

UK property | Can the so-called 'Royal Quarter' near Buckingham Palace ever compete with its prime central neighbours? By *Tory Kingdon*

# Next door to Her Majesty

**O**n the corner of Buckingham Gate and Petty France in central London, a glass-fronted ground-floor café reveals all the elements of an establishment intended to appeal to a young, professional, discerning crowd: mid-century modern furniture, industrial design touches and a neon pink sign on an exposed brick wall that proudly introduces The Royal Quarter Café.

The name of the café, which opened in 2013 as part of the Wellington House development, was the first indication that developers had their sights set on creating a new London district – with the residents of nearby Buckingham Palace central to the appeal.

The area that has been dubbed the "Royal Quarter" is a small enclave of

streets to the south and south-east of Buckingham Palace and to the west of St James's Park Tube station. Despite its location, it falls behind its neighbouring prime central districts in value. According to data from Savills, in the 12 months to August 2015 average property prices here were just over £1m – a modest sum compared with £3.4m in Mayfair and £4.6m in Belgravia.

"The area has lacked the quality of residential property to compete with other prime central locations," says Mark Dorman of Strutt & Parker. "Post-war the government established a lot of its offices around the palace and it has remained largely commercial since. There are a lot of unattractive 1950s-built office blocks."

Kings Gate on Victoria Street was one of these eyesores. It has since been converted into a mixed-use development offering 100 units. The scheme was completed at the end of last year and prices start from £3.36m for a three-bedroom apartment to £10m for a four-bedroom penthouse.

Another recently completed development is 24 Buckingham Gate, a boutique scheme of eight apartments and one penthouse. Here, a two-bedroom apartment costs £2.97m. There is more to come – developer Northacre is due to finish construction of a 72-unit scheme at No. 1 Palace Street by 2017.

The area's royal connections have attracted the international market. "We've had interested buyers from the Middle East, Hong Kong and China,"



## The Royal Quarter Café, Buckingham Gate, London

Ming Tang-Evans

### BUYING GUIDE

In the 12 months to December 2015, there were 32.9 burglaries and 222.7 violent crimes per 1,000 residents in St James's. In Knightsbridge and Belgravia there were 9.4 burglaries and 27.6 violent crimes per 1,000 residents during the same period

Independent boarding-and-day school Westminster School, located a short walk from Buckingham Gate, has the highest Oxbridge acceptance rate in the UK. Fees start at £8,092 per term for day pupils

St James's Park is the oldest royal park in London. It was acquired by Henry VIII in 1532 but it was Charles II who redesigned it and opened it to the public

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£10m A four-bedroom penthouse with views of St James's Park

£20m A three-bedroom penthouse with 24-hour concierge and views of Buckingham Palace

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24 Buckingham Gate, where a two-bedroom apartment is on sale for £2.97m



The penthouse at The Buckingham, £18.95m

says Adam Bishop of Hamptons International, the agent for the Buckingham Gate development, which is now 90 per cent sold.

The opportunity to live next door to a monarch doesn't arise very often, and The Buckingham – a recently completed conversion of three Grade II-listed townhouses into six apartments – is officially the closest private residence to a royal palace in central Europe. As an added draw, three out of the six apartments have been designed by interior designers Rose Uniacke, David Collins Studio and Peter Leonard and Co. Prices start at £3.25m and reach £18.95m for the three-bedroom penthouse with views of the palace.

Britons like the area too, apparently. Not necessarily for the royal connections but for its potential as an emerging new district.

"They're aware of the things that are going on in the St James's Park area and want to be part of it," says Richard Dalton of Savills. The Crown Estate, which owns half of St James's, largely north of the park, is in the process of a 10-year, £500m regeneration plan, which began in 2011.



62 Buckingham Gate – Land Securities





The four-bedroom penthouse apartment at Kings Gate, £10m — Julian Abrams



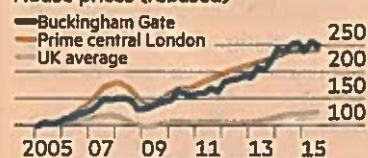
Courtyard of the Taj hotel  
Chris Lawrence Images/Alamy



The changing of the guard at Buckingham Palace — David Williams/Getty Images

### Buckingham Gate

House prices (rebased)



Sources: Knight Frank Residential Research, Land Registry, Nationwide

Victoria, to the south, is also undergoing major change. A landmark office block at 62 Buckingham Gate was completed in 2013, while the Nova development will open its 18-restaurant dining hub in September. Jason Atherton of Pollen Street Social in Mayfair and Adam White, of the Riding House Café in Fitzrovia, are already confirmed as tenants.

It will be a welcome addition for residents, who have had little in the way of top-notch dining options, save the Michelin-starred Quillon restaurant at the Taj hotel at 51 Buckingham Gate.

However, the new quarter's biggest stumbling block is bound to be the recent decline in prime central London

### Birdcage Walk ready for a flock . . . of cyclists

This summer, Birdcage Walk, which runs along the southern edge of St James's Park — and marks the north-east barrier of what developers are calling the "Royal Quarter" — will form part of a new 18-mile cycle superhighway. The route, which starts at Tower Hill in the east and ends in Acton in the west, is designed to accommodate 3,000 cyclists an hour, equivalent to 41 double-decker busloads of passengers.

It is hoped the superhighway will become "one of the world's most iconic cycling routes", says Leon Daniels, managing director of surface transport at Transport for London, adding that the "proposed section in front of Buckingham Palace will no doubt become a postcard icon of the future".

The new pink hard surfacing will be a far cry from the origins of Birdcage Walk, which was so-named because, after improving the drainage of the park in 1603, James I built an aviary

there to keep the royal collection. He also introduced a menagerie of animals to the park, including an elephant that promptly died — either from the cold, or from the four litres of wine forced upon it daily by its keepers (ironically, they were trying to keep the creature warm). Charles II expanded the aviary to house storks, peacocks and a crane with a wooden leg, made for the bird by a soldier.

Today the park is home to more than 600 wildlife species. Peddling past you might spot a flight of cormorants, a siege of herons or, at lunch hour, an inertia of civil servants from nearby Whitehall. The first pelicans (now a mainstay of St James's waterfowl) were a gift from the Russian ambassador in 1664. Stop by at 2.30pm any day and you can watch "Vaclav" and "Gargl", among others, guzzle 2kg of sustainably sourced sardines from Billingsgate Market.

Jenny Lee

### The new quarter's biggest stumbling block is bound to be the recent decline in prime central London sales

sales, which were down 14 per cent in the third quarter of last year.

"The changes to stamp duty legislation haven't made things easy," says Hamptons' Bishop, "but people are beginning to get used to tax increases, and the advantage of this area is that it is less expensive than the more established areas of prime central London]."

Property values in the "Royal Quarter" are unlikely to catch up with Mayfair or Belgravia any time soon, but developers are determined to turn this small enclave around.

"If you factor in the investment in the area and the fact that approximately 300 metres away, on Eaton Square, the price per sq ft is more than double, you'd think there has to be value growth here over the next two to four years," says Strutt & Parker's Dorman.



### Property law: employing friends

I am planning to redesign my garden. My friend is a professional landscape architect and has offered to manage the project as a favour. It will save me a lot of money, but what if something goes wrong? It is tempting to take advantage of offers like this, but you are right to be wary. In a recent case, a couple sued their friend, a professional architect, for not properly supervising their landscaping project and allowing costs to escalate.

So if anything went wrong, I could sue my friend? In the above case, the court decided that no contract had been concluded between the friends, as there was no clear evidence of the required level of formality — despite the exchange of many emails.

However, the court decided that the architect owed a duty of care to the couple because she had provided the services in a professional context. It was decided that, although the couple could not claim damages for breach of contract, they could claim damages for professional negligence.

Surely the long email chain was enough for the court to decide that there had been a contract? For a contract to have been formed, the court required evidence of a clear and certain offer, an acceptance of this offer, and evidence of payment — the last one was crucially missing in this case. However, the architect was not merely facilitating the project but had assembled a professional team, acted as project manager, and the couple had relied on her to perform services that required skills they didn't have, while all the time incurring costs. As such, the court decided that the couple were entitled to compensation.

So it is fine to accept my friend's offer?

If you decide to accept, both sides need to be clear about the nature and scope of the relationship. If you are concerned about having the ability to sue, clearly set out the terms in writing and agree some form of payment.

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