

Selling like hot blinis

Words: Edward Chamberlin

London's property prices are skyrocketing and a band of wealthy Russians are more than happy to stump up the cash. LondonDom.com's George Shishkovsky is there to welcome them



YOU MAY THINK that calling property-finding the new rock 'n' roll is a bit of a stretch, but one London-based Russian entrepreneur is happy to make the comparison.

Four years ago, George (Yegor in Russian) Shishkovsky was hosting a radio show called *Live from the West* in London. He would have made Chris Evans go green with envy as he pulled in an audience of 40 million listeners – the largest audience in the world. You'd be forgiven for thinking that he had made it, but that wasn't the career path for him.

In 2002, aged 33, Shishkovsky swapped playlists for property ladders, turning his attention to London's bubbling real-estate market, just in time to welcome his countrymen to the city.

"I remember when I first came to England in 1993 I was one of the few Russians here," Shishkovsky, 38, recalls. "Now you can hear the Russian language almost everywhere, especially in smart shops on Bond Street."

With recent figures revealing a significant influx of wealthy Russian buyers into London's exorbitant property market, the move was a shrewd one, given that he caught onto the trend – right at its onset – which has grown to make headlines over the past few years. Many of these buyers are looking for a second (or third) home – a happening London pad or just somewhere for their

children to stay while getting a British education. They are not starting on the "first rung" of the ladder either; in 2003, one in 15 of all London properties sold for over £500,000 went to Russian buyers. Last year the figure rose to one in five. Bond Street indeed.

George Shishkovsky has certainly tapped into a lucrative market. So what is it that is bringing the Russians to London rather than, say, New York or Paris? "Many people are attracted to the UK because of its brilliant education system; wealthy Russians are looking for private schools for their children," explains Shishkovsky. "New York is too far and the visa regulations and security procedures now required for the USA put people off. The city can't compete with London in terms of the business value. London is the main economical business hub not only of Europe, but of the world. Most Russian companies that decide to float on the Stock Exchange choose the London Stock Exchange."

Shishkovsky had the advantage of being a Russian with a thorough knowledge of London just as it started attracting the elite of Moscow and St Petersburg. Having already helped a few friends find properties, and with an understanding of some of the more complex aspects of conveyancing, the switch to property-finding was natural. He decided to launch his company, LondonDom.com, three years ago, originally working from home, though he now has an office just off Oxford Street. The concept was unique (though doubtless there will be competitors) ▶

This page: Something for the weekend, Tsar? Opposite page: From DJ to property tycoon; Shishkovsky says he's found his calling



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June 07

in the market) in providing a property-finding service specifically for Russian buyers – with a personal touch.

"I see my role as being a guiding hand," Shishkovsky says. "I help them find a flat to make a living, but it is more than that. My clients have my mobile phone number so they can call me at weekends or evenings if they have a problem; people really appreciate that."

George Shishkovsky obviously has a knack for connecting with people; just look at the listening figures for his old show. But how do you generate an audience of 40 million radio listeners in the first place? That's more than the population of Canada. As with so many successful enterprises, Shishkovsky was catering to an untapped market: 11 time zones-worth of Russian youths, all eager to catch the latest sounds emanating from the West. "All the stations in Moscow were playing Russian music. People trusted [my show] because it was coming directly from London."

After a childhood spent country-hopping with his father, a presenter on Russian television, spending time in France, Switzerland, Senegal and, of course, England, Shishkovsky was multilingual (he speaks three languages) and media savvy. He first made a name for himself in Russia, presenting a western-oriented music show when he was 16 years old, so was already primed for work in media when he came to London after graduating from Moscow University. *Live from the West* (*Napryamuyu s Zapada* in Russian) began broadcasting in 1995 and continued for almost eight years before Shishkovsky chose to move on. "I was always fascinated by the world of property," he adds. "It's the new rock 'n' roll!"

The comparison may be more apt than it seems at first. After all, it's a sexy sector and it's about finding the right aesthetics and catching the mood at the right time.

"Almost everyone who comes to us says: 'I want a new-build, but at the same time I want to be in Kensington,' and I have to say 'that's impossible.'" Shishkovsky himself lives in one of the Nash Terrace properties overlooking Regent's Park. "And in cities like Moscow and St Petersburg it's mainly flats, so [Russian buyers] are used to lateral spaces. But in London, especially in the centre, there are a lot of townhouses, sometimes three, four or five storeys high. They don't really like those properties because the staircases are too narrow and you have to go to the basement to make a cup of tea."

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Perhaps Muscovites are finding the images of properties broadcast on television don't match up with the choices available in reality. The Richard Curtis vision of a London with quaint British façades coupled with modern minimalist interiors isn't quite true. However, this is the trend with today's Russian buyer. Trends shift with the times and property is no exception.

"In the 1980s and 1990s there was a lot of gold everywhere because the Middle Eastern buyers who dominated the market then liked that opulence," explains Shishkovsky. "It's interesting to see the properties now because everything is very slick and modern; this is something that appeals more to the Russian clientele. When we have a client who wants to renovate a property, they like designers of the likes of Philippe Starck or Candy & Candy."

The properties Shishkovsky finds for his clients start at around £500,000, rising to several million pounds. That the entrepreneur describes these as "medium-high end" indicates the money in London's current real-estate market.

"I represent the buyer so I am trying to get the best possible deal for them. We earn either the commission from the sales or the commission from the discount we negotiate, whichever is bigger. It is either 1.5% of the final price or 15% of the discount that we negotiate. Two years ago it was possible to negotiate quite a substantial discount, £100,000 even, so you could get the commission from the discount rather than 1.5%, so the client understands that you are on their side. But unfortunately it's almost impossible to negotiate anything now. Because there is such a shortage of properties, everything goes more or less for asking price or above."

Apart from the language barrier, Shishkovsky also acts as a bridge between the Russian real-estate system and the London one. "The main issue is that people can't understand the difference in the concepts of freehold and leasehold," he says. "Another cultural difference which has a business impact is that in Moscow property is often sold inclusive of furniture, which is not the case here."

After one career U-turn, Shishkovsky is in no hurry to repeat that change. "I'm really enjoying it – much more so than my years of DJ-ing, because it is like a new beginning." ●



Above: Shishkovsky first brought western music to his countrymen; now it's luxury living – at a price