Sweet touch: Nick and Christian Candy.

Millionaire real estate magnates, **Nick and Christian Candy** – who specialise in delivering something out of the ordinary for customers spending a wallet-busting £10 million on a designer penthouse – have their sights set on world domination. So what's the secret of the brothers' success, asks Laura Henderson?

THE CANDY MEN CAN

One Hyde Park: a 'super prime fortress'.

The duo has properties in some of London's most luxurious areas.

Sharp-suited and even sharper-tongued, the Candy brothers have created a property designer brand around their name without seemingly working up much of a sweat. The maverick duo's flair for delivering prestigious residential projects on time, on scale and on budget has secured them an 'in' with celebrities, royalty and the international elite, with their signature aesthetic – jet-black floors, retro interiors and 'smart home' flourishes – all integral parts of the billionaire lifestyle they're selling. However, as with all winners, their brand of conspicuous consumption has taken a little more effort to fashion than might first appear.

Real estate hegemony started from more humble beginnings in 1995 when, in their early twenties, the brothers borrowed £6,000 from their grandmother as a deposit on a one-bed flat in Earls Court, which they later sold for a £50,000 profit.

Some 14 years on the duo have a global portfolio worth in excess of £10 billion and several designed and renovated London properties in the 'golden' postcode areas of Westminster and Chelsea. They have also shot up nearly 500 places in the *Sunday Times* Rich List in one year, and are now 156th-equal with an estimated £330 million, up from £210 million in 2008,

But just how have the thirty-something brothers managed to infiltrate an already fiercely competitive sector?

In the cut and thrust of the property world they are viewed with a mixture of admiration and fear. Some put their success down to innate talent and timing while rivals snipe about financial handouts from 'benevolent' sovereign wealth funds, but even their staunchest critics admit they provide tough competition. Their trademark properties make constant headlines, and penthouse suites, such as the 'super prime fortress' of One Hyde Park in Knightsbridge, are famous for their stratospheric price tags and cutting-edge cachet: iris scan intercom security, temperature-controlled wine cellars, panic rooms, split-level swimming pools – clients' whims, however outlandish, are met to the letter. And with a slick team of Candy-branded innovation and design consultants to call upon, buyers are guaranteed plenty of personal attention.

but they are backed by a head office of 100 staff in central London and have a further satellite office in Guernsey. Footloose and fancy free, they are also reaping the rewards of tax-exile status themselves, and what little free time they have is spent indulging in their other passion – sailing their 148-foot yacht, *Candyscape*, around the Mediterranean.

Associates talk of their ying-yang business partnership. Nick, the more gregarious and outgoing of the two, is the networker and relishes competition. 'You get out of life what you put in,' he says. 'Competition doesn't phase me – if anything, it makes me focus even harder.' Christian, meanwhile, is the financial brains, but both take their cue from Rolls Royce founder Sir Henry Royce, who said: 'Strive for perfection in everything you do. Take the best that exists and make it better. When it does not exist, design it.'

Imperviousness

The Candy brothers say they 'don't do recessions', and the tough economic times of late have certainly called for plenty of brotherly graft. But their seeming imperviousness to the credit crunch has left them targets to speculation, mostly about the source of their funding. Access to a steady supply of capital has undoubtedly been key to their sustainability, and central to that is Qatar's foreign minister, Sheikh Hamad bin Jasim bin Jaber al-Thani, who is the brothers' principal backer and funded their first keynote development, a block of six apartments in London's Mayfair. An opaque business structure, however, has further fuelled the flames of financial legitimacy: the brothers' Guernsey-based investment firm, CPC Group, is backed by a network of companies, many in tax havens such as the British Virgin Islands and Gibraltar.

As to the more pressing concern of how they are faring in the continuing downturn, both seem genuinely unphased, despite much of their property empire consisting of as yet unbuilt and unsold property. That said, their equity stake in the 13-acre Chelsea Barracks site, which they bought for £959 million in 2007 – the biggest single property deal in British history – has since been sold on to their Qatari partners to

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Full-time focus

Signs of genius were less in evidence in their formative years. Born and raised in Surrey, their father ran a media production firm and their mother was a drama teacher. Both went to public school in Epsom, Surrey, before Nick, who is 18 months older than his brother, went on to study human geography at the University of Reading before pursuing a career in advertising. Christian studied business management at King's College London and took a job in the City for Merrill Lynch as a commodity trader.

It wasn't until money started flowing in on their first few 'on the side' property deals that they quit their jobs to focus full-time on real estate, catering to an influx of high net worth investors from Middle Eastern royalty to Russian oligarchs at the start of the millennium. Their timing was good. 'The brothers spotted that London was in the grip of a boom, and seized the moment perfectly,' says Giles Barrie, editor of *Property Week*. 'Now their challenge is to mould their image equally successfully to different, less extravagant times.'

The brothers are a tight-knit team both at work and at play. Their multi-million pound empire is run from Monaco, where they share an apartment,

free up time and resources to focus on new projects away from property, such as the ranges of branded fashion and home wares the brothers are planning to launch.

Anyone questioning their expansionist plans needs only scan their accounts at Companies House for peace of mind; clear and present profits, excellent cash flow and no cross-collateralisation on projects mean that if one development goes down, it's business as usual for the remaining portfolio. Pre-tax profits of £7.8 million from the year ending June 2008, up from £2.6 million the previous year, is nothing short of impressive, while turnover rose by 115% to £20.6 million. It's a rise in profits that comes despite a breakdown in relations with investment partner Icelandic bank Kaupthing on a major central London project in Bloomsbury – the Noho Square complex of apartments - which has led to the brothers walking away from the deal and losing several million pounds into the bargain.

Global projects are also beckoning now, too, and with sought-after areas of Qatar, Monaco and Beverley Hills already under their belt, the brothers have set their sights on Singapore, Hong Kong and Shanghai. Says Nick: 'It's tough times across the board, but design and property remain a solid investment – they're tomorrow's gold standard.' ■