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Sales of London's priciest properties spike 80pc as lockdown ends

'The supercars are back in Knightsbridge', estate agents say

By Melissa Lawford
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Demand has spiked for prime London homes in areas such as Notting Hill | CREDIT: Alexander Spataru

Sales of the most expensive homes in central London have soared as the economy reopens and the [exodus from the capital](#) reverses.

Deals in Kensington & Chelsea jumped 80pc in the two weeks since restrictions [started to ease on April 12](#), compared with the previous 28 days, according to property website Zoopla. This was the largest jump in sales of any local authority in Britain.

Four other London boroughs were also in the top 20. Lambeth, Sutton, Barking and Dagenham and Hammersmith and Fulham recorded respective rises of 49pc, 48pc, 40pc and 39pc.

Elsewhere, the biggest jumps in sales were primarily in coastal and rural areas, as travel restrictions drove a surge in demand for second homes ahead of the ["staycation summer"](#). These included Redcar and Cleveland and North Warwickshire, where sales jumped 67pc and 64pc.

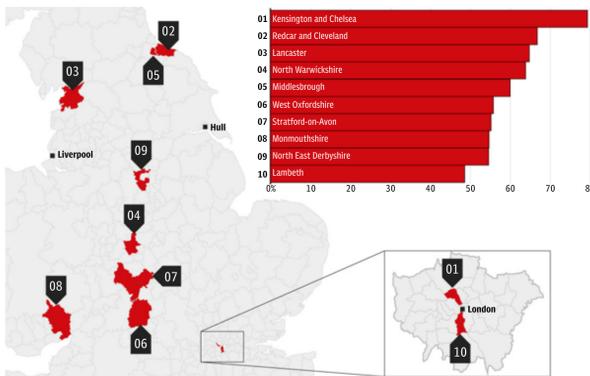
In London, the easing of restrictions has injected confidence into the market, although these sales increased from a low base.

Cory Askew, of Chestertons estate agents, said: "At the start of the year, [the further you went](#) from prime central London, the hotter the market. However, that changed in April.

"The supercars are back in Knightsbridge. There is definitely a feel-good factor in prime central London again. Our Knightsbridge, Kensington and South Kensington offices have done a dozen or so deals each. Agreed sales are double the number in April 2019."

The property hotspots where lockdown easing is firing up home sales

Growth in agreed sales April 12 to 24, vs previous 28 days



SOURCE: ZOOPLA

Mortgage borrowing in March hit £11.8bn, according to Bank of England data released this morning. This was the strongest net borrowing on record since the data series began in April 1993, and was 13.5pc higher than the previous peak in October 2006.

This record was despite the fact that the total number of mortgage approvals for house purchases in March was 82,700 – relatively high compared to the 73,000 recorded in February 2020, but down nearly 20pc from the November 2020 peak. It is bigger ticket transactions that are driving sales.

Emma Stead, of Savills estate agents in Fulham, said April 12 was a distinct turning point. "Suddenly the market is starting to take off."

Mark Ruffell, of Knight Frank's estate agents' Southbank office, said: "Within hours it was immediately noticeable how much busier the phones were."

Buyer demand is so far primarily British and is largely concentrated in areas where there are parks and large houses. Mayfair is still quiet, Mr Askew said.

Overseas buyers are being held back by international travel restrictions, but some are starting to make moves remotely before the competition arrives.

Thea Carroll, a buying agent, said a Middle Eastern client had a hold bid on a £6.95m property at £1.7m below the asking price. The client was waiting to see the property before completing.

However, lockdown easing and positivity surrounding the vaccine led to a flurry of rival offers.

"For so long there was utter silence in the market, you could hear crickets," she said. "The minute it was looking more positive, the owner's representative called and said there were three competing bids gearing up to gazump us."

"International buyers are coming back," Ms Carroll said. "Britain is one of the only places in Europe that actually has coronavirus under control." An American buyer who made millions investing in cryptocurrency during lockdown is planning to buy in Notting Hill soon, she said.

Others are reversing lockdown moves to the country as the economy reopens. Ms Stead added: "We sold a house last year for someone moving out of London because of lockdown. He called last week to say he is coming back because he doesn't like the commute and he won't always be working from home."

The factors that pushed buyers away are being undone by the reopening as workers return to offices, children to school and London's bars and restaurants are reopening. Mr Askew said: "People were Covid obsessed and now that's weaning its way out."

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