Manchester Investment Guide

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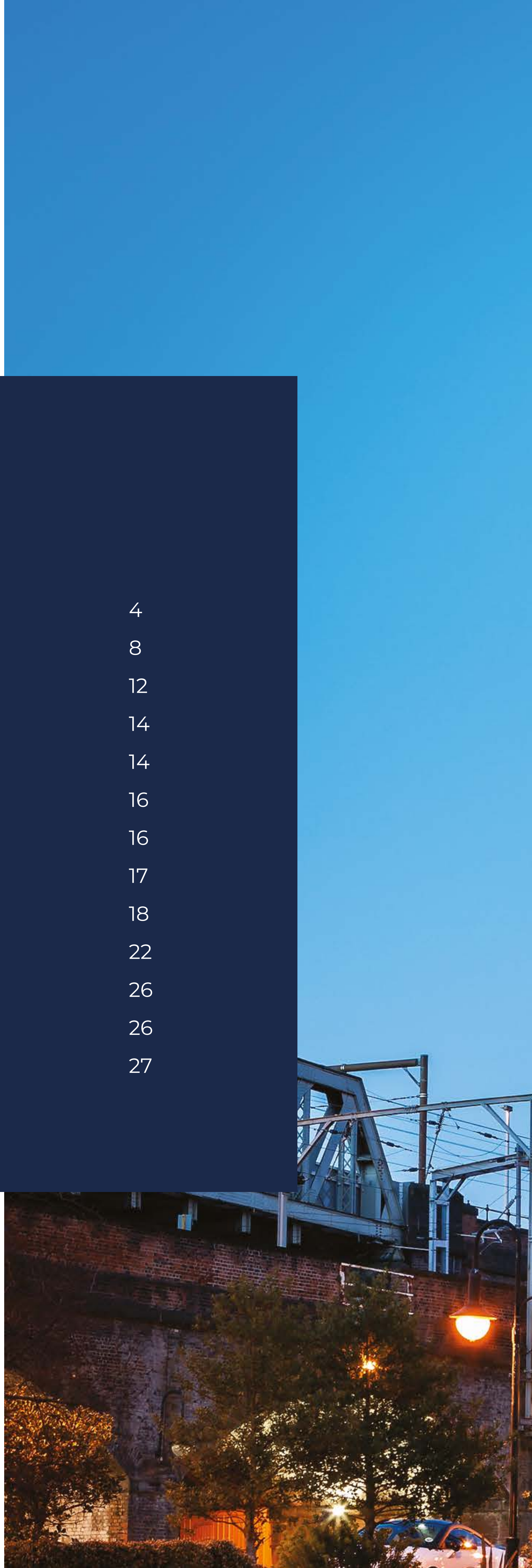


Why invest in Manchester?

Manchester is an attractive place to live, work, and do business

It's easy to see why it's such an exciting place to call home: it's expected to be one of the fastest cities for economic growth between 2024 and 2026.[1] **The city's GDP also rose by approximately 10% in 2022 – significantly higher than the 7.6% UK average.[2]**

To understand this growth, though, we must first look back. Greater Manchester as a county is grounded in a rich history – and not just for its involvement in the Industrial Revolution.

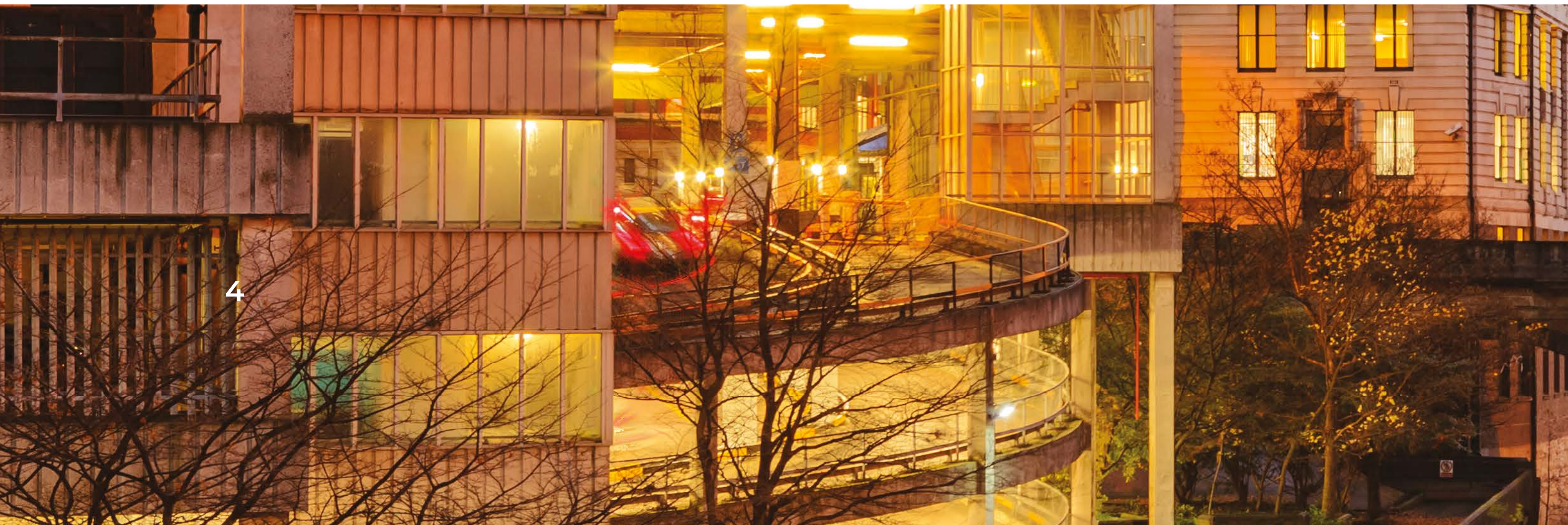
Manchester in the making

Key historical moments include the world's first inter-city and electric railway. Notable figures are from here too – such as John Dalton, Emmeline Pankhurst, and Alan Turing – making discoveries, movements and inventions that have gone on to shape the world.

The present day matters just as much: **there's a huge following for Premier League football teams Manchester City and Manchester United, amongst many other local clubs.** The 'Madchester' music and cultural scene may have ended in the 1990s, but significant influences like The Smiths and The Stone Roses have continued to inspire artists in the area.[3]

Citizens enjoy a full social life as a result, with a wide variety of music venues, eateries, bars, shops, museums, galleries and leisure activities to choose from.

It's no wonder that **Manchester was voted third best city in the world in the Time Out Index 2021** – beaten only by San Francisco and Amsterdam.[4] In Time Out's 2024 Index, it was also one of only a few featured cities that aren't a national capital.[5] Considering that its property values are around a third of that of other cities in the list, Manchester is punching well above its weight – giving a clear indication as to its potential. Manchester was additionally voted as the city to replace London as the UK's capital, gaining 55% of the vote from supporters of the move.[6]



2.4%
higher growth in GDP than UK average in 2022

+2.5%
average annual GVA growth between 2024 and 2026

3rd
best city in the world according to Time Out

55%
of people who support a new UK capital city voted Manchester as replacement

100,000
people attend Greater Manchester's universities

51%
of students stay in Greater Manchester after graduation

57%
of those who left Manchester for university return to the city

200
destinations can be reached from Manchester Airport

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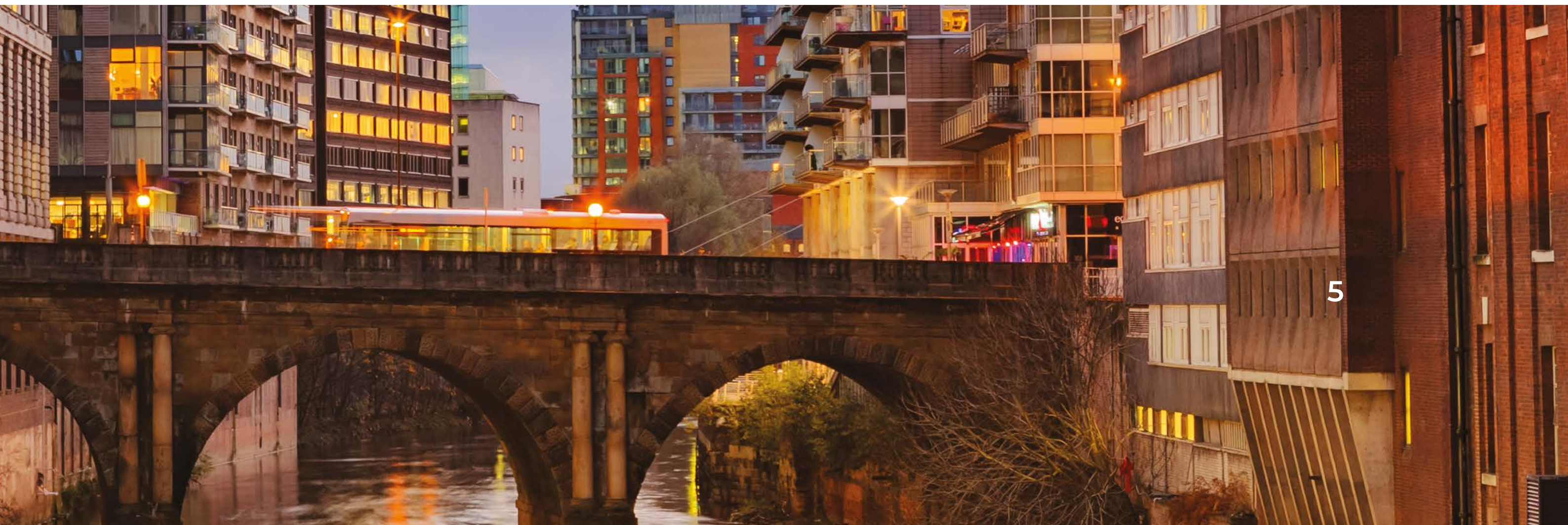
[1] TheBusinessDesk.com, 'Manchester's economy to be UK's third fastest growing between 2024 and 2026'
[2] Statista, 'Gross domestic product of the United Kingdom from 1948 to 2022'
[3] The Manchester Shop, 'What Was Madchester?'
[4] I Love MCR, 'Manchester ranked third best city in the world'
[5] Forbes, 'Ranked:The 20 Best Cities In The World, According To Time Out'
[6] Manchester Evening News, 'Manchester top rated city to replace London as capital, survey finds'



A burgeoning student city

The UK's student population has taken note. **More than 100,000 people attend Greater Manchester's five universities** (University of Manchester, Manchester Metropolitan University, the University of Salford, the University of Bolton, and University Academy 92).[7] What's more, it retains as well as attracts students, with over half opting to stay following graduation – the second-highest rate in the UK.[8] In addition, 57% of Manchester locals who left the city for university return to it later in life.

And if they don't live in the city itself, they flock there in their thousands – whether they commute in from one of Greater Manchester's ten boroughs or even further afield.

Global connections

The transport options are vast, with Metrolink (tram), train, bus, and aeroplane networks all boosting connectivity. This is due to be enhanced further by the Northern Powerhouse plans.[9]

What's more, **Manchester Airport is one of only two airports in England with two runways and acts as the entry port to the North of England**.[10] It connects to over 200 destinations and 70 airlines, whereas London Heathrow only links up to 171 destinations and it's not accessible by direct train from any other place except London.[11][12]

All these factors converge to make Manchester a reliable choice for both commercial and resident investment. This constant development shows no signs of slowing either, with the boundaries of the city centre expanding to incorporate new areas for people to live and work in. **Manchester has been an investment hotspot for more than a decade,** and it's clear to see that this won't be changing anytime soon.

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[7] Statista, 'Number of students enrolled at universities in Greater Manchester from 2016/17 to 2021/22'
[8] Centre for Cities, 'Manchester is the second most popular city for new graduates'
[9] Transport for the North, 'Northern Powerhouse Rail: Manchester'
[10] MAG Airports, 'Our airports'
[11] Yahoo News, 'London Gatwick ascends to second in UK's busiest airport rankings'
[12] Tom Forth, 'Six reasons why Heathrow is not the UK's hub airport'


MANCHESTER
MANCHESTER
MAX HEIGHT 4.1M
CAR
PARK

Economy

A rival on the world stage

The Manchester economy is thriving – it's worth £86 billion a year for GDP and has expanded by 34% over the last decade.[13,14] This makes Manchester's economy a similar size to some of the world's major regional cities, like Vancouver and Lyon. The other cities in the 'Big Six' (Birmingham, Bristol, Edinburgh, Glasgow, and Leeds) only experienced growth of around 20%.

North-shored businesses and innovative startups

This is largely thanks to the approximately 475,000 companies that are located in Greater Manchester, which make up almost 50% of the North West business landscape.[15] **Many big-name, global companies are located here. These include Amazon, BBC, BT, Deloitte, Google, HSBC, ITV, Kellogg's, KPMG, Microsoft, Siemens, Jaguar Land Rover, and BNY Mellon.** In 2023, JPMorgan Chase & Co., Rolls-Royce, and Goldman Sachs joined this list. Manchester is equally appealing for SMEs, being named the best place in the UK for small businesses in 2021.[16]

There are numerous growing sectors, such as financial and professional services, media and creative, tourism, the services sector, and – of course – technology. **Manchester's tech industry is growing at six times the pace of the UK economy and the city is the biggest tech hub outside of London**, having raised £532 million in funding in 2022 – a 50% boost compared to the year prior.[17] [18] It's also the fastest-growing hub in the North West. The approximately 10,000 digital and tech companies located here (around 1,600 of which are startups and scaleups) have collectively raised more than £1.8 billion in venture capital since 2018.

The city also has the largest fintech ecosystem outside of London, anticipated to be valued at more than £1bn to the local economy.[19] It was also named the top large UK city of the future by The Financial Times' fDi international investment ranking.

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[13] Manchester City Council, 'Investing In Success - Manchester's new economic strategy unveiled'
[14] Benoit Properties, 'Manchester Growth Outpaces That of Other Big Six Cities'
[15] HitHorizons, 'Companies population in North West'
[16] Business Live, 'Manchester named the UK's best place for small businesses'
[17] Business Leader, 'What does the future look like for Manchester businesses?'
[18] Greater Manchester Business Board, 'Manchester confirmed as biggest tech hub outside of London as tech firms raise record £532m funding in 2022'
[19] Place North West, 'UKREiiF | Why Manchester is the UK's leading city for investment'

Building the future

Manchester is an investment hub for other sectors, too, with an Investment Zone revealed in 2023's Autumn Statement that will focus on the advanced materials and manufacturing industry.[20] **This will create 32,000 jobs and leverage £1.1 billion of private sector investment.** It will also deliver £160 million in public funding over the next decade. Other big projects will additionally contribute to employment rates, including the 20,000 roles created by Atom Valley.[21] Overall, jobs are anticipated to rise by 1.8% per year between 2024 and 2026, which is higher than the national average of 1.3%.[22]

£86bn
a year GDP

475,000
companies are located in Greater Manchester

+34%
economic growth in the last 10 years

£532m
funding raised by Manchester's tech firms in 2022

£1.8bn
venture capital raised by Manchester's tech firms since 2018

£1bn
value of Manchester's fintech sector to the economy

#1
large UK city of the future by The Financial Times

32,000
jobs to be created by new Investment Zone

£160m
in public funding to be provided by new Investment Zone

[20] University of Manchester, 'Greater Manchester Investment Zone targets growth and jobs in advanced manufacturing sector'
[21] MIDAS, 'GM green lights plan to level up north-east of city region'
[22] Greater Manchester Business Board, 'Manchester's Economy Predicted to Be the UK's Third-Fastest Growing Between 2024 and 2026'

Population

The city's remarkable growth trajectory

Almost **2.8 million people live in Greater Manchester, and its population is expected to grow by around 10% to over three million individuals by 2034.**[23]

This trend builds upon historical trajectories. Greater Manchester expanded by more than 185,000 people from 2011 to 2021, equating to a 6.9% rise.[24] The total headcount of England grew at a slightly smaller percentage – 6.6% – during this time. As for the city of Manchester, the specific population has increased by almost 50,000, which is faster than any other big city in England.

Manchester's crown as a top place to live

It's easy to see why the population is on the up. **Manchester was named the most liveable city in the UK for 2022, as featured in the Economist's 'Global Liveability Index'.**[25] Not only did it outdo London and the rest of Britain, but it also surpassed Los Angeles, Madrid, Barcelona, and Adelaide. This isn't the first year that Manchester has topped the charts in the UK either – it has been voted the most liveable since the Global Liveability Index began in 2011.[26]

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[23] MIDAS, 'Industry Expertise'
[24] Greater Manchester Combined Authority, 'Census 2021 Briefing'
[25] Manchester City Council, 'Council leader welcomes global survey as Manchester breaks into top 30 best cities'
[26] Manchester Evening News, 'Manchester once again named the most liveable city in the UK'

2.8 million
people live in Manchester

+6.9%
population growth from 2011 to 2021

+10%
population growth expected by 2034

+0.3%
greater population growth from 2011 to 2021 compared to rest of England

#1
most liveable city in the UK 2011-2022 according to the Economist

Property

A vibrant market where landlords thrive

Considering its rising population and economy, more properties are needed. Manchester City Council has committed to building 36,000 new homes by 2032.[27] **More than 75,000 homes have been identified for construction, with almost 72,000 anticipated to be built by 2040**.[28] This is alongside a number of construction projects, building upon the figure of 25 new projects in Manchester and Salford started in 2022, and 17 residential developments.[29]

The developer's playground

As Manchester is such a desirable city to live in, landlords typically have no problem finding tenants – apartments tend to rent within hours. The build quality due to rapid transformation has meant that every developer has a desire to upstage competitors for sale velocity. This benefit passes on to the buyer as it translates to a greater number of amenities – and Manchester exceeds in this area more than any other place in the UK. **Gyms, pools, co-working areas, resident lounges, concierges... these have all become standard features where they would still be classed as luxuries in other cities such as London**. As a result, an average of 32 tenants apply for every property that comes on Manchester's market compared to 19 nationally.

Tracking Manchester's continued rise

Flat and house prices have drastically risen in response. In fact, the city has experienced the biggest house price increase compared to anywhere else in the UK.[30] Rental yields are in line with this at around 6-7%.[31] **Rent has skyrocketed in the country by an average of 14%, but in Manchester it's at 19.6% – higher than all of the Big Six**.[32] In addition, it's predicted to be 21.6% cumulative from 2023 to 2027.[33] Houses will follow a similar trend, at 19.3% cumulative growth in the same period.

London vs Manchester

- **Service charges** tend to be at around **£10-14** per sq ft per annum in London vs **£3-3.50** in Manchester
- **Lettings and management fees** tend to be around **14-16%** in London vs **10%** in Manchester
- **Yields** tend to be around **3-3.5%** in London vs **6-7%** in Manchester

36,000
new homes to
be built by 2032

72,000
new homes to
be built by 2040

6-7%
rental yields

+19.3%
predicted cumulative house price growth between 2023 and 2027

25
new construction projects got underway in 2022

+5.6%
bigger annual rental growth than the national average

Biggest
house price increase of anywhere in England and Wales since 2000

+21.6%
predicted cumulative rental growth between 2023 and 2027

+19.6%
rental growth since 2022

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[27] The Manc, 'Manchester pledges to build 36,000 homes before 2032 in new housing strategy'
[28] Manchester City Council, 'Strategic Housing Land Availability Assessment'
[29] BuyAssociation, 'Manchester leads city centre growth in latest UK crane survey'
[30] Manchester Evening News, 'Manchester house prices have gone up more than anywhere else in the COUNTRY in last two decades - latest data as map shows hotspot areas for profit'
[31] Property Market Intel, '2023 Manchester Property Data'
[32] Place North West, 'Manchester rents are 20% more expensive than last year'
[33] CERT Property, 'Manchester's Property Market: 2022 Round Up and Growth Forecast'

Hotspots

City centre

The city centre boasts high average rental yields of 8.75%, with many professionals wanting a central base – whether for work, their social life, or both.[34] In fact, **more than 5,000 individuals move to the centre every year**.[35] The fantastic transport connections to anywhere in the region using the Metrolink and bus networks, and to the rest of the UK and abroad by train or plane, only serve to keep it a hotspot.

Salford

Not far from the city is Salford, which is **home to another prestigious university as well as MediaCity, where various firms such as the BBC and ITV north-shored** in 2011 and 2012 respectively. This makes it attractive to students and professionals alike. With slightly lower **average rental yields of 7.16%**, many people opt for this location to be close to Manchester at a slightly more affordable cost, or to take advantage of Salford's own bustling scene.

8.75%
average rental yields in Manchester city centre

7.16%
average rental yields in Salford

[34] RWInvest, 'The Best Buy to Let Areas in Manchester Every Investor Should Know in 2023'
[35] Aspen Woolf, 'Manchester Property Investment: 9 Reasons To Invest in Manchester'

Victoria North

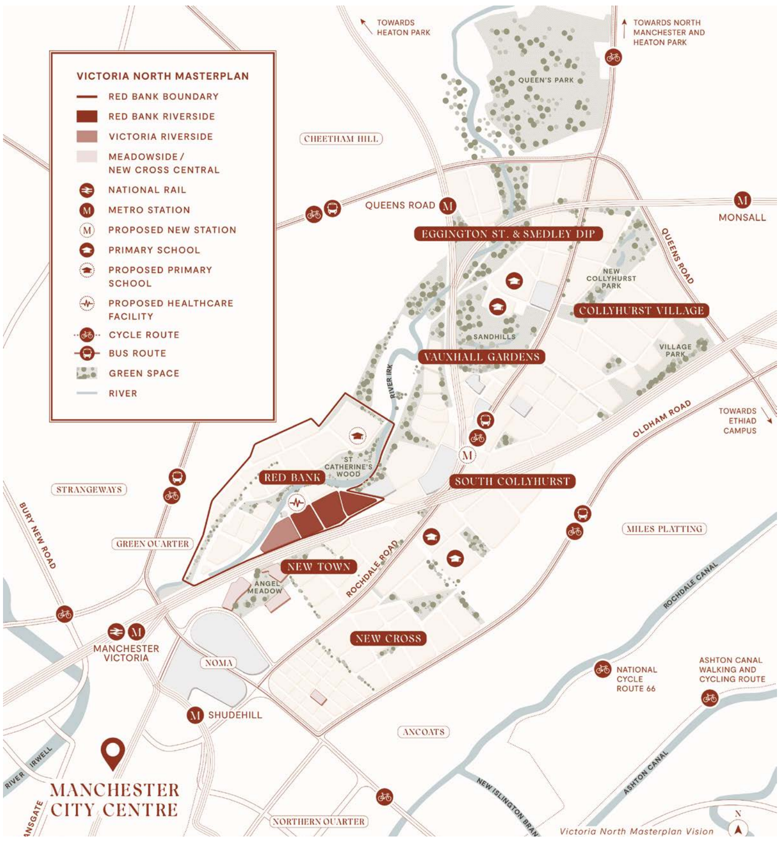
The Victoria North development is the biggest regeneration project in the north of England. It's set to play a key role in Manchester's future, innovatively allowing for multiple socio-economic benefits.

Featuring mixed-use developments, green spaces, and improved transport links, Victoria North will provide opportunities like never before – ensuring the city and its people continue to thrive.

- 400-acre masterplan
- 40,000 residents
- 15,000 homes over the next 15 years
- 155 hectares of parkland

Developed and funded by Far East Consortium (FEC) in a joint venture partnership with Manchester City Council (MCC), this development isn't about building another tower – it's about building sustainability.

Victoria North is underpinned by a vision of green spaces and connected communities, transforming areas that were previously in post-industrial decline into vibrant places for both residents and businesses.



Victoria North Masterplan Vision

Red Bank Riverside

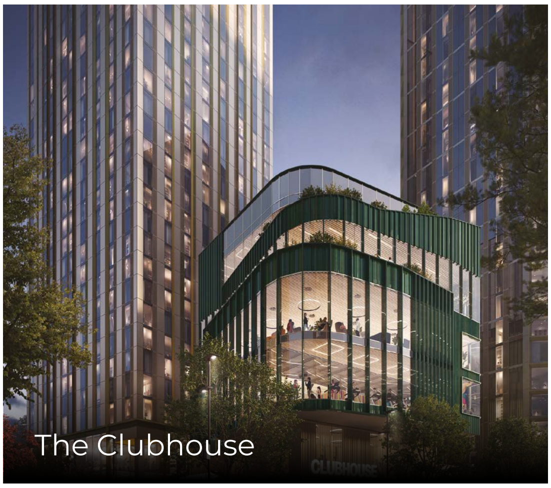
RED BANK
RIVERSIDE

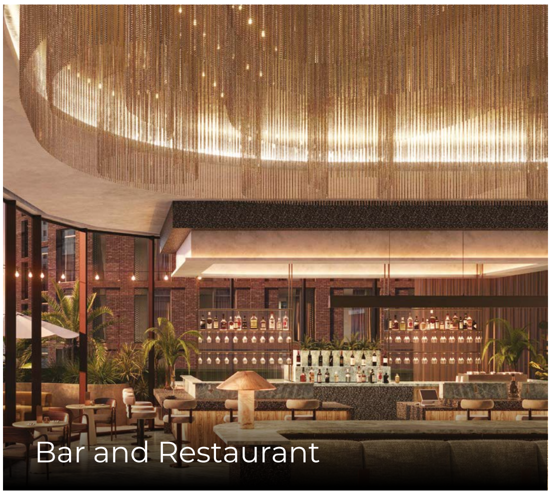
Red Bank Riverside offers a refreshingly green take on urban living. Minutes from central Manchester, the energy of the city meets the calming waterfront of the River Irk and new City River Park, where sustainable, modern homes will weave between acres of outdoor spaces and a vibrant high street.

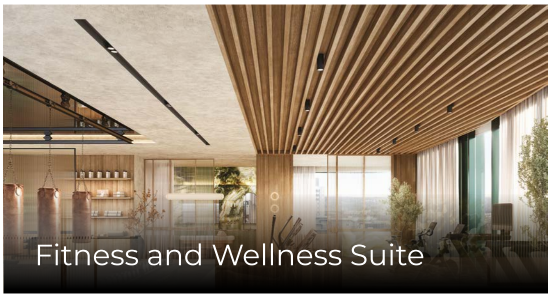
Over 2,000 new homes will be spread across nine buildings, consisting of one, two and three-bed apartments, duplexes and townhouses. Residents will be on the doorstep of Manchester's new City River Park – a 113-acre park which forms part of the broader vision to transform Red Bank under the 'Wild Urbanism' concept. Wild Urbanism intends to merge nature and city life by bringing the Irk Valley into the city and flowing the city back to the valley.

Residents of Red Bank Riverside will also have access to a newly unveiled residents' amenity, The Clubhouse. The Clubhouse will be a standalone feature building and will include a residents' lounge, co-working space, fitness and wellness suite, and restaurant.


Red Bank Riverside


The Clubhouse


Bar and Restaurant


Fitness and Wellness Suite

About FEC

- Developer of residential, commercial, and hospitality ventures
- Listed on Hong Kong Stock Exchange in 1972
- Currently operating in 10 countries with over 5,000 employees

FEC develops property, hotels, car parks, and gaming and entertainment of distinction across the world. Expanding beyond the company's headquarters in Hong Kong, FEC's diverse portfolio now consists of properties in China, Singapore, Malaysia, Australia, New Zealand, and the UK – all supported by dedicated local teams.

As an award-winning placemaker specialising in mixed-use developments to transform areas for the better, FEC is achieving ambitious yet sustainable growth that benefits stakeholders. The company has a proven track record for delivering high-quality units that capitalise on local demand and achieve a rapid return on investment.


Consort Place, London

Other FEC developments

Consort Place – London

Consort Place, a new 65-storey tower in the Canary Wharf district, features a selection of one, two, and three-bed apartments with outstanding views of the London skyline. It is also in close proximity to all the necessary amenities.

- A vibrant, cosmopolitan community
- Views of Greenland Dock, Westminster, The Shard, and the River Thames
- Access to the city's most sought-after bars, restaurants, retail, and work spaces

With half a century's experience in property, some recent examples of FEC's success include:

West Side Place – Melbourne

- Completed FY2023
- 2,913 homes and 569 hotel rooms
- 600M AUD (GDV)

Mount Arcadia – Hong Kong

- Completed FY2022
- 66 units
- 1,029M HKD (GDV)

FEC also has a number of projects under construction including Queen's Wharf Residences in Brisbane, Cuscaden Reserve in Singapore, and The Pavilia Forest in Hong Kong.

West Side Place, Melbourne

The Pavilia Forest, Hong Kong

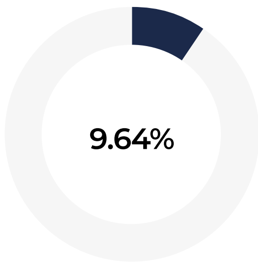
Example investment returns

To help you understand returns on a typical property investment in Manchester, we've provided two examples below. You can work out the results of your own prospective property by using Adventum's investment calculators.

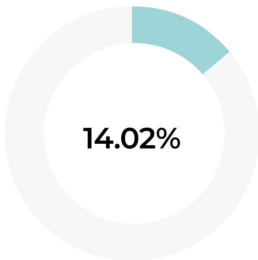
Without a mortgage

Property value	£400,000
Investment tenure	10 years
Home currency	(INR) 104.90
Rental yield	6.5%
Rental growth/escalation	5%
Projected capital growth	5%
FX growth	4%
Stamp Duty Land Tax	£27,500
Loan origination fee	0%
Letting management fee	10%
Ground rent	£0
Service charges	£1,500
Miscellaneous expense	£0
Foreign buyer?	Yes

Overall internal rate of return

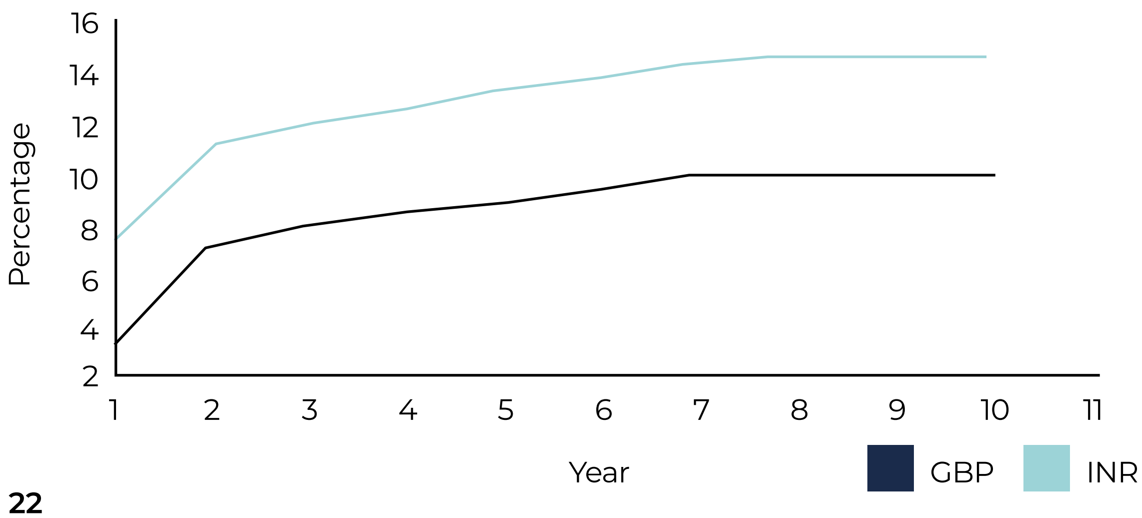


GBP

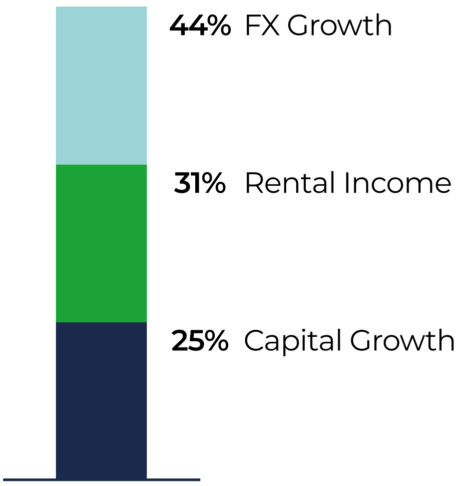


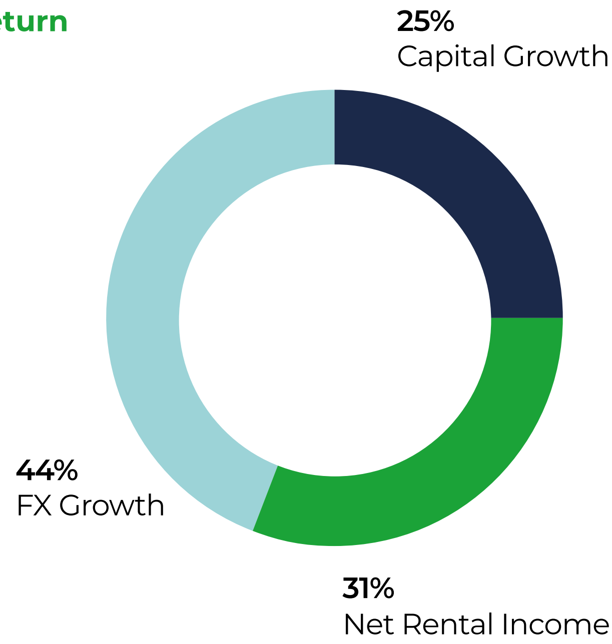
INR

Yearly internal rate of return

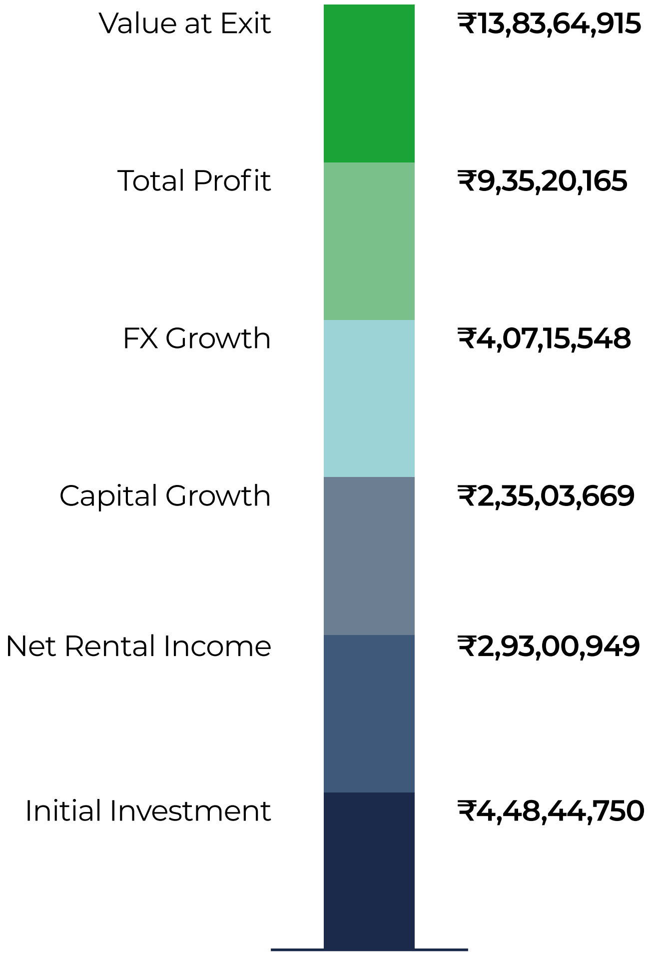


Contributions to internal rate of return





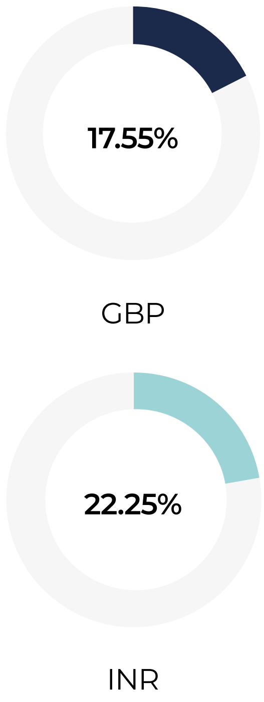
Investment performance



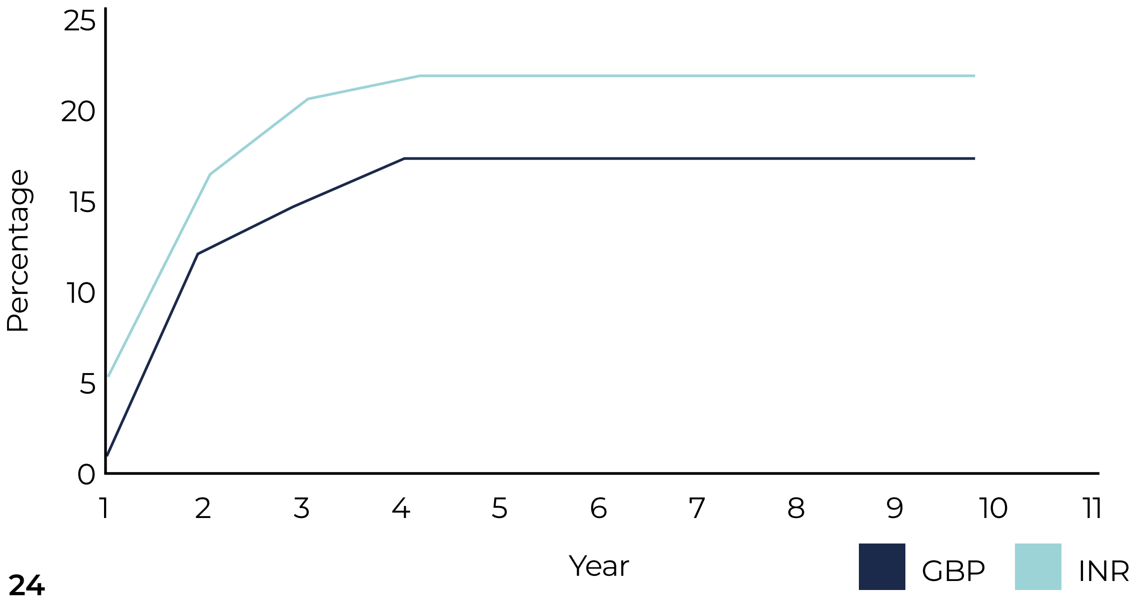
With a mortgage

Property value	£400,000
Loan amount	£300,000
Mortgage interest rate	4.5%
Mortgage interest type	Interest only
Mortgage interest tenure	10 years
Investment tenure	10 years
Home currency	(INR) 104.90
Rental yield	6.5%
Rental growth/escalation	5%
Projected capital growth	5%
FX growth	4%
Stamp Duty Land Tax	£27,500
Loan origination fee	0%
Letting management fee	10%
Ground rent	£0
Service charges	£1,500
Miscellaneous expenses	£0
Foreign buyer?	Yes

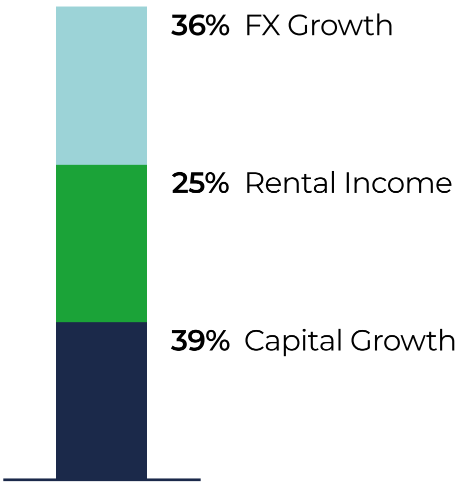
Overall internal rate of return

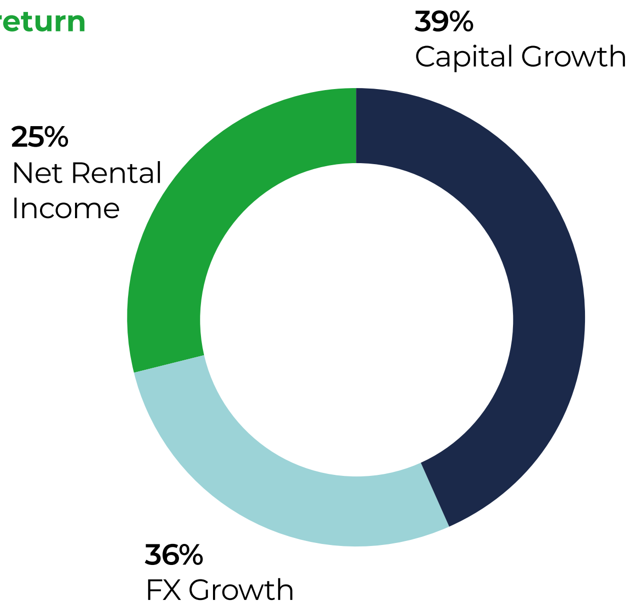


Yearly internal rate of return

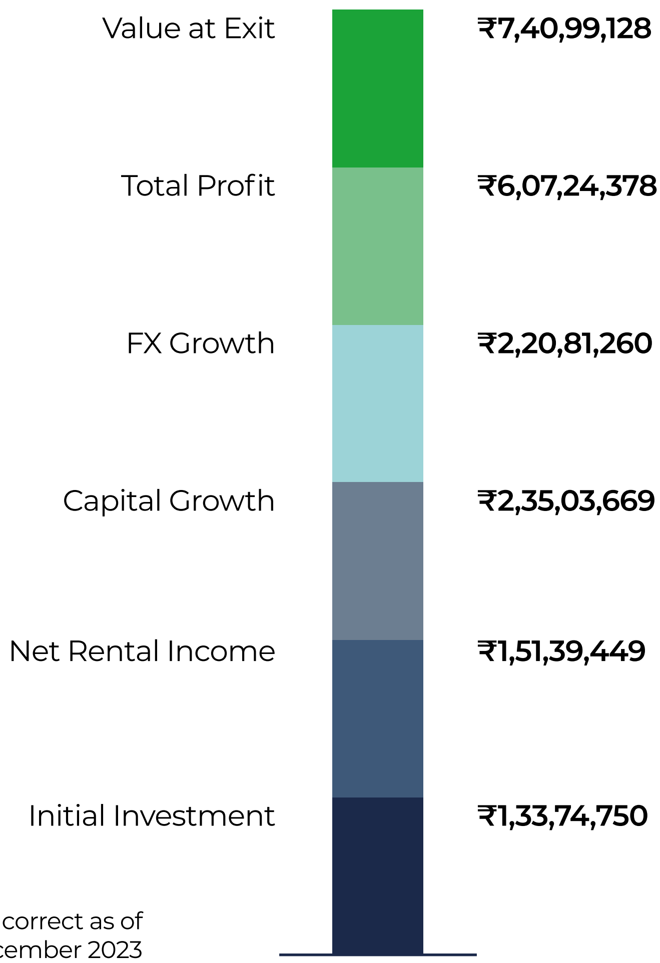


Contributions to internal rate of return





Investment performance



* Figures correct as of December 2023

About Adventum

UK property investment from overseas made simple

Here at Adventum, we can help you access the UK property market and all that Manchester has to offer. By drawing on our 25 years of experience, we'll make your wealth diversification journey easy. **We'll help you identify the Manchester properties to invest in, as well as support with acquisition, transaction, financing, furnishing, and managing.** Our expert team will also make sure investments suit your appetite to risk and desired returns.

With us, you can overcome any barriers to investing in Manchester property or elsewhere in the UK.

Our services

Advisory and acquisition
Portfolio planning and review, capital export strategies, UK property acquisition, investment management, and more.

Legacy and tax planning
Tax and legal advice to optimise investments, and tax-efficient property purchases through limited company setup and management.

Banking and mortgages
Personal, business, and paperless banking; non-resident services; and a 60-month interest-free deferred payment plan for buying UK property.

Management and hospitality
Tenant and property management, and flexible, worry-free furnishing solutions.

Investment calculators
Free-to-use calculators covering investment returns, capital growth, weekly rent, foreign exchange, and Stamp Duty.

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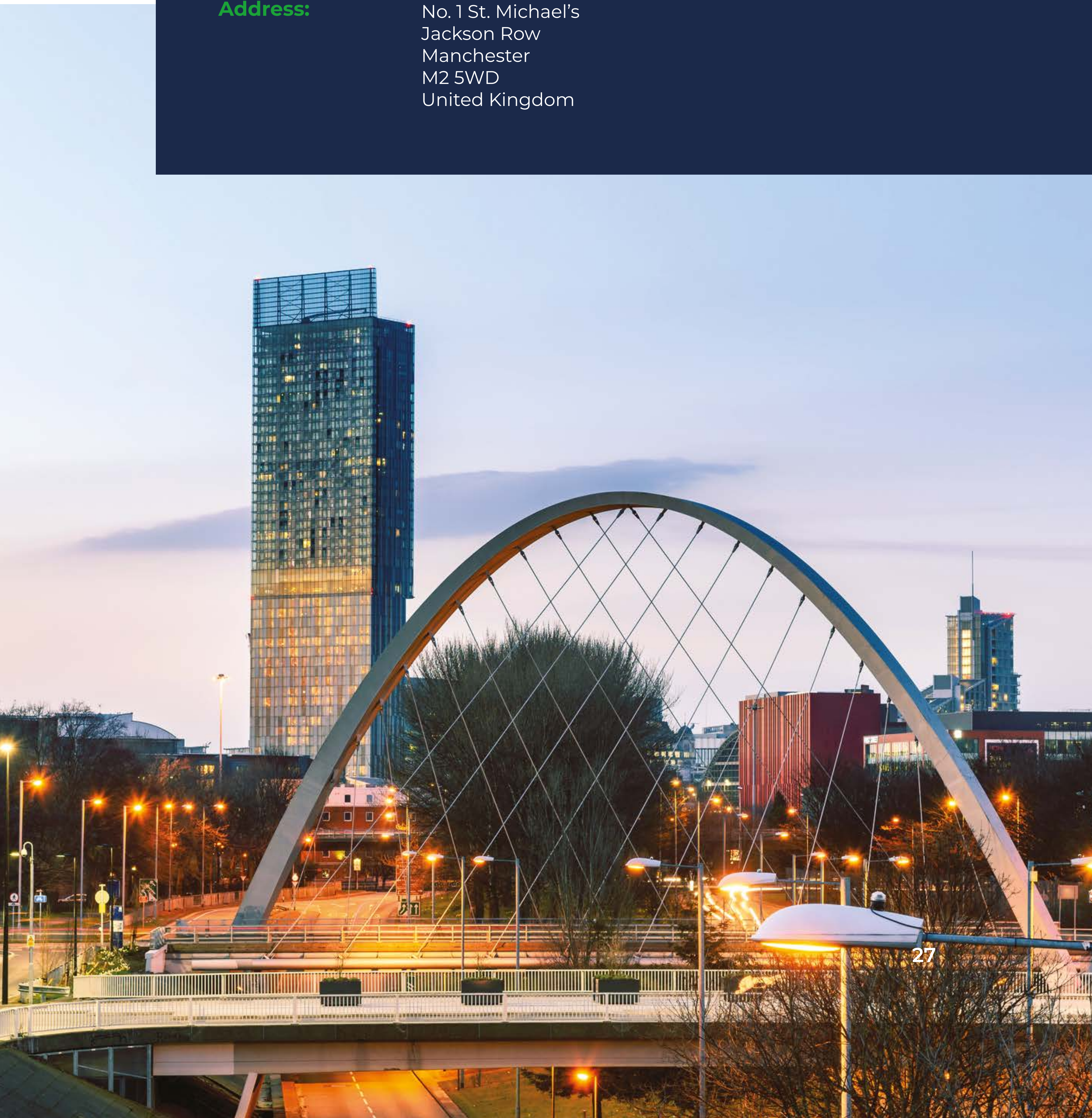

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