

# SURREY'S PRIVATE ESTATES

savills

Despite significant growth in values, the private estates of Surrey still represent an attractive opportunity for buyers

WORDS BY FRANCES CLACY, ASSOCIATE DIRECTOR, RESIDENTIAL RESEARCH

**+13.2%**  
Annual growth  
in St George's  
Hill and  
Wentworth

**S**urrey's private roads and estates have long been considered some of the UK's most desirable and exclusive residential areas. Many of the trends seen across the prime housing markets more generally over the past two years, such as a desire for more space, have compounded demand levels and led to significant competition and price growth across these markets.

Values in the private estates of St George's Hill and Wentworth increased by an average of 13.2% during the past year. This compares with average growth of 12.0% recorded across the wider markets of Elmbridge and Sunningdale.

That said, values still remain 19.3% lower than their previous peak in 2014, before the stamp duty overhaul saw higher tax rates introduced for more expensive property. In St George's Hill, the discount

is even more significant, with average prices still 24.5% below where they were seven years ago.

Taxes, Brexit and political uncertainty are partly the reason for these price falls. But, a unique factor affecting the private estates is that the value of many properties is dictated by their value as a development plot, so knock-down and rebuild costs also need to be considered.

So, despite this recent price growth, value remains on offer across Surrey's private estates, presenting an opportunity for new buyers.

## VALUE PROPOSITION

Along with exclusivity, the luxury and security provided by these estates means homes command a premium when compared with nearby areas.

Analysing Savills sales between 2019 and 2021 revealed buyers paid an average of £560/sq ft for a home on one of Surrey's private estates and roads, 10% higher than the wider Elmbridge and Sunningdale markets. For St George's Hill and Wentworth, that figure is higher still at £650/sq ft and £600/sq ft respectively.

Meanwhile, across the private estates and roads of Esher, such as Clare Hill and Esher Place, buyers paid an average of £550/sq ft. The Crown Estate in Cobham offers slightly more value with an average of £500/sq ft.

But across all of these estates, the most desirable properties on the best roads can exceed £1,000/sq ft. However, the relative value compared with a flat in Chelsea (£1,400/sq ft) or a house in Knightsbridge (£2,000/sq ft) still provides a financial incentive for buyers. This means that buyers can enjoy living in larger homes, with a higher specification, than the equivalent in central London, and this is certainly part of the attraction.



St George's Hill, Surrey

## SAVILLS PRIVATE ESTATES DEPARTMENT

*Savills private estates specialists cover the whole of Surrey, working from offices in Cobham, Esher, Weybridge, Sunningdale and London. Our expertise is supported by specialist Savills departments, as well as 600 offices worldwide.*



**Frances Clacy**  
Associate Director  
Residential Research  
+44 (0)20 7409 5905  
fclacy@savills.com



**Simon Ashwell**  
Director  
Residential Sales  
+44 (0)1932 838 004  
sashwell@savills.com

**£200 million** The combined value of property sold in St George's Hill in 2021

**94%** Proportion of buyers across Surrey's private estates who have bought their main residence

**£560 per square foot** Average price per square foot for property sold on one of Surrey's private estates

## BUYER PROFILES

Just over a quarter (27%) of Savills private estate sales have been to overseas buyers during the past three years. Internationally renowned schools, the quality of life and easy access to Heathrow, Gatwick and Farnborough for private jets underline their appeal to these buyers.

As with central London, recent travel restrictions may have inhibited some global demand, but UK-domiciled international buyers and those who already own property in the UK have continued to transact.

This also highlights the importance of domestic demand for these private estates. The vast majority (94%) of buyers are looking to purchase a main residence and most (55%) are upsizing. A further 30% are relocating to one of these estates, two-and-a-half times

more than the number who relocate to the surrounding neighbourhoods of Elmbridge and Sunningdale.

Similarly, 84% of buyers have children, more than the 73% seen across Elmbridge and Sunningdale. This underlines the appeal that additional security around these estates provides for families.

All of this suggests that most buyers are making a lifestyle move and looking for a long-term family home, as opposed to buying a second home or searching for an investment opportunity.



Oxshott, Surrey

## LOOKING AHEAD

Demand remains incredibly strong across the UK's prime regional markets. Although an easing is likely, it has yet to happen. Well-priced properties continue to sell well, particularly those in sought-after locations such as Surrey's private estates. As such, there is a lack of available stock across much of the market.

We expect that changes to people's lifestyles and working habits will underpin demand from those who can take advantage of greater flexibility and widen their previous search areas.

Rising interest rates and the prospect of increased taxes will likely gradually squeeze the spending power of wealthier households. So while we expect price growth to continue, levels may slow, particularly given the growth seen throughout 2020 and 2021.

More specifically for the private estates, the value on offer in a historical context means there remains capacity for further growth, particularly given the potential for increased demand levels once international travel restrictions ease completely. Homes on these estates remain aspirational both to UK and global high net worth individuals.

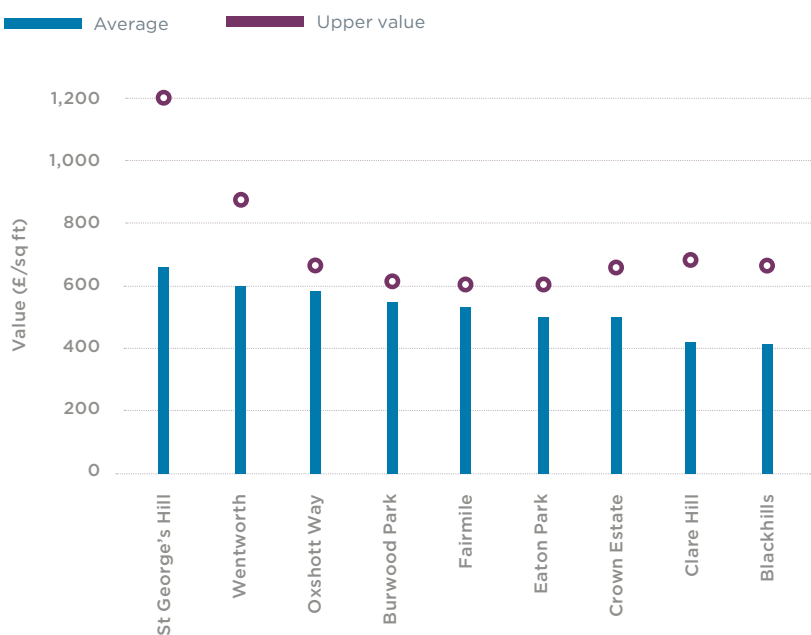
## TRANSACTION LEVELS

The level of price adjustments since the previous peak of 2014 has led to relatively low transaction levels across the private estates. In St George's Hill, more than 30 sales with a total transaction value of more than £160 million took place in both 2012 and 2013. But between 2014 and 2019, those averages fell to 14 sales, with a value of just over £70 million.

However, there was a significant recovery in 2020 and 2021 for transactions and overall spend. Last year, numbers exceeded 30 for the first time since 2013, with a combined value of more than £200 million. This has partly been a reaction to the widespread change in buyer priorities as a result of the pandemic. People have been looking for more inside and outside space while staying connected to London. Domestic buyers have also taken advantage of the relative value on offer, particularly while there remains less competition from overseas buyers.

As confidence has returned, development plot sales have also risen. Of the 35 sales in St George's Hill last year, 31% were sold as development plots.

## Value comparisons across Surrey's private estates (£/sq ft)



Source Savills Research