

MAYFIELD FLIPS 2 LUCAN PLACE



Mayfield Asset Management has flipped a prime Chelsea development it bought in February for 20% more than it paid for it.

It bought 2 Lucan Place, SW3 — the former Chelsea police station — for £40m in February this year. It has now sold the scheme to a private UAE-based fund for around £50m.

The UAE dirham is pegged to the US dollar. Since 23 June, sterling's value against the dollar has fallen by 18.1%, making UK assets that much cheaper for dollar-denominated buyers.

There has been much fanfare around the comparative good value of UK prime real estate assets since the EU referendum on 23 June. However, the continuing instability of the pound has deterred some investors, who are concerned about the prospect of future falls in value.

Architect Squire & Partners and the wider planning team assembled for the project have been retained by the buyer.

Current plans for the scheme will see the demolition of the existing building to make way for a new residential development of approximately 60,000 sq ft, with an end value of more than £150m.

The new owner plans to continue with the development proposal for the mid-20th century building and 0.2 acre site, creating 38 luxury flats.