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Real Estate



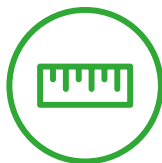
Living for the city
Manchester Crane Survey

January 2018

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The report



What?

A report that measures the volume of development taking place across central Manchester and its impact.

Property types include:

- Residential;
- Office;
- Leisure, retail and hotels; and
- Education and research facilities.



Where?

Central Manchester and Salford.



Who?

Developers building new schemes or undertaking significant refurbishments of office buildings of the following size:

- Office > 10,000 sq ft
- Retail and leisure > 10,000 sq ft
- Education and research > 10,000 sq ft
- Residential > 25 units
- Hotel > 35 rooms



When?

Research for the Crane Survey was recorded between 13 January 2017 and 12 January 2018.



How?

Our in house real estate team has monitored construction and pipeline development across the city and has carried out field research. Our field research is then verified with direct industry links and in-house intelligence.

Key findings

Manchester Crane Survey results

11,135 residential units currently under construction. Exceeds **2017** levels by **4,172** units.



1,784 residential units were completed in 2017 – the highest level since 2009 (**2,053**).



Construction commenced on **32 new schemes** in 2017.



1,509,096 sq.ft of office floorspace completed in 2017, Manchester office market headline rents remain at **£33.50 per sq.ft** despite suggestions of shortage of Grade A space.



Pre-lets are down, on new starts with only **3.6%** of space under construction pre-let, suggesting the return of the speculative office scheme.



2.4x increase in the level of **retail and commercial** units under construction, a result of the large number of residential-led, mixed use schemes coming forward.



Outlook

Manchester will remain an attractive prospect for **international investment**, despite increasing competition for sites.



Shift towards for **sale residential schemes** and further **diversity** of residential product in terms of house and apartment typology.



Inflation and wage growth stagnation continue to impact retail and leisure sectors.



Growth in the **residential sector** will stabilise as increasing numbers of units complete, gaining traction to resolve the significant **level of undersupply**.



As major **Grade A space** progresses in 2018, office pre-lets to increase.

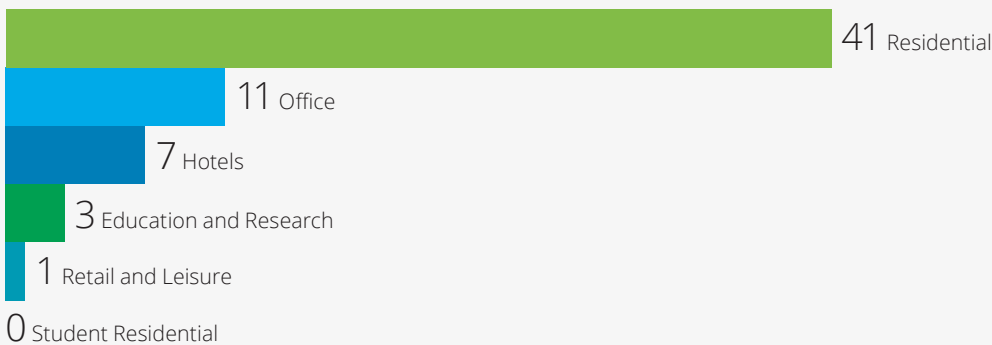


Regeneration projects will continue to drive delivery in Salford Central, NOMA, New Cross, St John's and Circle Square.



Manchester development snapshot

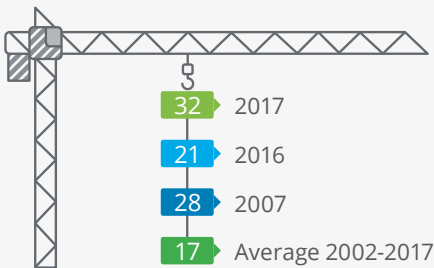
Which sectors are the most active? (Number of schemes under construction)



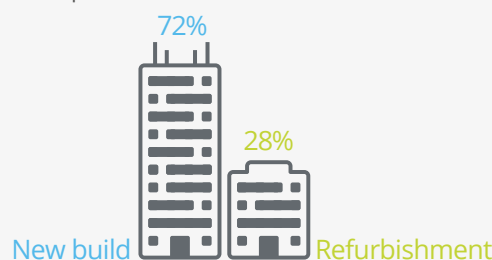
Schemes completed in 2017



Number of new construction starts



Office new build vs Refurbishment



Office space under construction



Residential completions 2017



Anticipated residential completions 2018



Average 2002-2017



Residential units under construction 2018 Survey
11,135

Residential units under construction 2017 Survey
6,963

Average under construction 2007-2017
3,135 units

Hotel rooms completed during 2017



Hotel beds under construction 2018



1. Residential

The 2017 Crane Survey reported a record breaking year for the residential sector, with 6,963 units under construction across 28 developments. This year's update shows no sign of a slowdown in the rate of new schemes starting in the last 12 months, with a steady 20 new starts against last year's 22.

A selection of major new starts this year include:

- Kampus (Capital and Centric) – 536 units
- Trinity Blackfriars (Salboy) – 380 units
- Chapel Wharf (Dandara) – 995 units
- Oxygen (Property Alliance Group) – 357 units
- Manchester New Square (Urban & Civic) – 351 units
- Weavers Quay (Manchester Life) - 201 units
- Affinity Riverview and Riverside (Select Property Group) - 506 units
- CituNQ (FCIM) - 183 units

In total, 41 residential schemes, set to deliver a total of 11,135 units, are currently under construction. The substantial uplift in the quantity of units under construction, 60% more than reported last year is now visually apparent across the city as cranes and cores dominate the skyline. This is the second year that the number of units under construction has exceeded the 2008 peak and the third consecutive year of sustained growth. In 2017, the sector remained resilient, despite increasing uncertainty in the market as a result of Brexit negotiations and increasing cost challenges.

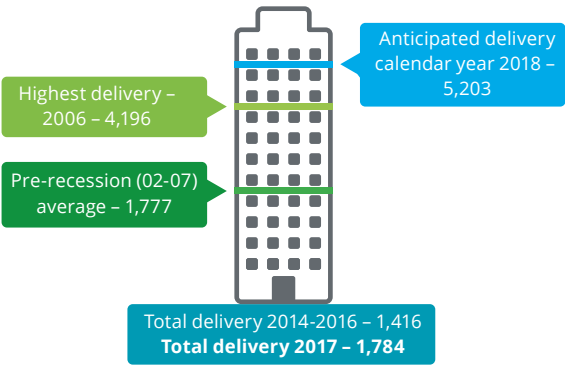
The past three years shows growth in a sustained upward trajectory, however the rate of increase of units under construction has slowed marginally. There was a 133% increase between 2015 and 2016, which outweighs the increase of 60% between 2016 and 2017. This slight slow-down is not unexpected, as the unprecedented volume of construction brings with it logistical, labour and resourcing challenges for the sector. More than doubling the amount of residential units under construction each year would be unsustainable without the necessary associated infrastructure to support the resulting growth in population.

Despite this increase, two bumper construction years has yet to make a significant impact in terms of closing the supply gap that has built up due to historic undersupply. 2018 is likely to be the first year of material increases in delivery, with several large schemes due to complete, potentially edging the total past 5,000 units. The pipeline of delivery of schemes currently on site is forecast to deliver a further 6,000 units during 2019 and 2020, a figure likely to be bolstered moving forward by new starts in 2018.

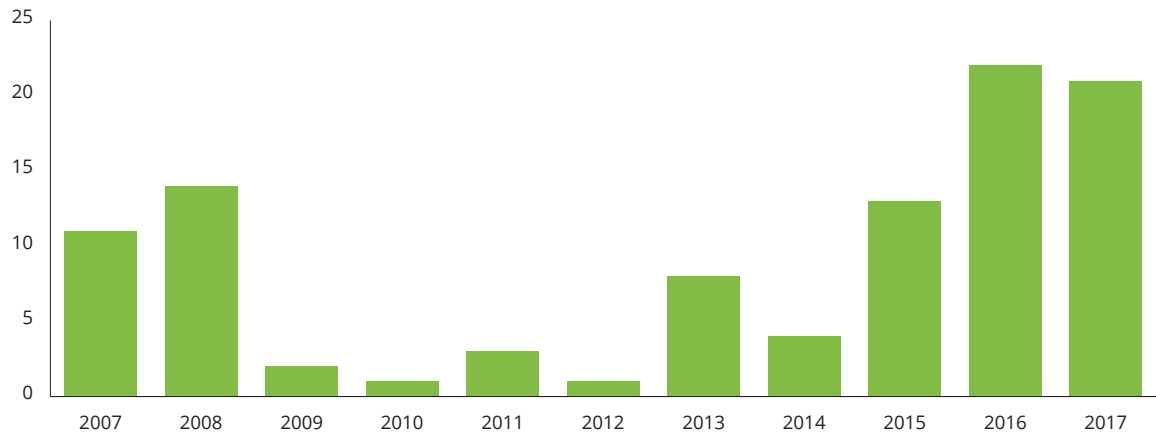
1,784 units were delivered in 2017; marginally higher than the pre-recession average of 1,777 and just 300 units less than the previous three years combined (2014-2016). Schemes that have completed in 2017 include:

- Cotton Field Wharf (Manchester Life) – 302 units
- Wilburn Basin (WB Developments) – 491 units
- The Slate Yard, Phase 1 (Muse, Legal & General, ECF) – 90 units
- One Regent (LQ Developments) – 307 units
- Manchester Waters Phase 1 (Vista) – 164 units

Residential Delivery 2002-2018



Residential new starts

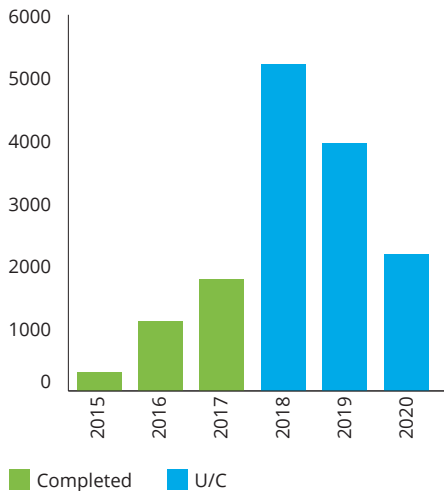


While some new starts in 2018 will inevitably face construction delays owing to funding, contractor and other issues, the pipeline of development is being maintained by a strong supply of new residential Planning Permissions. In addition to the 11,135 units on site, the delivery of a proportion of the committed pipeline of a further 20,000 units in consented schemes will support regional economic growth and contribute towards the supply shortfall accrued over the last decade.

The distribution of development echoes the trend reported in 2017 report, with development focussed around the Inner Ring Road in areas such as Castlefield, Ancoats and Central Salford, replacing long vacant sites and surface car parking with high density developments.

Manchester: Residential development pipeline

No. of units



Both Manchester and Salford City Councils have strategically planned for high density residential development to increase city centre populations and diversify the housing mix in inner wards. 64% of all residential units currently under construction in the Crane Survey Area are within or directly adjacent to Strategic Regeneration Areas, subject to Frameworks or masterplans endorsed by the Local Authority.

In terms of the products being delivered, 2 bedroom units dominate the emerging supply under construction with 59% of the total number of units being delivered, which is consistent with Manchester City Council policy. Only 8% are 3 bed or larger. The dominance of the two bed apartment, often designed for sharers and may also be a product of the period of undersupply in the city that has forced young professionals to flatshare. This is evidenced in part by the growth of the City Centre ward population, which grew by 33% from 17,861 to 23,825¹ between 2011 and 2016, despite only 2,525 residential units being delivered across the wider regional centre.² Following three years of significant efforts to offset the historic level of undersupply, the adopted Manchester Residential Quality Guidance, derived from the Nationally Described Space Standards, will seek to improve quality and re-balance the range of housing types and size being delivered across the city centre in order to futureproof the housing mix against population growth, changing demographics and a diversified population.

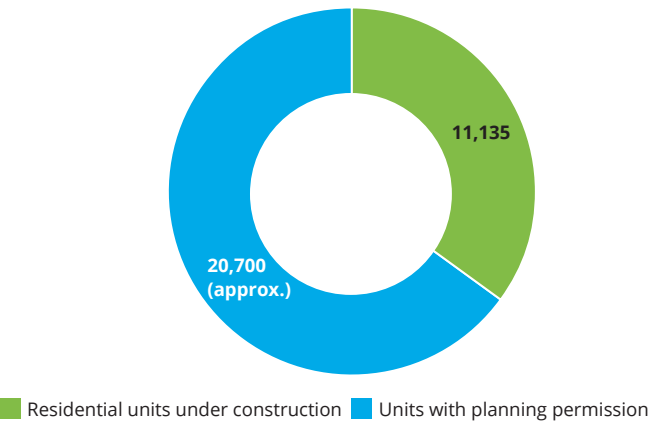
The focus since the 2008 has been on providing accommodation to support economic growth through retention of graduates and young professionals (25 to 35 age bracket). This has driven the market for build to rent products that continue to dominate the supply under construction.

Moving forward, we may see further diversification, with more units built for those who are 35+ and over retirement age. The longevity of the city centre population is now coming to the fore with new for sale schemes coming to the market targeting occupiers from Greater Manchester such as Capital and Centric's Crusader Works, or restricting sub-letting to ensure schemes are owner-occupied (Manchester Life's Murrays' Mills).

The trend reported in 2017 for townhouses continues, with 10 schemes falling within the survey criteria delivering townhouses as part of the unit mix. Designed as part of build to rent schemes or for sale, the introduction of the town house front doors at street level as part of large, high density schemes is going to animate the street environment where it features across city.

Several significant schemes are likely to commence in 2018 including major residential developments as part of the St. John's masterplan, residential blocks at Circle Square, further activity from Manchester Life Development Company in Ancoats and New Islington and work on Angel Meadow, which forms part of the the transformational Northern Gateway project.

Manchester: Under construction vs. Planning permission



Historic under-supply is not the main driver for the scale of residential development taking place in Manchester; many Local Authorities have underperformed in terms of housing delivery over the past 10 years, but cannot provide the unique circumstances that have led to central Manchester and Salford's level of resurgence. The creation of a place where people want to live has been key to driving growth in this sector and is the result of several factors; delivery of physical and transport infrastructure; place-making, leveraging private investment with public funding; and support for strategic investment. In turn this offers current and future residents the benefits of lifestyle and cultural activities, convenience and accessibility and a myriad of employment opportunities after university through a growing and diversifying regional economy.

2. Office

A dip in new starts in the office sector from 9 in 2016 to 5 in 2017 is not a negative headline in this year's survey as the level of floorspace currently under construction totals 1,509,092 sq. ft., a figure consistent with the results of the 2017 survey.

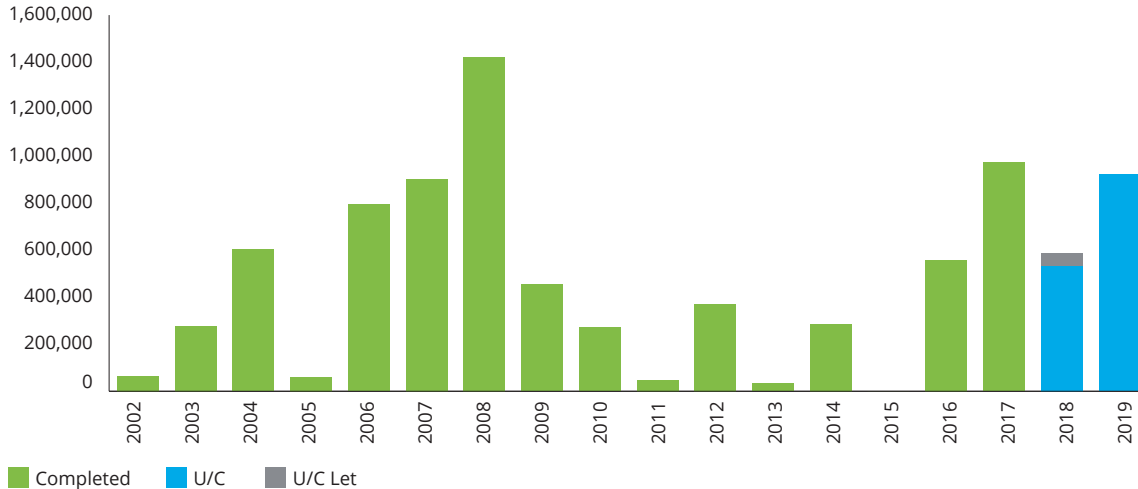
New office development remains concentrated in the City Core, with sites outside these areas being more attractive to the residential sector.

New starts in 2017 include:

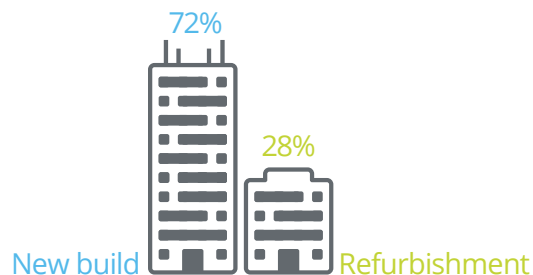
- Circle Square (Bruntwood) – 526,000 sq. ft across two buildings
- Landmark (Hines) – 178,000 sq. ft new build
- OneTwoFive Deansgate (Worthington's) – 113,500 sq. ft new build
- Commercial Union House (Bruntwood) – 66,000 sq. ft. refurbishment
- 30 Brown Street (Boulton Brooks) – 48,000 sq. ft. refurbishment

Manchester: Office development pipeline

(sq. ft.)



Office new build vs Refurbishment floorspace under construction (sq. ft.)



Due to the decreased number of refurbishment projects starting in 2017, the average size of office schemes started have, on average, an additional 70,000 sq. ft. more floorspace each than new starts in 2016, and allowing larger occupiers to take up vast amounts of space.

Undoubtedly, in 2017 the office sector saw the return of the speculative office development with several major schemes breaking ground without major pre-lets signed. 14,747 sq. ft. (3.9%) of office space under construction was currently pre-let of new space as of Q3 2017.

Take up to the end of Q3 so far is 911,677 sq ft.³ In just Q3 2017, 435,380 sq ft. was let to new occupiers, representing the strongest third quarter across the region since 2010.

Prime office rates per square foot for Grade A space in Manchester City Centre is £33.50, which was achieved at 2 St. Peters Square and No. 1 Spinningfields.

2018 anticipated take up summary

Despite the total figure of space under construction remaining static, 973,780 sq. ft. of office space was delivered in 2017, which is an increase of 75% on 2016 figures and 59% of that delivered in the peak of 2008 (1.47m sq. ft.), marking the highest level of delivery since the recession and 564,000 sq. ft. over the 2002-2017 average. In Manchester City Centre, Grade A space currently accounts for approximately 160,000 sq. ft. of total supply available, marking a decrease on the amount of available space from 2016.

In January 2017, we anticipated that demand was set to outstrip supply moving forward and rents are still creeping upward toward the anticipated £40 per sq. ft. for Grade A space by the end of the decade, albeit at a slower rate than expected. This is likely due to a recent boost in the supply of new office blocks coming forward in the city.

New office construction is regarded as a key barometer for the economy, the real estate industry, and ultimately, Manchester's benchmark in its mission to achieve status, consistent with its rich heritage as a global city. On this basis, the data suggests that Manchester's ability to attract commercial investment has not been significantly impacted by uncertainty regarding EU Exit negotiations. The amount of space being delivered in London has decreased during 2017 in comparison to the previous year.⁴ suggesting that appetite for take up of new space is decreasing. It should be acknowledged however that the scale of London office market is almost 10 times that of Manchester, with 12.6m sq. ft. currently under construction in the capital.

Manchester's resilience is in part due to the type of occupiers that it is seeking to attract away from London, whose primary occupier market is the financial and professional services sectors. Manchester does have a strong focus in this area, accounting for 19% (240,000) of all jobs in the region compared to 16% nationally.⁵ This aligns well with proposals anticipated to come forward in 2018, primarily driven by St. John's, which seeks to provide space for cultivating new and rapidly expanding businesses as part of Allied London's Enterprise City UK platform.

The total pipeline of schemes with planning permission likely to start in 2018 or early 2019 totals just under 3.5 million sq. ft. If, as anticipated, St John's commences development to combine with continued construction in Manchester City Centre, NOMA and Salford Central, we should see a healthy delivery pipeline developing beyond 2019 in next year's survey.

With the delivery of St. John's will come the surge of office space aimed at incubating start up businesses and helping them grow into larger operations. This is being driven by Allied London and the Enterprise City:UK initiative, which seeks to generate a mix of digital, technology and creative industries, and companies that are enabled by these industries.

Brexit backdrop

Despite market optimism derived from our data, office development is framed in a national picture of uncertainty created by the decision to leave the EU in 2016 and a less-than-conclusive general election result. It should therefore be surprising to see Manchester continuing to outstrip delivery with new starts on site. On the contrary, results from Deloitte's CFO Survey⁶ suggests that, despite a sharp decline in business optimism after June 2016 and a less sharp decline in mid-2017, it is returning, if somewhat cautiously.

Moreover, the minor slowdown in the London office market could be seen as business appetite for shifting base of operations in the coming years. Appealing areas include connected cities with offers that are cheaper per square foot with lower operating costs more generally, in addition to the availability of a skilled labour supply, which may work in Manchester's favour.⁷

3. Hotel, retail and leisure

599 new hotel rooms were delivered during 2017, which constitutes a return to positive growth in room delivery following a minor slump after a year of peak delivery in 2015 (638 rooms). Three hotel completions can all be found in the City Centre and comprise the delivery of easyHotel's budget Bradley House (115 rooms), Motel One's second opening on Cross Street (302 rooms) and StayCity in Gateway House (182 rooms, all offering self-catering). easyHotel and Motel One assist with improving the credentials of Manchester's budget options, while StayCity attempts to keep pace with competition from Airbnb by providing self-catering. The Executive Education Centre and Crown Plaza is also due to complete in March 2018, which will provide a bespoke business facility for conferences in the city by providing a suitable counter-part for the new business school adjacent.

Exceeding 2016, there have been five new starts in 2017. These include:

- 55 Portland Street (189 rooms)
- Hotel Indigo, NOMA (187 rooms)
- AC Marriott, New Cross (172 rooms)
- Dakota Deluxe Hotel, Piccadilly Basin (137 rooms)
- StayCool, 40 Chorlton Street (41 rooms)

This continued level of consistent delivery in the hotel sector is a clear sign of a strong tourist market and the development pipeline accounts for another 1,052 rooms to be delivered across 2018 and 2019. Further investments are planned to start in 2018, with just over 3,200 hotel rooms consented or allocated for delivery within Strategic Frameworks across the crane survey area in both Salford and Manchester.

Indeed, Manchester has attracted 197,000 more overnight visitors to the city between 2014 and 2016; a 19.8% increase over two years. (source: Visit England). In terms of cultural assets, the city is set to attract more visitors following the delivery of the Factory, which is due to commence development in 2018.

We anticipated last year that, after this strong period of delivery, we may see a cooling in the appetite for construction in the hotel sector as the price mechanisms of supply and demand re-adjust to a state of equilibrium and new areas of demand are identified. On the contrary, while prices per room have dropped slightly, vacancy rates remain fairly static at the 78%-80% mark, with fluctuations due to both seasonal trends and one-off events.⁸

As per 2016, a weaker pound increased the appeal to visit the UK from abroad and the chance of UK residents taking their holidays domestically, evidenced by debit card use overseas being 13% lower during August 2017 compared to 2016 according to UK Finance.⁹

Retail and leisure

One scheme started in 2017 in this sector. 'The Ivy' in Hardman Square will deliver 18,000 sq. ft. of new space adding to the F&B offer in Spinningfields. In the Northern Quarter, the final phase of the Smithfield Square development completed, delivering the Mackie Mayor market in October 2017. The City Centre offshoot of the popular Altrincham Market provides approximately 12,500 sq. ft. and has provided a second location for many of the independent operators from the Trafford branch.

Further space in construction within the sector, is associated with the high levels of residential units and office floorspace being delivered. 15,932 sq. ft. of retail and leisure space was delivered in 2016 and this increased to 62,557 sq. ft. (a four-fold increase) across the city during 2017. This has a direct correlation with the amount of office and residential floorspace being delivered and ground floor commercial space is driving this sector, designed to meet demand generated by new residents and employees in new neighbourhoods.

Going out?

It would appear that the majority of this ground floor commercial floorspace is served up as restaurants, rather than traditional retail units, again highlighting both a static and expansion-averse retail market and a burgeoning food and drink scene in the city. There have been over 35 new openings in the food, drink and coffee shop market during 2017, which is testament to the success of the sector in recent years and the growth of the UK culinary scene outside of London more broadly.

Part of the £7m revamp of Freemason's Hall also opened in November 2017, now known as Manchester Hall, which will provide approximately 15,000 sq. ft. of space across three restaurants and an events venue once complete, with Mason's Restaurant recently opening on the ground floor. Spaces traditionally allocated for retail are also changing; Manchester Arndale's Hallé Place is undergoing significant £11m transformation with work underway to provide 10 new restaurant units with alfresco-style dining centred on the 25,000 sq. ft. enclosed square.

Conversely there has also been some sector setbacks, with closures occurring during 2017 including both Suri and Taberu on King Street and Byron Burger in the Corn Exchange, which follows on from a string of city centre closures in 2016.

Notwithstanding the above, the recent conversions of the Corn Exchange, the clear shift from retail to restaurant in Spinningfields and the delivery of Mackie Mayor has created a distinct buzz around the food and drink scene in the city. In summary, it is these indicators, rather than the closure of a couple of city centre establishments, that show that the city is continuing to perform well in relation to leisure and tourism and remains a key destination. This is evidenced by the steady delivery of additional hotel rooms during 2017, with more scheduled for 2018-19, in addition to the raft of small and large culinary ventures embarking on the projects across the Study Area.

4. Education, research and healthcare

The figures

Activity in the education and research sector declined over 2014 and 2015 before recovering slightly 2016 with four schemes commencing development, comprising 199,000 sq. ft. of new education and research floorspace. Of these, the University of Manchester’s Schuster Annex completed during 2017 and the Manchester Business School Hotel and Education Centre on Booth Street is due to complete in March 2018.

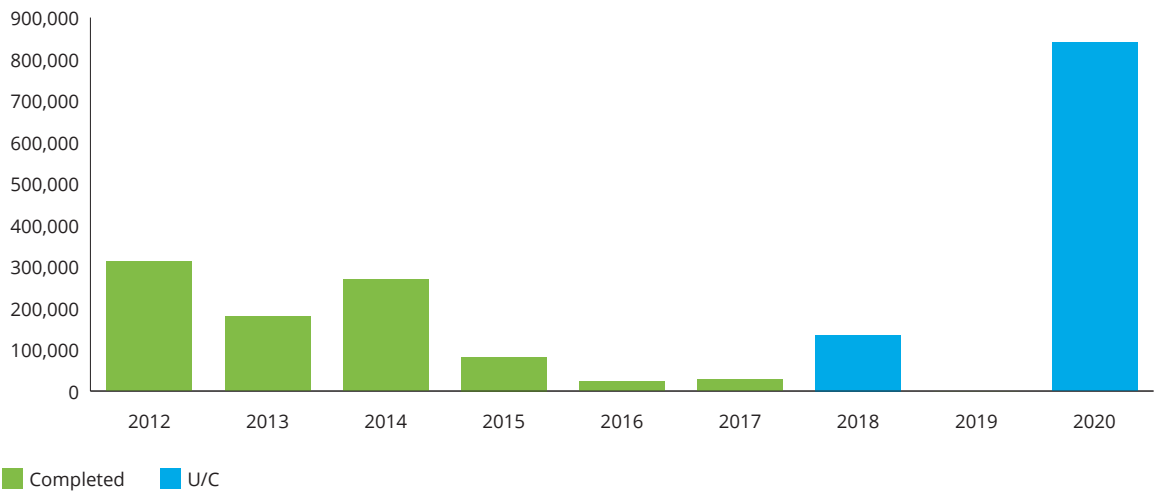
Later in 2018, we expect to see the completion of University Green and The Alliance Manchester Business School refurbishment and the opening of GEIC (Graphene Engineering and Innovation Centre).

Combined, 2018 will see the delivery of an additional 135,000 sq. ft. of new education and research floorspace; the highest since 2014.

A vast amount of floorspace currently under construction is attributed to the development of Manchester Engineering Campus Development (MECD). This 850,000 sq. ft. city-block scale structure, adjacent to the Aquatics Centre, will house over 6,000 academic students and staff within the engineering departments of the University of Manchester once it becomes operational in 2020.

Manchester: Education and Research development pipeline

(sq. ft.)



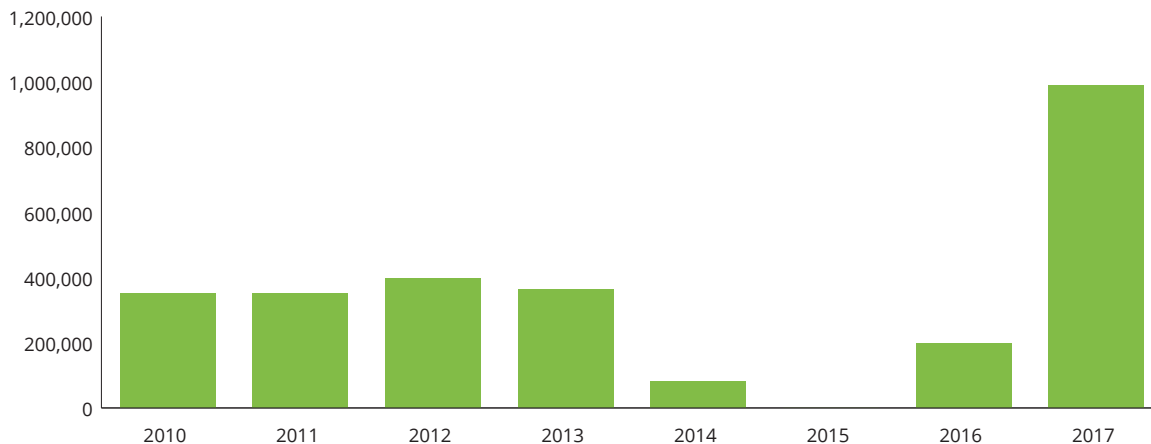
Place-making is also clearly on the University of Manchester agenda, with the transformation of Brunswick Park underway on Oxford Road in addition to the delivery of new high quality public realm scheduled for both MECD and MBS (Manchester Business School).

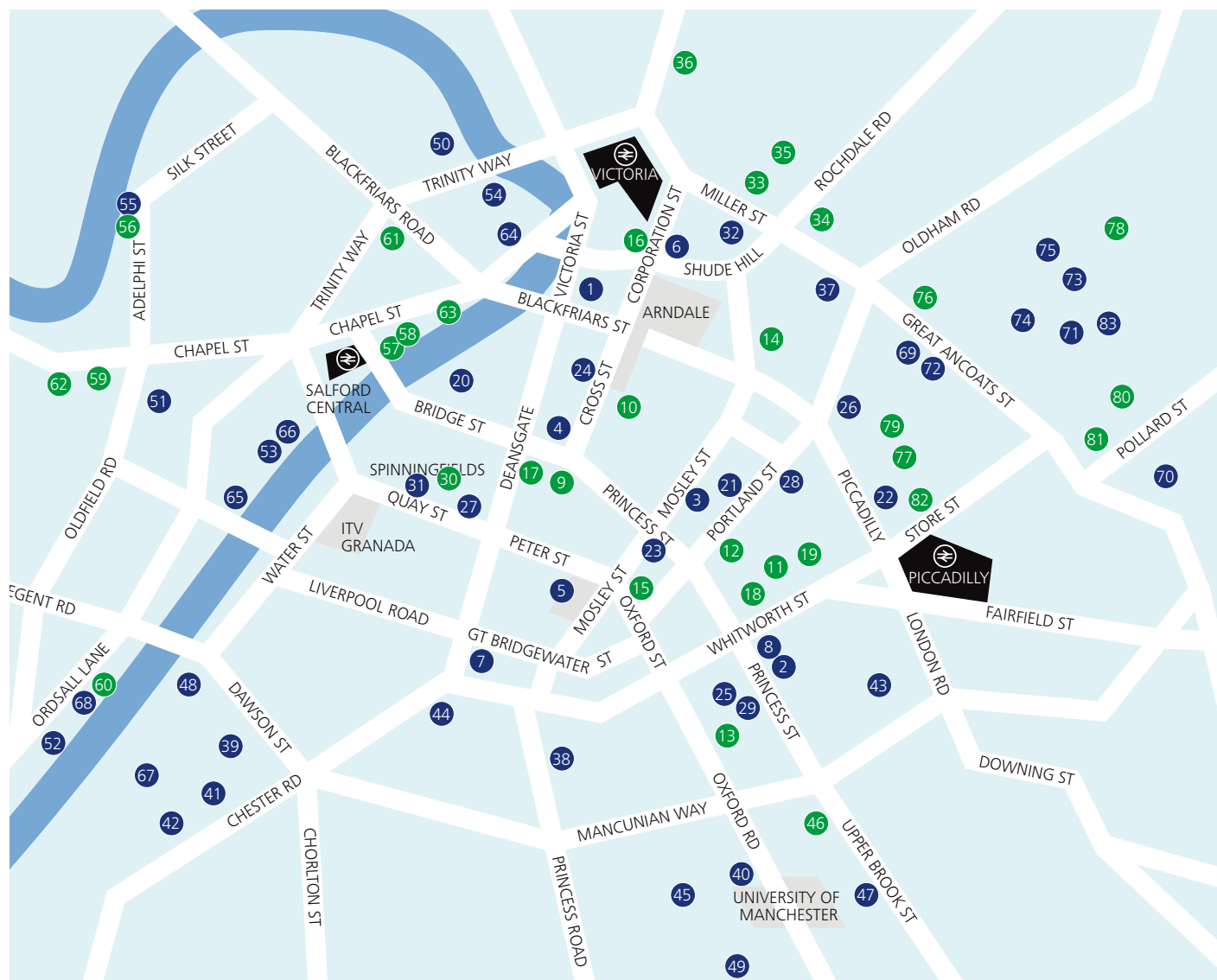
These schemes, combined with the completion of the Oxford Road Bus Priority Package, will lead to the creation of more coherent campus and support the strategic principles of the Corridor: Manchester project.

More education and research space is on the horizon, with Citylabs 2.0 and 3.0 (Bruntwood) likely to start in 2018 and the Mable Tylecote redevelopment project has completed demolition works (Manchester Metropolitan University). Looking further into 2018, we may see further activity in Manchester Science Park and the further implementation of the 2014 Masterplan for the site following the delivery of the Bright Building.

Education and Research under construction

(sq. ft.)





- U/C

- New start

5. Development table

No.	Name/Address	Developer(s)	Main Use	Total Size (sq ft/units)	Completion Date	Comments
CITY CORE – UNDER CONSTRUCTION						
1	Corn Exchange Hotel	AVIVA	Hotel	114 rooms	Q1 2018	Aparthotel on top four floors of the Corn Exchange to be operated by Roomzzz. Includes conversion of the existing turret to the Corn Exchange on Hanging Ditch into a unique room.
2	Salisbury House	Beech Holdings	Residential	98 units	Q1 2018	Conversion of former office space into studio and one bed residential apartments to complete in January 2018.
3	67-75 Mosley Street	Boulton Brooks Real Estate	Office refurb	64,000 sq. ft. and 5,700 sq. ft. of retail	Q1 2018	The application brings two buildings under one address and provides an additional 5,700 sq. ft. of retail space on ground floor level in addition to a one storey rooftop extension.
4	Dalton Place	Tesco Pension Fund	Office refurb	65,750 sq. ft. office and 10,526 sq. ft. retail	Q1 2018	The building will offer 65,750 sq ft of office space over six upper floors. The ground floor has been reconfigured into four units aimed at restaurant and café operators.
5	Windmill Green	FORE Partnership	Office refurb	78,000 sq. ft. office and 9,600 sq. ft. of retail	Q4 2018	Windmill Green, formerly known as 24 Mount Street, is a refurbishment project that strips the existing structure and extends the previous floorplate.
6	NOMA – Hanover	The Co-Op Group	Office refurb	91,000 sq. ft. offices and 18,000 sq. ft. retail	Q3 2018	Project involves the restoration and refurbishment of Grade II Listed Building to provide new Grade A office space with floorplates up to 18,500 sq. ft.
7	AXIS	Property Alliance Group	Residential	173 units	Q4 2018	27 storey tower on Whitworth Street West.
8	121 Princess Street	Beech Holdings	Residential	127 units	Q2 2018	Existing 8 storey building is currently being converted to provide studio, 1 and 2 bed apartments and will retain historic features throughout.
9	Commercial Union House	Bruntwood	Office refurb	66,000 sq. ft.	Q2 2018	Commercial Union House is close to completing a £5m transformation to offer high-quality workspace adjacent to Albert Square.
10	30 Brown Street	Boulton Brooks	Office refurb	48,000 sq. ft.	Q3 2018	The 12 month £8m refurbishment commenced in Q3 2017 and will provide 48,000 sq.ft of Grade A space once complete.

Red text denotes new starts since last Crane Survey

No.	Name/Address	Developer(s)	Main Use	Total Size (sq ft/units)	Completion Date	Comments
11	40 Chorlton Street	Staying Cool	Hotel	41 rooms and 5,166 sq. ft.	Q4 2018	Conversion of former cotton warehouse into an aparthotel to be operated by Stay Cool.
12	55 Portland Street	Property Alliance Group	Mixed use	189 hotel rooms and 105,000 sq. ft. of refurbished office	Q4 2019	Conversion and extension of 55 Portland Street and erection of second building to comprise office space adjacent to a 189-bed hotel with ancillary bar, restaurant and casino to be operated by Clayton Hotels.
13	Circle Square – Plots 2, 3 and 4	Bruntwood	Office	526,000 sq. ft. of office and 53,000 sq.ft. of retail / event space	Q4 2019	The development comprises two office buildings and a 20,000 sq. ft. event space, all heated and powered by a CHP driven District Energy Scheme.
14	Citu NQ	FCIM	Residential	183 units and 1,348 sq. ft. of retail	Q3 2019	The development comprises 8 storeys with ground floor commercial units, communal facilities and a rooftop garden.
15	Landmark	Castlebrooke Estates	Office	178,000 sq. ft.	Q3 2019	£100m development will provide 178,000 sq. ft. in 13 storey building on former cinema site.
16	NOMA – City Buildings	The Co-Op Group	Hotel	187 rooms	Q1 2019	Project comprises the refurbishment and restoration of Grade II listed City Buildings on Corporation Street and will be operated by Hotel Indigo once complete.
17	OneTwoFive	Worthington's	Office	113,500 sq. ft. office and 12,100 sq. ft. retail	Q4 2019	The £70million development comprises 113,500 sq ft of Grade A office space over 12 storeys with 12,100 sq ft of flexible retail space on the ground floors.
18	Manchester New Square	Urban and Civic	Residential	351 units and 9,000 sq. ft. of retail	Q4 2019	Historically stalled site now being delivered by new owner Urban and Civic, which has to work with the existing basement car park delivered through the previous scheme.

Red text denotes new starts since last Crane Survey

No.	Name/Address	Developer(s)	Main Use	Total Size (sq ft/units)	Completion Date	Comments
19	Kampus and Minto & Turner	Capital and Centric and Henry Boot Developments	Residential	536 units and 49,000 sq. ft. retail	Q1 2020	Two phased project to provide neighbourhood comprising both refurbished and new build elements.
CITY CORE – COMPLETE						
20	Arkwright House	Catalyst Capital	Office refurb	98,058 sq. ft.	Q3 2017	Catalyst aquired the Listed Building in 2014 and has delivered of 98,058 sq. ft. of Grade A office space following £16m refurbishment and extension.
21	Neo, Portland Street	Bruntwood	Office refurb	52,000 sq. ft.	Q1 2017	£8m refurbishment, providing Bruntwood's new collaborative workspace product with a digital art space.
22	Gateway House	HSBC Pension Fund	Hotel	182 rooms	Q2 2017	Staycity offers a range of one, two and three bedroom units, all of which will include fully equipped kitchens.
23	No. 2 St Peter's Square	Moseley Street Ventures	Office	161,065 sq. ft. office and 5,230 sq. ft. of retail	Q3 2017	EY signed up to a 15-year lease for 41,628 sq ft. of floors 8-10 and DWP have taken a further 77,000 sq. ft. in the building.
24	Motel ONE, Cross Street	Russell Construction	Hotel	302 rooms.	Q2 2017	The original heritage facade of the building retained on Cross Street andhouses a restaurant on the ground floor. Motel One is the operator, making this their second venture in the city.
25	We Residence: Manchester Studios	William Developments	Residential	114 units	Q4 2017	All sold and targeted at institutional investors at 6% rental yield. Managed by M1 Management Limited. Units range from 22 sq.m. – 30 sq.m.
26	Bradley House	easyHotel	Hotel	115 rooms	Q2 2017	easyHotel's refurbishment of the Grade II Listed Bradley House (the 'Flat Iron') offers a low-cost option from £56 per night for a double room.
27	Cornerblock	Credit Suisse	Office refurb	55,000 sq. ft. office	Q2 2017	£6.2 million 'Cornerblock' situated on the corner of Quay Street and Deansgate offers flexible floorplates up to 9,000 sq. ft.
28	11 Portland Street	Aviva	Office refurb	165,000 sq. ft.	Q4 2017	Comprehensive refurbishment project quoting rates of £22 per sq. ft. with ETC Venues signing up for 20,000 sq. ft.
29	Circle Square – Vita	Select Property Group	Student	604 units	Q4 2017	604 serviced units aimed at students comprising 2 blocks, completed for new student 2017 intake.

Red text denotes new starts since last Crane Survey

No.	Name/Address	Developer(s)	Main Use	Total Size (sq ft/units)	Completion Date	Comments
SPINNINGFIELDS/LEFTBANK – UNDER CONSTRUCTION						
30	Hardman Square Pavilion	Allied London	Retail / Leisure	17,900 sq. ft.	Q2 2018	3 storey building with roof top area replaces the Lawn Club and will house 'The Ivy' once complete early next year.
SPINNINGFIELDS/LEFTBANK – COMPLETE						
31	No. 1 Spinningfields	Allied London	Office	362,600 sq. ft. office and 29,127 sq. ft. retail.	Q4 2017	PwC, WeWork, Weightman's, Browne Jacobson and Squire Patton Boggs have taken up space. Restaurant on top two floors is run by D&D and ground floor is occupied by Marks & Spencer Foodhall.
NORTHERN FRINGE – UNDER CONSTRUCTION						
32	Angel Gardens	Moda Living	Residential	466 units and 19,000 sq. ft of retail	Q4 2018	PRS scheme forms the first residential block within 20-acre mixed-use redevelopment scheme NOMA.
33	North Central	Progressive Living	Residential	64 units and 4,500 sq. ft. of retail	Q4 2018	40 two-bedroom and 24 one-bedroom apartments with ground floor retail and basement parking.
34	AC Marriott, New Cross	Axel Hospitality	Hotel	172 rooms	Q3 2018	The new AC Marriott hotel development will also include a café bar, fitness centre and meeting rooms.
35	Halo	Forshaw Land and Property	Residential	66 units	Q1 2019	Halo comprises 66 one, two and three bed apartments in six storey block with basement car parking.
36	The Hallmark	Delph Property Group	Residential	146 units	Q4 2019	Previously known as Green Quarter 7, Hallmark targets the Build to Rent market.
NORTHERN FRINGE – COMPLETE						
37	Mackie Mayor	Muse	Retail / Leisure	12,500 sq. ft.	Q4 2017	1858 Grade II listed market building on the edge of Manchester's Northern Quarter refurbished to provide a repeat offer of Altrincham Market in the city centre.

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No.	Name/Address	Developer(s)	Main Use	Total Size (sq ft/units)	Completion Date	Comments
SOUTHERN ARC – UNDER CONSTRUCTION						
38	8 First Street	Patrizia/Ask Real Estate	Office	173,600 sq ft office and 14,000 sq. ft. of retail	Q1 2018	39,600 sq ft pre-let to Gazprom with 134,000 sq. ft. currently available.
39	The Roof Gardens	DeTrafford	Residential	71 units	Q1 2018	First phase of DeTrafford's 'Manchester Gardens' comprises 49 townhouses and 22 apartments.
40	Manchester Business School Precinct Refurbishment	Bruntwood and University of Manchester	Education	Additional floorspace: 45,000 sq. ft. education and 12,300 sq. ft. retail	Q3 2018	Refurbishment of existing business school and retail precinct will provide 376,000 sq.ft. of new and refurbished space once completed.
41	The Sky Gardens	DeTrafford	Residential	166 units	Q3 2018	Second phase of DeTrafford's 'Manchester Gardens' all comprise duplex and triplex apartments or penthouses.
42	Ellesmere Street	Glenbrook	Residential	232 units	Q3 2018	8 to 12 storey PRS scheme in Castlefield funded by a Moorfield and Glenbrook partnership.
43	Graphene Engineering Innovation Centre (GEIC)	University of Manchester	Education	90,000 sq. ft.	Q2 2018	Second Graphene-dedicated building is funded by UKRPIF, Masdar and Innovate UK.
44	Owen Street (Phase 1 and 2)	Renaker	Residential	Phase 1 – 846; Phase 2 – 648 units.	Q4 2018 (P1) and Q4 2020 (P2)	The tallest of four towers (66 storeys; 200m) will be second tallest in the UK after 'The Shard' once complete.
45	Manchester Business School Executive Education Centre	Bruntwood and University of Manchester	Hotel	326 rooms in two hotels and 12,600 sq. ft. of conferencing facilities	Q1 2018	210 bed 4* Crowne Plaza hotel and 116 bed Stalybridge Suites operate the hotel linked to the conferencing facility.
46	MECD	University of Manchester	Education	840,000 sq. ft. education and research facility	Q4 2020	£350 million facility will house more than 6,750 students when operational.

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No.	Name/Address	Developer(s)	Main Use	Total Size (sq ft/units)	Completion Date	Comments
SOUTHERN ARC – COMPLETE						
47	The Schuster Annex	University of Manchester	Education	27,000 sq. ft. education facility	Q3 2017	£12m extension to the School of Physics and Astronomy provides additional space for STEM subjects.
48	One Regent	LQ Developments	Residential	307 units	Q3 2017	301 apartments and 6 townhouses were delivered in a 27 storey block that completed construction in Q3 2017.
49	Bright Building	Manchester Science Partnerships	Office	80,000 sq. ft.	Q4 2017	High-spec £12m building delivered as the first phase of the 2014 Manchester Science Park Masterplan.
SALFORD FRINGE – UNDER CONSTRUCTION						
50	HoUse, Irwell Riverside	Urban Splash	Residential	171 units	Q4 2018	Similar modular homes to the New Islington hoUse scheme comprising 71 houses and 100 apartments. Residents have moved into the first phase of units, with the wider site to complete in Q4 2018.
51	Middlewood Locks (Phase 1)	Scarborough Group International	Residential	571 units and 15,114 sq. ft. commercial	Q1 2018	First phase of 2,215 PRS scheme in Salford. LIV will manage the development once operational.
52	Bridgewater Point	Knight Knox and Fortis Developments	Residential	220 units	Q2 2018	Buy-to-let development comprises 220 units, made up of a mixture of studio, 1, 2, and 3 bedroom units and townhouses.
53	The Slate Yard, New Bailey (Phase 2)	Muse/Legal & General/ECF	Residential	135 units	Q2 2018	Second of two forward-funded PRS schemes as part of Salford Central redevelopment project.
54	Exchange Court	Silverlane Developments/ Renaker	Residential	350 units	Q3 2018	Exchange Court will become the tallest building in Salford once complete at 44 storeys.
55	Adelphi Wharf (Phase 1 & 2)	Fortis and Knight Knox	Residential	383 units and 5,920 sq. ft. of retail	Q1 2018	Delivery of the first phase will provide 383 apartments to contribute to the 593 units in total. Includes some convenience retail space on the ground floor.

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No.	Name/Address	Developer(s)	Main Use	Total Size (sq ft/units)	Completion Date	Comments
56	Adelphi Wharf (Phase 3)	Fortis and Knight Knox	Residential	206 units	Q1 2019	206 units in Phase 3 with private gymnasium and landscaped gardens. Improved pedestrian access provided along the River Irwell.
57	Affinity Riverside	Select Property Group	Residential	188 units	Q1 2019	Affinity Living is a new premier residential product from Select Property Group. Riverside will be 17 storeys and will deliver improved riverside public realm with the adjacent Riverview scheme.
58	Affinity Riverview	Select Property Group	Residential	318 units	Q4 2019	Adjacent to Riverside, Affinity Riverview will comprise a 35 storey residential tower once complete.
59	Outwood Wharf	Peterloo Estates	Residential	263 units	Q2 2019	Works commenced in July 2017 on this 18 storey residential block, which focuses on delivering larger family apartments.
60	Downtown	Property Alliance Group	Residential	368 units	Q3 2019	Scheme of 1, 2 and 3 bedroom units will incorporate a spa, gym, concierge, cinema room and business centre.
61	Trinity, Blackfriars	Salboy	Residential	380 units	Q4 2019	Scheme unlocked by £22.5m GMCA Housing Fund loan and incorporating the Blackfriar Pub.
62	The Crescent	Salboy	Residential	399 units plus 8,890 sq. ft. of retail	Q2 2019	The scheme will comprise a part 22, part 17 storey private-rented residential scheme on the former site of the Black Horse pub in Salford.
63	Chapel Wharf	Dandara	Residential	995 units and 15,800 sq. ft. of retail	Q2 2020	22 storey scheme constructed on a 4.2 acre site adjacent to the Lowry Hotel uses pre-fabricated construction techniques.
SALFORD FRINGE – COMPLETE						
64	CitySuites, Chapel Street	Select Property Group	Residential	263 units	Q2 2017	CitySuites is a Select Property Group development offering units on short term lettings.
65	Wilburn Basin	WB Developments	Residential	491 units	Q2 2017	Wilburn Basin contains 58 one-bed units, 390 two-bed units, 43 three-bed units in four apartment blocks.
66	The Slate Yard, New Bailey (Phase 1)	Muse/Legal & General/ECF	Residential	90 units	Q2 2017	£16 million forward-funded PRS scheme through joint venture between Muse Developments, Legal & General Property and HCA.

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No.	Name/Address	Developer(s)	Main Use	Total Size (sq ft/units)	Completion Date	Comments
67	Manchester Waters (Phase 1)	Vista	Residential	164 units	Q4 2017	The JV between Countrywide and Hermes purchased the Build to Rent scheme from Peel in April 2016 for £23 million, of which this is the first phase.
68	Bridgewater Gate	Knight Knox and Fortis Developments	Residential	53 units	Q4 2017	22 units are one-bedroom units, with an average size of 44 sq.. Studios, two-bedroom and three-bedroom units also available.
MANCHESTER PERIPHERY – UNDER CONSTRUCTION						
69	Oxid House	O'Connor Bowden	Residential	119 units	Q1 2018	All one and two bed units sold off plan in 12 storey £12.6m PRS scheme on Great Ancoats Street.
70	X1: The Plaza	X1 Developments	Residential	201 units	Q2 2018	Second phase of X1's Eastbank scheme, the first phase of which was completed in Q3 2016.
71	Murray's Mills	Manchester Life	Residential	124 units	Q2 2018	Conversion and new build element of Murray's Mills, which will reinstate area destroyed by historic fire damage.
72	The Astley	Mulbury Homes and M&G Real Estate	Residential	135 units and 6,000 sq. ft. of retail	Q2 2018	Mulbury has secured funding from M&G Real Estate for the £27.6 million PRS development
73	Smith's Yard	Manchester Life	Residential	199 units and 5,037 sq. ft of retail	Q3 2018	Two blocks with 24 hour concierge, residential amenity space and four ground floor retail units fronting Blossom Street, which is to become a key route from the city centre into Ancoats.
74	1 Cutting Room Square	Manchester Life	Residential	31 units and 110 parking spaces	Q3 2018	For sale apartments and townhouses complete the frontage of Cutting Room Square.
75	Sawmill Court	Manchester Life	Residential	159 units and 5,037 sq. ft. of retail	Q3 2018	PRS scheme also with four ground floor retail units fronting Blossom Street and Bengal Street.
76	Blossom Street	Mulbury Homes	Residential	143 units and 4,000 sq. ft. of retail	Q4 2019	£30m scheme comprises 49 one-bedroom apartments, 90 two-bedroom apartments and one three-bedroom apartment, plus the three townhouses.

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77	Dakota Deluxe	Evans Dakota	Hotel	137 rooms	Q3 2019	4* canal-side hotel features a cocktail bar, restaurant and terraces for guests facing the water.
78	Warehaus	McCaul	Residential	40 units	Q1 2019	Redevelopment of historic toy manufacturer includes 32 apartments and 8 townhouses and the three building elements are named Thorpe House, Booth House and Roper House.
79	Burlington House	Belgravia Living	Residential	91 apartments	Q3 2019	Marks the first major development in Piccadilly Basin since 2011 to provide a variety of apartment types.
80	Weavers Quay	Manchester Life	Residential	201 units	Q1 2019	Manchester Life PRS scheme includes 24 hour concierge and residential club room amenity space.
81	Islington Wharf (Phase 4)	Waterside Places	Residential	101 units	Q3 2019	A residential scheme which lies adjacent to the Ashton canal just north of Manchester Piccadilly Station.
82	Oxygen Tower	Property Alliance Group	Residential	357 units and 2,400 sq. ft. of retail	Q4 2019	Mix of 1 bed and 2 bed apartments with 12 townhouses. The building steps up from 8 to 14 and 31 storeys and will benefit from 24-hour concierge with commercial floorspace on podium level.
MANCHESTER PERIPHERY – COMPLETE						
83	Cotton Field Wharf	Manchester Life	Residential	302 units	Q3 2017	First scheme completed in first phase of Manchester Life PRS development.

6. Contacts



Sean Beech

Head of Deloitte Regions Real Estate
0151 242 9109
sbeech@deloitte.co.uk



John Cooper

Partner – Deloitte Real Estate
0161 455 6512
johcooper@deloitte.co.uk



Simon Bedford

Head of Deloitte Regions Real Estate
0161 455 6484
sbedford@deloitte.co.uk



Melissa Wilson

Assistant Director – Planning
0161 455 8578
meliswilson@deloitte.co.uk

www.deloitte.co.uk/manchestercranesurvey

Endnotes

1 ONS Census Data 2011 and 2016 Mid-year figures.

2 2,525 units was delivered within the Crane Survey area, including Salford Central, Ancoats, Castlefield and other adjacent wards.

3 MOAF 2017

4 Deloitte London Office Crane Survey – Winter 2017

5 Source ONS Business Register and Employment Survey

6 Deloitte CFO Survey 2017

7 Dublin Crane Survey 2018

8 STR Global

9 UK Finance (August 2017) Debit Card Report

Notes

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