



What does the market look
like?

7 October 2024

Economic outlook improving



GDP growth rates are being revised up
Real Estate cycle lags the economic cycle
Improving prospects as we enter 2025



Inflation will not be an issue for 2025-26
Higher *level* of costs still challenging
Construction sector recovery lagging



Interest rates will be cut over next 18m
Debt costs will decline, liquidity improve
RE yield compression will begin

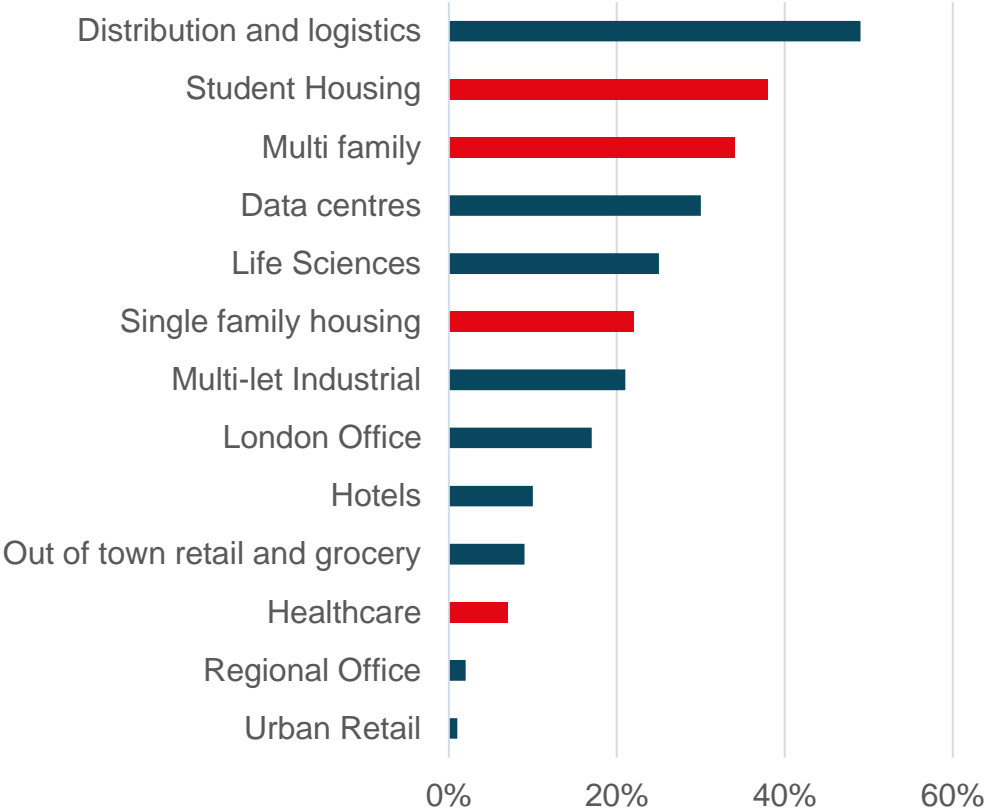


Real Estate recovery to continue in 2025
Rising investment volumes
Growth in leasing across major sectors



Living strong in the latest JLL Investor Survey

Which sectors do you expect to be the most resilient over the next 12 months?



Which sectors do you expect to provide the greatest opportunities over the next 5 years?



Source: JLL Research, 2024, 100 respondents, option to pick up to two sectors

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Early election a positive but budget uncertainty remains

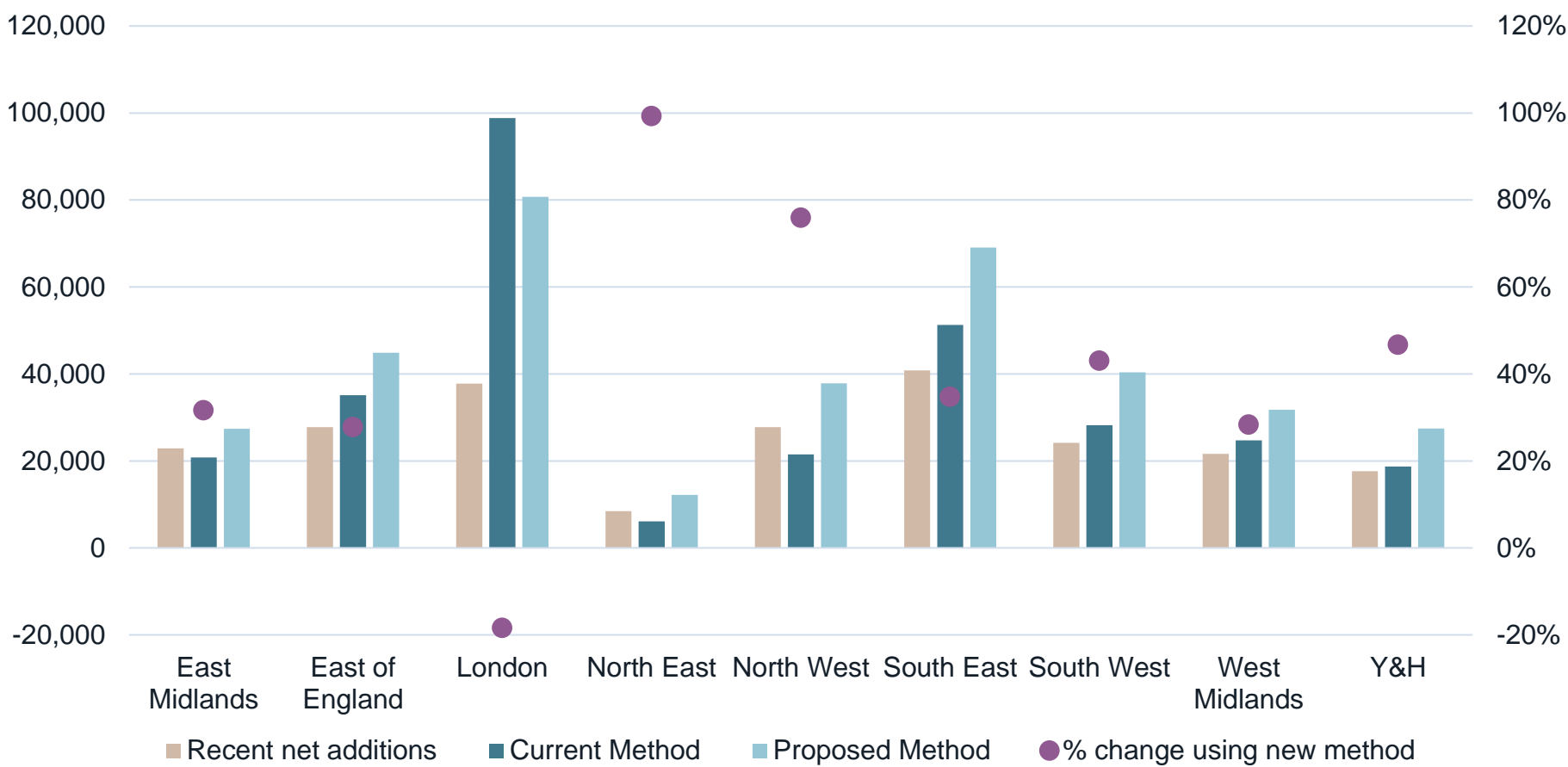
UK consumer confidence falls sharply amid fears of 'painful' budget

Labour crackdown on non-doms may raise no money, officials fear

Source: The Guardian

370,000 homes a year target

Indicative local housing need



+114%
New London
target vs. recent
completions

highest of any
region and 22%
of total

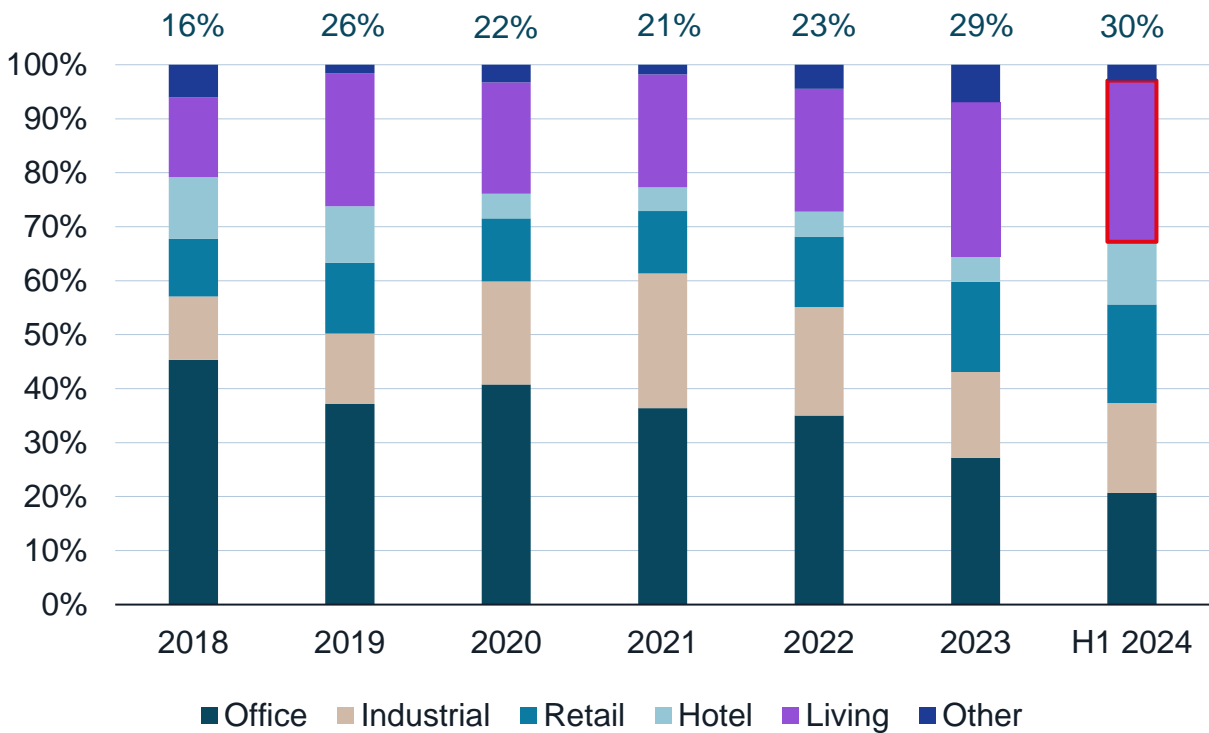
Source: MHCLG (Net additions the average of 2020/21 - 2022/23)



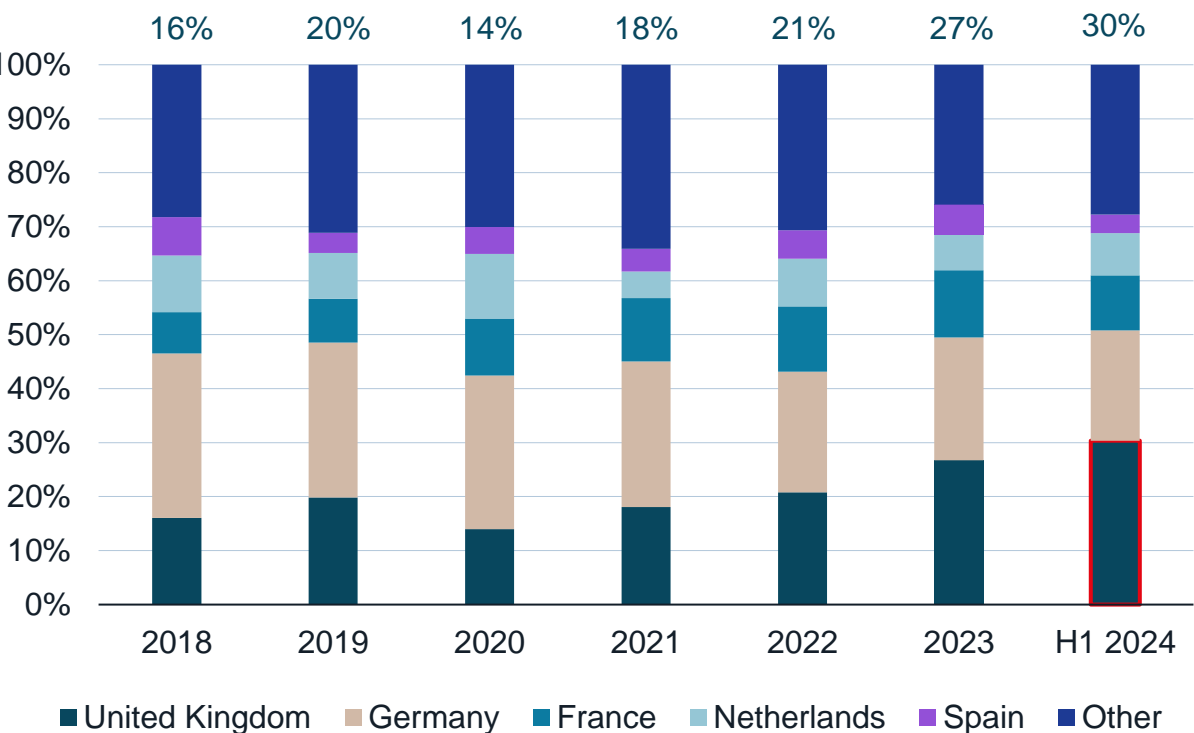
Living gets biggest share of commercial real estate

Living is the most active sector in the UK, and the UK is the most active living market in Europe

UK living investment vs other sectors



UK living investment vs European living

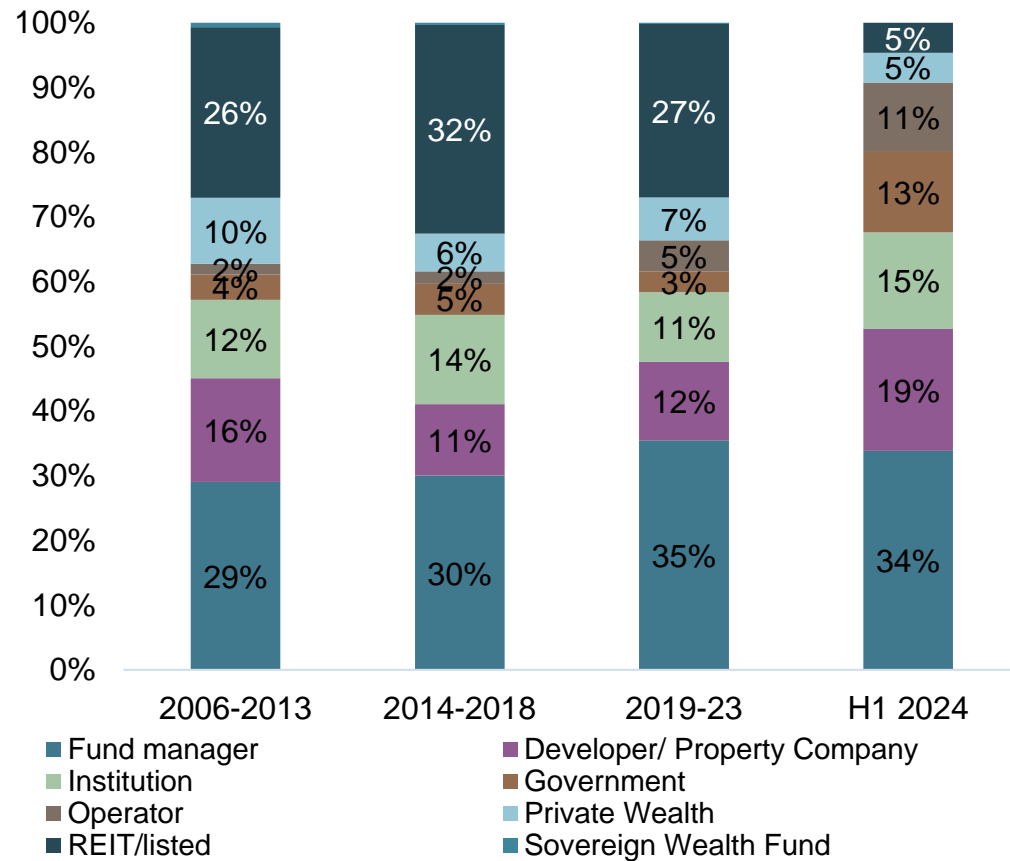


Source: JLL, 2024 (direct investment only; excludes M&A and land)

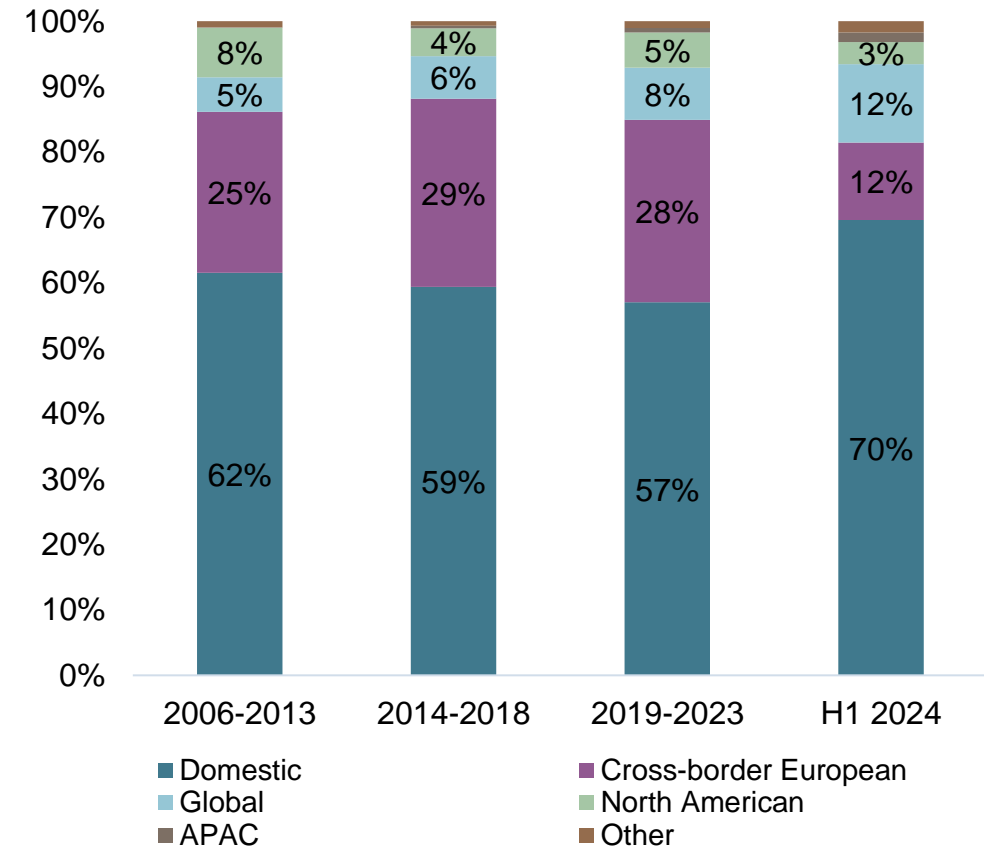
Active capital EMEA – Build to Rent

Fund managers continue to drive majority of activity with increasing share of global capital

Buyer type

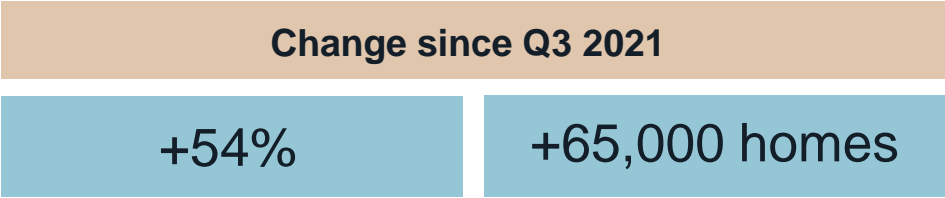


Source of capital

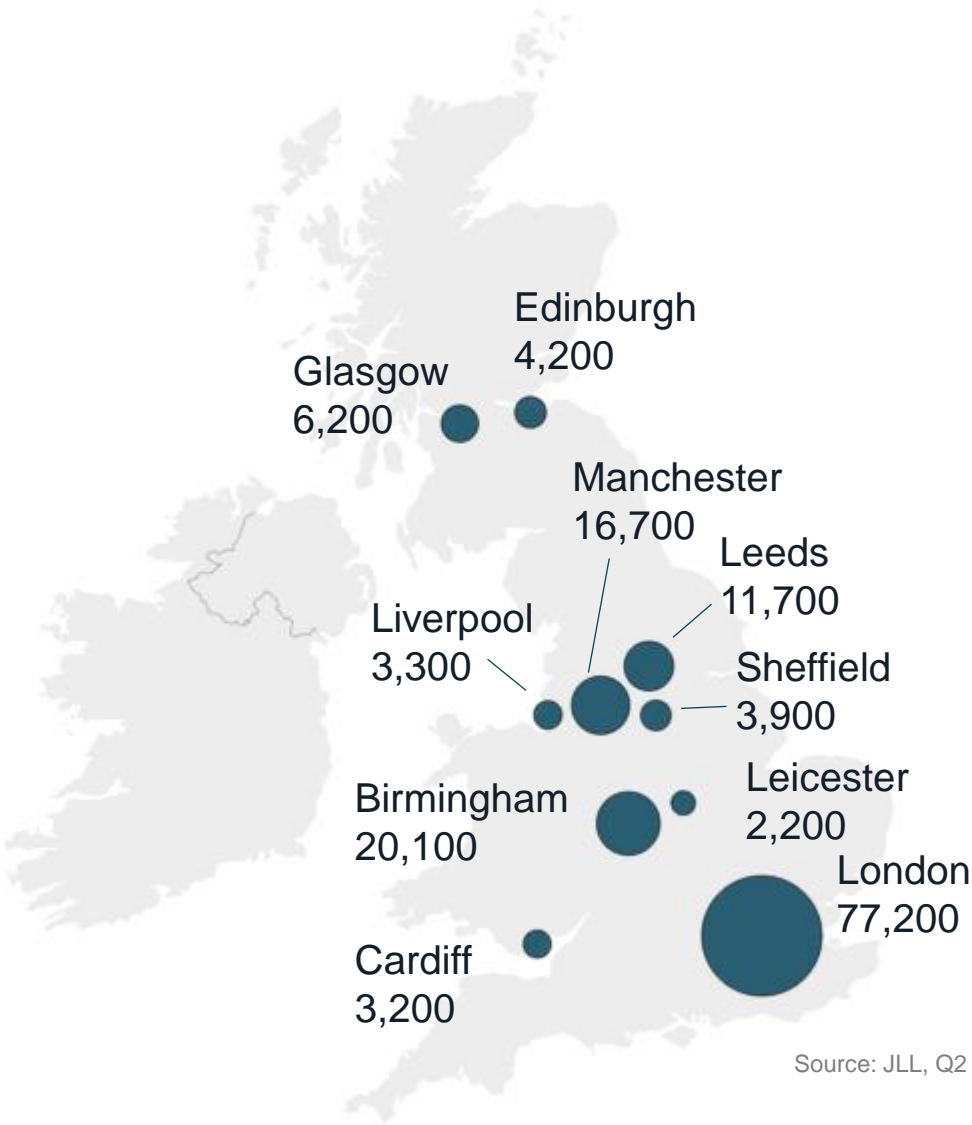
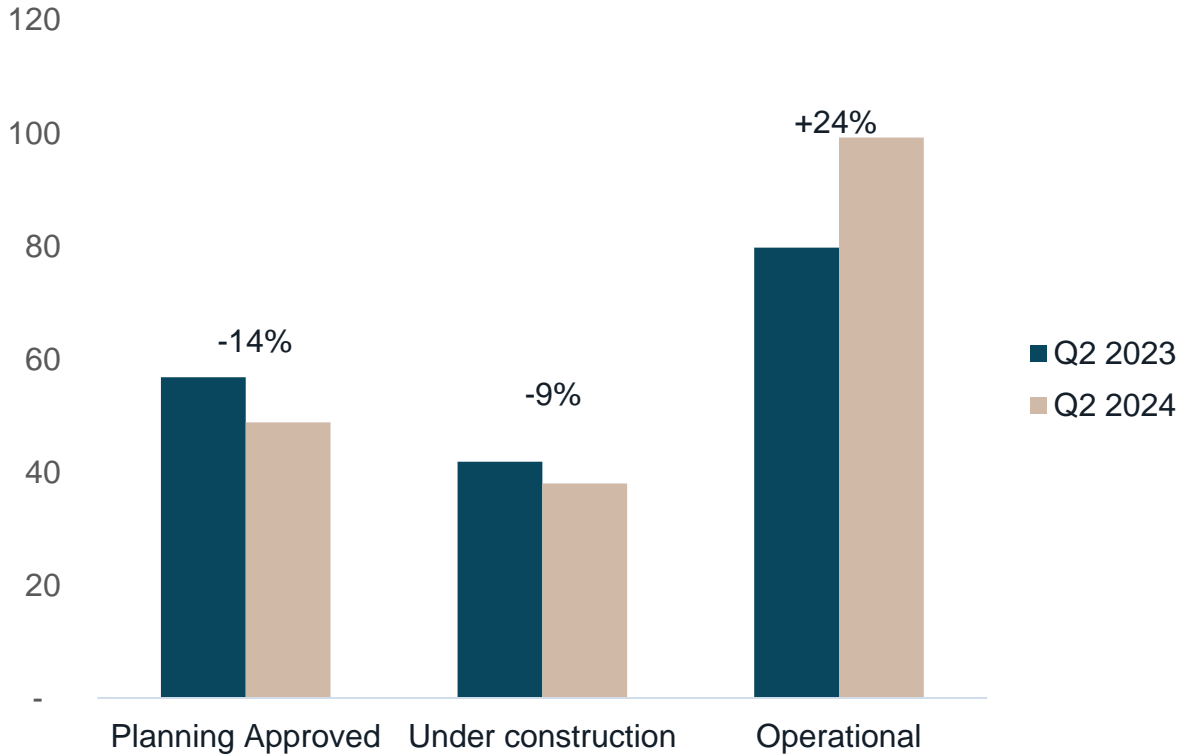


Source: JLL Research Q2 2024. *Includes development and entity deals, excludes deals <\$5m.

186,000 homes operating and in development but pipeline falls



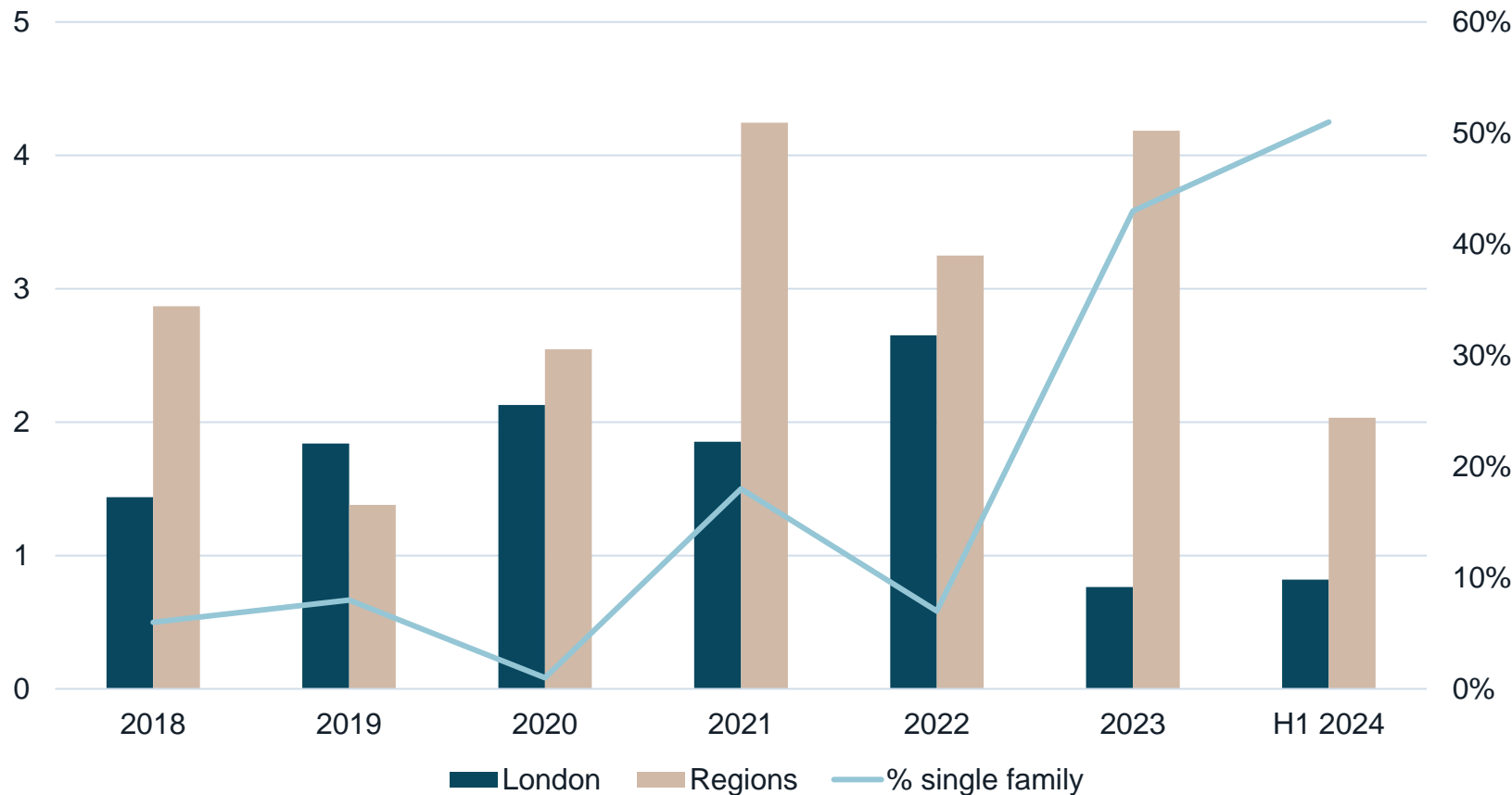
Multifamily units by status ('000s) and year-on-year growth



Source: JLL, Q2 2024

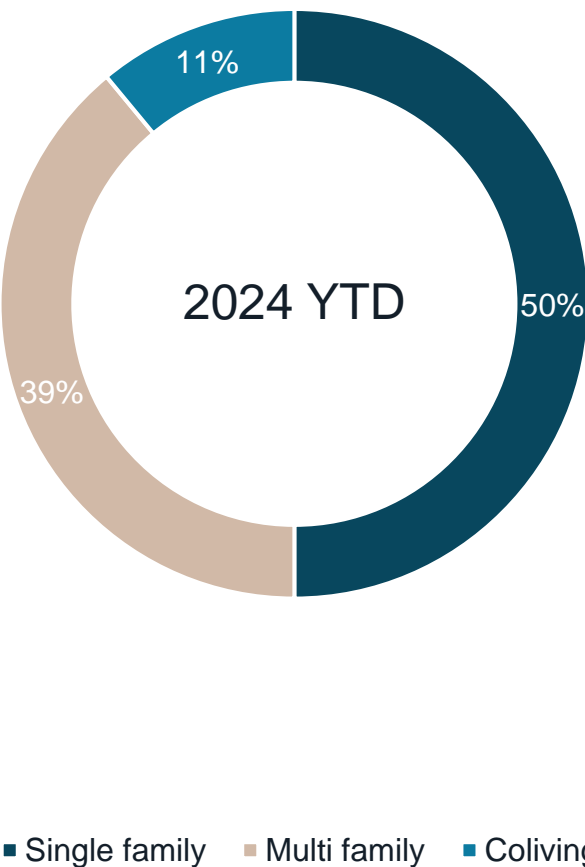
Focus shifts to single family and the regions

Investment volume (£bn)



Source: JLL, 2024

BTR Investment 2024



Hot off the press - Q3 latest for BTR

Q3 Investment volume (£bn)




YTD Investment volume (£bn)



YTD Investment volume (£bn)

	Annual	vs. 5 year
Single family	+30%	+119%
Multi-family	-36%	-47%
Coliving	+364%	+114%

Source: JLL, 2024



Where next for BTR?

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