

10 January 2013

Battersea Power Station

From Jo Eccles, property expert and Managing Director of Sourcing Property (www.sourcingproperty.co.uk):

“After years of sitting derelict, it is fantastic to see that London icon, Battersea Power Station, is finally about to be restored. However, we are warning clients to be extremely cautious not to get swept up in the hype with the huge amount of development in the Battersea and Nine Elms area.

“Although it was reported that Londoners were given the first chance to buy one of the initial 800 properties launched, with most developments in central London, the first phases are usually sold off plan in Asia to Asian buyers who snap up properties at questionably high prices, setting an inflated benchmark. Looking at a lot of the ‘prices per square foot’ being paid in a number of these developments, for example St George’s The Tower in next door Vauxhall, in our opinion the prices just don’t stack up.

“Whilst the plans for Battersea Power Station look exciting, with investment in infrastructure and the creation of hotels, restaurants, shops, a theatre and cinema, my concern is whether they will be able to create a genuine community from scratch where such commercial outlets can really thrive and survive. Many other riverside developments which have been equally isolated from existing communities have failed so far and we will wait to see if Nine Elms can really achieve what others haven’t. We’ve seen this in other large scale riverside developments such as Battersea Reach where the site is quite isolated and has never been able to create a genuine community. A lot of those properties were bought by overseas investors and as a result, a large number of the flats there are either empty or occupied by tenants who inevitably move on fairly frequently and don’t have the same interest in the building as someone who actually owns their flat.

“Some of the developments being built in Nine Elms are vast in size, such as Embassy Gardens which comprises nearly 2,000 new homes. This is just one development in the area, alongside Battersea Power Station and others. The risk is that there will be a huge oversupply of flats, especially those for rent which have been bought by overseas buyers. As such, from an investment perspective, we’re warning clients about oversupply of property and the risk of no real community.”

For further information call 020 7244 4485 or go to www.sourcingproperty.co.uk

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Editor’s notes

Sourcing Property

Sourcing Property is an independent property search company specialising in central London and Surrey. Established in 2006 by Jo Eccles, Sourcing Property has purchased nearly £100 million of property for its clients and handled nearly 80 rentals, working with 37 different nationalities.

Managing Director, Jo Eccles is a widely respected property expert. She writes a weekly property column for *The Metro* newspaper and is regularly quoted in the national press and on TV, appearing as the property and relocation expert on *London Tonight*, *BBC News*, *BBC2's Daily Politics* programme and *ITV's Homes & Property* series to name a few.

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