

Newcomer Lomond in talks to buy 216 year-old estate agent Chestertons

A new residential lettings group backed by the private equity arm of Britain's biggest high street bank is in exclusive talks to buy Chestertons, one of the world's oldest estate agents.

Sky News has learnt that Lomond Group, which is part-owned by LDC, has entered detailed negotiations about a deal that could value Chestertons at nearly £100m.

Sources said on Friday that the exclusivity period was in its early stages, and cautioned that a deal was not certain to happen.

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Lomond Group was created by a £100m merger of Lomond Capital and Linley & Simpson nearly a year ago, with the combined company subsequently embarking on an acquisition spree across the UK.

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The talks with Chestertons come amid forecasts that the booming UK housing market is set to cool in 2022 amid further pressure on household finances.

Sky News revealed in September that Chestertons' owners had hired Deloitte, the professional services firm, to oversee an auction of the business.

Chestertons, which was founded in 1805, is focused on sales and lettings in the premium end of London's real estate sector.

The business is owned by an investment vehicle of Salah Mussa, a Libyan businessman who acquired it in 2005.

It operates from roughly 30 offices in London, and is developing a franchise model which has seen it expand to 70 sites overall in 12 countries.

In the 2020 accounts for Chestertons Global filed at Companies House, it said it had seen a strong start to 2021, with the

extension to the government's Stamp Duty holiday and the COVID-19 vaccination programme propelling revenues ahead of last year's levels.

"Our focus for 2021 and beyond is to grow the lettings business both organically and by making selective investments, whilst at the same time aligning the sales business to market conditions," it said.

LDC declined to comment, while a spokesman for Chestertons also said he would not comment.