# Russian millionaire overprices former council house in London amid local backlash and market scepticism



A Russian millionaire's attempt to sell a former council house in London for an astonishing £3.5 million has culminated in an unexpected turn of events. Lukov Nikolov initially believed the listing price was warranted due to extensive renovations, which included a basement and a cinema room, together costing approximately £1.4 million. However, as local residents and real estate experts noted, the house, built in the 1950s and previously stationed for police officers, lacks the architectural distinctions that could command such a high price in a competitive market.

Neighbouring residents were quick to voice their opinions regarding Nikolov’s ambitious pricing. Many expressed disbelief, asserting that properties in Canonbury generally range from £1.3 million to £1.8 million, considerably below Nikolov’s asking price. One local remarked, "That can't be right! If that sells for £3.5 million, I will put my house on the market for £5 million the next day." Anecdotal evidence suggests that even in a soaring property market, the luxury threshold appears out of reach for this particular listing, which has now been vacated by potential buyers, forcing Nikolov to return to living in the property himself.

Despite the ongoing financial struggle, Nikolov remains undeterred, listing another property on the same road for £3 million. His second endeavour was initially purchased at £878,000 and similarly updated, illustrating the trend of renovation driving property values in the area. While his strategy may seem optimistic, local agents reveal that homes on this affluent road can indeed appreciate substantially with the right enhancements.

This episode unfolds against a backdrop of broader scrutiny over foreign property ownership in London, particularly involving Russian nationals. Evidence has surfaced indicating that numerous Russian oligarchs, including Nikolov, have invested heavily in London real estate, a trend often scrutinised for potential money laundering activities. Westminster City Council is considering exerting compulsory purchase orders to reclaim properties owned by overseas investors—especially in posh locales like Belgravia and Knightsbridge—aiming to repurpose them for affordable housing. The council’s initiative is a response to the growing demand for accessible housing, with reports indicating that 4,000 households are currently on waiting lists.

This significant real estate discourse is further compounded by recent analyses revealing that a dozen sanctioned Russian individuals collectively own approximately £800 million worth of UK property. The complexities of identifying true ownership, exacerbated by offshore buying practices, pose significant challenges for authorities hoping to curb illicit financial activities.

As Lukov Nikolov navigates the fluctuating London property market, his experiences illustrate the tension between ambitious pricing and realistic valuations in an increasingly competitive environment. While some supporters believe in his vision for the property, many remain sceptical—echoing the sentiment that current market conditions may not accommodate extravagant expectations, no matter how stylish the renovations.

For Nikolov, the path forward may require more than just capital investment; it necessitates aligning his pricing strategies with market realities and community perceptions, amidst a backdrop of ongoing scrutiny of foreign investments reshaping London’s housing landscape.

## Reference Map:

* Paragraph 1 – [[1]](https://www.dailymail.co.uk/news/article-14711725/Russian-millionaire-blasted-Britains-expensive-council-house-forced-make-drastic-year-listing-four-bed-semi-3-5m.html?ns_mchannel=rss&ns_campaign=1490&ito=1490), [[2]](https://metro.co.uk/2024/03/30/this-former-council-house-london-market-3-500-000-20558807/)
* Paragraph 2 – [[1]](https://www.dailymail.co.uk/news/article-14711725/Russian-millionaire-blasted-Britains-expensive-council-house-forced-make-drastic-year-listing-four-bed-semi-3-5m.html?ns_mchannel=rss&ns_campaign=1490&ito=1490)
* Paragraph 3 – [[1]](https://www.dailymail.co.uk/news/article-14711725/Russian-millionaire-blasted-Britains-expensive-council-house-forced-make-drastic-year-listing-four-bed-semi-3-5m.html?ns_mchannel=rss&ns_campaign=1490&ito=1490), [[3]](https://www.sundayworld.com/news/world-news/london-council-considers-seizing-russian-oligarchs-homes-for-affordable-housing/1555892578.html), [[4]](https://www.theguardian.com/uk-news/2022/sep/21/london-council-could-seize-homes-dirty-money-affordable-housing)
* Paragraph 4 – [[5]](https://www.bbc.com/news/world-europe-61080536), [[6]](https://www.businessinsider.com/real-estate-investing-analysis-russia-ukraine-putin-oligarchs-london-properties-2022-3)
* Paragraph 5 – [[1]](https://www.dailymail.co.uk/news/article-14711725/Russian-millionaire-blasted-Britains-expensive-council-house-forced-make-drastic-year-listing-four-bed-semi-3-5m.html?ns_mchannel=rss&ns_campaign=1490&ito=1490)

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## Bibliography

1. <https://www.dailymail.co.uk/news/article-14711725/Russian-millionaire-blasted-Britains-expensive-council-house-forced-make-drastic-year-listing-four-bed-semi-3-5m.html?ns_mchannel=rss&ns_campaign=1490&ito=1490> - Please view link - unable to able to access data
2. <https://metro.co.uk/2024/03/30/this-former-council-house-london-market-3-500-000-20558807/> - A former council house in Canonbury, Islington, London, has been listed for £3.5 million after extensive renovations by owner Lukov Nikolov. Built in the 1950s, the property was initially used by police officers relocating to London. Nikolov purchased the house in 2015 for £1.2 million and invested £1.4 million in renovations, including a spacious basement and cinema room, increasing its size to 3,650 sq ft. Despite the high asking price, the property has faced criticism from neighbors and potential buyers. ([metro.co.uk](https://metro.co.uk/2024/03/30/this-former-council-house-london-market-3-500-000-20558807/?utm_source=openai))
3. <https://www.sundayworld.com/news/world-news/london-council-considers-seizing-russian-oligarchs-homes-for-affordable-housing/1555892578.html> - Westminster City Council in London is considering using compulsory purchase orders to seize properties owned by Russian oligarchs in affluent areas like Belgravia, Knightsbridge, and Mayfair. The initiative aims to combat money laundering and address the shortage of affordable housing, with 4,000 households on the waiting list. The council plans to repurpose seized homes for affordable housing, targeting properties acquired with 'dirty money' or of dubious origin. ([sundayworld.com](https://www.sundayworld.com/news/world-news/london-council-considers-seizing-russian-oligarchs-homes-for-affordable-housing/1555892578.html?utm_source=openai))
4. <https://www.theguardian.com/uk-news/2022/sep/21/london-council-could-seize-homes-dirty-money-affordable-housing> - Westminster City Council is exploring the use of compulsory purchase orders to seize properties in London's wealthiest areas, including Belgravia, Knightsbridge, and Mayfair, that are owned by Russian oligarchs. The plan aims to address the capital's reputation as a center for money laundering and to provide affordable housing for the 4,000 households on the waiting list. The council is mapping properties owned overseas against council tax data to determine their usage. ([theguardian.com](https://www.theguardian.com/uk-news/2022/sep/21/london-council-could-seize-homes-dirty-money-affordable-housing?utm_source=openai))
5. <https://www.bbc.com/news/world-europe-61080536> - An analysis by the BBC reveals that a dozen sanctioned Russian individuals are linked to an estimated £800 million worth of property in the UK. The properties include luxury flats in London's most expensive areas and country manors in the south of England. Some individuals deny ownership, which may place the assets beyond the reach of sanctions. The findings highlight the challenges in identifying the true owners of properties purchased through offshore firms in tax havens. ([bbc.com](https://www.bbc.com/news/world-europe-61080536?utm_source=openai))
6. <https://www.businessinsider.com/real-estate-investing-analysis-russia-ukraine-putin-oligarchs-london-properties-2022-3> - An analysis by Transparency International estimates that Russian-linked billionaires own around 100 properties in London, valued at approximately £1.1 billion ($1.5 billion). The UK government is considering seizing these assets to address concerns over money laundering and to invest in social and affordable housing for Londoners. The properties are often purchased through offshore companies, making it difficult to identify the true owners. ([businessinsider.com](https://www.businessinsider.com/real-estate-investing-analysis-russia-ukraine-putin-oligarchs-london-properties-2022-3?utm_source=openai))
7. <https://www.rusbg.com/en/abramovich-allowed-to-rebuild-17th-century-london-100-million-mansion.html> - Russian billionaire Roman Abramovich has been granted permission to rebuild a 17th-century mansion in London, valued at £100 million. The restoration plans include replacing trees, erecting a pavilion for art collections, and separating one of the buildings to house guests and staff. The project is expected to take up to three years and has faced opposition from neighbors concerned about potential obstruction of Thames views. ([rusbg.com](https://www.rusbg.com/en/abramovich-allowed-to-rebuild-17th-century-london-100-million-mansion.html?utm_source=openai))