

LONDON £5M+ MARKET

Q1 2022 ANALYSIS

The Savills logo consists of the word "savills" in a lowercase, sans-serif font, colored in a vibrant yellow. It is positioned on a solid yellow rectangular background.

STRONGEST EVER FIRST QUARTER FOR LONDON'S SUPER PRIME MARKET

London's £5 million-plus residential market has recorded its strongest start to the year ever. The activity seen so far is evidence that appetite for property in the prime central London market remains strong.

In total, there were 128 second-hand and new build sales priced at over £5 million in the first quarter of 2022, which is 25% and 24% higher than Q1 2021 and Q1 2020 respectively.

Sales valued between £5-10 million dominated this quarter with more than £600 million spent on properties in this range. This is a third higher (34%) compared to Q1 2021 and 23% higher than Q1 2020. These significant sales volumes signal that domestic buyers are continuing to dominate the market, but this has also been bolstered by a slight uptick in international buyers returning at the start of the year.

However, the overall average value of transactions in Q1 2022 was £8.9 million, 18% lower than the £10.8 million recorded in Q1 2021, reflecting lower levels of activity at the £10 million-plus end of the market.

During the pandemic, the market was dominated by the race for space and, as a result, we saw leafier locations with typically larger homes – such as Wandsworth, Wimbledon, Richmond and East Sheen – outperform the rest of London. As the City finally returns to normal, we are seeing prime buyers who headed out to the country during the pandemic being drawn back into the traditional London hotspots.

Two in every five super prime second-hand sales were located in either Kensington, St John's Wood, Belgravia or Chelsea, in the strongest yet indication of prime central London bouncing back, post-pandemic. These old-established postcodes are now reasserting themselves, which is a trend we only expect to strengthen throughout the year.

While prices remain good value historically, both flats and houses in prime central London have now recovered from pandemic falls, and the market looks ripe for further growth in the remaining seven months of the year.



CONTACT

As prime central London continues to show signs of recovery, buyers, sellers and investors may wonder what we can expect for 2022 and beyond. Whatever your property needs, we're here to offer market insight and property advice. We'd love to hear from you to discuss any queries you may have.

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MARKET DATA: JAN-MAR 2022

128

The number of transactions in London for £5 million-plus properties

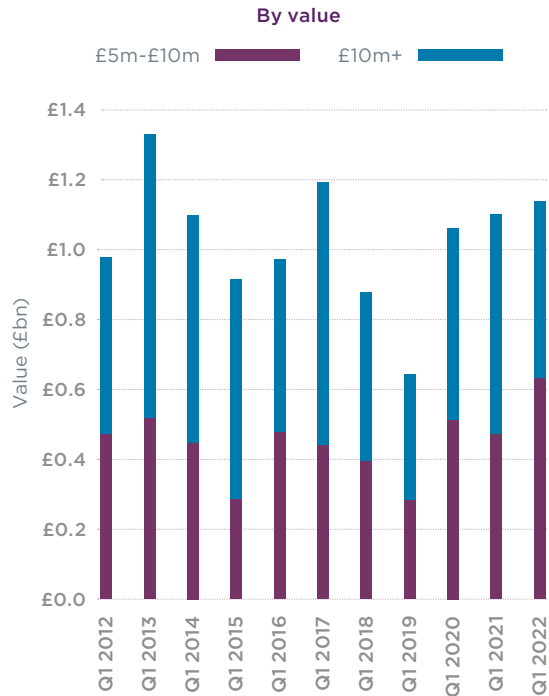
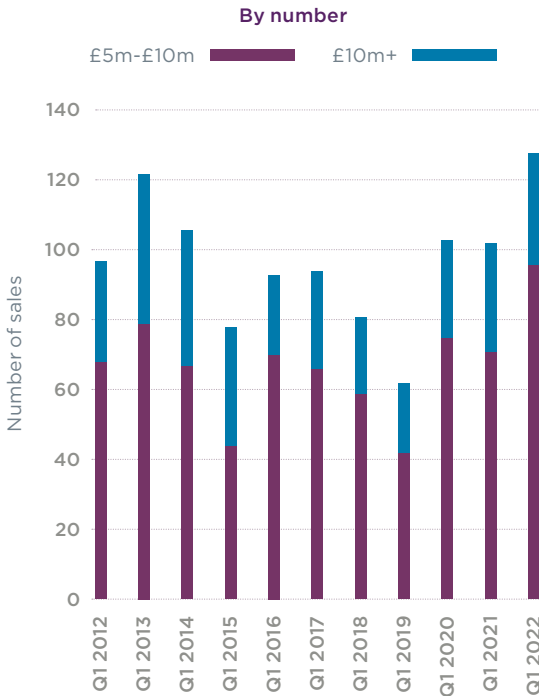
£1.14bn

The value of transactions in London for £5 million-plus properties

+7.7%

The year-on-year increase in the value of transactions for £5 million-plus properties

MARKET DATA: 2012-2022



Source Savills Research

PRIME CENTRAL LONDON

For over 160 years, we've advised on best-in-class property in London's most desired postcodes. Across 40 London offices, we guide our clients to make the right property decisions, whether they're investing in a luxury pied-à-terre in Mayfair or searching for an elegant family house in Holland Park.