

ARTS AND ENTERTAINMENT

Royal Albert Hall's \$3M box sale offers once-in-a-generation investment potential

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London's Royal Albert Hall, photo courtesy of Harrods Estates

By JEN KING

Luxury property agents Harrods Estates is brokering the sale of a 12-seat Grand Tier Box at London's Royal Albert Hall.

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The potential to purchase the Grand Tier Box is a once in a decade opportunity and will provide the buyer with enviable views of London's best entertainment events, from music concerts to theatrical performances. As with a traditional property purchase, the Grand Tier Box at Royal Albert Hall will only appreciate in value over time, making the sale a sound investment for affluents looking to hold a unique piece of London real estate.

"By purchasing a debenture at the Royal Albert Hall is buying into over 150 years of British History dating back to Queen Victoria's reign," said Nicholas Shaw, sales manager of [Harrods Estates Kensington](#).

"As a debenture owner you will be contributing to the upkeep of the Hall, which receives no government funding, meaning its maintenance requires box and seat holders to contribute to annual costs which help to maintain its place as one of the worlds foremost and most beloved venues," he said.

Part of Harrods Group, which includes the namesake department store and other ventures, real estate firm [Harrods Estates](#) was founded in 1897. The brokerage specializes in prime central London properties and operates a number of offices in the city.

How many [seats] it takes to fill the Albert Hall

Inaugurated by Queen Victoria in 1871, the concert hall was originally set to be called the Central Hall of Arts and Sciences. The venue was subsequently renamed the Royal Albert Hall of Arts and Sciences after the death of the Queen's husband Prince Albert in 1867.

The Italianate-styled circular concert hall has a seating capacity of up to 5,272 seats. Of the more than 5,000 seats, there are 1,276 "permanent" seats, both boxes and within rows, in the Royal Albert Hall that are owned by private individuals and corporate entities.

When the Royal Albert Hall opened, Queen Victoria bought 20 boxes on the Grand Tier level for personal use. The

boxes purchased by Queen Victoria are still in use by the Royal Family today.



Exterior of Royal Albert Hall, photo courtesy of Harrods Estates

Given the proximity to the royal family's seating, the 12-seat box currently available on the Grand Tier is an attractive offer.

"The Royal box is situated just five boxes away and I suspect this will be a contributing factor towards its sale," Mr. Shaw said. "Its proximity to the monarchy combined with the rarity of these boxes coming to market makes this the must-have status symbol for any investor, given that this is the first Grand Tier Box that has come onto the market over the past 10 years."

Seats that are leased have an agreement that runs the same period as the Royal Albert Hall itself. The concert hall has a lease of 999 years, starting in 1867, the year construction began.

The Grand Tier Box up for sale has approximately 849 years left on its lease.

With market offers exceeding 2.5 million, or approximately \$3 million at current exchange rates, purchasing the box automatically gives the owner membership to the Corporation of the Halls of Arts and Science as well.



Royal Albert Hall's interior, photo courtesy of Harrods Estates

The Corporation's membership was originally granted to the individuals who funded the building of Royal Albert Hall in the 1860s. Those who funded the project were given seats in return for governing the hall for Britain's benefit.

As a member, individuals are responsible for electing the council and the Hall's president, approving annual contributions and ensuring that traditions are maintained.

Selling London

In terms of residential and commercial properties, London remains a top real estate market.

Stagnation in the luxury real estate market of the world's biggest cities is counterbalanced by the emergence of new hubs, according to a May 2016 report by Christie's International Real Estate.

London and New York have slowed down recently, but less prominent markets that were slower recovering from the recession are continuing to perform admirably. With the post-recession boom over, exchange rates and a host of other political and financial concerns have shaken up the market, creating opportunities and challenges heavily dependent on geography ([see story](#)).

Notable properties to recently go on the market include Park Crescent.

Amazon Property inaugurated its most recent real estate development project overlooking Regent's Park, London with support from fine works of art valued at 100 million, or \$124 million at current exchange rates.

Park Crescent, London's only royal crescent, was purchased in 2013 by Amazon Property, which has completed its redevelopment plans of the building that had been used as office space for most of the 20th century. To formally announce the renovated and restored Park Crescent, Amazon Property staged a property event that brought together London's new luxury addresses and Post-War and Contemporary art ([see story](#)).

When rarities such as a Grand Tier Box at the Royal Albert Hall become available for purchase there is often heightened interest.

"We have witnessed widespread interest from a variety of domestic and international buyers over the years," Harrods Estates' Mr. Shaw said.

"What makes this kind of purchase special is that they are usually snapped up by the true lovers of the arts world, giving them a place to enjoy some of the United Kingdom's most prestige events and shows," he said.

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