

MANCHESTER PROPERTY INVESTMENT GUIDE

MANCHESTER'S CORE FUNDAMENTALS



One Touch

Property Investment



MANCHESTER IS CHARACTERISED BY:

- Huge increases in population, driven by cheaper housing compared to London
- Lower living costs, lower entertainment costs, and club culture compared to London
- Large student population and graduate retention
- Businesses attracted by the highly skilled workforce and affordable office space
- High number of startups, particularly in the digital and creative industries
- High inward investment
- One of the UK's fastest growing city regions
- Largest city region economy outside London
- Strong housing market – price growth regularly exceeds UK average as demand is boosted by rising population

MANCHESTER'S POPULATION AND GROWTH

2.78 million people live in Greater Manchester, of which 1.78m are of working age (16 - 64). Between 2006 – 2016, the population of Greater Manchester grew by 7.7% (199,900).

Manchester Local Authority saw its population grow by 16.7% between 2006 – 2016, which is over double the UK growth rate over the same period of 7.9%.

Manchester's popularity with the younger generation is driven by the sheer number of business opportunities available. Between 2002 and 2017 Manchester's population grew from 440,221 to 555,610. Most age groups saw growth, but it was the 21 – 30 age group that rose the most – almost 51% in that time.

WHY ARE THE YOUTH CHOOSING TO LIVE IN MANCHESTER?



boohoo

Young people are attracted to Manchester due to the job opportunities it affords and affordable lifestyle. The development of MediaCityUK has brought ITV and BBC to the area and provides more job opportunities within the digital and media sector, and Unilever, Kellogg's and Amazon all have offices in the city. Fashion brands popular with young adults such as PrettyLittleThing, BooHoo and Missguided also have their HQs in Manchester. In short, Manchester now has a jobs market that can rival London, without the associated living costs.

Manchester also has a thriving cultural and nightlife scene. In 2019 it was named the best city for a night out, scoring an average of 8.5 out of 10 in a survey conducted by Ideal Flatmate. The Northern Quarter is particularly popular due to its quirky pubs and bars and even boasts its own infamous pub crawl where revelers can visit 42 pubs and bars in the vicinity.

Other attractions include Palace Theatre – one of the most popular theatres outside of London, and its sister venue the Opera House which hosts West End shows, musicals, and pantomimes. For those who want to delve into Manchester's historic offerings, there is the People's History Museum that explores the history of democracy and hosts events about equality and social justice.

Manchester is also seen as socially liberal and progressive, possibly due to the influence of its young demographic. Since 2017 the Labour Party's Andy Burnham has been the Mayor of Greater Manchester and is well known for doggedly representing the interests of the people of Manchester. Most notably, he lobbied the government for more furlough pay when Manchester was plunged into Tier 3 last year during the Coronavirus pandemic. He also has set out plans to re-regulate Manchester's bus network, which will allow for more joined up and affordable travel.

MANCHESTER'S ECONOMY

The Greater Manchester economy generates £57.8billion annually which accounts for 27.7% of the output in the Northwest of England. Approximately 1.27m people work in the Greater Manchester area in 91,590 businesses. Upon estimations of Manchester playing a leading role in the Northern Powerhouse, expected growth is estimated at 2.2% per year from 2015 – 2035. This is the equivalent of an

extra £32.4bn in economic activity and would see Greater Manchester grow at a faster rate than the UK average.

Key sectors in Manchester include the financial and professional services, of which it is the largest centre outside of London, health and social care, and the digital sector

INVESTMENT IN MANCHESTER

Between June 2012 and June 2017 Greater Manchester attracted 390 investment projects which created 24,958 jobs.

Manchester is the most popular city (outside of London) for attracting foreign direct investment (FDI). It accounts for nearly half (45%) of all projects in the North West region, with the leading sectors being digital and business. The estimated number of jobs secured through investment in the North West region as a whole stands at 3,389, which is third highest of all regions within the UK.

In 2019 Manchester overtook Cambridge to be the UK's second most attractive city for tech investment. It is reputed to be the fastest growing tech city in Europe, with investment reaching \$687.6m in 2019, up from \$199.1m in 2018. According to data from the ONS, there are around 100,000 people working in Manchester's digital sector, and the city's manufacturing roots has helped cultivate its emerging eCommerce industry.

MANCHESTER IS THE MOST POPULAR CITY (OUTSIDE OF LONDON) FOR ATTRACTING FOREIGN DIRECT INVESTMENT





**BY 2025, SAVILLS HAS PREDICTED THAT
PRICES IN THE MANCHESTER AREA WILL
INCREASE BY A WHOPPING 28.8%, THE
HIGHEST OF ANY UK REGION**

HOUSING IN MANCHESTER

Over the past twenty years, Manchester's skyline has completely changed as regeneration took place.

The development of new housing has not kept pace with Manchester's population growth though, causing house prices to rise dramatically over the last five years. According to Land Registry data, over the last five years house prices in Manchester have risen over 35%. This is compared with a 22% rise in average house prices across England and Wales as a whole.

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JOB OPPORTUNITIES IN MANCHESTER

Manchester is a startup hot spot, and between 2010 – 2018 it saw a 90.5% increase in new businesses, driven by the digital and creative sectors. Oxford Economics estimates that an additional 30,000 people will join Manchester's digital and creative workforce over the next 15 years. Of course, they will all need somewhere to live which will buoy Manchester's property market in the years to come.

Manchester is an attractive place for startups to set up business. Commercial spaces and housing is significantly cheaper than London, and with a 60% graduate retention rate (the highest outside of London), businesses have access to a large pool of talent.

In recent years these law firms have expanded or moved offices to Manchester. Include floor sizes and staff number of two of the moves and just mention the others. Insurance risk and commercial law firm BLM relocated its office in 2019 to a much larger 188,500 sq ft office at Two New Bailey Square. Mitchell Charlesworth also moved from their Deansgate office to a 2,914 sq ft office on Peter Street, Manchester.



MANCHESTER REGENERATION

NOMA, Spinningfields, Ardwick. To name but a few of Manchester's regeneration projects. It's safe to say that Manchester has experienced its fair share of regeneration in the past decade or so. We explore how the face of Manchester has changed, and what's in store for the future of this city.

Manchester today couldn't be more in contrast to the Manchester of the 60s and 70s. Manchester was run down

and unkempt, with masses of derelict buildings and sprawling wasteland. It did have some vibrancy though, with an impressive emerging music scene that birthed the likes of Joy Division and The Smiths in the 1980s. Redevelopment of Manchester was already underway with the introduction of a new tram network in the early 1990s, but redevelopment of Manchester's city centre was speed up by the 1996 bombing in the city.

MANCHESTER HAS EXPERIENCED ITS FAIR SHARE OF REGENERATION IN THE PAST DECADE OR SO

The regeneration was originally set into motion in 1996 when a bomb detonated in Manchester city centre. The bomb caused extensive damage to buildings in the vicinity, such as the Arndale centre and Shambles Square. A masterplan for regenerating the city centre was drawn up. Not only did the masterplan include the remodelling of damaged buildings, but it also included introducing some new buildings and architectural landmarks to the area.

The city centre was regenerated over six years and since then, Manchester has won funding for several other projects. Most notably, the development of the Spinningfields district towards the south of the city centre, which is dubbed the "Canary Wharf of the North" due to the abundance of financial companies located in the area. NOMA was announced in 2011 and was the largest project in the North West ahead of MediaCityUK and Atlantic Gateway. Its primary focus was on regenerated the northern portion of Manchester's city centre by developing new office and commercial spaces, public spaces, and hotels.





MANCHESTER REGENERATION – FUTURE PLANS

Manchester has seen significant investment and regeneration over the past few decades, but development shows no signs of slowing down. In 2021, regeneration projects that are expected to either commence or complete include the £2m of Piccadilly

Gardens, a huge development in Oxford Road called Circle Square which comprises new homes, offices, restaurants, hotels and bars, and further work on the NOMA regeneration project with extended development around Angel Square.

MANCHESTER HAS SEEN SIGNIFICANT INVESTMENT AND REGENERATION OVER THE PAST FEW DECADES

BEST AREAS TO INVEST IN MANCHESTER

Manchester is a diverse city, offering many different neighbourhoods which each have their own unique character. For example, the Northern Quarter is renowned for its bohemian, artistic vibe and Salford in Manchester offers modern high-rise riverside apartment blocks.

With regards of where to invest in Manchester, it is a good strategy to choose areas that are currently undergoing

regeneration or are close to regenerated zones. Property in some areas close to the city centre which have experienced regeneration have already reached a ceiling and there is little scope for more growth. Other neighbourhoods do not meet the criteria for investment, either because the location in relation to the city centre is not appealing enough, or there is no planned regeneration.





M14 POST CODE

The M14 postcode covers the areas of Fallowfields, Moss Side, and Rusholme. Manchester's M14 postcode offers some of the highest yields in the country. Average property prices stand at £194,733 and average rents are £1636 which means a rental yield of up to 10% can be achieved. This is mainly due to it bordering the University of Manchester campus, making the area a popular place with students. £400m of public and private money is being invested in Moss Side to improve housing, and once noticeable improvements are made capital growth can be achieved.

SALFORD

Technically a city, Salford is part of Greater Manchester. Over the years it has undergone a significant amount of regeneration, especially around the Salford Quays area which is now home to MediaCityUK and has attracted a lot of young professionals in the industry. The area has seen the second biggest increase in population locally, growing by 12.9% between 1991 and 2019.

The main artillery road through Salford is Chapel Street, which has seen development over the years and newly built apartments have mainly been tenanted by students as it is close to Salford University.

CIA Landlord revealed that Salford is the most profitable city for landlords. According to Zoopla, average property prices in Salford stand at £182,602, and being so close to Manchester city centre it is a viable alternative to renters and buyers wanting to save money, therefore offering good rental yields and capital growth opportunities

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55 QUEEN ST, SALFORD M3 7DQ, UK

PRICING

One Bed From £227,954

Two Bed From £246,176

Three Bed From £315,686

Top five USP

- Below market value
- Residents' gymnasium, yoga studios, workspaces, and cinema room
- High capital growth area
- Stone's throw from Spinningfields and Deansgate neighbourhoods

PAYMENT PLAN

1. £2000 to take from market (non-refundable)
2. 28 days to exchange – 25% deposit (£2000 returned)
3. 75% on completion

COMPLETION DATE Q4 2022

FREE LEGALS WHEN YOU ENQUIRE VIA

<https://www.onetouchinvestment.co.uk/brochure-enquiry-queens-st>



5 MICHIGAN AVE, SALFORD M50 2GY, UK

PRICING

One Bed From £175,995

Two Bed From £235,995

Three Bed From £278,995

Top five USP

- Prime Location to media city
- Proximity to Salford Quays retail and entertainment
- Affordability and built-in equity in comparison to others
- World class management company ensuring smooth returns

PAYMENT PLAN

1. £5000 reservation deposit
2. 25% of purchase price (less reservation deposit) and 50% of furniture pack are payable within 21 days on exchange of contract
3. 10% of purchase price and 50% of furniture pack are payable six months after exchange of contract
4. Remaining balance to be paid upon completion

COMPLETION DATE Q1 2023

FREE LEGALS WHEN YOU ENQUIRE VIA

<http://onetouchinvestment.co.uk/brochure-enquiry-michigan-towers>



REGENT ROAD

Regent Road is a main artillery road connecting Salford to Manchester city centre, that up until recently has been overlooked for regeneration. More recently, new developments have been planned for the area including Carnaby Place and Regent Plaza.

Regent Road is in an ideal location for either those who work in Manchester city centre or those who work in Salford. We think as Carnaby Place and Regent Plaza change the skyline; Regent Road will be an attractive alternative to cater for the Salford overspill.



SHOULD YOU INVEST IN PROPERTY IN MANCHESTER?

- House prices in Manchester rising quicker than the UK average
- Manchester has a high graduate retention rate. A well-educated, high earning workforce will require housing and will eventually be able to buy
- Areas in Manchester still undergoing regeneration providing opportunity for capital growth
- Greater Manchester has one of the largest student populations in Europe with over 96,000 students. This allows for high occupancy rates translating into rental yields for existing student accommodation

Manchester's property market is one of the best performing in the UK. Over the last year alone, property prices in Manchester have risen by 12% despite a global pandemic suppressing house prices in many other parts of the UK.

**OVER THE LAST YEAR ALONE,
PROPERTY PRICES IN MANCHESTER
HAVE RISEN BY 12% DESPITE A GLOBAL
PANDEMIC SUPPRESSING HOUSE PRICES
IN MANY OTHER PARTS OF THE UK.**

For those looking to invest in either the residential or student property market, there is opportunity for capital growth and good rental yields if the right location is chosen. House prices over the next five years are expected to increase by 17.1% as future investment and regeneration projects, and world-class universities continue to attract young professionals and students to the city.

Contact One Touch Property today to speak to an investment consultant about exclusive opportunities within the Manchester property market where we think will see strongest capital growth and the best rental yields.



PROPERTY INVESTMENT OPPORTUNITIES IN MANCHESTER

55 QUEEN STREET

- Located in Salford and minutes from Manchester's Deansgate and Spinningfields neighbourhoods
- Prices starting from £227,359
- 4% net yield
- Completion Q4 2022
- Residents' cinema and yoga studios onsite
- One, two, and three-bedroom apartments available



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One Touch

Property Investment

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