Debbie Taylor, head of land and new homes at BNP Paribas Real Estate, comments on the residential property market in London:

“Within London, market interest from foreign buyers has increased, with overseas investment into the London residential market primarily coming from Asia, China, Hong Kong, Singapore and Malaysia. In line with this, new developments are usually first marketed in either Honk Kong or Singapore before being released to the UK market.

Currently, we are seeing Asian investors opting for new build developments; however they are extremely knowledgeable and discerning on their requirements from their investment assets. Other investors into the London residential market are from Russia, Ukraine, India, Europe and the Middle East. European and Middle Eastern investors prefer period built stock in more central locations as opposed to new build developments and outer locations. European buyers are predominantly from France, Italy, Ireland, and Germany and the Middle Eastern from the UAE and Saudi Arabia.

Interestingly, we are starting to see UK based investors are coming back into the market and comprise mainly of Investment Funds and Institutional Investors. Within Central London, investors are buying blocks or portfolios, off-plan or trophy properties in Marylebone, West End and the edges of Mayfair, with the aim of long term capital growth.

Most valuable areas continue to be Notting Hill; Kensington; Knightsbridge and Chelsea with the top 10% achieving circa £2,800 per square foot and values in West End; Central North West and River District still at very high levels.

The Eastern Region around Limehouse; Stratford; Hackney and Wapping have historically seen the lowest values. However, following the Olympics it will be interesting to see how the housing legacy may seek to regenerate these areas going forward and bring a significant rise to what is currently achievable.”

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About BNP Paribas Real Estate

BNP Paribas Real Estate is a leading international real estate provider. It offers to its clients a comprehensive range of services that span the entire real estate lifecycle: property development, transaction, consulting, valuation, property management and investment management.

BNP Paribas Real Estate has local expertise on a global scale through its presence in 30 countries (15 wholly owned subsidiaries and 15 by its Alliance network, that represent today more than 2,500 people) with 3,400 employees. BNP Paribas Real Estate is a subsidiary of BNP Paribas with more than 150 offices.

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