – St George – Completed summer 2013 – 50 storeys – 223 apartments – £0.8m – £8.5m	The Landmark – Charlegrove Properties – Completed summer 2010 – 44 storeys – 647 apartments – Average £700 psf	Stratford Halo – Genesis Housing Association – Completed summer 2013 – 43 storeys – 410 apartments – For rental market	Pioneer Point – Empire Property Group – Completed summer 2011 – 33 storeys – 267 apartments – For rental market	Altitude Aldgate – Barratt Homes – Completed summer 2014 – 28 storeys – 171 apartments – Average £954 psf
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Top 10 Tallest future towers in London 2014

Landmark North (CityPride) – Charlegrove Properties – 75 storeys – 752 apartments – Planning permission	South Quay Plaza & Retail Park – Berkeley Homes – 73 storeys – 684 apartments – Planning permission	The Diamond Tower (Newfoundland) – Canary Wharf Group – 59 storeys – 538 apartments – Planning application	Wood Wharf – Canary Wharf Group – 56 storeys – 552 apartments – Planning permission	Arrowhead Quay (Waterside House) – Ballymore Group – 55 storeys – 423 apartments – Planning permission	The Garden (New Covent Garden Market) – VSM Estates – 54 storeys – 346 apartments – Planning application
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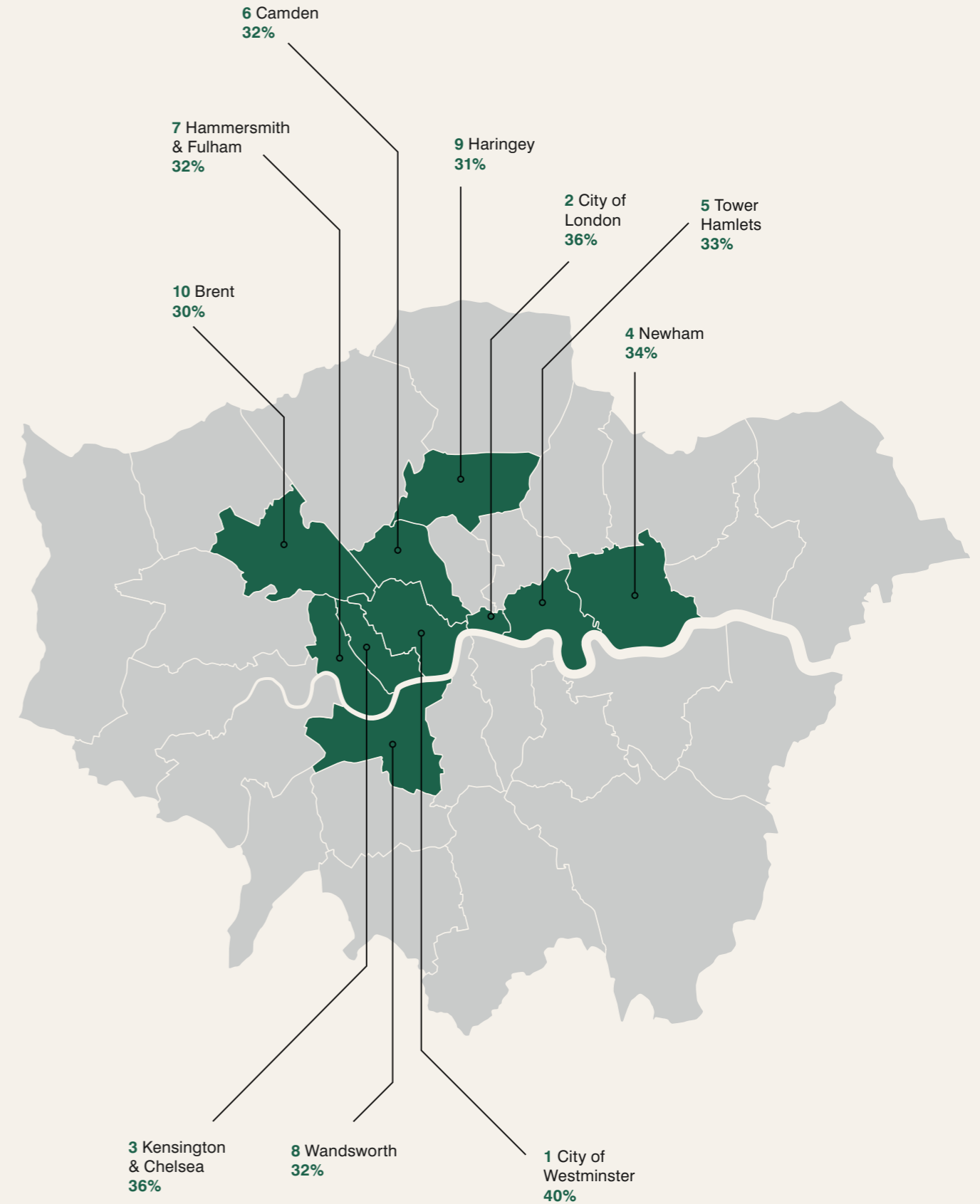
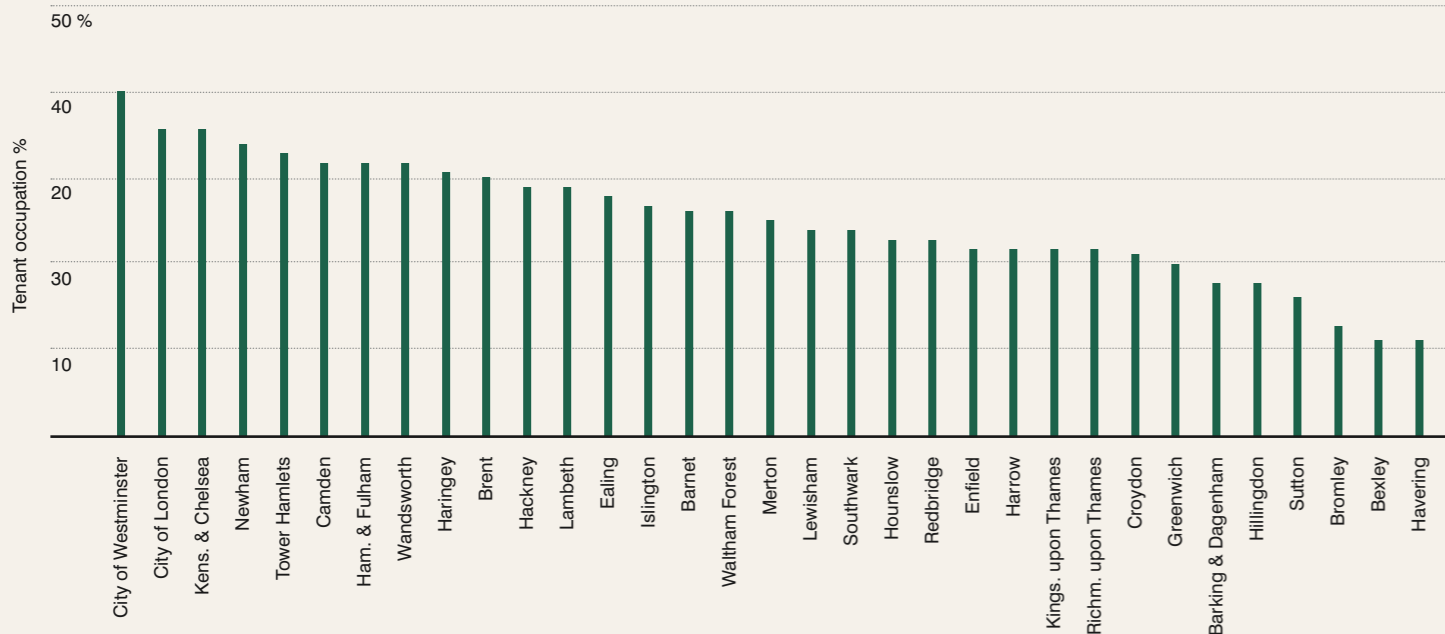


Top 10 Highest share of private rental households

1	City of Westminster
2	City of London
3	Kensington and Chelsea
4	Newham
5	Tower Hamlets
6	Camden
7	Hammersmith and Fulham
8	Wandsworth
9	Haringey
10	Brent

Over the last decade there has been huge growth in the private rented sector, with 1.5 million more renters across the UK. It now accounts for 25% of all households in London and the majority of new households forming are in the private rented sector. Here, we list the top ten areas with the highest share of renters. These areas are popular for a myriad of reasons, including proximity to universities, colleges and office hubs.

Share of private rental households



Top 10 Areas with highest expected rental growth

- 1 Merton
- 2 Hounslow
- 3 Kingston upon Thames
- 4 Islington
- 5 Southwark
- 6 Lambeth
- 7 Lewisham
- 8 Richmond upon Thames
- 9 Sutton
- 10 Camden

The increase in private rental households across the capital has pushed rents up; according to LSL Property Services, average rents in London increased by 2.2% over the year to now stand at £1,166 pcm. In this analysis we have considered a number of economic and demographic metrics to establish the boroughs with the best rental prospects over the next five years.

Merton
1




Expected population growth	18.5	%
GDP forecast	43.3	
HDI forecast	35.1	
Private rented	32.3	
Share of income used on rent	72.0	
Supply pipeline	1.9	
Expected 5 year rental growth	33.8%	

Hounslow
2



Expected population growth	15.8	%
GDP forecast	32.8	
HDI forecast	35.7	
Private rented	23.4	
Share of income used on rent	45.0	
Supply pipeline	0.64	
Expected 5 year rental growth	33.7%	

Kingston upon Thames
3



Expected population growth	22.8	%
GDP forecast	31.6	
HDI forecast	35.6	
Private rented	22.4	
Share of income used on rent	38.0	
Supply pipeline	1.03	
Expected 5 year rental growth	33.6%	

Islington
4



Expected population growth	16.5	%
GDP forecast	38.7	
HDI forecast	35.7	
Private rented	26.9	
Share of income used on rent	60.0	
Supply pipeline	1.08	
Expected 5 year rental growth	33.5%	

Southwark
5



Expected population growth	15.8	%
GDP forecast	32.8	
HDI forecast	35.7	
Private rented	23.4	
Share of income used on rent	45.0	
Supply pipeline	0.64	
Expected 5 year rental growth	33.4%	

Lambeth
6



Expected population growth	10.0	%
GDP forecast	38.7	
HDI forecast	35.7	
Private rented	29.3	
Share of income used on rent	56.0	
Supply pipeline	0.78	
Expected 5 year rental growth	33.3%	

Lewisham
7



Expected population growth	16.0	%
GDP forecast	38.7	
HDI forecast	35.7	
Private rented	24.3	
Share of income used on rent	41.0	
Supply pipeline	0.67	
Expected 5 year rental growth	33.2%	

Richmond upon Thames
8



Expected population growth	11.3	%
GDP forecast	34.3	
HDI forecast	35.1	
Private rented	31.6	
Share of income used on rent	49.0	
Supply pipeline	1.02	
Expected 5 year rental growth	33.0%	

Sutton
9

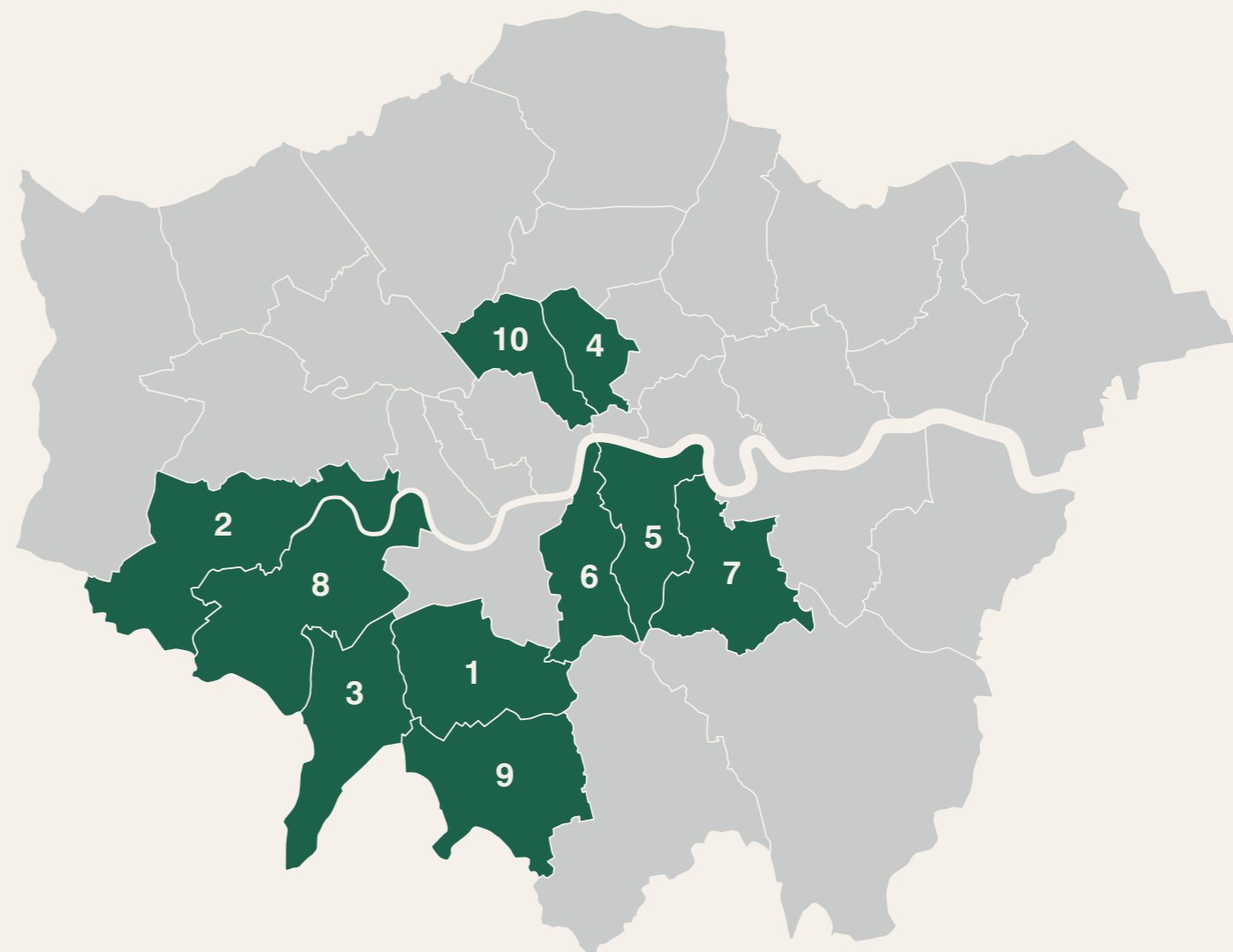


Expected population growth	15.9	%
GDP forecast	31.6	
HDI forecast	35.6	
Private rented	15.9	
Share of income used on rent	37.0	
Supply pipeline	0.67	
Expected 5 year rental growth	32.9%	

Camden
10



Expected population growth	18.5	%
GDP forecast	34.3	
HDI forecast	35.1	
Private rented	32.3	
Share of income used on rent	72.0	
Supply pipeline	1.96	
Expected 5 year rental growth	32.1%	





Top 10 Commuter towns

Most sought after

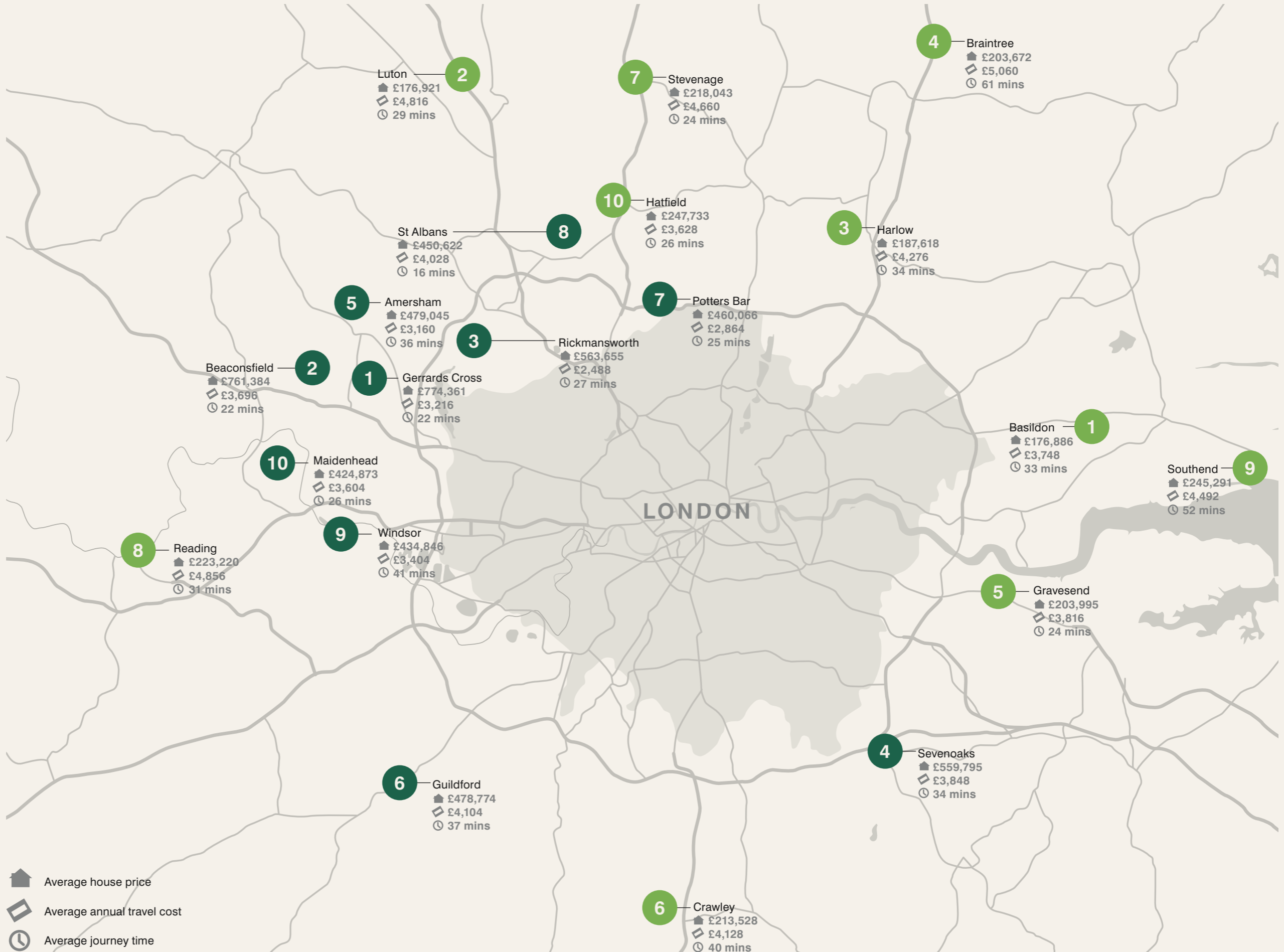
1	Gerrards Cross	▲
2	Beaconsfield	▼
3	Rickmansworth	▲
4	Sevenoaks	▼
5	Amersham	◀
6	Guildford	◀
7	Potters Bar	▲
8	St Albans	▲
9	Windsor	▼
10	Maidenhead	▼

Most affordable

1	Basildon	◀
2	Luton	▲
3	Harlow	▼
4	Braintree	▲
5	Gravesend	▲
6	Crawley	▲
7	Stevenage	◀
8	Reading	▲
9	Southend	▲
10	Hatfield	▼

▲ Denotes position shift from last year

Just under 1 million people commute into London on a daily basis. As prices in London go up, workers in the capital can find better value in the commuter belt. Here we list the top ten most affordable and the most expensive commuter locations.



- Average house price
- Average annual travel cost
- Average journey time

Ten developers to watch

- Canary Wharf Group
- Capco
- Dalian Wanda
- Greenland Group
- Qatari Diar
- St James
- Knight Dragon
- Amazon
- Dukelease
- Lodha

The London market continues to attract the best developers both domestically and from around the world. The landscape is continually evolving with new developers entering the market and more established players reviewing their strategy and challenging the big boys. Here are ten we suggest you keep an eye on.



Canary Wharf Group

Canary Wharf Group has already achieved one of the greatest ever feats of civic engineering, turning 97 acres of derelict Docklands into one of London's most sought after office and retail districts. The Estate is now set to significantly expand by incorporating Wood Wharf, which will see the first residential apartments to be delivered on the Estate by Canary Wharf Group. At c.20 acres, this is one of central London's largest development projects and includes the provision of 3,000 new homes, a further 2 million sq ft of commercial space and an additional 250,000 sq ft of retail. Phase one, which includes a 56-storey tower signature designed by Herzog & de Mueron, is set to position Canary Wharf as one of London's premium residential addresses.



Capco

Capco has successfully transformed its Covent Garden Estate over the last few years attracting brands such as Apple, Burberry Brit and Ralph Lauren; Capco's attention is now fully focused on the creation of their Earls Court Estate, one of central London's last major regeneration opportunities. For this reason we believe Capco is one of the most significant 'developers to watch' over the next few years.



Dalian Wanda

As a complete newcomer to the UK market Dalian Wanda have announced its arrival with the acquisition of One Nine Elms, which will be central London's tallest residential building. Creating a new focal point for the regeneration of Vauxhall and Nine Elms and a London landmark, this must be one of the most significant debut developments by any developer in the London market.

Our two bonus ball top tens

Most sought after features

- 1 Architecture
- 2 Outside terrace or other space
- 3 A view
- 4 Concierge
- 5 Slick interior design
- 6 Character
- 7 Light
- 8 Top floor
- 9 Gym/pool
- 10 Food/beverage and retail outlets

Top ten buyer nationalities

- 1 UK
- 2 Hong Kong
- 3 Singapore
- 4 Saudi Arabia
- 5 Malaysia
- 6 Qatar
- 7 Kuwait
- 8 Russia (CIS)
- 9 Turkey
- 10 China





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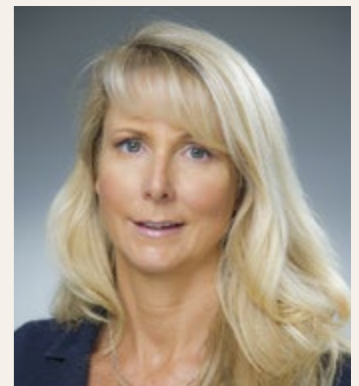
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Source: Land Registry, Molior, EGI, National Statistics, Rightmove, Nationwide.

Disclaimer: The statistical Top 10 lists have been compiled from our extensive research, analysis and expertise in the field. However, some of the lists are a more subjective exercise and as such it reflects the views and opinions of the CBRE sales team.

