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# Chelsea alfresco — a revitalised street culture draws homebuyers



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At the southern end of Pavilion Road, a mews off Sloane Square, coloured bunting flutters between the artisan stores — butcher, baker, cheesemonger and fishmonger — and above a pavement packed with café tables. During the pandemic, the road — which five years ago was home to a lot of garages — has cemented its role as one of Chelsea’s most popular hubs, an alternative to the dozens of outdoor cafés and boutiques of Duke of York Square.

“The area’s really come into its own and I’ve discovered a great community spirit,” says Ben Stroud, who works for an international property development company. He moved into a one-bedroom rental flat nearby in late 2019 after working in Dubai. “Other areas of London still feel like a ghost town.”

Seeking a central postcode — but one that still felt residential and without too many tourists — he chose Chelsea’s SW3: “I really appreciate the wide choice of outside eating and drinking spaces.”

[Cadogan Estates](#), Chelsea’s largest landlord, has added 900 alfresco seats to help propagate the area’s café culture, and has secured permission from the council to permanently pedestrianise Pavilion Road after trialling it during the pandemic — the value of the 300-year-old estate fell 14 per cent last year to £4.8bn, with retail being the main drag on the portfolio.

The move may be paying off. With international tourists still absent, footfall along Chelsea’s central artery, the King’s Road, is down just 16 per cent on 2019 — a recovery rather more notable than Bond Street (-55 per cent) or London’s West End (-49 per cent), according to Springboard, the data company.



Soho House, the chain of private members' clubs, is opening a 6,000 sq ft branch of their homeware brand in Duke of York Square next month, next to the Saatchi Gallery. This follows on from the reopening of The Cadogan Arms gastropub — refurbished during lockdown — now with James Knappett from the double Michelin-starred Kitchen Table as culinary director. The Surprise, a well-loved pub behind the King's Road, has also reopened under new ownership after a lockdown revamp.

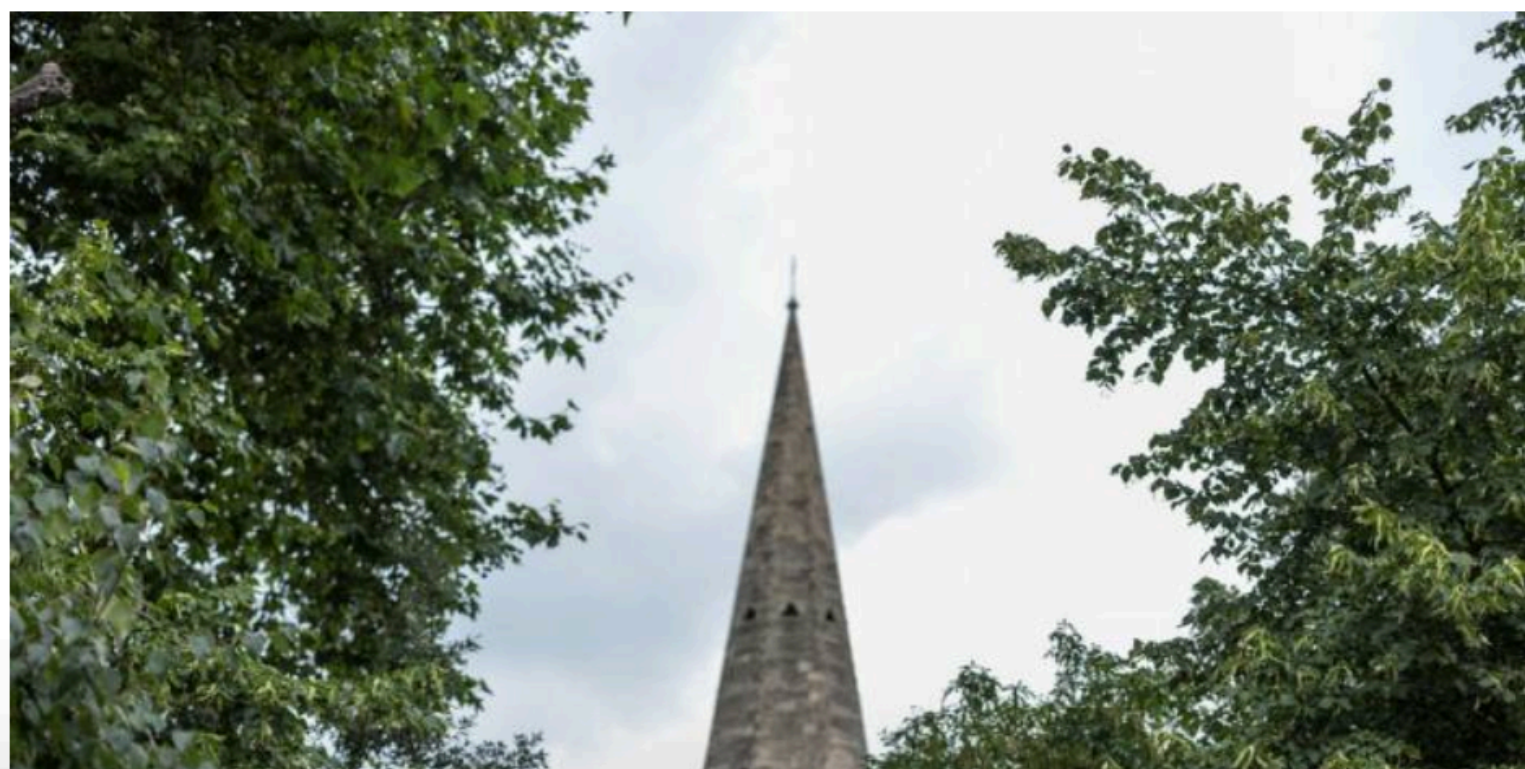
With life coming back to the streets of Chelsea — an area that was the epicentre of swinging London's art, fashion and music scenes in the 1960s — the local luxury property market has received a shot in the arm.

“Chelsea wasn't cool for a while, it was a bit too ‘red trousers’ compared to Notting Hill or Holland Park,” says Sophie Rogerson of buying agents RFR Property, referring to a sartorial choice often associated with the elitism of the English upper class. “Now it's viewed as more vibrant than Belgravia and Knightsbridge.”

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In the first half of this year, Chelsea accounted for 14.3 per cent of the 237 transactions in London that were priced above £5m, the highest proportion of any local area, according to estate agency Savills.

It is a turnaround for a market that, in recent years, has been more sharply affected by changes to stamp duty in 2014 and the uncertainty caused by the Brexit referendum in 2016 than its neighbours. By the first quarter of this year, prime values had fallen further from their 2014 peak in Chelsea (-23 per cent) than the prime central London average (-20 per cent).





The Surprise pub has reopened under new management, amid other restaurant refurbishments and openings in Chelsea © Charlie Bibby/FT

Since the start of the pandemic, the relative demand for flats and houses has diverged, according to LonRes, which tracks the prime London market. So far this year, the average price of a house sold in SW3 has been £2,027 per square ft, up 8.4 per cent compared with 2019. The average price of a flat has dropped 9.6 per cent over the same period.

A lot of interest has come from domestic buyers looking for houses in good order for between £5m and £8m, says Matthew Morton-Smith of Savills — especially those on garden squares. “The frustration that was in the market for four or five years has moved on; buyers feel they are in more of a stable environment and they want to make longer-term decisions, taking the opportunity of international buyers being absent.”