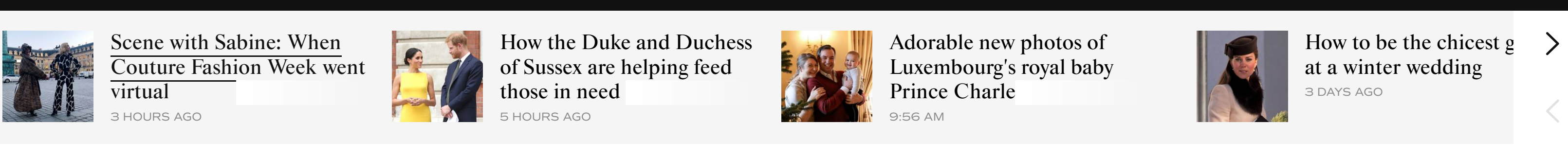


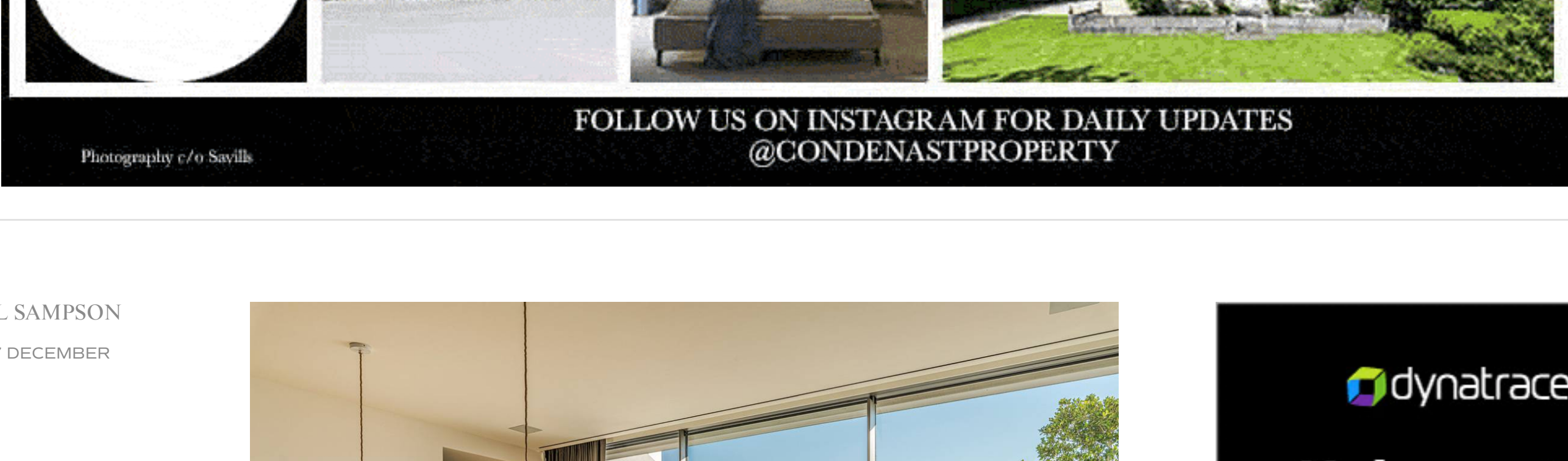
TATLER BEAUTY BOX: THE AWARDS EDIT, £90 (RRP £418) ON SALE NOW! SHOP NOW



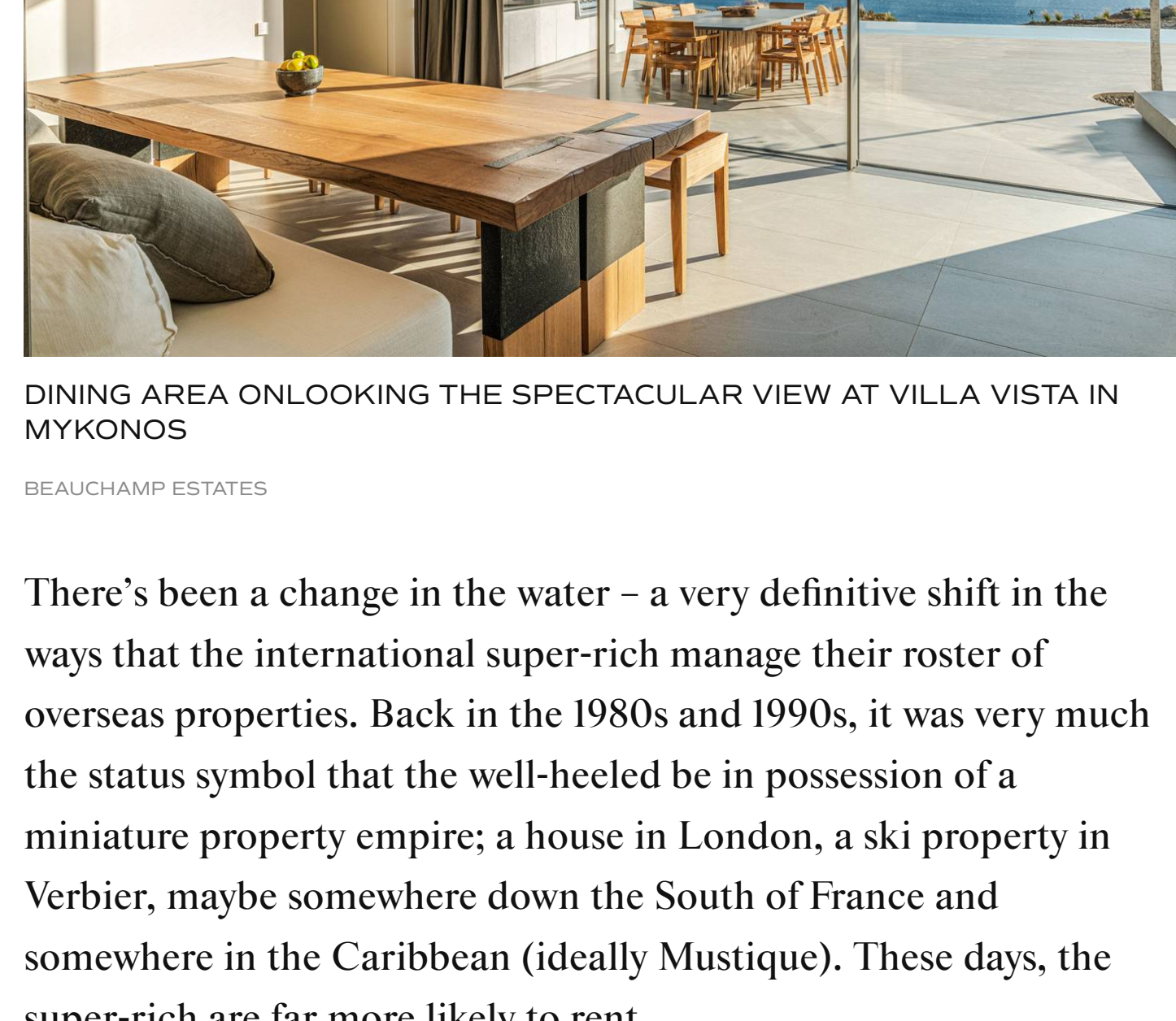
FEATURES

Here's how the super-rich manage their global property portfolios

There's been a significant shift towards ultra, ultra high-end holiday rentals that is eclipsing buying, the experts reveal



by ANNABEL SAMPSON
THURSDAY 17 DECEMBER 2020

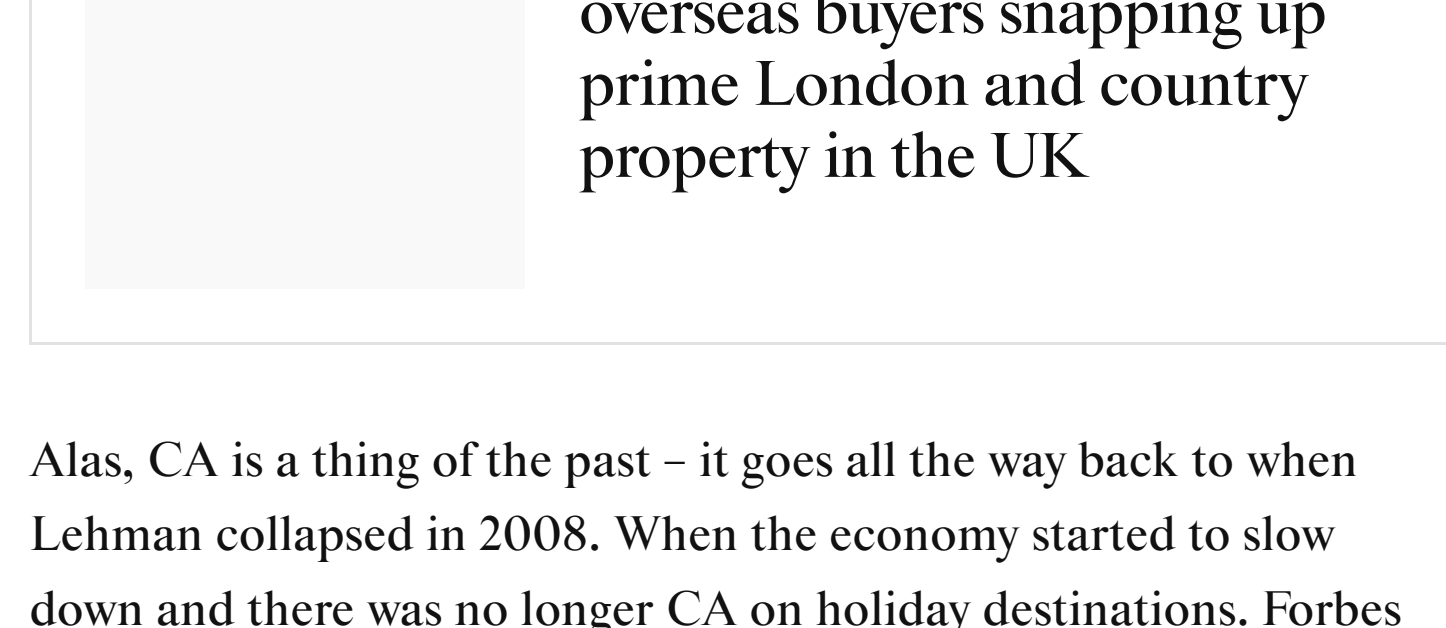


DINING AREA ONLOOKING THE SPECTACULAR VIEW AT VILLA VISTA IN MYKONOS
BEAUCHAMP ESTATES

There's been a change in the water – a very definitive shift in the ways that the international super-rich manage their roster of overseas properties. Back in the 1980s and 1990s, it was very much the status symbol that the well-heeled be in possession of a miniature property empire; a house in London, a ski property in Verbier, maybe somewhere down the South of France and somewhere in the Caribbean (ideally Montique). These days, the super-rich are far more likely to rent.

David Forbes, the chairman of the [Savills Private Office](#) (a sort of property concierge business) – with its outposts in Russia, China, Singapore, Europe and the Middle-east (they operate in 70 countries) – is at the very centre of the Savills spider's web. He has been in the business a long time and is therefore able to accurately comment and reflect on what he has seen – the changes, fluctuations and trends – as a bystander. Back to the trends of yesteryear, Forbes says: 'It was really fashionable [to own a suite of overseas homes] because those properties – when they weren't being used – could be rented, and there was great capital appreciation (CA) in those days.'

PENTHOUSE IN VERBIER
SAVILLS

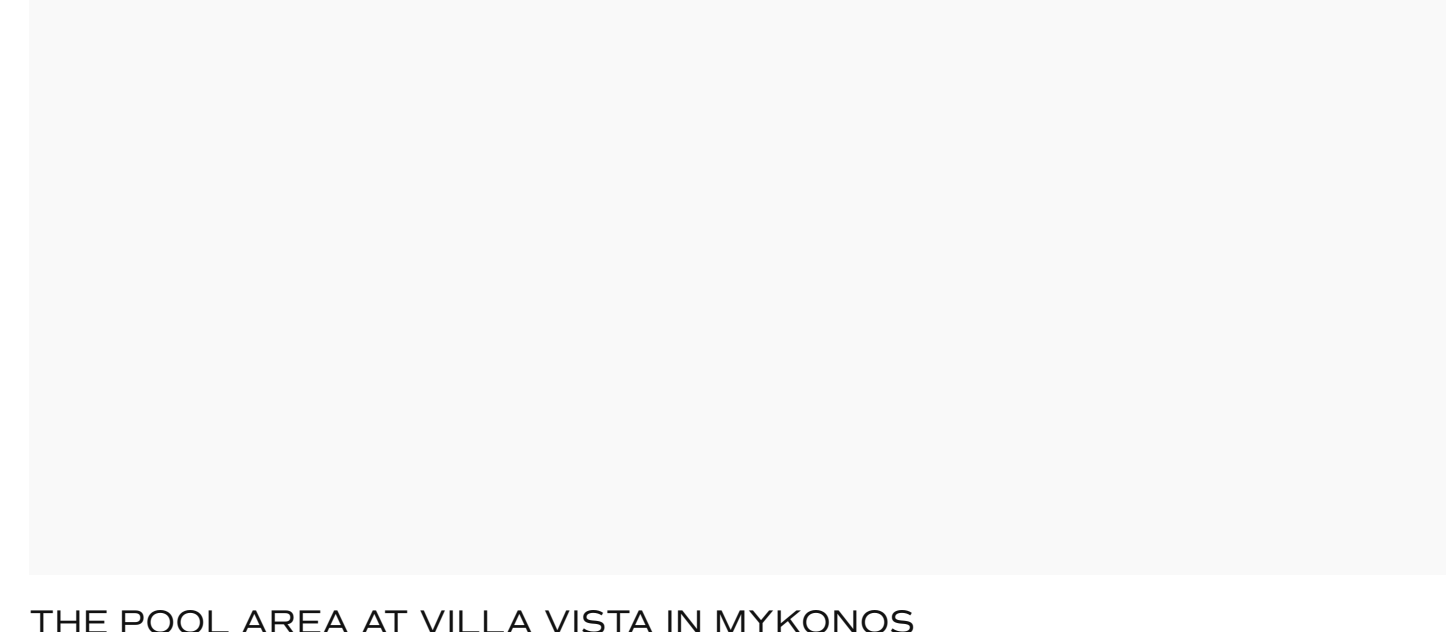


Alas, CA is a thing of the past – it goes all the way back to when Lehman collapsed in 2008. When the economy started to slow down and there was no longer CA on holiday destinations. Forbes comments: 'It will still continue in various fits and spurts in certain capital cities – you know, in New York, Paris, London and so on – but it's slowed down for holiday resorts. Particularly in Asia, in the Riviera, in the Caribbean and somewhat in the Alps. It's simply easier to rent, and you can just give the keys back.'

Boringly, today there's far less CA and far more costs attached to ownership of properties in these kinds of far flung places. Forbes reels off a list of difficulties: 'There are more security issues (to put it lightly) attached to owning multiple properties. It's very expensive to maintain a house of full security, staff, chefs, a driver, a boat to go with the villa to maintain all year round... Plus, owners have got to pay the annual wealth tax as well as annual charges on the property.' The list goes on. For context, the running cost of a big house in, say, the South of France is probably about 5% of the value. For a yacht, the running cost is about 10% of the value (which strays into the multi, multi millions).

Therefore, the seismic shift towards renting ultra-luxe, all-singing, all-dancing overseas villas, chalets, châteaux makes a great deal of financial sense. Forbes tells me: 'I now see more very wealthy clients renting a house in St Tropez and paying something like €500,000 to a €1 million to get a fully-staffed house that is probably worth €50 million.' He explains: 'They'd rather rent it for a month, pay a higher rent, have it fully-staffed, invite all their friends and then leave at the end. Often it's mid-July, August-time when clients choose to rent properties. So it's two, three or four weeks and they often bring everybody in, possibly including staff from the UK, Switzerland or wherever they're coming from – as well as their own chef.'

It's the same come winter. 'We see a similar pattern with chalets,' Forbes says. 'My clients will go wherever the snow is.'



THE POOL AREA AT VILLA VISTA IN MYKONOS
BEAUCHAMP ESTATES

READ NEXT

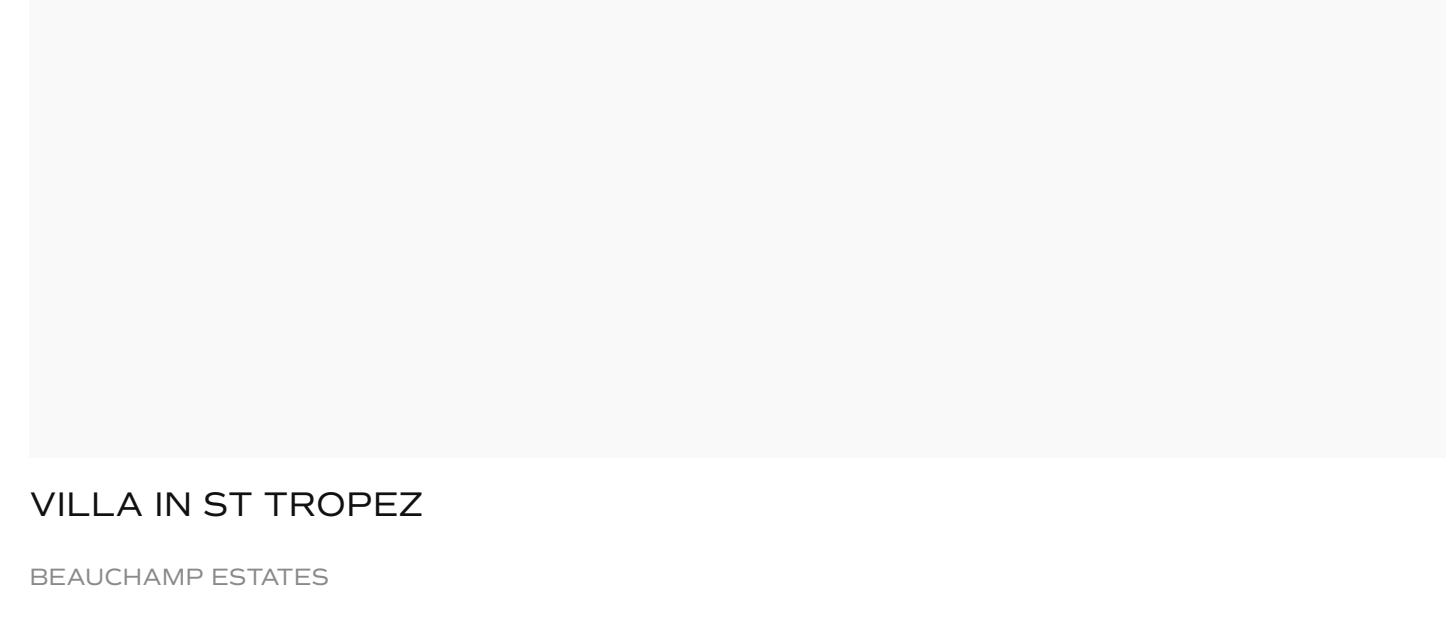


Meet Phoebe Dynevor: The breakout star of Netflix's Bridgerton
by HOPE COKE

READ NEXT

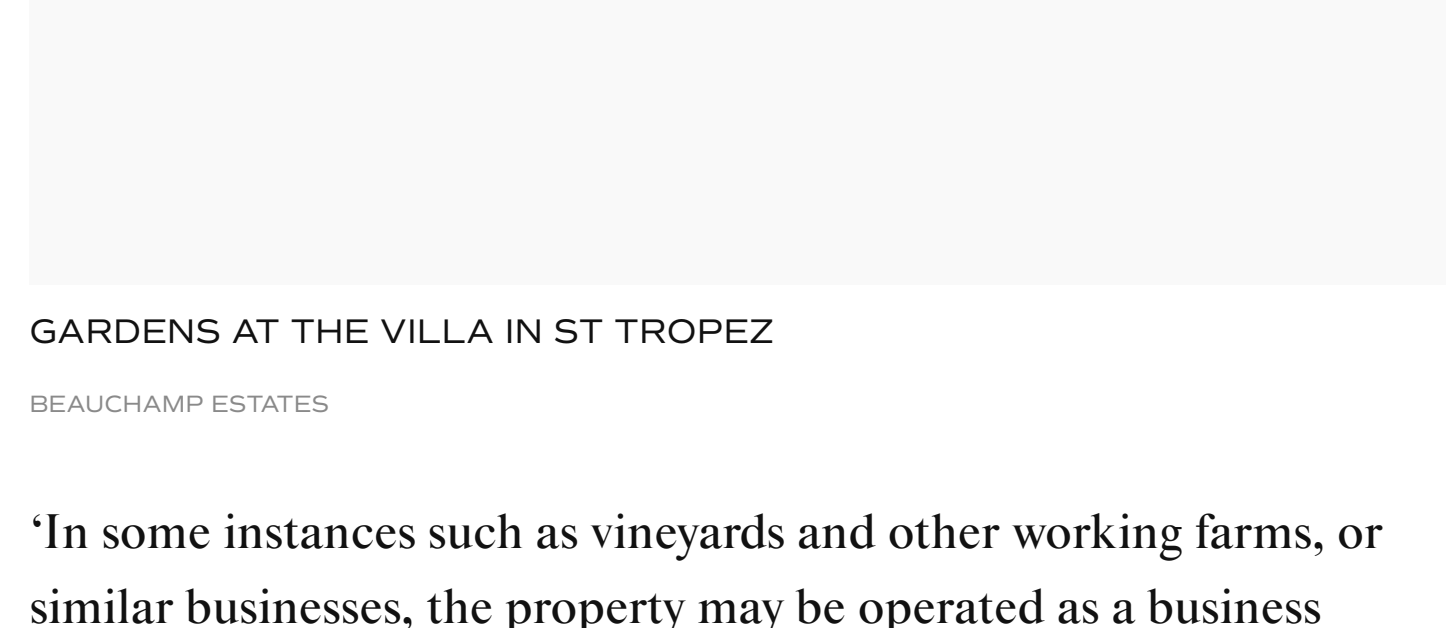


How Bridgerton's costume designer brought serious sex appeal to Regency London
by REBECCA COPE



Unavoidably, 2020 has brought with it intermittent lockdowns followed by periods of strict social distancing. Forbes saw his clients flock out to their second, third homes anywhere from Gloucestershire to the Turks and Caicos via St Moritz and the Mediterranean. Those that didn't own properties in the locations they wanted just rented. Forbes says: 'We saw an unprecedented demand for large country houses and estates where families could move to and be reasonably self sufficient and much safer.' At the top end there was Cowdray Park, Viscount Cowdray's family seat, and Wolterton, the fabulous Walpole mansion in North Norfolk. 'Home working became, and still is, an important factor so high speed internet is essential.'

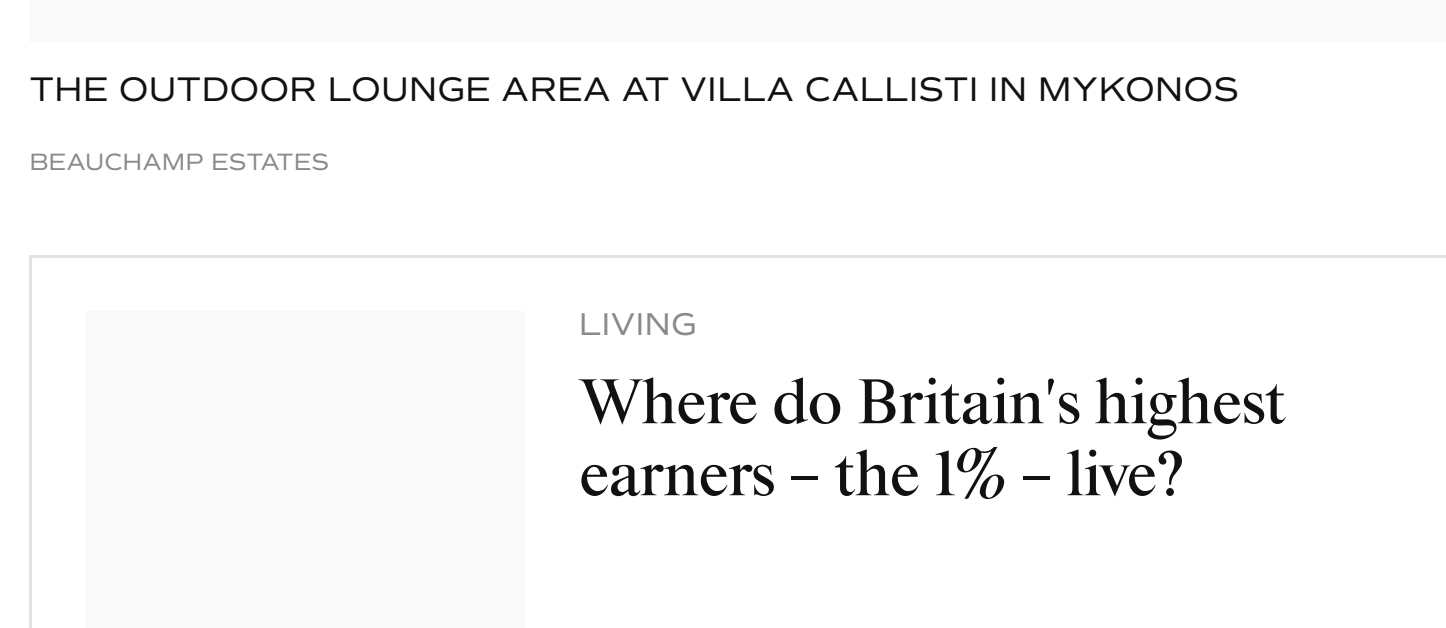
With Christmas round the corner, rental demand is still high with many families unable to get away as they would do normally. Instead, they are choosing to rent large, staffed country houses for the winter holiday period, Forbes tells me.



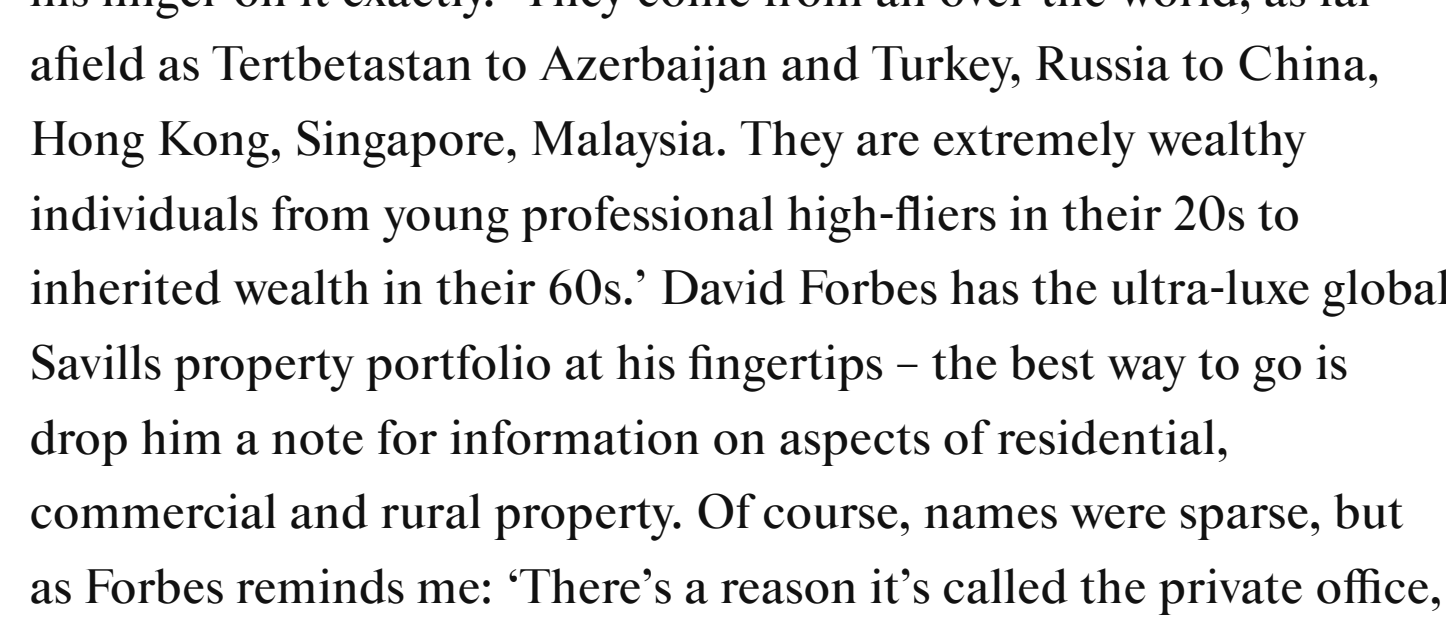
VILLA IN ST TROPEZ
BEAUCHAMP ESTATES

Gary Hershman, the founder and director of [Beauchamps Estates](#) with its outposts in the French Riviera, Israel, New York, Mykonos and London, notes the expense that comes with an overseas property but emphasises the importance these HNW individuals place on privacy and safety. 'While for many retaining a high value property that will only be used for a few months a year would fail to make financial sense,' Hershman explains. 'Many wealthy individuals – particularly those in the public eye – place a premium on their privacy and are happy to meet these costs in order to secure privacy for themselves and their families.' Such properties are less a money-spinner, more a beloved home.

Hershman, too, agrees that renting is proving a good way for the super-rich to go. He mentions Giorgos Barbalias, a prominent and hugely successful Greek architect whose villa on Mykonos is his design and passion project. Gary tells me: 'He has created a special location for entertaining and hosting guests and events, which he is happy for Beauchamp Estates Mykonos to let to select clients.'



THE OUTDOOR LOUNGE AREA AT VILLA CALLISTI IN MYKONOS
BEAUCHAMP ESTATES

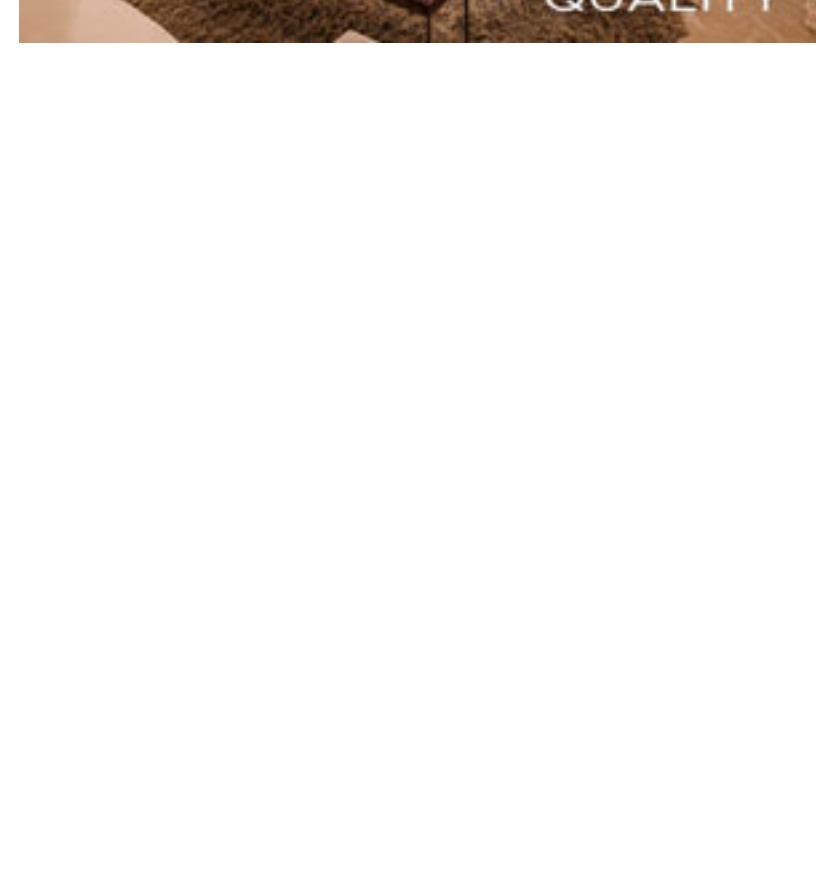


And who are these HNW individuals? Forbes says it's difficult to put his finger on it exactly. 'They come from all over the world, as far afield as Tertbetastan to Azerbaijan and Turkey, Russia to China, Hong Kong, Singapore, Malaysia. They are extremely wealthy individuals from young professional high-fliers in their 20s to inherited wealth in their 60s.' David Forbes has the ultra-luxe global Savills property portfolio at his fingertips – the best way to go is drop him a note for information on aspects of residential, commercial and rural property. Of course, names were sparse, but as Forbes reminds me: 'There's a reason it's called the private office, we don't gossip'.

Visit the [Tatler High Net Worth Address Book](#) for more expertise on Family Law, Tax & Trust, Property and more

FEATURES | TATLER EXPERTS' CORNER

SHARE THIS ARTICLE

RECOMMENDED

FEATURES

Protect the super-rich: How the super-rich protect their wealth: The rise of the prenuptial agreement

by ANNABEL SAMPSON
15 DEC 2020

LIVING

How the elite are using their homes to beat the big staycation rush

by ANYA MEYEROWITZ
07 AUG 2020

FEATURES

All I do each night is pray: The rise of the multi-million pound church to home conversion

by ANNABEL SAMPSON
06 NOV 2020

BEAUTY

Perfect fit: The ultimate equipment for your home gym

by LILY WORCESTER
18 NOV 2020