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Super-wealthy driving hard bargains on London's £10m-plus 'trophy' homes

Super-prime market is flourishing but buyers are driving down prices

[By Rachel Mortimer](#)

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St Mark's House is church conversion with five floors, a swimming pool, spa and massage room. It is for sale for £19.5m via Knight Frank CREDIT: ALEX WINSHIP

Wealthy buyers are back on the hunt for trophy homes in the capital, as London's market for [property worth more than £10m](#) reawakens from a pandemic-induced slumber.

While they have money to burn, many have been truffling for bargains and demanding sellers cut their prices by up to 20pc.

After a quiet year – with international demand stifled by travel restrictions – these buyers have slowly returned to the capital. Agents have predicted a revival of the so-called super-prime market.

They spent more than £817m on 45 deals in London in the six months to April, according to estate agency Knight Frank. It predicted there was a further £37bn injection of cash coming into the capital from buyers currently looking to purchase.

Despite the remaining travel quarantine restrictions, demand is soaring – and not just from British buyers. Last month there were almost nine new buyers for every super-prime property [listed for sale in London](#), the highest figure in seven years according to Knight Frank. These buyers came largely from Europe, the UK, Russia and Asia.

Among these are “property collectors” hoping to invest in huge new trophy houses, which may soon become a rarity in London, said Becky Fatemi of estate agency Rokstone. “These buyers want London’s best homes, those which will soon become the white rhino of property after planning changes take effect,” she said.

“New-build [super-prime London properties](#) soon won’t exist. The property industry mirrors the art world, in that the rarer the product, the higher the value.” Planning rules vary from borough to borough in the capital.

“Westminster Council has a new urban plan, which specifically addresses new palatial homes, and Kensington and Chelsea has been against ‘iceberg’ basements for a while,” said Ms Fatemi.



Buyers with budgets of all sizes have prioritised more space and greenery since the pandemic began and millionaires have been no different.

Where once lateral living with penthouses and communal facilities were the go-to, now wider homes with private front doors and access to gated gardens were the most in demand, said Ms Fatemi.

Despite the surge in interest, buyers were still [driving a hard bargain and asking for price cuts](#). Roarie Scarisbrick, of Property Vision, a buying agent, said: “The red carpet will certainly be rolled out for the return of international buyers. But I expect there will be a bit of argy-bargy on price negotiations.”

Some of these foreign buyers will be returning to the market to find much less favourable exchange rates and an additional 2pc stamp duty surcharge. As of April the extra tax has been levied on overseas investors buying residential property in the UK.

“In situations where buyers suddenly have to pay more, they want to pay less for the property and that’s played out in negotiations,” added Mr Scarisbrick.

Ms Fatemi said she had seen plenty of buyer negotiations in recent weeks, but sellers were largely not giving in to these demands for a reduced-price tag.

“Buyers are coming in with offers 20pc below the list price. On average deals are being agreed at 8pc below asking,” she said.

“This is our second most successful year, but the [hardest market I have ever seen](#). We have tripled the size of the team.”

Rory Penn, of Knight Frank, said buyers were acting quickly to secure a home, especially in the traditionally sought-after areas of Notting Hill, Kensington and Chelsea.