

From Kings Road to Harvey Nicks — the streets really are paved with gold

Cadogan family collects £30m payout from estate

Deirdre Hipwell

The Earl of Cadogan's family has paid itself a £30 million dividend after the value of its 93-acre Chelsea estate bounced back to pre-credit crunch levels of £3 billion.

Months before the Earl retires after 40 years as chairman, the landed estate recorded a strong performance from its retail portfolio on Sloane Street and the Kings Road and healthy residential sales.

Profits rose 11 per cent to £42.3 million last year, while rental income increased by 4 per cent to a record £92 million. The property portfolio showed a near-10 cent rise in value to £3 billion, a level achieved only once before, in 2008.

The Cadogan family can walk from the Kings Road in Chelsea to Harvey Nichols in Knightsbridge and never



Viscount Chelsea will take over when his father retires

step off their own land. This is the fourth year in succession that they have enjoyed a dividend of roughly £30 million. Charitable trusts will share in the dividend windfall. Hugh Seaborn, chief executive of the Cadogan Estate, said that the results showed the long-term resilience of a London landed estate.

London's aristocratic landed estates have had to manage their portfolios carefully as leasehold enfranchisement rules, which allow tenants a right to buy residential freeholds, continue gradually to reduce revenue.

Charles Gerald John Cadogan, the 8th Earl, has said in the past that the estate has had to sell significant amounts of residential land because of enfranchisement rules. The estate used to own Cadogan Square "lock, stock and barrel" but now holds only a quarter of the houses.

Mr Seaborn said that last year Cadogan sold "just a shade under £80 million" of property, "most of them through the leasehold enfranchisement process". Prices showed "a substantial recovery from the level of sales reached in 2009 which was only half this total". Cadogan's remaining residential portfolio of 3,000 flats and 600 houses increased in value by 7.9 per cent last year.

Retail, the strongest performing sector of the estate's core holdings, grew in value by 15.9 per cent. The estate spent £100 million to buy properties in Chelsea and Knightsbridge.

The value of the estate's retail holdings could be further boosted if plans it



Bringing Italian chic to London

Behind the project Emily Ford

The scent of freshly made espresso drifting across a secluded courtyard; the flick of a Fendi handbag; the flash of a €100 note.

Milan's Corso di Como represents a slice of *la dolce vita* in Italy's best-dressed city, something that Cadogan Estates is hoping to import to the equally well-heeled setting off London's Sloane Street.

Corso di Como (the road to Como) is a taxi-ride and shift in tone away from the heavyweight glamour of Milan's most expensive fashion streets, chiefly Via Monte Napoleone with its procession of designers Gucci, Versace, Dolce & Gabbana and Prada.

An old Italian thoroughfare near the city's Garibaldi railway station, Corso owes its kudos mainly to



The real cool of Corso di Como and its would-be counterpart in West London

10 Corso Como, a "concept boutique" for coolhunters that combines designer fashion with an art gallery, bookshop and a famous courtyard café. Dreamt up by former Italian *Vogue* editor Carla Sozzani, the emporium was founded

in 1990 on the site of an old Renault car-repair garage and has been a fixture on Milan Most Hip lists ever since; Giorgio Armani is said to have been spotted sipping Bellinis among the pot plants and fairy lights of the *piazza*.

80%

of UK properties bought in the past five years are now worth less than the purchase price

Source: Zoopla

submitted this month to redevelop part of Sloane Street are approved. The estate wants to create a 100,000 sq ft scheme, designed by Stiff & Trevillion Architects, at the site of the Liscartan House & Granville House at 127-135 Sloane Street and 237-249 Pavilion Road, respectively. The two buildings would be demolished to make way for a

six-story building fronting Sloane Street and a three-storey building along Pavilion Road. There would also be mews houses, an open courtyard with a signature restaurant and smaller shops.

The Earl, who retires at 75 in March, will hand over to his son Edward Charles Cadogan — Viscount Chelsea — who is already a director.