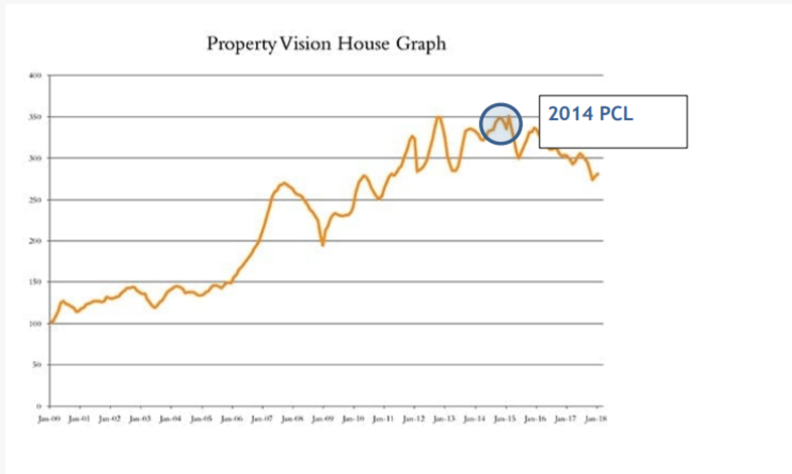
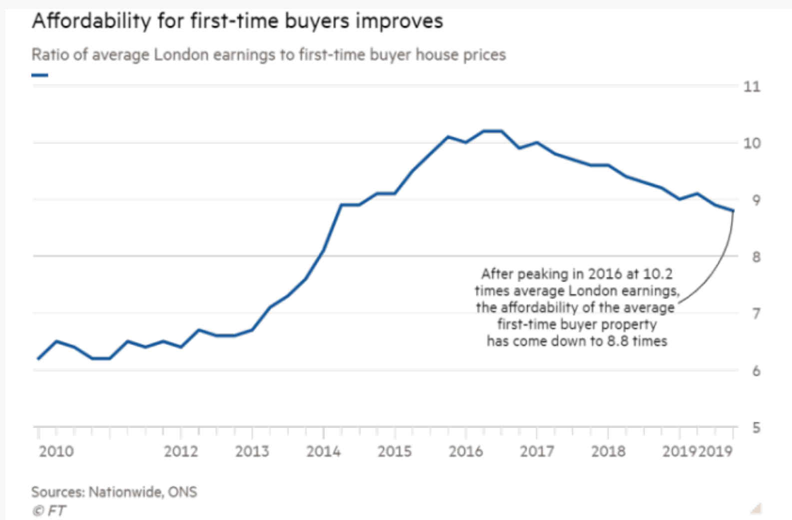
HULT Private Capital Introduces Sophisticated Investors to Prime Central London Property

LONDON, UK, January 15, 2021 /EINPresswire.com/ -- Real estate investors are always looking for the new hot place to invest. Prime Central London (PCL) has always attracted investors, and usually, the prices are out of the reach of almost any investor. Real Estate and Property Funds change this dynamic.



Property Vision House Graph



Affordability for first-time buyers improves

Prime Central London House Price Forecasts

	2020	2021	2022	2023	2024	5 years
Prime central London	-2.0%	4.0%	7.0%	4.0%	2.0%	15.7%

Source: Savills Research
N.B. These forecasts are average prices in the second-hand market. New Construction values may not move at the same rate

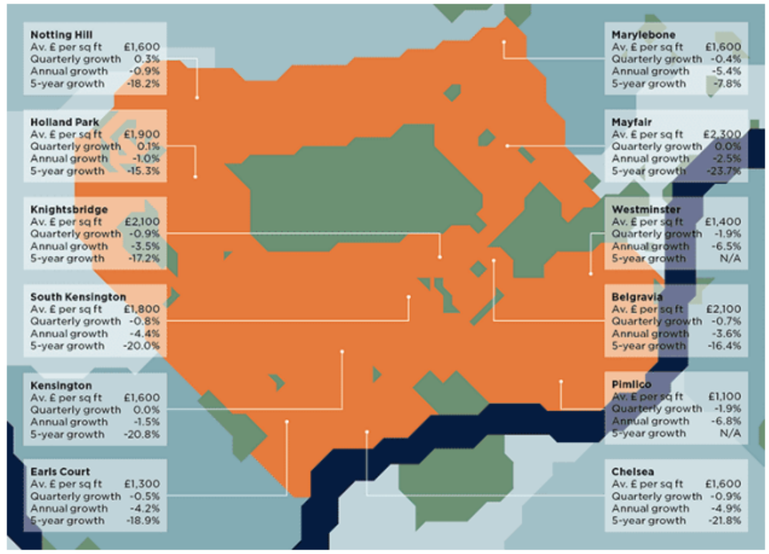
Prime Central London House Price Forecasts

Most estate agents and valuation surveyors consider Prime Central London to include the City of Westminster, Chelsea, and the Royal Borough of Kensington, as well as parts of the boroughs of Camden, and Hammersmith & Fulham.

For years the area has had a slump. Mostly due to the extended economic downturn and, more recently, Brexit. Now that Brexit is finally being worked out and the U.K.'s future is more precise, PCL is becoming hot again. It may now be hotter than ever.

Pre Covid-19, residential values for the PCL market were 20 per cent below their 2014 peaks. Currency fluctuations made homes in PCL look cheap for overseas buyers, and there was a brief early 2020 pickup for high-value homes. This bounce was short-lived, COVID hit, and for half a year, the world has stood still.

Prime Central London is now primed to change. The PCL market is a leading indicator for the rest of the London market, which usually follows about two years behind what PCL does.



Prime property values to March 2019 Source: Savills Research

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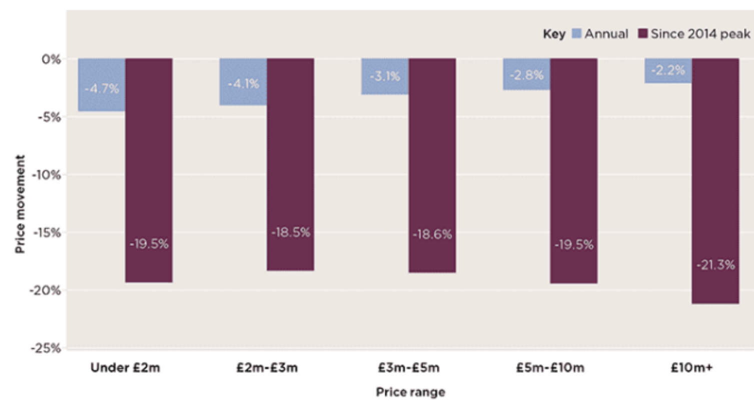

Why are good things about to happen? Fortunately, the fundamentals behind the 2020 January bounce remain, the Pound Sterling has again strengthened against the dollar and is back to 1.32 USD/GPB from its 1.15USD/GBP March 19th low, about where it stood preCOVID. Additionally, there have been moves by the government during COVID that make investing in PCL even more enticing.

At the beginning of August 2020, the U.K. government announced that in the wake of the COVID pandemic, it would be revamping the process of planning approval. The U.K. Housing Secretary Robert Jenrick said in a Telegraph article that a "permission in principle" will be given to developments on land designated "for renewal" to speed up building, including the renewal of properties in PCL, which has historically been a complicated process to pass. When properties fulfil the planning process requirements, they can immediately gain significant value; in some cases, a ten-fold increase has been seen. Jenrick clarified that "under the new rules, land will be designated in one of three categories: for growth, for renewal, and for protection." New homes will be granted "automatic" permission to be built as part of a strategy for sweeping planning reforms in England.

These moves increase the London property profit potential significantly, and especially that of properties in PCL. This deregulation by the current U.K. government also has a knock-on effect on real estate funds with a London focus. The secretary stated that "We are cutting red tape, but not standards." And, "I am completely overhauling the system so we can build more good quality, attractive and affordable homes faster," Mr Jenrick added.

In the Secretary's Telegraph article Jenrick also stated that the planning changes result, in a "once in a generation" chance to build homes and amenities families need, "outdated and cumbersome" planning rules, which previously took, on average, for new housing developments, five years to approve. This lengthy process was fueling a "generational divide." Younger buyers can not compete with older homeowners when struggling to get on the property ladder. These are now problems of the past. How ever the government is marketing these changes, they mean one specific thing.

They are a net positive for property funds with a central London focus. HULT Private Capital is one investment company that creates and manages these funds. They invest in PCL, Greater London, and Home Counties, and are already positioned to take full advantage of the governmental changes and this market opportunity. They offer investment possibilities from limited partnership interest, to direct investment portfolio monitoring services. HULT caters it's offerings to the needs of mid-tier investors and high net worth clients.

In a recent interview with Lewis Hill, a co-founder of HULT Private Capital, Hill anticipates a strong 2021. Hill stated, HULT Private Capital's alternative portfolio of companies and investments, "have the potential to do better than most years." According to Hill "Investors are keen to invest with companies that provide opportunities outside of the box. Innovation is 'key.' The cookie-cutter still remains obsolete, investors want more and demand more. With the end of companies promoting bonds and mini bonds, 2021 is set to be our strongest year, working along side HNW and sophisticated investors and marrying with responsible and internationally recognised firms with a solid track record."

HULT Private Capital is exceptional in the market because it does not base an Investment fund's value on the top end valuation of its properties, but always on the bottom end of the market valuations. This valuation system means that in the worst-case scenario, with well researched securities, HULT can introduce the right investment to clients that qualify. In this way, HULT has been able to buck the downward property price trend, even in the past few years, and has consistently kept providing investors with higher than average returns. Because of these results, HULT has gained a reputation above and beyond the likes of competitors, because they introduce work with or introduce affiliates, such as Barclays, Zurich, Coutts, Aviva, Santander, and Bradesco — just to name a few.

Prices per square meter are low for the area but remain high when compared to the rest of the city.

Prime property values to March 2019 Source: Savills Research

A recent article by Savills Research stated that in PCL, "Price expectations of buyers and sellers have narrowed, keeping the market moving, while location and condition continue to be key selling points. With competitive mortgage rates and a currency advantage for overseas buyers, Brexit negotiations will be pivotal to the market going forward." These negotiations have continued, and there appears to be a light at the end of this long Brexit tunnel, towards the end of 2020.

High-value properties(over £10M) like those seen in the PCL were hit hardest in the downturn and as a result of Brexit, but are also first to see positive movement when buyers regain their confidence.

Most investors don't have the £10M+ to risk on a single property, but buying into a property investments is much more affordable and less risky due to risk diversity. With property investment carefully chosen by HULT Private Capital, multiple properties can be purchased by experienced real estate professionals who know how to recognise the best deals. Investors can have 1st legal charge over the assets they select as well as opportunities.

For more information about HULT Private Capital's Click HERE

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