East End promise

UK property The transformation of Shoreditch, once home to an east London slum, continues to lure artists, tech companies and City workers. By Paul Shearer

The five-bedroom apartment on Bateman's Row, Shoreditch, on sale for £2.75m

A visitor to Shoreditch almost 150 years ago described his impression of the area in the Illustrated London News. "Skirting the station of the Great Eastern Railway in Shoreditch," he wrote, "the earnest visitor has only to cross the road and turn up Nichols-row, to find himself in as foul a neighbourhood as can be discovered in the civilised world."

In 1890 a philanthropic campaign resulted in the demolition of the notorious Old Nichol slum and London County Council's construction of the first social housing in London. These blocks of flats clustered round Arnold Circus, with their distinctive striped brickwork, are now Grade II listed and sit at the heart of a continuing 21st-century transformation of the area.

Today's Shoreditch, with its designer shops and expensive eateries, is well on the path towards gentrification. A report from Knight Frank published last November stated: "The City and surrounding areas of the City Fringe [of which Shoreditch is one] have undergone fundamental alterations which we believe lift them above the threshold for prime central London."

In one block in Boundary Street a 731 sq ft, two-bed flat (in need of improvement) is priced at £425,000 through local agents Bridge. More modern in character is a 2,812 sq ft, five-bedroom penthouse apartment on Bateman's Row, on sale for £2.75m through Foxtons.

The vibrancy of the area has been boosted by an influx of upmarket restaurants and shops over the past decade, and the Sunday street markets on Brick Lane, Columbia Road and Spitalfields add vitality. The opening in 2007 of Shoreditch House, the east London arm of media members' club Soho House, provided further evidence of the area's growing status. The club has a swimming pool on its roof, and the building is also home to a cluster of media and creative companies.

Shoreditch High Street station, which opened in 2010 on the East London branch of the Overground line, has attracted retailers, with a pop-up retail park – Boxpark – next door. Developers are busy here too. Telford Homes is building Avant-Garde, a 25-storey apartment block yards from the station, with 257 one and two-bed apartments. Three-quarters have already been sold off-plan.

Meanwhile, property developers Londonewcastle are to resubmit to Tower Hamlets Council altered plans for a 25-storey mixed-use development with ground-floor commercial, cultural and retail space and more than 100 apartments on the Huntingdon Estate in Weavers Ward, following opposition by some high-profile local artists.

Further evidence of the area's popularity comes from the rise in property values. "Prices per sq ft have tripled in Shoreditch in the past 10 years," says Michael Wooley of Stirling Ackroyd. "Even five years ago prices never went much above £600. We're now seeing £700-£750 per sq ft."

Closer to Old Street, within what is known as the Shoreditch Triangle, there are Victorian and Edwardian buildings that in their heyday were dedicated to the furniture trade. These have proved popular with nascent computer companies, who found that cheap rents and high ceilings allowed them to cable up their network quickly and cheaply. Artists are also attracted to the large open-plan, live-in studio spaces. A 1,900 sq ft loft in a former clockmaker's workshop on Shoreditch High Street is for sale for £800,000 through Stirling Ackroyd.

Last November, British prime minister David Cameron launched the Tech City map, which charts the expansion of digital media companies in the area. Google will be opening 25,000 sq ft of new office near Old Street later this year, and Intel, Facebook and Cisco are also committed to a presence here.

"South of Old Street Roundabout the technology companies' take-up of office space is a significant part of central London's doubling of tech sector take-up in 2010 to 2011. North of the roundabout things are a bit more residential," says James Roberts from Knight Frank's commercial department. Bezier, a recently completed, glass-fronted development overlooking the roundabout has largely sold. Of the 127 apartments only 10 remain. "Two of these are the penthouse duplex apartments with roof terraces to be released in mid-April priced in excess of £5m," says Jon Thompson of developers Tudorvale Properties Ltd.

The Olympic focus on London's East End is likely to increase high-profile international buyers in the area, such as the Belgian shipping magnate who bought a four-storey period house in Hoxton Square for £2.3m.

"Prices range from £350,000-£400,000 for a one-bed, £600,000-£750,000 for a two-bed, to over £1m for larger apartments," says Stirling Ackroyd's Wooley. "Classic loft living is what people go for, with exposed brick and beams, high ceilings and great views or outside space gaining a premium."

Boxpark retail park in Shoreditch

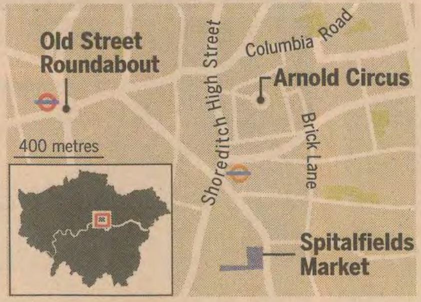
Buying guide

Pros
- Lively, creative and fashionable
- Well connected with transport links which will only improve with the arrival of Crossrail to Liverpool Street Station around 2018
- Late-night clubs and bars

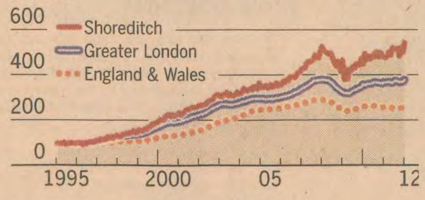
Cons
- Parking is an issue and spaces are highly prized
- Greenery is in short supply although nearby Victoria Park is an East End gem
- Late-night clubs and bars

What you can buy for . . .
£100,000 A garage
£1m A 1,400 sq ft loft apartment with parking

Contacts
www.bridge.co.uk
www.foxtons.co.uk
www.telfordhomes.plc.uk
www.stirlingackroyd.com
www.techcityuk.com
www.tudorvale.co.uk



Shoreditch house prices
Rebased



Source: Knight Frank Residential Research