

REAL ESTATE

Monaco real estate prices rise 28pc over last 5 years

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21 Princess Grace penthouse; image courtesy of Knight Frank

By STAFF REPORTS

In the last 10 years, the number of ultra-high-net-worth individuals residing in Monaco has risen 62 percent, according to new research from Knight Frank.

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Despite the principality being less than a square mile, it boasts 12,000 millionaires, partly due to its appeal as a tax haven for the super-rich that also offers the convenience of the nearby Nice Airport in France. The buyer profile is changing, skewing younger than before with Russians again looking to buy in Monaco.

Moving in

A lot of Monaco's properties were built between the 1950s and 1970s, and many of the homes have retained their original architectural details, as homeowners chose not to take the time to modernize. This is starting to change, as buyers desire that their Monaco property match their other homes.

New builds are also going up, such as Tour Odon, whose rentals charge 1,500 euro, or \$1,670, per square meter, or 10 square feet.



Tour Odon; image courtesy of Knight Frank

New builds are fetching much higher price points than resales, with the average price of a newly constructed property at 11.9 million euro, or \$13.2 million, in 2015, compared to 3.5 million euro, or \$3.9 million, for resold properties.

With demand outweighing supply, prices for properties have increased an average 27.8 percent over the last five years.

Properties below 10 million euro, or \$11 million, tend to attract those from Britain, Italy, Switzerland and northern Europe, while above 10 million euro homes attract Russians, Middle Easterners and Chinese investors.

Global prime residential real estate continued its steady climb in the first quarter of 2016, according to a new report by Knight Frank.

The index increased 3.6 percent, within the 3-4 percent window observed every quarter since late 2014. However, this is a result of a handful of booming markets rather than stable growth across the board, meaning the 3.6 percent number obscures the fall of some markets ([see story](#)).

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