

What's Next?

Understanding the property world, post Covid-19

Why We're Investing in Glasgow, Scotland

Glasgow is forecast to grow at the same rate as L.A, New York City and Paris, yet is still more affordable than Edinburgh. The market fundamentals are there for an exciting investment opportunity post COVID-19.

Scotland Overview

A strong economy focussed on the Digital and Tech industry

- Scotland was previously industry dominated in the sectors of ship-building and steel work. Since the decline of heavy manufacturing, the economy has redirected towards **digital** and **service-orientated** industries.
- Despite uncertainties surrounding Brexit, the estimated **nominal GDP** in 2018 was **£170 billion** and has continued to grow throughout 2019. The first estimate for Q4, released in March 2020, was **stronger than the UK** as a whole.
- Scotland is the most **attractive location** for **foreign direct investment** in the UK outside of London.
- Scotland has come a long way in the past decade from an **unemployment rate of 8.8% in 2010 to currently 3.5%**, while the UK-wide unemployment rate remains 3.9%.

Why Glasgow?

It is the third most popular city in the UK with 1.7 million inhabitants in the Greater Glasgow Metropolitan Area and forecast to grow by 175,000 more people over the next 15 years.

1. Glasgow's construction activity will struggle to keep up with high population growth forecasts.

- Glasgow needs 1,300 new houses per annum and has over the past decade only completed 1,000 new builds p.a.
- Property prices are £230,000 on average, whereas in Edinburgh the average is £295,000.
- Average yields in Glasgow are higher than Edinburgh with a range of 4.7% to 5% net.

2. The unemployment rate continues to tumble due to new high-growth industries.

- In 2017, £1.31 billion was invested in the local economy around the Tech sector.
- 50% of all Scotland's students with majors in electronics, mechanics and software are based in Glasgow.
- Glasgow was ranked second best UK Tech City in CBRE's 2019 Tech Cities Report, behind London.

3. The HS2 will catapult Glasgow's future growth and further connectivity.

- Considered to be a priority location, Glasgow will house a terminus station from the first phase of the much-anticipated HS2 program. The new high-speed rail station will be operational from as early as 2026 and provide speedy access to cities in the Northern Powerhouse region.

4. Glasgow's student population and university retention rate underpin a robust rental market.

- It has the highest student retention rate in the UK at 51%, contributing to a strong new workforce entering the rental market.
- Glasgow's the number one in UK Core Cities for financial and business services graduates.
- Throughout the four universities in Glasgow, there are over 160,000 students enrolled.