

*Thesis title*

London as a financial asset. Analysis and discussion of the polemic about real estate investment by persian gulf-based investors.

Student

Diana Grimaldi

Supervisors

**Davide Ponzini (Politecnico di Milano)
Fabio Manfredini (Politecnico di Milano)**

Course of study

BSc Urbanistica Città Ambiente Paesaggio

Academic year

2016-2017

Over the last twenty years, London has been subject to a massive increase in real estate prices. The causes are many but one in particular has attracted the attention of press and government: the foreign investment in the London property market. The attractiveness of this City, the safe real estate market and the endless opportunities it offers make it one of the most attractive cities in the international arena. This led to a demographic growth, which however involved a serious housing shortage due to the inefficiency of the London housing system.

This thesis, through the analysis of the various facets of the “Lonbai” polemic according to which London is becoming a bad version of Dubai, investigates the role of overseas investors in London, with particular attention to Gulf based - investors.

The first part is an analysis of the identities of foreign investors, analyzing the major property landowners in London and investigating those who take advantage of tax havens. Successively the characteristics of London that attract those wealthy investors will be analyzed, considering the Qatar possessions in London. It concludes, presenting the debate unleashed by news headlines.

The second Chapter presents the importance of London in the global context through an examination of Saskia Sassen's work, subsequently is described, the role of The Greater London Authority with an analysis of the London plans from 2004 to 2016, and the housing shortage that afflict London compared to luxuries towers left empty will be described.

The third Chapter describes the “Lonbai” polemic, exposing the main positions of prominent people, in favor and against Gulf-based investors and high-rise. The fourth chapter is divided in two parts, in the first Savills findings regarding the percentage of foreign investors in the London market are revealed, and how other cities deal with foreign investment. The second part is based on my personal analysis of The Land Registry data, from which emerges that the majority of the properties catalogued are registered in tax havens, making it impossible to define with certainty the provenience of, the investors.

The final chapter report the conclusions and outcomes regarding “Lonbai” polemic and the information obtained from the Land Registry Data, analyzing the benefits and disadvantages of international investment.



Fig. 7 Why London is the most attractive city for FDI (Source: Savills World Research, 2014)



Fig. 10 Headlines of UK newspaper between 2002 and 2017



Fig. 18 Protesters demonstrate against the housing and planning bill outside parliament in London (Source: <https://www.theguardian.com/cities/2016/apr/20/london-housing-crisis-sub-prime-problem-super-prime>)



Fig. 27 Investment per District (Source: Land Registry)

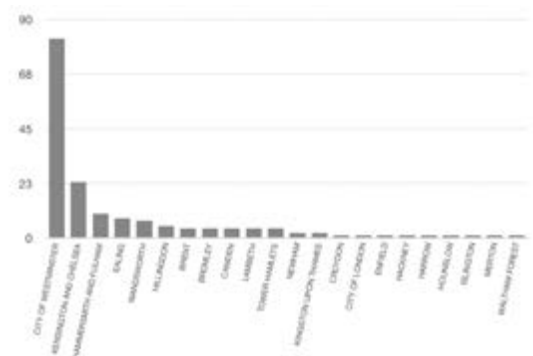


Fig. 28 Investment per District (Source: Land Registry)