Place North West | Built-to-Rent Manchester

May 2023

Contents

Growth of Manchester's Built to Rent Sector

Manchester saw 30k additional renters between 2012 and 2021, dominated by 20 to 24 year olds

2012

"Real potential for investment in large scale developments of purpose-built rented housing to grow and be viable"

2014

Crane Survey

- Arrival of BTR as an asset class in the Manchester pipeline.
- First BTR scheme delivered (No. 1 Cambridge Street)

2021

Crane Survey

- 30k additional renters in Manchester between 2012 and 2021
- 15- to 34-year-olds comprise 37.1% of the MCC population, or 32.9% in Salford

2022

Crane Survey

2021 BTR sector "remains resilient, with occupancy levels [expected] above 95%"

c.48k uplift over 8 years in crane survey area

Pipeline to support a further 20k by 2025

Census Results 2021

- MCC population up 9.7% and Salford up 15.4%
- 20- to 24-year-olds dominate city living, with over 61k in the city centre

Key Regional BTR Delivery

Manchester has nearly 11k units under construction, with circa 17.5k delivered since 2014

	Manchester	Birmingham	Leeds
Under Construction	10,988	4,067	2,101
Delivered to Date	17,428	n/a	n/a

Residential Sector Supply & Pipeline

BTR New Starts
 # Projects

2021: 10

2022: 12

BTR New Starts
 # Units

2021: 2,761 units

2022: 2,632 units

-4.7%

75% of total estimated to be BTR

BTR Completions
 # Units

2021: 4,060 units

2022: 1,848 units

-54.5%

70% of total estimated to be BTR

Co-living

Co-living delivery is building momentum

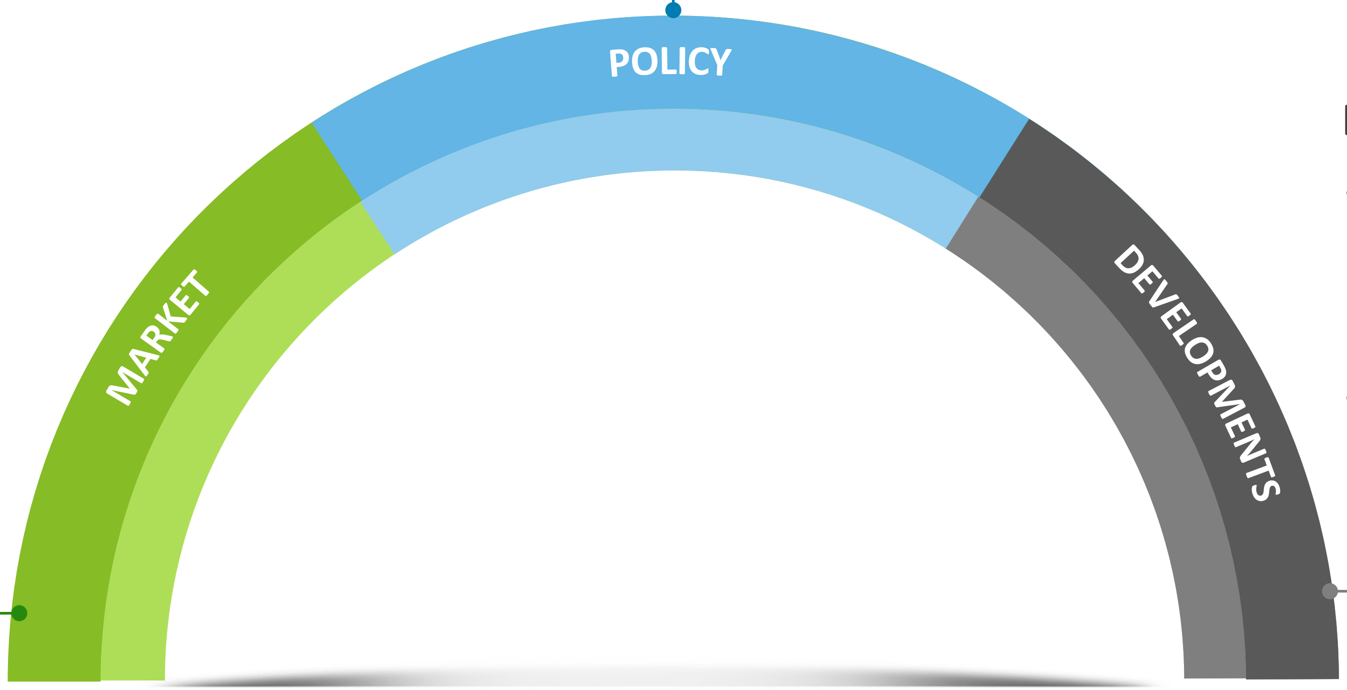
Standards, Mgmt., & Product

- Planning policy in place in London
- Space standards est. in Birmingham (27.5 sq.m) and Liverpool (37 sq.m)
- Communicating the offer

New Market

Market forming as part of the BTR sector

3,148 co-living units (in clusters) under construction



Developments

- First co-living developments near completion (Union T1 & T2)
- First Street South commenced in 2022 (1,463 spaces)

Purpose Built Student Accommodation

Short term issues

Supply issues	Growing student population	Flight to the centre	Return to campus
1 new start in 2022 Full occupancy reported by private sector operators	2 consecutive years of record breaking student acceptances	HMO conversions to family housing in traditional student areas	Acceleration of move away from remote learning

Student Residential Completions

2020: 1500 beds

2021: 492 beds

2022: 582 beds

18%

Student Residential Under Construction

2021: 4,287 beds

2022: 5,868 beds

37%

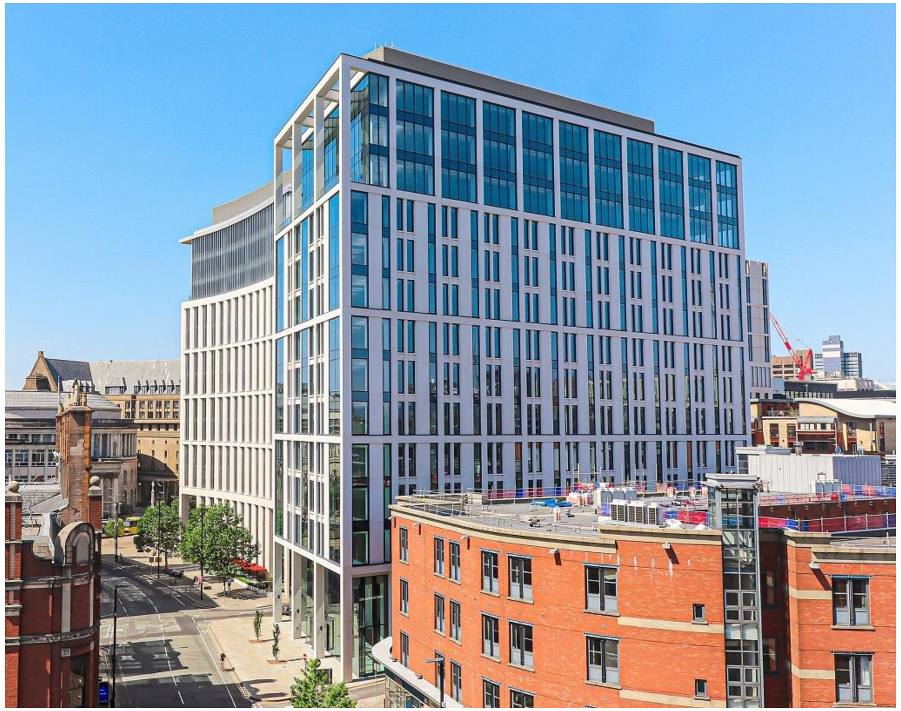
Accommodating the talent pool

Manchester continues to support a growing talent pool

- **Best place for new jobs in the UK** - highest number of jobs advertised per worker in 2023 (Reed)
- **Growth** in tech and financial and professional services
- **Deloitte regional growth** and large graduate intakes
- Residential pipeline and supply **informing corporate and public sector decision making**
- Supporting **graduate retention and attraction**
- **Flexibility and lifestyle choice**

Starling Bank Signs Up At Barings' Landmark In Manchester

Mar. 09, 2023



Enabling placemaking

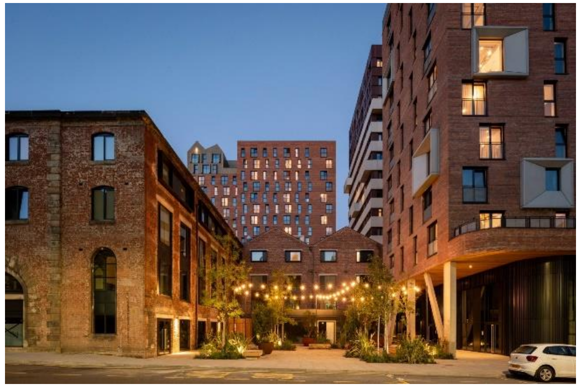
Role of BTR in creating **critical mass** of residential product

Now highest density outside London – 4,773 residents per sq.km

Series of established neighbourhoods now in place

Pipeline of SRFs looking at next wave of development

Next wave of sites connecting to existing communities



Ancoats & New Islington

- 2,760 homes delivered
- 1,881 delivered as Build to Rent (68%)
- 65.7% of population aged 15 to 34

The future

Manchester's Built-to-Rent market has matured in recent years

What is next for Build-to-Rent in Manchester?

BTR as part of new **Town Centre offer** across GM

Accommodating a population of **early adopters**

e.g. Uber, Deliveroo

Diversification
geography, co-living, single family housing, different demographics

Infrastructure
to support City Centre population

Economic challenges -
Affordability and delivery cost

ESG