

THE BISHOPS AVENUE, N. 2:

THE BILLIONAIRES' ROW THAT'S DEFYING THE ECONOMIC WOE

The impact of the credit crisis is being felt across the world. But one north London road, where a house has just been bought for a record-breaking £50m, seems to be immune. **By Cahal Milmo**

The haves and the have-yachts

Struggling to control the five pampered hounds that he was taking for exercise along London's "Billionaires' Row" yesterday, Gavin Mackenzie had little doubt about the economic climate in the corner of the capital where he earns a living.

The full-time dog walker has a burgeoning client list for his thrice-daily forays. He charges £20 per hour per pet for the residents of The Bishops Avenue – home to senior members of the Saudi royal family, relatives of the Sultan of Brunei and a dazzling array of plutocrats.

Mr Mackenzie, a debonair South African, said: "I never normally take more than three or four dogs at a time. If you take more, then they tend to get angry with each other. A client doesn't like it when you restrain their little baby with a bald patch."

"But I've got so many customers now I can only cope by taking more out at a time. I've not been this busy for years. There seems to be a lot of money washing around lately. One lady gave me a \$150 tip at Christmas for taking care of her Afghan hound."

Indeed, while the rest of the nation struggles with the grim realities of falling house prices, rollercoaster markets and a

nascent economic downturn, the residents of this gently twisting thoroughfare, banked by some of the world's most expensive – and unremittingly glitzy – real estate, seem unperturbed by the prospect of recession.

Rather than tightening their designer belts, there is evidence that the assorted magnates have an undimmed appetite for conspicuous consumption. A rubbish skip outside one house contained a new-looking plasma screen television and, on another drive, a caterers' van was unloading some 25 cases of Bollinger champagne.

That was underlined this week by the revelation that The Bishops Avenue is home to the most expensive new house in the UK after Toprak Mansion, a spectacular triumph of ostentation over aesthetics built in 1993 by a Turkish tycoon, Halis Toprak, was sold for £50m.

Not satisfied with a list of toys that includes a steam bath for 20, a glass lift to the main bedroom, an underground car park for 23 cars, a swimming pool with a glass bridge and four kitchens, the new owner, who reportedly is a Kazakh billionaire called Horelma Peramam, is planning to spend a further £30m on improvements.

Once the work is complete, the

house whose price tag earned it the local nickname of "Top-Whack Mansion" will be renamed Royal Mansion.

There was speculation yesterday that the name of Peramam is a pseudonym for another magnate, possibly of Middle Eastern or former Soviet bloc origin, who wants to remain anonymous.

But what remained patently obvious yesterday was that The Bishops Avenue is in the diamond-studded fast lane of Britain's two-speed economy.

According to a range of experts, from the Marks & Spencer chief executive, Sir Stuart Rose, to the Institute for Fiscal Studies (IFS), the UK is becoming divided into an increasingly (and conspicuously) wealthy pocket inside the M25 and a not-quite-so-comfortable nation beyond it.

Sir Stuart said: "I have never seen such a polarised UK economy. The rich are so very, very rich. The West End can't get enough diamonds. But the poor are getting poorer. Outside London it is a completely different week."

A study last week by the IPS showed the wealth of the very rich has grown at double the rate of average Britons since 1997. There are now 47,000 UK-based taxpayers with incomes of more than

£350,000 – representing the 0.1 per cent of earners whose fortunes have grown by an average of 4 per cent above inflation since Labour came to power, compared to 2 per cent for the middle classes.

Nowhere is this disparity more clear than The Bishops Avenue.

The sale of Toprak Mansion came less than a fortnight after the previous record was set for Britain's most expensive modern house just a few doors away. Lev Leviev, the Russo-Israeli diamond billionaire, paid £38m for Palladio, a seven-bedroom mansion.

Trevor Abrahamson, the estate agent who sold both properties and whose company, Glenmore Estate, has sold dozens of homes on The Bishops Avenue in the past 30 years, summed up the thinking of those who can afford such homes. Asked about the £60m price tag of Toprak Mansion, he said: "It is another record amount but the purchaser thinks it is a very reasonable figure for this sort of house."

Welcome to the world of the UHNWIs or Ultra High Net Worth Individuals, the unwieldy phrase used by financiers, estate agents and middle-men to sum up the growing gulf between the haves and the have-yachts.

London is now home to 23 billionaires with a combined worth of at least £43bn. At least five of those, and quite probably more, have houses on The Bishops Avenue. Next door to Toprak Mansion sit the more pleasingly modern Summer Palace, owned by the Indian steel magnate Lakshmi Mittal who, after paying \$5m for his glass and steel bolt-hole behind formidable wrought-iron railings, decided to upscale to a £70m resi-



Toprak Mansion, above and left, has been bought by an unnamed magnate who plans £30m of extra work. Trevor Abrahamson, right, is the estate agent who worked on the deal, as well as securing the sale of the Palladian home, right, that has been bought for £35.5m by the Israeli diamond billionaire Lev Leviev

dence in Kensington Palace Gardens. The reason he retains the palace is simple – rising demand for property on the road means it is now worth at least £20m.

The avenue has become a formidable expensive corner of the global village as London continues to assert its status as a hub of the worldwide economy alongside New York and Hong Kong.

But it is a billing that comes at a price for The Bishops Avenue. Its residents shelter behind fortified security gates with gold-painted railings, security cameras and polite noobs asking all callers to "enter by appointment only".

When the state-of-the-art entry phone to Toprak Mansion was rung, two men in matching grey suits looked long and hard out of a downstairs window before sending out a security guard.

Built on land that was once owned by the Bishop of London, the road was first colonised in the 1890s by wealthy industrialists including George Sainsbury and William Lyle (as in Tate & Lyle).

A certain snobbery at such "arrivistes" has long stalked the wide pavements and ever since Evelyn Waugh located his fictional press baron Lord Copper in adjoining East Finchley, The

Bishops Avenue has been habitually referred to as the natural homeland of the nouveau riche, previously occupied by Gracie Fields, the music hall singer, and the holiday camp founder Billy Butlin. Now it is inhabited by Russian glitterati.

The road itself actually has a tired and tawdry element to its appearance. The hedgerows are peppered with discarded drink bottles and many of the houses stand empty with green lichen spreading over unused driveways and the paint cracking on the Grecian porticos.

As one workman, an electrician leaving a mansion undergoin-

g its latest refit, put it: "I wouldn't really want to live here. There isn't anyone to talk to."

Yet there is little sign of the road's popularity diminishing. There are currently just three properties for sale, compared with a normal choice of about a dozen.

Richard Humphreys, of the estate agents Goldschmidt & Howland, said: "The market is proving extremely resilient. No one is talking about a downturn in this part of London, not least because there is a genuine shortage in properties of this type and a large number of people looking to buy them."

Behind such optimism lies a wide network of intermediaries and assistants responsible for servicing the needs of London's mega-rich by finding suitable properties on The Bishops Avenue and its surrounding roads.

Houses such as Toprak Mansion, which was first put on the market in 2005, can take several years to sell while middle-men, often members of a family clan, size up what is available and negotiate the keenest (or most inflated) price.

Many of the mansions lie empty or occupied only by a caretaker who will prepare the house

for the three or four weeks every year that some owners choose to live there. One property expert said: "You have to think of The Bishops Avenue as a sort of international safe house for very wealthy people."

"They have an entourage of fixers who will do their best to obtain the right properties all over the world but rich people like to live near rich people and more often than not the name of London and The Bishops Avenue comes up. Some think it's a bit tacky and lacking in real class but I don't think of people who buy there are bothered by such considerations."

And Porsche sales are up too

It's not just Hampstead estate agents who are defying the economic gloom. Porsche, the luxury car maker, said yesterday that it expected sales to grow by almost 20 per cent in the first half of its financial year alone, with a big surge in de-

mand for its Cayenne sports utility vehicle (SUV). The company expects to sell twice as many Cayennes, which cost between £37,100 and £74,650, and will shift 20,340 of the cars by the end of this month.

Nikhil Kumar