



Welcome to London Richmond's Intelligence Update. London Richmond is a premier real estate investment group specialising in the acquisition and development of luxury residential properties in London. Since 1998, our experienced directors have transformed properties into high-end homes, delivering exceptional returns in the dynamic London market.

Building Momentum into 2026

As 2025 enters its final quarter, momentum in London's prime property market remains exceptionally strong. Falling mortgage rates, consistent international demand, and a deep imbalance between supply and demand are continuing to drive growth across both sales and rental markets. Forecasts from Savills and JLL remain bullish: London house prices are projected to rise by more than 20% over the next five years, with rents expected to grow by nearly 18%. These conditions provide a powerful backdrop for investors seeking both capital appreciation and income returns.

International Capital Fuels Prime London

International investment has surged once again this autumn. Alongside the continuing influx of US buyers, there has been record demand from Middle Eastern and European investors, particularly at the £2m+ level. Knight Frank data shows buyers from the Gulf region now account for over 12% of overseas purchases in Prime Central London, the single largest international segment. Currency advantages, the global appeal of London schools, and the city's enduring status as a

safe haven for capital ensure that international demand remains one of the most reliable long-term drivers of growth.

Our Commitment to Investor Success

On 1 October 2025, we celebrated the distribution of our 23rd consecutive quarterly coupon payment. Since our group's first investment in 2019, London Richmond has consistently met every interest and maturity payment obligation to our investors promptly and in full.

We extend our heartfelt gratitude to our investors for their trust and support over the past six years and look forward to many more years of successful collaboration.

Our Proven Investment Model

Our recent acquisitions continue to demonstrate our disciplined approach of targeting Prime Central London properties at 25% below market value, enhancing them with high-quality refurbishments, and achieving gross returns of over 50% per development project.

New Investment Opportunities

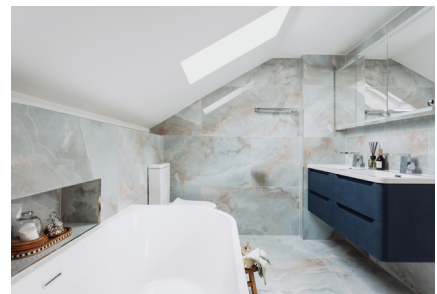
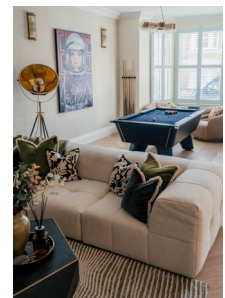
We are excited to offer new investment opportunities in GBP, EUR, USD, CHF, and AED, tailored to meet the diverse needs of our global investors.

Flagship Property – 21 Springfield Road

Click the video below to see our flagship property development at 21 Springfield Road in Wimbledon.



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|---|--|---------------------------------------|--|---|
| <p>£1.3m</p> <p>PURCHASE PRICE</p> | <p>£700,000</p> <p>CONSTRUCTION WORKS</p> | <p>£2.0m</p> <p>TOTAL COST</p> | <p>£3.0m</p> <p>COMPLETED VALUE</p> | <p>£1.0m</p> <p>GROSS PROFIT</p> |
|---|--|---------------------------------------|--|---|



This stunning 6-bedroom property, spanning 2,700 square feet across five floors, has been meticulously renovated to an exceptional luxury standard, generating substantial rental income for London Richmond. Key features include a state-of-the-art basement cinema room, an elegant open-plan living area, and a stylish outdoor kitchen, perfect for summer barbecues. Nestled in Wimbledon’s prestigious golden triangle, the property is moments from the charm of Wimbledon Village and well-connected to local Underground and Overground stations. This project delivered a £1 million profit for London Richmond and continues to yield strong returns through capital appreciation and consistent rental income.



Middle Eastern Buyers Drive Growth

Over the past quarter, London has experienced a notable surge in demand from affluent Middle Eastern investors. Knight Frank data shows that Gulf buyers accounted for 12.4% of overseas purchases in Prime Central London in Q3 2025, making them the largest single international group. This trend is reinforced by UK Home Office figures, which report record long-term visa and residency applications from the GCC region this year. Driven by currency strength, lifestyle appeal, and long-term confidence in London's stability, Middle Eastern capital continues to play a defining role in the city's premium property market.

Major banks including NatWest, HSBC, and Barclays are now offering highly competitive sub-4% fixed-rate products

Mortgage Price War Creates Opportunities

UK mortgage approvals have climbed to their highest level in over two years, while the "effective mortgage rate" on new loans has dropped to 3.94%, the lowest since early 2023. Major banks including NatWest, HSBC, and Barclays are now offering highly competitive sub-4% fixed-rate products for high-net-worth borrowers. This renewed competition is driving affordability for end-users and enhancing leveraged returns for investors, particularly in the £1m–£3m bracket where sensitivity to financing costs is most pronounced.

Interest Rates Set to Fall Further

Inflation eased to 2.4% in July 2025, close to the Bank of England's 2% target. Barclays now forecasts a 3.5% base rate by early 2026, while Morgan Stanley expects 2.75% by mid-2026. Lower borrowing costs are expected to lift buyer confidence, stimulate resale activity, and unlock new investment opportunities across Prime Central London.

Today's conditions represent one of the most attractive entry points for real estate investors in more than a decade

Why This Matters for Investors

Falling interest rates are improving affordability and strengthening market sentiment. Leveraged investors are already seeing higher projected returns as financing costs decline, while long-term fundamentals remain exceptionally strong. Savills forecasts 22% London house price growth and 18% rental growth over the next five years, underscoring the enduring appeal of London's prime market.

Conclusion

Historically, London's prime property sector outperforms during interest-rate cutting cycles. Combined with resilient international demand, constrained supply, and robust rental yields, today's conditions represent one of the most attractive entry points for real estate investors in more than a decade.

SPOTLIGHT ON... FULHAM



Fulham remains one of London Richmond's most exciting investment areas — a vibrant community combining riverside charm, excellent amenities, and strong long-term growth prospects. Our latest Fulham development at 130 Dawes Road is due for completion in November 2025. Purchased for £1.03 million at a 26% discount to market value, the property is being extended and converted into a stunning house with an additional apartment. With total works of approximately £500,000, the project is expected to deliver a gross development value (GDV) of £2.25 million, generating a profit in the region of £700,000.

With a blend of cultural vibrancy, excellent connectivity, and resilient buyer demand, Fulham stands as one of London's most enduring prime residential markets

This project further strengthens London Richmond's South West London footprint, reflecting our strategy of targeting undervalued, high-potential prime residential locations.

Positioned moments from Parsons Green and Fulham Broadway, the area benefits from world-class retail and dining along Fulham Road and New Kings Road, and remains a favourite among professionals and families drawn by its lifestyle appeal, outstanding schools, and leafy open spaces. Fulham's distinctive Victorian and Edwardian architecture gives it lasting character, while riverside developments add a contemporary edge. According to Rightmove, average property prices now exceed £1.2 million, with semi-detached homes reaching over £4.7 million — clear evidence that demand for quality homes continues to outstrip supply.

With a blend of cultural vibrancy, excellent connectivity, and resilient buyer demand, Fulham stands as one of London's most enduring prime residential markets. Our Dawes Road project perfectly illustrates London Richmond's proven formula — acquiring at value, transforming through intelligent redevelopment, and realising substantial growth in both capital and income returns.



**130 DAWES ROAD,
FULHAM, SW6 7EF**

Purchase Price: **£1.03 million**
 Market Value at Purchase: **£1.25 million**
 Discount on Market Value: **26%**
 Construction costs: **£500,000**
 Expected Value on Completion: **£2.25 million**
 Gross Profit: **£720,000**
 Gross Return: **47%**

Mortgage Approvals Surge

Mortgage approvals in the UK have risen to their highest level in more than two years, reflecting renewed momentum in the housing market. According to the latest Bank of England figures, approvals for home purchases reached 70,800 in September 2025 — the sixth consecutive monthly increase — as lower borrowing costs and improving sentiment continue to lift activity.

The “effective mortgage rate” on newly drawn loans has now fallen to 3.84%, its lowest point since early 2023. This follows a series of Bank of England base rate reductions, moving from 5.25% in mid-2024 to 4.00% today, with further cuts widely expected through 2026 as inflation trends back toward the 2% target.

Sustained growth in mortgage approvals is a leading indicator of a healthier market.

Buyers who delayed decisions earlier in the year are returning, encouraged by cheaper finance and more stable pricing

For investors, this combination of falling rates, rising confidence, and easing inflation creates an exceptional environment. Lower financing costs are driving renewed affordability for domestic buyers, unlocking pent-up demand in both the sales and rental markets. At the same time, investors using leverage are benefiting from widening margins as debt costs fall and yields remain strong.

Jeremy Leaf, North London estate agent and former RICS residential chairman, recently commented: “Sustained growth in mortgage approvals is a leading indicator of a healthier market. Buyers who delayed decisions earlier



in the year are returning, encouraged by cheaper finance and more stable pricing.”

Market analysts share the optimism. Rightmove reports that average UK asking prices have now risen 3.8% year-to-date, while Savills continues to forecast 22% growth in London house prices over the next five years. Morgan Stanley expects the Bank of England base rate to reach 2.75% by mid-2026 — conditions that have historically coincided with strong gains in prime London property.

For London Richmond investors, the message is clear: the market is entering a renewed growth cycle. With interest rates falling, supply constrained, and global capital flowing back into London, this period represents one of the most attractive entry points in over a decade.

10.4%

RENTAL GROWTH

London rents rose 10.4% over 12 months amid record demand and limited premium housing supply.

22%

HOUSE PRICE FORECAST

Savills predicts 22% London house price growth over five years, driven by falling interest rates and global demand.

3.84%

AVERAGE MORTGAGE RATE

The effective mortgage rate has dropped to 3.84%, the lowest in two years, boosting buyer confidence.

Disclaimer: The information contained herein is not intended to be a source of advice or credit analysis with respect to the material presented, and the information and/or documents contained in this document do not constitute investment advice.