

# STUDENT PROPERTY

*2018 Investment Guide*



RWinvest

THE STUDENT PROPERTY  
MARKET REACHED  
**£5.3 BILLION**  
BY THE END OF 2017



INVESTORS FROM AROUND THE GLOBE  
ARE INVESTING IN STUDENT PROPERTY IN THE UK



THE PBSA MARKET CONTRIBUTES  
**£46 BILLION** TO THE UK  
ECONOMY AND IS EXPECTED  
TO INCREASE BY THE END OF 2018



## INVESTING IN STUDENT PROPERTY

*'Growing numbers of investors from around the globe are choosing student accommodation for their next venture'*



Student accommodation is now one of the UK's most lucrative investment opportunities. The student property market reached £5.3 billion by the end of 2017; a big increase when compared to the £3.1 billion of 2016. Growing numbers of investors from around the globe are choosing student

accommodation for their next venture, with the purpose-built student accommodation (PBSA) market already contributing £46 billion to the UK economy. This already high figure is expected to grow even further by the end of 2018, making now the perfect time to get involved with student buy to let.

# UK STUDENT POPULATION

*'In the academic year of 2016/17, there was a total of  
2.32 million students studying in the UK'*



The population of students within the UK is experiencing rapid growth, with student numbers having almost doubled since the early 90s. In the academic year of 2016/17, there was a total of 2.32 million students studying in the UK, with 84% being happy and satisfied with their course. According to UCAS, 2017 saw the largest ever amount of 18-year-olds in the UK landing a place in higher education. This goes to show that the student scene in the UK is thriving, and with the UK boasting four of the world's top ten universities, it isn't hard to see why.

STUDENT NUMBERS HAVE ALMOST  
DOUBLED SINCE THE EARLY 90S



IN 2016/18, THERE WAS A TOTAL OF  
**2.3** MILLION STUDENTS IN THE UK



THE UK BOASTS **FOUR**  
OF THE WORLD'S TOP TEN UNIVERSITIES

# THE UK'S PBSA MARKET

*'PBSA is the fastest growing asset in the UK's property market, reportedly having grown by 37% since 2014'*



The purpose-built student accommodation market in the UK has changed massively over recent years. PBSA is the fastest growing asset in the UK's property market, reportedly having grown by 37% since 2014 and reaching a revenue of £42.5 billion by 2017.

***Today, the student accommodation market focuses more closely on student properties with a luxury edge. In 2018, more than a fifth of students are prepared to pay over £160 a week for quality apartments and facilities.***

Locations close to the city centre, modern and stylish furnishings and interiors, and useful amenities like high-speed internet and round the clock maintenance are now a top priority for students. Rising student populations around the United Kingdom mean that there's a growing demand for quality student accommodation, making the PBSA market a great route for investors to take.



Quality Common Room  
facilities in PBSA,  
Pictured: #47, Leicester

THE LARGEST PERCENTAGE OF INTERNATIONAL STUDENTS IN THE UK ARE FROM CHINA, WITH A TOTAL OF **95,090** CHINESE STUDENTS

UNIVERSITIES IN ENGLAND ARE THE MOST POPULAR WITH INTERNATIONAL STUDENTS IN THE UK, WITH **363,585** ENROLLMENTS IN 2016/17

INTERNATIONAL STUDENTS CONTRIBUTE AROUND **£20.3** BILLION ANNUALLY TOWARDS THE ECONOMY

## OVERSEAS STUDENTS STUDYING IN THE UK

*'International students contribute around £20.3 billion annually towards the economy in the UK'*



*International students contribute around £20.3 billion annually towards the economy in the UK, with around 450,000 overseas students enrolling in the academic year of 2016/17.*

Making up nearly one-third of non-EU students and with a 13.5% increase since 2013, Chinese students are the largest percentage of international students in the UK with a population of around 95,090. Hong Kong follows behind, with a total of 16,680 students.

Of all the international students studying in the UK in 2016/17, 363,585 enrolled in courses at an English university, making institutions in England the most popular in the UK.

# OVERSEAS INVESTMENT IN PBSA

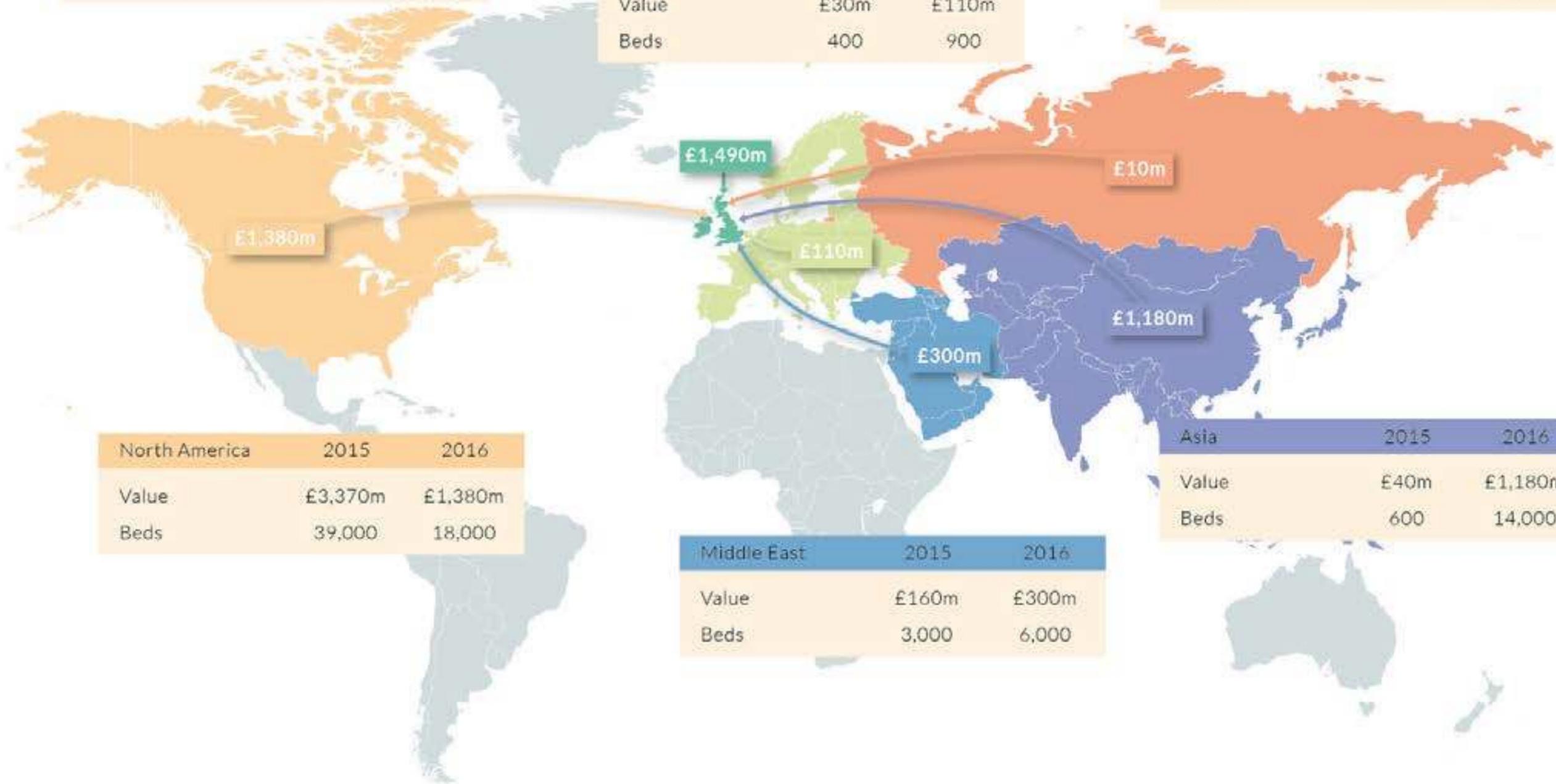
'More student property was purchased in the six months following the Brexit result than the six months before'



UK	2015	2016
Value	£1,370m	£1,490m
Beds	28,000	27,000

Europe	2015	2016
Value	£30m	£110m
Beds	400	900

Russia	2015	2016
Value	£720m	£10m
Beds	4,000	100



North America	2015	2016
Value	£3,370m	£1,380m
Beds	39,000	18,000

Middle East	2015	2016
Value	£160m	£300m
Beds	3,000	6,000

Asia	2015	2016
Value	£40m	£1,180m
Beds	600	14,000



Victoria Building,  
University of Liverpool

# STUDENT INVESTMENT IN LIVERPOOL

*'Liverpool offers some of the most impressive rental yields in the United Kingdom'*



As of 2018, Liverpool is one of the biggest student property investment hotspots in the UK. With a selection of reputable institutions like the University of Liverpool, Liverpool John Moores University, and Liverpool Hope University, along with Edge Hill University just a short train ride away in Ormskirk, the city has plenty of academic appeal. It isn't just the world-class education on offer that makes Liverpool stand out as a student city, as the city is filled with an array of fantastic cultural hotspots, nightlife, and lively neighbourhoods such as the Baltic Market that was voted amongst the coolest in the UK.

A city which already has lots of capital growth potential, Liverpool is set to benefit even further under the Northern Powerhouse initiative. The Northern Powerhouse is a project that plans to enrich the cities of the North of England by investing into transport, science and skills, and general quality of life. Liverpool Waters is one regeneration project that's set to bring new interest to the city, with £5.6 billion being invested into developing two million square metres of Liverpool's waterfront. This development will transform the famous docks into a haven for property, leisure and entertainment, creating 37,000 jobs and boosting the overall economy of the city.

When it comes to buy to let investment, Liverpool has edge over a lot of other UK cities due to its affordability. Liverpool offers some of the most impressive rental yields in the United Kingdom due to the low purchase costs of property and increasingly high rental costs. Student property is often typically more affordable to buy than residential properties, which is why this type of investment is so popular with first-time investors and those from overseas that are new to the UK buy to let market.



### **INSTITUTIONS INCLUDE:**

**THE UNIVERISTY OF LIVERPOOL  
LIVERPOOL JOHN MOORES UNIVERSITY  
LIVERPOOL HOPE UNIVERSITY  
EDGE HILL UNIVERSITY**

**LIVERPOOL OFFERS SOME OF THE MOST  
IMPRESSIVE RENTAL YIELDS IN THE UK -  
OFTEN AS HIGH AS 11.79%**

**AS OF 2018, LIVERPOOL IS ONE OF THE  
BIGGEST STUDENT PROPERTY HOTSPOTS IN THE UK**



Whitworth Building,  
University of Manchester

# STUDENT INVESTMENT IN MANCHESTER

*'Manchester has one of the highest international student populations in the country'*



Home to the largest single-site university in the UK, The University of Manchester, Manchester is a city with great potential when it comes to the student property market. Manchester has a total of around 85,000 students enrolled in the city's institutions, with Manchester Metropolitan University and the University of Salford also attracting students from around the globe.

Along with a high student population, Manchester also boasts impressive student retention rates, with 70% of the city's graduates choosing to stay after completing their studies. With an impressive range of business opportunities in Manchester, such as Salford's MediaCityUK, it isn't hard to see why the city is attracting ambitious graduates and young professionals.

It is statistics like this that highlight the appeal of Manchester both for students and young professionals, with a population that will grow further in years to come. Manchester also has one of the highest international student populations in the country, welcoming around 5,135 overseas students in 2016.

Manchester is an area with some exciting plans and developments in place which are set to improve the cities quality of life and economy in a big way. The city is already known for its state of the art transport, with a convenient tram system helping people easily navigate around the city centre and beyond. The Northern Powerhouse initiative has plans in place to improve transport in Manchester and other Northern cities with the Northern Powerhouse Rail. This project will boost connectivity between the key cities of the North, making it easier and more efficient for people to travel between cities such as Liverpool and Manchester.

Other plans under the Northern Powerhouse initiative include a £5 million investment to create a new gallery celebrating South Asian history and culture in the Manchester Museum. New plans such as these are sure to bring a lot of new interest to the city from both students and investors alike.

Like its Northern neighbour Liverpool, Manchester stands out on the property front due to the city's affordability and attractive yields. Yields in Manchester have reached highs of 10% in recent years, and with purpose build student accommodation in the city primely located in areas with high rental yields, investing in student property in this city is a no-brainer.



MANCHESTER HAS A TOTAL OF  
**85,000 STUDENTS**

THE UNIVERSITY OF MANCHESTER  
IS THE UK'S LARGEST SINGLE-SITE UNIVERSITY, WHILST  
MANCHESTER METROPOLITAN UNIVERSITY AND THE  
UNIVERSITY OF SALFORD ARE ALSO POPULAR

YIELDS IN MANCHESTER HAVE REACHED HIGHS  
OF **10%** IN RECENT YEARS



# HAMILTON HUB

*'These stylish luxury apartments are perfect for students studying in Liverpool Universities'*

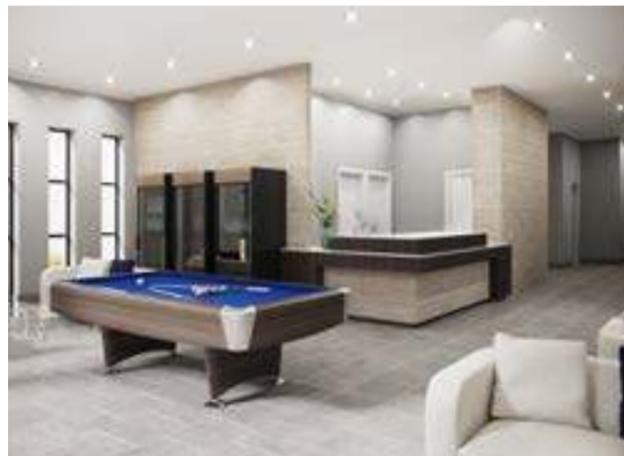


Hailed the lowest priced property investment in the UK, those interested in student buy to let should look no further than our very own Hamilton Hub property. Hamilton Hub luxury student apartments are located nearby Birkenhead's Hamilton Square, with the town's centre also a short walk away.

These stylish luxury apartments are perfect for students studying in Liverpool universities. Students can travel from Hamilton Hub to Liverpool city centre in just three minutes, making it quicker to travel to Liverpool university campuses from Birkenhead than from several other outlying Liverpool areas.

Our Hamilton Hub apartments are developed to the highest standard, with a modern, spacious design featuring state of the art kitchens and comfortable living areas. Our student apartments are also beautifully furnished, featuring stylish double beds, desks for studying and everything your tenant needs for a happy, comfortable experience.

Hamilton Hub is one of the most impressive purpose-built student accommodation opportunities in the UK, priced from as low as £45,450 a year with 8% net rental returns. With new regeneration projects in place such as Wirral Waters, Birkenhead is an area with lots of potential for capital appreciation, making now the ideal time to invest



THERE ARE PREDICTED TO BE AROUND  
**100,000** ADDITIONAL UNIVERSITY  
PLACES AVAILABLE BY **2035** 

**2<sup>ND</sup>**  
MOST POPULAR STUDY DESTINATION WORLDWIDE 



THE ELIGIBLE STUDENTS TO BED  
RATIO IN PARTS OF THE UK IS  
**2.1:1**

**47%** OF STUDENTS IN THE UK STUDY  
OUTSIDE THEIR DOMICILE REGION

## CONCLUSION

*'PBSA is the fastest growing asset in the UK's property market, reportedly having grown by 37% since 2014'*



Both the student population and the purpose-built student accommodation market are showing no signs of slowing down any time soon. Investing in student property has plenty of advantages and low risk, which makes the PBSA market a great option for more cautious investors looking for a reliable and lucrative venture.

Liverpool and Manchester offer some of the UK's most impressive student property investment opportunities, with thriving student populations, growing economic value, and best of all, attractive rental yields. Our Birkenhead Hamilton Hub property is an exciting development for those looking to invest in student accommodation, based in an up and coming area of the North West which is soon to be a hotspot for students studying in Liverpool and its surrounding areas.

*Interested in learning more about student property investment opportunities with RW Invest? Contact us today and one of our dedicated property experts will be happy to talk you through the best option for you.*

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