



SAFE AS HOUSES
INVESTMENT PLC

THE CASE FOR PROPERTY REGENERATION VS NEW BUILD

DEBATING THE NEED FOR A FOCUS
ON REGENERATION FROM A CARBON
FOOTPRINT PERSPECTIVE ALONE
IS VERY STRONG

Safe as Houses Investment Plc
(TRADING AS SAH)



The problem

Reducing our carbon footprint has become a key issue for today's individual. We recognise this has a direct impact on climate change, therefore as well as taking ownership for our own behaviours, we can act as an example for others.

Typically, we can encourage recycling, use alternative transport instead of the car, and purchase our electricity from an energy company which provides 100% renewable energy.

Taking the above steps provides a positive way forward. However, we need to recognise that one of the biggest contributors to our carbon footprint are the everyday actions we can readily address.

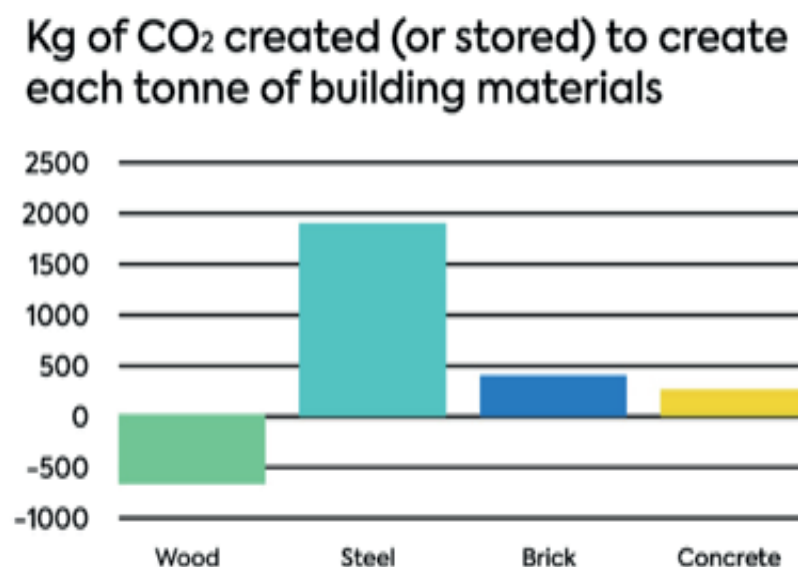
Our homes and properties

The property we live in has a huge impact on our carbon footprint. The energy we use for heating, lighting and power in our homes produces over a quarter of the UK's carbon dioxide emissions.

SAH recognise the need to source property in relevant locations, appropriate to the needs of the purchaser. This, in turn, would then organically lead to a reduced carbon footprint.

The design and build of your property also has a huge effect on its carbon footprint. Most houses in the UK are built out of brick, with a concrete foundation. It takes a quarter of a tonne of CO₂ to create a tonne of brick, and even more for steel and other house elements.

As a result, a typical masonry house in the UK takes between 50 and 80 tonnes to build and closer to 100 tonnes if steel is involved.



To put this into context, the average person in the UK has a carbon footprint of five tonnes per year, and the average property has a carbon footprint of six tonnes of CO₂, therefore building just one new house emits as much CO₂ as someone living an average lifestyle does over a decade, or the equivalent of 12 existing homes.

The SAH solution

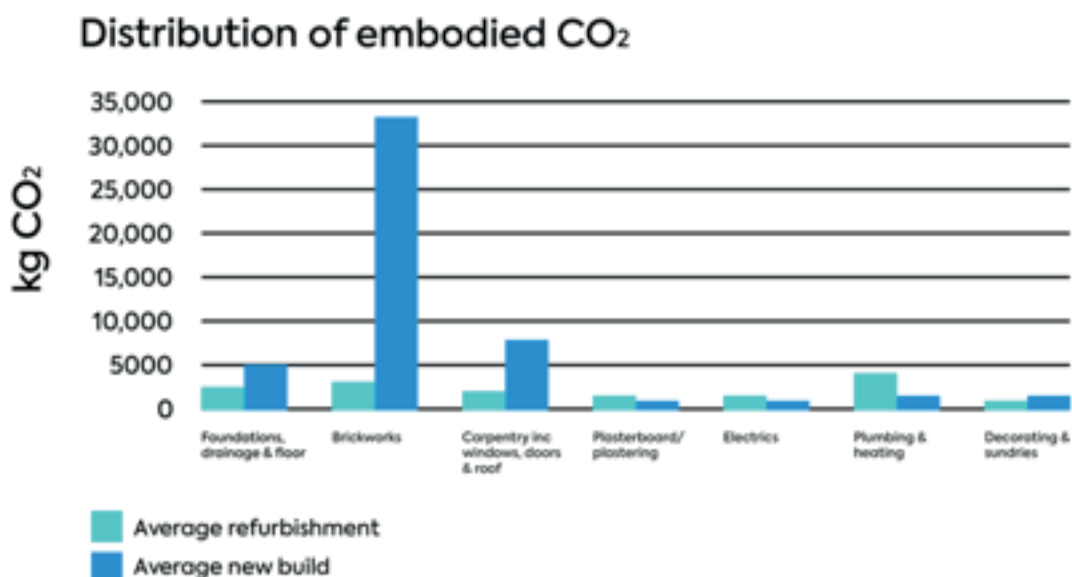
However, need demands we continue building new houses. We have a housing crisis in the UK and the government has a target of 300,000 new homes every year to keep pace with rising demand. This would potentially lead to an additional CO₂ injection of 24,000,000 tonnes.

Part of the solution is to build new houses with materials that store, rather than produce carbon. Timber for example is an excellent insulator, conducting far less heat than brick or steel. Building new houses that are not predominately timber based has a massive negative impact. This is particularly prominent with the cost of Carbon Impact in the UK expected to double by 2021, and quadruple by 2030.

However, there is an equally compelling case to look at existing stock and property regeneration. SAH are convinced regeneration of existing stock will most likely play an important part in the solution. A recent article in Housebuilder & Developer Magazine has identified in England alone, there are enough suitable brownfield (17,656) sites for at least 1.1m homes. 67% of these 1.1m homes can be delivered in the next 5 years representing 28% of the housing needs.

In addition, some 200,000 properties are placed on the market for sale each year that are classed as distressed and are either difficult to sell or never sell. Based on this assessment, the heating and lighting of an average distressed home currently produces approximately 9.4 tonnes of carbon dioxide every year. (Based on our experience and verified with the EPC) Adopting standard improvements such as insulation, energy efficient boilers, and LED lighting we aim to achieve a rating of between 60-80 or D-C which would reduce emissions by 5 + tonnes per year. We could have a greater impact in reducing emissions by switching to renewable energy sources.

Therefore, by focusing on regeneration of these 200,000 alone would result in a yearly CO₂ reduction of a minimum of 1,000,000 tonnes. By comparison it would take 10,000,000 tonnes of CO₂ to construct the equivalent of new build. With a focus on regenerating brownfield sites there is inevitably an indirect reduction of avoiding new infrastructure. There is also the likelihood of the properties being in a more centralised location therefore cutting down on travel. Debating the need for a focus on regeneration from a carbon footprint perspective alone is very strong.





SAFE AS HOUSES

RE-PURPOSING AND BUILDING NEW PROPERTY THROUGHOUT THE UK FOR THE BENEFIT OF SOCIETY

Enquiries

P: 02039041666 **E:** development@sahpi.com

Safe As Houses Investment PLC | sahpi.com | safeashousescaregroup.com

London | 35 Berkeley Square, Mayfair, London W1J 5BF

Edinburgh | 8 Albany Street, Edinburgh EH1 3QB

Stirling | Units 16-20 Enterprise House, Springkerse Business Park, Stirling, FK7 7UF