



UK Property Investment Guide





Why Choose the UK for Property Investment?

Index

- | | |
|--------------------------------------|--|
| 5.
Economic Stability | 12.
North Shoring |
| 6.
House Price Forecast | 14.
Business in the Powerhouse |
| 8.
Growing Population | 16.
Regeration Projects |
| 9.
High demand, low supply | 18.
Manchester and London |
| 10.
Why Greater Manchester | 21.
New builds for the future |
| 11.
Manchester Returns | 22.
Buying with Salboy |



Investors in the UK benefit from growing house prices, attractive yields and high property demand.

The UK property market continues to surpass all other investment classes. Properties are tangible assets that are not sensitive to market forces, unlike other investment types. They provide investors across the world with reliable incomes with minimal risk.

In the long term property investors in the UK also benefit from rising asset value (as inflation rises) and the flexibility to use the property as a home, for rental purposes or to leverage it against borrowing in the future.

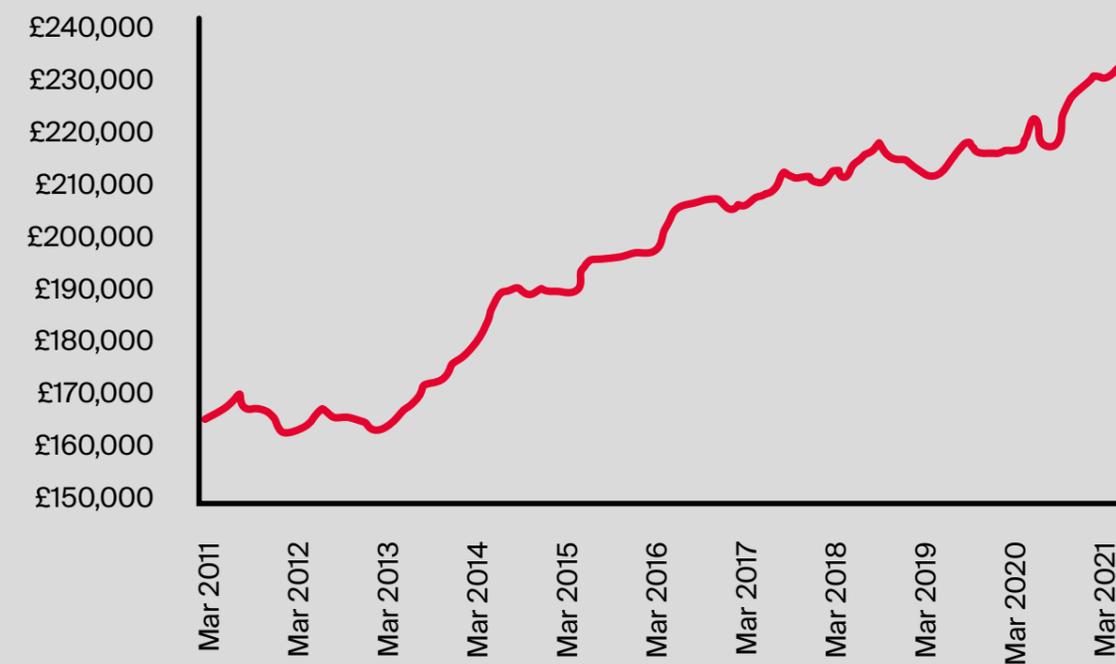


Economic Stability

Whilst global circumstances have impacted the UK's economic outlook the property market remains resilient. A recent report by Savills shows house price growth across all regions in the UK has risen and is now at the strongest it has been in 18 years, with little prospect of slowing.

The research predicts that house prices across all regions will go from strength to strength in the next 5 years. This encouraging data shows that despite a rise in property supplies, the existing demand: supply imbalance is set to remain, pushing up both house prices and rental values.

Average UK house price



Savills, Housing Market Update, April 2021

House Price Forecast

The North West retains its spot, as one of the fastest growing regions in the United Kingdom for house prices.

Region	2022	2023	2024	2025	2026	5 Years
UK	3.5%	3.0%	2.5%	2.0%	1.5%	13.1%
London	2.0%	1.5%	1.0%	0.5%	0.5%	5.6%
South East	3.0%	2.5%	2.0%	1.5%	1.0%	10.4%
East England	3.0%	2.5%	2.0%	1.5%	1.0%	10.4%
South West	3.5%	3.0%	2.5%	2.0%	1.5%	13.1%
East Midlands	4.0%	3.5%	3.0%	2.5%	2.0%	15.9%
West Midlands	4.0%	3.5%	3.0%	2.5%	2.0%	15.9%
North East	4.0%	3.5%	3.5%	3.0%	2.5%	17.6%
Yorks & Humber	4.5%	4.0%	3.5%	3.0%	2.5%	18.8%
North West	4.5%	4.0%	3.5%	3.0%	2.5%	18.8%
Wales	4.0%	4.0%	3.5%	3.0%	2.5%	18.2%
Scotland	4.0%	3.5%	3.0%	2.5%	2.0%	15.9%

Thisismoney.co.uk House price forecasts (November 2021)



Growing Population

Across 331 areas in England and Wales, Salford and Manchester fall into the top 15 areas with highest growth per head.

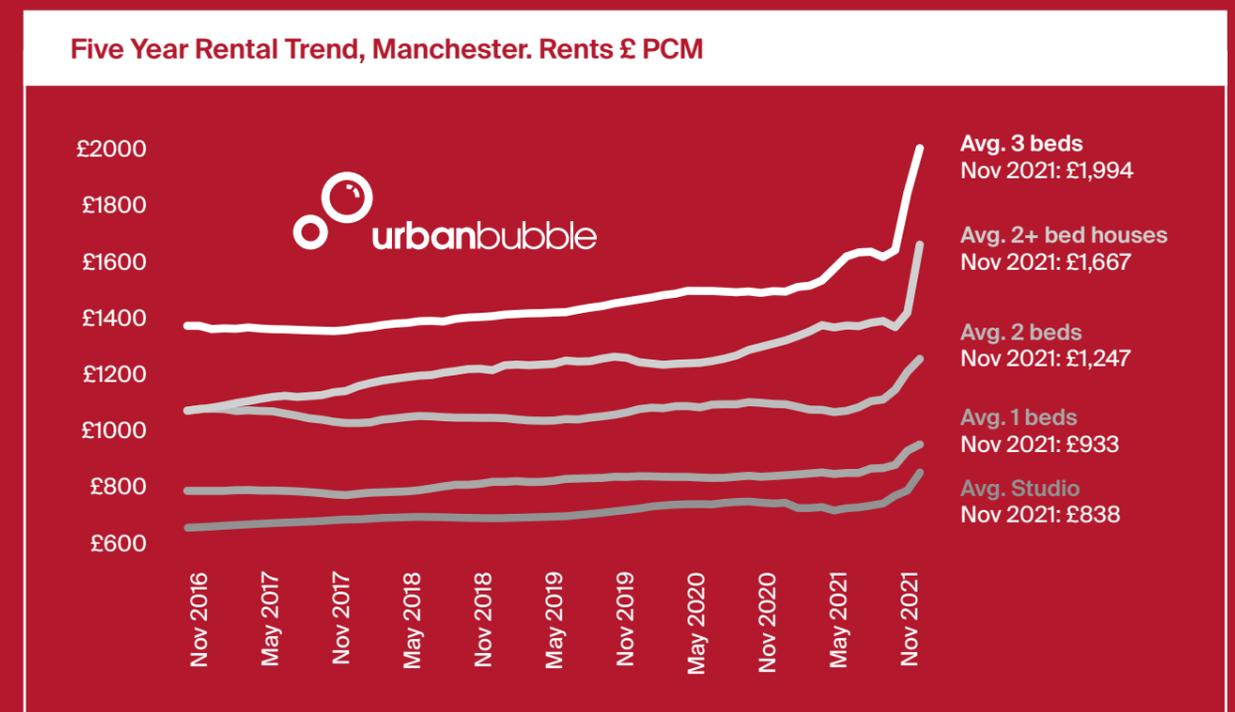
Top 15 population growth per head	Population 2011	Population 2021	Growth %	Additional population
Tower Hamlets	254,096	310,300	22.1	56,204
Barking and Dagenham	185,911	218,900	17.7	32989
Central Bedfordshire	254,381	294,200	15.7	39819
Salford	233,933	269,900	15.4	35967
Milton Keynes	248,821	287,000	15.3	38179
Newham	307,984	351,100	14.0	43116
Greenwich	254,557	289,100	13.6	34543
Hounslow	253,957	288,200	13.5	34243
N. Northamptonshire	316,851	359,500	13.5	42649
W. Northamptonshire	375,101	425,700	13.5	50599
Leicester	329,839	368,600	11.8	38761
Sandwell	308,063	341,900	11.0	33837
Bristol, City of	428,234	472,400	10.3	44166
Manchester	503,127	552,000	9.7	48873
Buckinghamshire	505,283	553,100	9.5	47817

Source: Growth per head stats generated using ONS data source (www.ons.gov.uk/peoplepopulationandcommunity)

High Demand, Low Supply

With a rising population and an ever-increasing interest in Greater Manchester it is no surprise that demand continues to outstrip property supply. This imbalance has resulted in a lively Manchester market in recent years despite the economic challenges experienced across the globe.

According to research by Urbanbubble, on the last day of September of 2021 there were just 472 apartments available to rent, an all time low. This supply-demand imbalance has subsequently led to 100% occupancy rates across many developments in the city. Since the market shows no signs of slowing, investors will continue to benefit from limited void periods and rising rental prices.



Source: Urban Bubble Research & Insights December 2021

Why Greater Manchester?

If you are interested in investing in the UK, it is important to research the best places to buy property before committing to your purchase. Recent trends demonstrate that Greater Manchester has grown in popularity and has become first choice for many overseas investors.

<p>£1bn MediaCityUK is expected to double in size over the coming years thanks to a £1bn expansion plan (MediaCityUK, 2019)</p>		
<p>80/100 More than 80 of the FTSE 100 have a presence in Manchester</p>	<p>1st Greater Manchester is the largest city region economy outside London</p>	
<p>MAN Outside of the capital, Manchester is home to the largest airport in the UK</p>	<p>100k Home to 5 top universities, with a student population exceeding 100,000</p>	<p>2.73M Greater Manchester has a population of 2.73 million</p>

In short, Greater Manchester, including the cities of Manchester and Salford is an attractive region for property investment due to its great property prices, strong demand and excellent returns.



Manchester Returns

Historically London has been popular amongst investors, nowadays Manchester is outperforming the capital in a number of ways.

With increased job opportunities propelled by government and private investment, more affordable living costs, lower rent prices and a rich cultural scene, tenants are flocking to Manchester. For those seeking a fulfilling place to both live and work Manchester is often preferred over London.

As tenants move into the city property values are increasing. With house prices predicted to rise by 4.7% over the next 5 years and rentals by 2.9%, investors are offered the possibility of great capital gains.

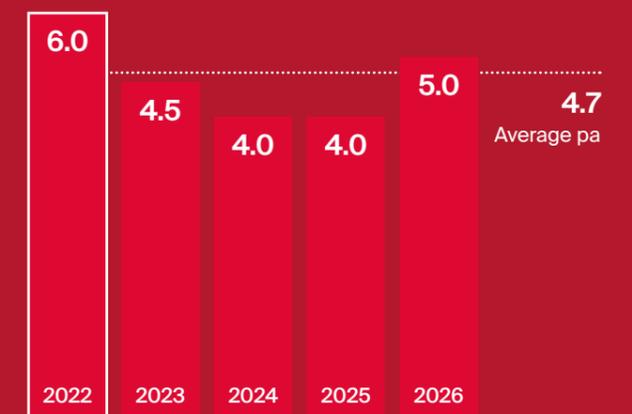
Rental yields are also offering lucrative returns, on average investors in Manchester are attaining rental yields of 5-6%. Meanwhile in the outer London boroughs rental yields are at highs of just 4% in Barking and Dagenham and lows of 2% in Richmond upon Thames.

With lower prices and higher gains it is understandable that the North-West is attracting both tenants and landlords, a trend which is forecast to continue into 2022 and beyond.

Manchester Rental value forecasts (%pa)



Manchester House price change (%pa)



Source: JLL UK Residential Forecasts 2022-2026

North Shoring

London is an epicentre of global business and as a result commercial real estate prices in the city are competitively high per square foot compared to other areas across the country. Along with costly office spaces, London has also been hit with rising operational costs making it increasingly expensive to run business. For many, the resources and opportunities found in London justify these high business expenses, however, at this time of heightened financial uncertainty many have started to look at alternative places to locate business.

North-shoring is instead the process of businesses moving from the south to the north where business overheads and living costs are cheaper with a wider talent pool making it easy to recruit the right people. With lower labour, transport, office space and operational costs it is no surprise that many businesses are north-shoring relocating their offices outside of London and into northern cities.

Greater Manchester is one of the UK's fastest growing city regions quickly becoming a hotspot for businesses moving up North. The huge talent pool of university graduates and young professionals with a range of skills provide ample employment opportunities for businesses.

Manchester has been awarded the title of the most liveable city in the UK, ranking 28th in The Economist's prestigious Global Liveability Index 2022. With rising living costs and soaring property prices living and working in London is becoming increasingly difficult and as a result many workers are choosing to retire from life in the Capital in favour of lower living costs, new opportunities, healthier work life balance all of which can be found in northern cities like Manchester.

 NatWest  Deloitte.

 itv  BBC  TalkTalk

 BURBERRY  McLaren

 DLA PIPER  Department for Work & Pensions  amazon

 Conservatives  HSBC

 4


London

Business in the Powerhouse

With a strong yet diverse economy, the Northern Powerhouse of Greater Manchester has a lot to offer. In recent years many large employers have put roots in Manchester and Salford, bringing great prosperity to the region.

According to Oxford Economics, between 2017 and 2018, Manchester's overall GVA grew by 3.6%, compared to 3.4% for the UK overall. At the time the city experienced the fifth-highest growth out of all the UK's Core Cities. Since then, Manchester has continued to grow in economic strength and shows no sign of stopping in coming years.

Perhaps the most notable project in recent years is MediaCityUK – a billion-pound scheme in Salford which transformed Salford Quays Docks into a vibrant hub for business and pleasure. Home to BBC and ITV Granada, this major regeneration scheme has established a strong and lively entertainment industry within this northern city.

Manchester is also home to other established businesses, from a broad range of industries, including a wide range of FTSE 100 companies. The likes of Amazon, Deloitte and Barclays all benefit from the city's lower operating costs, ever improving infrastructure and large pool of young professional talent.

Meanwhile the Northern Quarter and Ancoats, once famous industrial districts key to the Industrial Revolution, are now creative hubs that celebrate growing industries. Home to many forward-thinking creatives and technology start-ups, these areas are now putting the city at the forefront of the digital revolution.



The following table shows Manchester's growing economy in terms of GVA added per industry sector. With this economic expansion over recent years, the demand for property continues to expand, thus aiding house price growth and providing great opportunities for property investors.

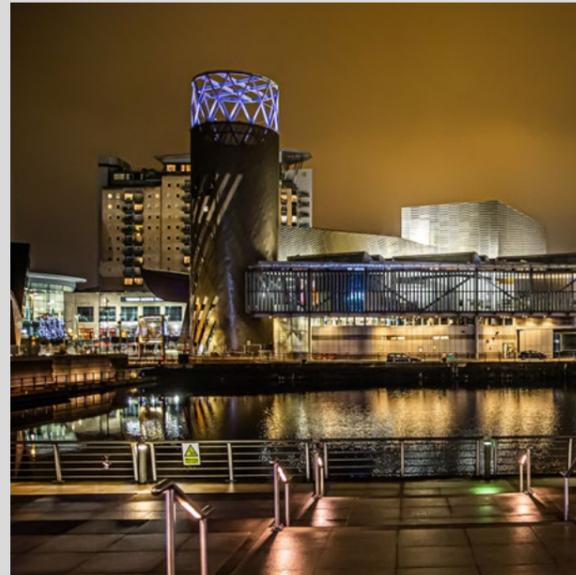
Sector	GVA / Annum
Business	£15.7 billion
Financial & Professional Services Tourism	£7.9 billion
Health & Social Care	£4.9 billion
Creative & Digital	£3.8 billion
Education	£3.8 billion
Advanced Manufacturing	£3.5 billion

Snapshot of businesses in the Powerhouse



Regeneration Projects

Since the Industrial Revolution Manchester has been at the forefront of innovation. Today the city continues to reinvent itself through a number of major urban regeneration projects.



Salford

From major property and transport developments to revitalised parks, waterways and green spaces, Salford is committed to a number of regeneration schemes.

These schemes will connect neglected areas of the city and its residents to the growing opportunities in and around the area. In turn the city will experience increased economic vitality, growth and competitiveness and finally fulfil its potential as an attractive place to live, work, invest and visit.



HS2

Once complete HS2 will provide a network of high-speed railway lines connecting London, the Midlands, the North and Scotland. By improving connectivity across the country HS2 will increase mobility between businesses, workers and customers and lessen geographical barriers to markets, skills and knowledge.

Manchester will be home to two new HS2 stations, one close to Manchester Airport and the other integrated into Manchester Piccadilly Station. Those living in Manchester will benefit from the service's efficient journeys, improved journey times and greater passenger capacity.



Airport

Manchester Airport Group (MAG) have been progressing with a 25 year master plan that aims to improve Manchester Airport's development. The plans involve improving the environment, land, and surface access onsite along with bettering spatial and transport planning. Not only will this project improve travel, services and facilities, it will also allow MAG to continue to meet the needs of the public, partners and the livelihoods of tens of thousands of North-west residents and their families.

How Manchester Compares with London's Top Boroughs for Investment



Location	Avg. Rent	Yield
Salford	£1,082	6.04%
Manchester	£1,175	5.75%
Barking and Dagenham	£1,255	4.49%
Hounslow	£1,453	3.92%
Newham	£1,496	3.90%
Croydon	£1,202	3.56%
Hillingdon	£1,233	3.34%
Waltham Forest	£1,357	3.10%
Enfield	£1,320	3.02%
Sutton	£1,210	2.96%
Havering	£1,058	2.93%
Harrow	£1,276	2.86%
Redbridge	£1,213	2.76%
Brent	£1,478	2.72%
Trafford	£874	2.72%
Bromley	£1,225	2.66%
Bexley	£1,126	2.64%
Haringey	£1,477	2.54%
Merton	£1,447	2.36%
Barnet	£1,413	2.33%
Richmond upon Thames	£1,739	2.30%

Source: Rental incomes Urbanbubble rental data 2021,
House Prices Rightmove 2021



New Builds for the Future

There are a number of benefits that come with investing in new-build homes. New-build homes are required to meet the latest standards involving quality and safety. This is particularly important as the government announced in the Levelling Up White Paper outlining that all rental properties will soon have to meet a new minimum Decent Homes Standard.

Previously, the government also proposed its plan for higher EPC rating requirements for landlords. These new proposals would require privately rented properties to have a EPC rating of C or higher on new tenancies from 2025 and all tenancies from 2028. This will mean that landlords of less energy efficient properties will have to spend thousands on each of their properties to reach this higher level of energy performance.

However, for landlords with new-build homes, EPC ratings and other standards are less of a worry as the majority of new-build homes already meet the minimum requirements that could come into effect in the coming years.

Additionally these more efficient new homes will allow tenants and landlords to save on maintenance costs and energy bills. This will be particularly important moving forward as energy costs continue to skyrocket. As a whole, new builds are providing future proof solutions for landlords and allowing investors to buy with confidence.

Buying a new build with Salboy could not be more safe and secure. Salboy specialises in building high-quality new build homes and apartments which meet all government and legislative standards, this ensures our customers can purchase any of our properties with ease of mind. We offer our buyers further peace of mind with deposit protection and a combination of warranty and insurance protection.

Buying with Salboy

A leading challenger brand for high quality, first-class property development across the UK.

Salboy is an award-winning property company developing and funding high quality housing and property developments throughout the UK. Since launching our brand in 2016 in the North West of England, we have fast become one of the UK's leading challenger brands for high quality housing and developments.

To date we have delivered more than 2,500 high quality homes in sought-after city locations and are one of the most recognisable and prolific property development brands in Manchester and Salford - cities at the heart of the UK's vibrant North West. In 2021 we branched out into the rest of England and now operate across the North West, Cornwall in the South West and London - all parts of the country particularly impacted by the supply:demand disconnect of high quality housing.

Our goal is always to develop for the long term – astutely, sensitively, and with a sense of social purpose – delivering the homes and workspaces that people around the UK so desperately need. We make socially led development decisions, supporting local areas' regeneration efforts that benefit local economies, create communities that people want to live, work and play in, and make good investments for investors. We align closely with our partnering local authorities to ensure the infrastructure we deliver connects additively to its surrounding area. Nothing is looked at in isolation.

We fully control Salboy developments from concept to completion, allowing us to create value throughout the development process and ensure quality is always to the highest standard. All Salboy properties are built by our dedicated construction partner, Domis. This hugely important partnership enabled us to keep building and maintain relentless growth despite challenging market headwinds of recent years.



DOMIS

Dedicated in-house contractor
DOMIS Property Group

Salboy is owned and managed by co-founders Simon Ismail and Fred Done, who are supported by an experienced senior team with decades of experience in property development, investment, finance and construction.

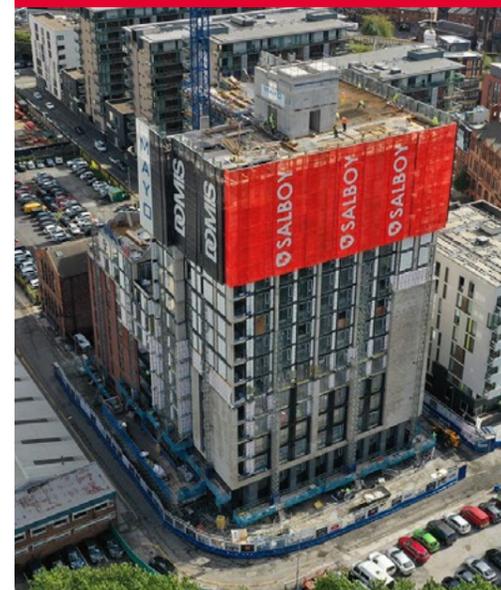


Built to modern fire safety and building standards



Protected deposits

2500
Homes delivered to date





Portfolio Snapshot

Available / In Construction

VIADUX

MANCHESTER

VICTORIA HOUSE

MANCHESTER



MANCHESTER / SALFORD

Completed & Tenanted

THE PRESS

MANCHESTER

CASTLE IRWELL

MANCHESTER / SALFORD

Crescent

MANCHESTER / SALFORD

Transmission House

MANCHESTER

Blackfriars

MANCHESTER / SALFORD


Ingersley Crescent.

CHESHIRE / BOLLINGTON

Office Contacts

T: +44 (0) 1925 852 278

E: info@salboy.co.uk

W: www.salboy.co.uk



Office Address

Salboy Showroom | Unit 2
3 Crescent | Chester Road
Salford | M5 4PF

© Salboy Ltd

*The information contained within this document is intended as a general guide. This information does not constitute an offer or a contract and we (or anyone in our company) do not imply, make or give any representation, guarantee or warranty whatsoever relating to the terms contained within.