

ENTR LONDON

Prime Central London Market Snapshot

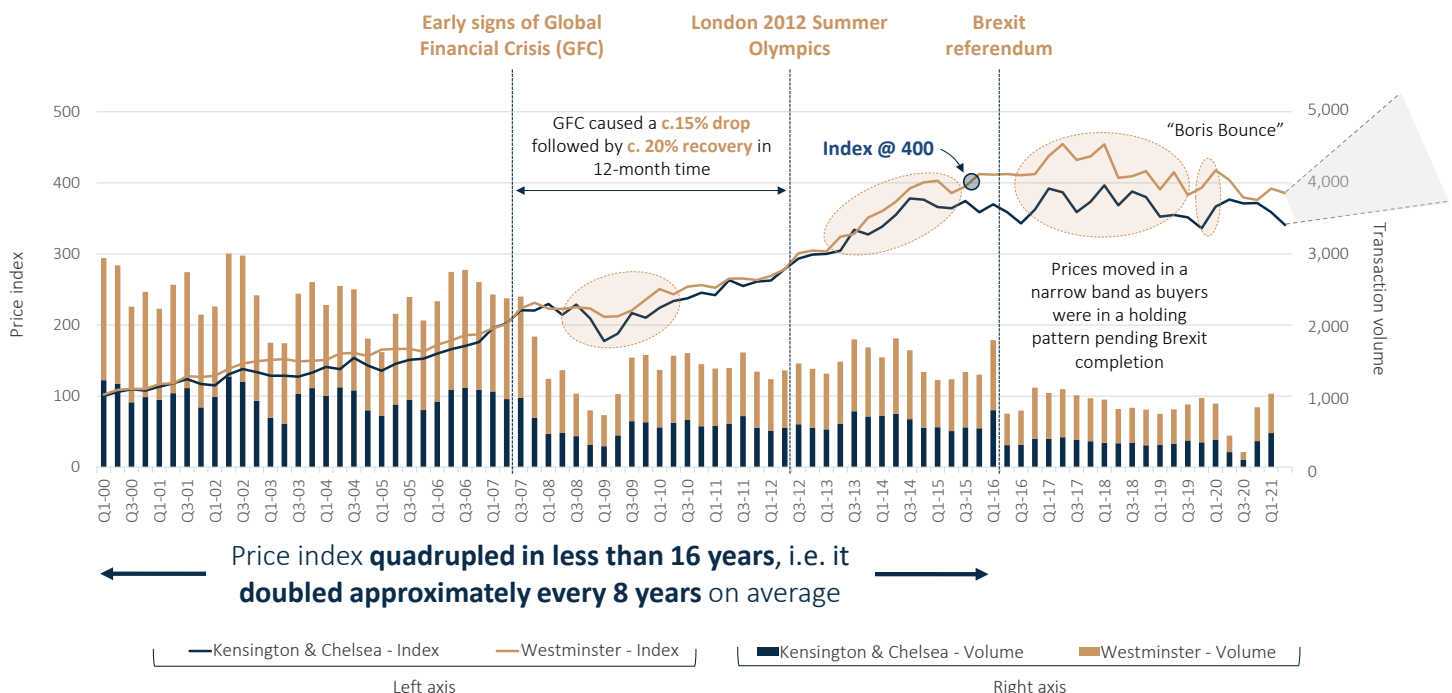
Sitting at the nexus of European, Asian and North American time zones, London is a truly global and cosmopolitan capital city steeped in history, uniquely connected with global trade.

With plenty to offer from a dynamic and diverse culture to an unmatched status as financial hub and a vibrant startup ecosystem, prime real estate in multi-faceted London has long been considered a 'safe investment'. It is well positioned to remain so now that the veil of uncertainty about Brexit has been lifted.

Historical Perspective

The last two decades for the Prime Central London real estate market can be divided into **two periods distinctly separated by the Brexit referendum** as shown below with the historical performance of the two prime central boroughs of Westminster and Kensington & Chelsea.

Price index and volume since 2000



Prices steadily increased up to 2012 and further accelerated after the London Summer Olympics until the Brexit referendum was announced in 2016.

Following the result of this referendum, prices moved sideways within a narrow band as buyers moved into a **holding pattern until the completion of Brexit at the end of 2019**.

In Q1-2020, prices for prime real estate in London gathered momentum – coined the **“Boris Bounce”** after British Prime Minister Boris Johnson – as buyers were positioning themselves after prolonged Brexit concerns began to abate.

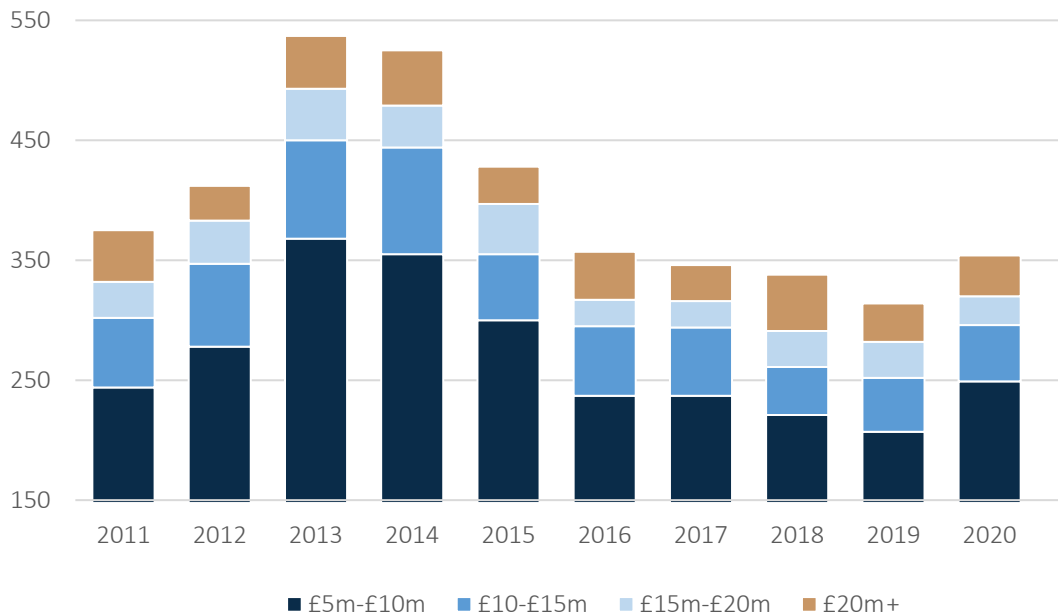
Impact of Covid-19 on London

While many headlines in 2020 focused on the sudden renewed interest in rural properties, volumes of activity in London itself indicated that there was still a strong demand from buyers last year.

The level of transactions in the £1 million range in London during the second half of 2020 **increased by 62% compared to the same period in 2019**.

Similar momentum was observed in the higher end of the market as **sales of properties in London worth in excess of £5 million reached their highest level since 2015**.

Number of transactions of £5m+ across London



These numbers tell a very different story from the headline grabbing stories that London buyers were flocking to the countryside en masse.

After the very early months of the pandemic, prices quickly stabilised when the lockdown was gradually eased in May 2020. Amidst an exceptionally volatile year in 2020, prices in London relied mostly on domestic buyers and non-domiciled residents, demonstrating its **strong resilience**.

Annual price changes in London between Q1-2020 and Q1-2021



London in a post-COVID environment

At the end of 2020, a price recovery in London was initiated as vaccination programmes were announced globally. This trend was confirmed in Q1-2021 as **Prime Central London recorded its first quarterly price growth** since the “Boris Bounce” in early 2020 suggesting the market may have bottomed out. Savills estimates that prices in Prime Central London **increased by 0.6% during H1-2021**.

Quarterly price changes in London in Q1-2021



Looking ahead, the market for prime residential properties in central London is well positioned to benefit from several catalysts that are likely to support the opening of new promising chapter for London.

Key catalysts for the Prime London market

Easing travel restrictions



As international travel will reopen, prices are expected to continue on their upward trajectory fuelled by **pent-up demand from global buyers**

Vaccination roll-out



Vaccination roll-out and progressive easing of lockdown will **facilitate further transactions** among domestic buyers and sellers

Low interest rate



The currently low interest rate environment creates **conducive conditions** to stimulate further growth in the residential market.

About ENTR

ENTR provides a seamless, transparent and innovative way to access prime residential real estate in major global cities.

Investors with ENTR co-own a collection of carefully curated prime properties located in the most attractive cities around the globe and benefit from the on-the-ground knowledge and expertise of ENTR. These assets are fully managed and optimized by ENTR to generate regular income and capital gains.

ENTR combines extensive experience, rigorous selection criteria processes and technology to reinvent the real estate ownership experience in a changing world.

ENTR produces regular curated analysis and on the ground perspectives about investment in prime residential properties in global cities.

If you would like to be among the first to receive these materials and find out more about our real estate investment solutions, please fill in your details on <https://www.the-entr.com/contacts>

ENTR

www.the-entr.com