

LONDON'S POWERHOUSES

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Global political and economic turmoil – and the runaway success of last summer's Olympic Games – has cemented London's position as the real estate capital of the world. Investors want the security and liquidity the capital's high-end residential market offers. Its restaurants, universities and cultural life mean the super-rich simply enjoy living there.



With major developments set to deliver thousands of homes at every point of the capital's compass over the next decade, from Battersea to King's Cross, Earls Court to Stratford, central London's residential map is being redrawn.

All this activity has conspired to make a handful of developers extremely wealthy. They come from all walks of life – some were brought up on council estates, others were born into families who have owned large slices of London for centuries. And, increasingly, their funds come from all corners of the globe. But they have one thing in common: they have accumulated vast wealth from building homes in London. And with Savills predicting prime residential values in the capital will increase by almost 25 per cent over the next five years, their wealth is only likely to head upwards.

Here are just a few of the characters who are making their mark on London's residential market, selected to show the diversity of their backgrounds and interests. So far, most overseas investors in London residential have been corporates. That may change and, in five years' time, this list will look very different. As will London, thanks to the efforts of the individuals below.

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(1) Sean Mulryan

Embassy Gardens; Developer:
 Sean Mulryan, Ballymore Properties

Ballymore Properties

Sean Mulryan – a former bricklayer-turned-developer – built his reputation developing Barratt-style homes in Ireland, before moving to London and buying large sites in the Docklands after the crash of 1991. Mulryan's Ballymore Properties boasts of owning more land in the capital than any other private company, gaining planning permission for more than 7,000 residential units last year. Most visibly, Mulryan is developing Embassy Gardens at Nine Elms in Vauxhall. Launched in September, it is one of the fastest-selling London residential projects of 2012.

Next to the relocated US Embassy, which opens for business in 2017, the 2.6m sq ft Embassy Gardens scheme comprises 2,000 flats, with the first residents due to move in by 2015. The project will regenerate a chunk of the South Bank, offering New York-warehouse-inspired, open-plan interiors. The 1,000 sq ft flats are priced at £950 per sq ft. More than 400 of the 650 phase-one units have been sold.

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(2) Tony Pidgley

The Tower, One St George Wharf; Developer: Tony Pidgley, Berkeley Group

Berkeley Group

Adopted from the children's charity Barnardo's at the age of four, Tony Pidgley, whose personal fortune is put at £135m, has a deserved reputation as one of the sharpest operators in the UK housing market. He founded house builder Berkeley 35 years ago and has grown it into a FTSE 250 company. The company recently reported a 40 per cent rise in pre-tax profits, and it is currently developing across the capital – from Kensington to the West End, Chiswick to the City fringes. Through subsidiaries St James and St George, Pidgley has built posh flats along banks of the Thames. Buyers love the views; critics have been less enamoured.

Its most eye-catching current development is The Tower, One St George Wharf. Dubbed The Battery (all self-respecting developments need a headline-friendly name, after all) it soars above Vauxhall and will be one of Europe's tallest residential-only towers. Fears that January's tragic helicopter crash at the site would cause a tall-building backlash have not materialised.

Already voted the worst building in the world by The Architects' Journal, it's not without controversy. But with a two-bedroom apartment currently being marketed for £1.77m – or you could have a whole floor for nearer £20m – Pidgley is better than most at giving the market what it wants and knowing what it is prepared to pay.

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(3) Simon & David Reuben

Merchant Square; Developer:
 Simon & David Reuben, Reuben Brothers

Reuben Brothers

With a £7bn fortune earned from data centres, Russian aluminium and horse racetracks as well as property – their holdings include the Millbank Tower and numerous prime Sloane Street shops – the Reuben brothers are a force to be reckoned with.

On the residential front it's European Land, their joint venture with the family trust of Bruce Jarvis, a property developer who has shunned the limelight but made a vast fortune in west London, that is helping transform Paddington. The 159 private flats at 3 Merchant Square, part of their wider 13-acre redevelopment master plan around the Paddington Basin, are priced from £687,500 for a one-bedroom unit. They are already 70 per cent sold.

Perhaps more tantalisingly, they have submitted plans to transform the former home of the In and Out Club on London's Piccadilly. The brothers bought the site for £130m in 2011 and are looking to convert it into a super-prime residential property that could fetch £214m, complete with 48 rooms, an underground swimming pool, gym and 35,000-bottle wine cellar. And given the scarcity of properties at this end of the market, you can't help but think it would sell in a flash. After all, the ranks of the global super-rich are swelling, and it's estimated there are only 6,000-7,000 flats and houses worth more than £5m in the capital.

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(4) Jamie Ritblat

East Village; Developer: Jamie Ritblat, Delancey

Delancey

[Sir John Ritblat](#) built British Land into one of the largest property companies in the country. His son Jamie is doing the same thing with Delancey. Best known for [acquiring Minerva](#) two years ago, Ritblat Junior is turning his attention to residential in the most high-profile manner.

With Middle Eastern sovereign wealth fund Qatari Diar, Delancey will turn the Olympic Village into new private housing, from studio apartments to four-bedroom town houses.

The Qatari Diar-Delancey consortium paid £557m in 2011 to take on the 1,439-home project, now known as the East Village. It's a big deal for Ritblat but it will also help determine the success or otherwise of the Olympic legacy, and is being closely watched by government, which wants to widen the private rented sector. With most of the village staying in the consortium's ownership, it's an important test. Nowhere in the world has this amount of housing been put up in such a short space of time. The venture will work with Triathlon Homes, who will manage the affordable housing in the Village. Completion is due next year.

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(5) Gerald Ronson

The Heron; Developer: Gerald Ronson, Heron International

Heron International

Gerald Ronson joined his father's furniture business Heron in 1954, before moving on to Heron Homes and launching his own Heron Group just two years later. Ronson grew Heron Homes into one of the biggest house builders in the south of England, but in recent decades has been better-known for his commercial projects. The Heron Tower, opposite Liverpool Street station, comes complete with sharks swimming in Britain's largest private aquarium in the lobby.

Completion of Gerald Ronson's residential tower in the City, called simply The Heron, is expected this summer. With prices for its 285 flats ranging from £525,000 to £5,250,000, the scheme is more than 80 per cent sold. It's one of the few residential schemes to receive planning permission in the Square Mile in recent years and so there is a scarcity premium. However, Ronson's Heron Land subsidiary owns a sizeable land bank.

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(6) Irvine Sellar

The Shard; Developer: Irvine Sellar,
Sellar Property Group

Sellar Property Group

Irvine Sellar quit the fashion business in the early 1980s, having created the retail chain Mates by Irvine Sellar in the 1970s. After three decades of commercial property development, he has now transformed London's skyline.

It costs £25 for a trip to the [viewing gallery](#) at the top of the Shard, western Europe's tallest skyscraper. It could cost as much as £50m for one of the 10 penthouses there. The Residences, to give them their proper title, will occupy floors 53 to 65. Office tenants are yet to sign but as well as flats, the development will feature a Shangri-La hotel – complete with 52nd-floor swimming pool.

The delivery of the vertical city this year was down to the determination of its developer Irvine Sellar and the vision of his architect, Renzo Piano. With a £98m fortune, Sellar is one of a small number of Londoners who could perhaps afford one. And yet, once again, this London development depended on overseas money; the Qataris have bankrolled the project.