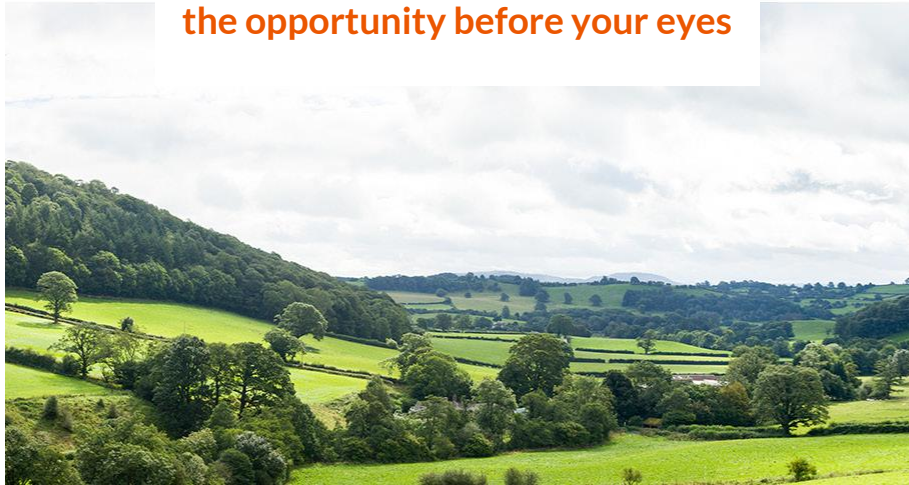
Brownfield

vs

Greenfield

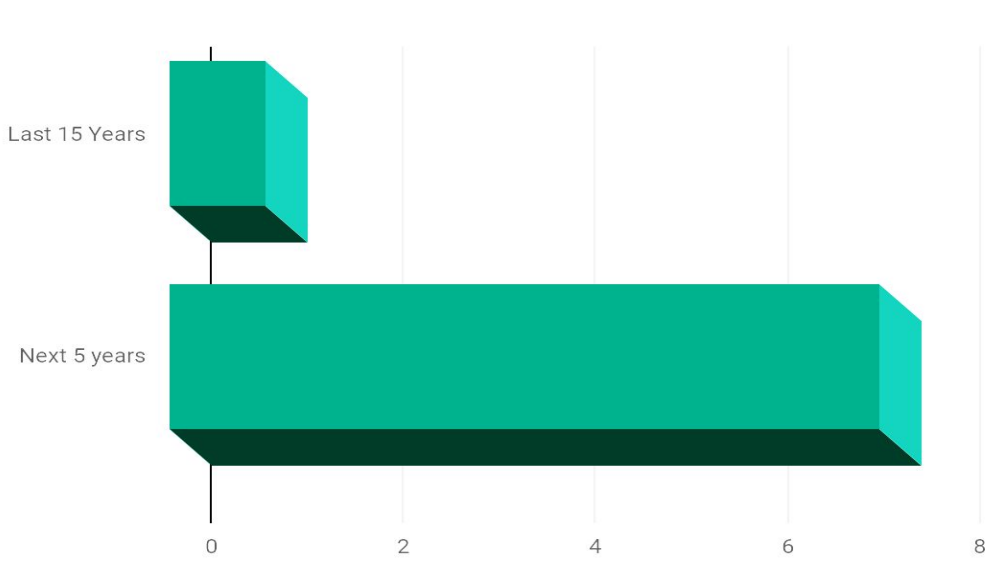
SEE

the opportunity before your eyes



SOURCE: SAH own research

The green belt is under siege



The green belt size

1.6m

hectares of green belt in the UK

Green belt loss last 15 years

1%

of the UK's green belt was destroyed in the last 15 years using greenfield sites

Green belt loss next 5 years

7.4%

if we continue to use greenfield sites

SOURCE: SAH own research

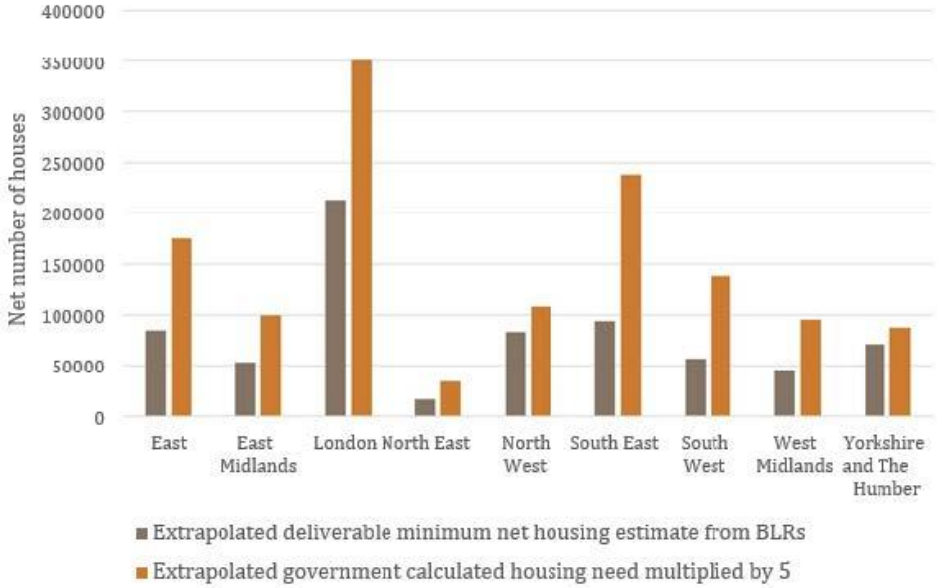
UK brownfield size and shape

In England alone there are enough suitable brownfield (17,656) sites for at least 1.7m homes

67% of these 1.7m homes can be delivered in the next 5 years representing 43% of total housing need

SOURCE: SAH own research

UK brownfield size and shape



Identified brownfield sites

17,656

brownfield sites in England alone

Size of identified sites

28,349

hectares of brownfield land identified

Number of homes

1.7m

potential homes built across England alone

(extrapolated for all 338 local planning authorities)

SOURCE: SAH own research

The green is under siege

Only 29 of the UK's 388 local authorities have decided to identify suitable brownfield land. This land could meet more than five years' worth of their housing need

Yet swathes of green belt land is under siege from proposed development

Carbon footprint

The argument for a focus on regeneration from a carbon footprint perspective alone is very strong

01 | The cost of Carbon Impact in the UK is expected to double by 2021 and quadruple by 2030.

02 | A solution to reduce Carbon Impact exists. In England alone there are enough identified suitable brownfield sites (17,656) for at least 1.7m homes of which 67% can be delivered in the next 5 years. This represents 43% of housing needs.

03 | An average distressed home produces approximately 9.4 tonnes of CO2 every year. By adopting our standard improvements we aim to reduce single home emissions by 5+ tonnes per year.

04 | The UK Government has an annual target of 300,000 new homes to keep pace with rising demand. Potentially an additional CO2 injection of 24,000,000 tonnes.

05 | Regeneration of 200,000 distressed properties alone would result in a minimum saving of 1,000,000 tonnes of CO2 versus an increase of 16,000,000 tonnes of new build CO2.

06 | Regeneration avoids new infrastructure and increases likelihood of properties being where they are needed most. Less travel costs reduces pollution and the carbon footprint.

Understanding Brownfield Avoidance

A different skill set. A different mindset.

Why traditional developers have avoided brownfield

01 | Profit made from holding long term land banks

02 | Brownfield development requires a different mindset

03 | Brownfield development requires a different skillset

04 | Borrowing challenges for developer of brownfield and for buyers

SOURCE: Research Briefings, Parliament - Tackling the under-supply of housing in England

UK brownfield avoidance

House building has declined since 1970

Regeneration of existing property must now play a much bigger role in increasing supply

The average new build home in England will have to last 2,000 years if the 'sluggish' rate of house repurposing and regeneration continues

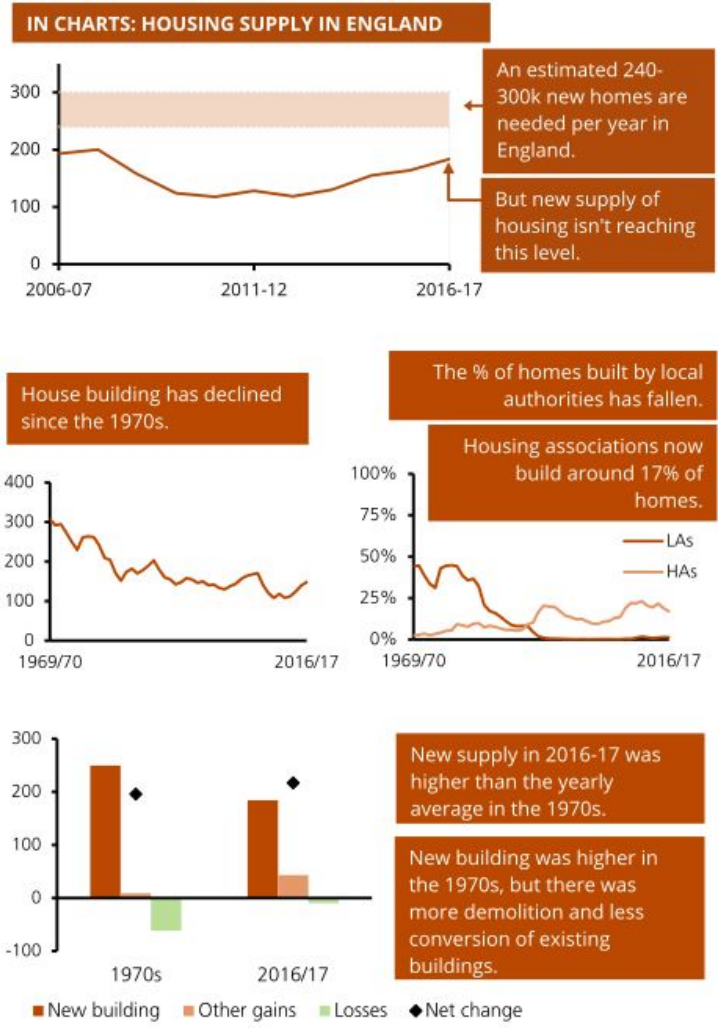
£1 invested in property regeneration = £3 net benefit

SOURCE: Research Briefings, Parliament - [Tackling the under-supply of housing in England]

UK's housing shortage

Housing supply looks very different now compared to 40 years ago. House building was much higher from the post-war period up to the 1970s, largely due to a programme of slum clearance, local authority building and easier access to funding.

The private sector now builds the majority of new homes and there remains a huge shortage therefore regeneration of existing property must now play a much bigger role in increasing supply.



SOURCEs: Local Gov, The Guardian, Riba

UK housing stock and the case for regeneration

01 | Most local areas have more homes built before 1930 than from any other period of time

02 | 1 in 10 new home buyers are dissatisfied with the quality of their new home and 1 in 6 would not recommend their house builder to a friend

03 | Failure to build enough homes over the past few decades is putting huge pressure on our existing housing stock

04 | The British don't want to live in new-build homes. Only well-designed homes with space to live in will appeal to people's aspirations and tackle the undersupply of housing

05 | The size of new homes in the UK is well below that of Ireland (15% bigger), Denmark (53% bigger) and Germany (80% bigger) – and shrinking

Examples of repurposing regeneration opportunities available in brownfield

01 | Distressed properties

02 | Banks

03 | Offices

04 | Student accommodation

05 | Hotels

05 | Gap sites

SAFE AS HOUSES

INVESTING IN PROPERTY REGENERATION THROUGHOUT THE UK

property regeneration case studies

SAH are specialists in the regeneration and change of use of distressed properties, multiple occupancy properties and gap sites that are all given a new lease of life.

The properties are then sold on to become, amongst other things, residential homes, assisted living and care home housing stock.

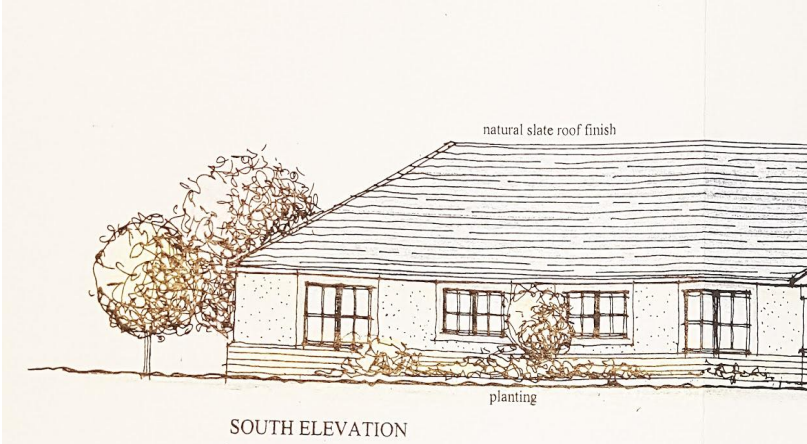
This property includes areas that need it the most and where it can benefit all society including the vulnerable members.

S ocial benefits

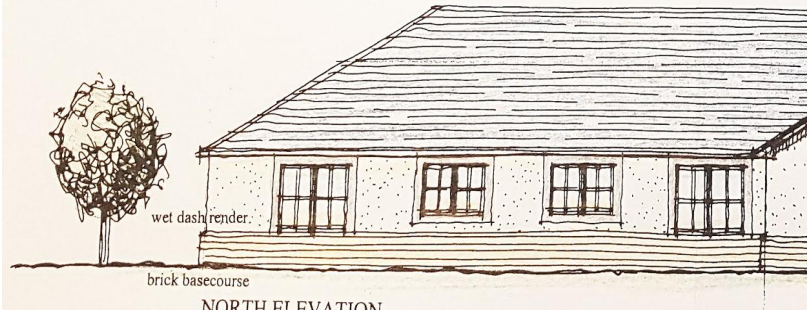
E conomic benefits

E nvironmental benefits

SEE the opportunity before your eyes



SOUTH ELEVATION



NORTH ELEVATION

SEE the benefits

01 | Environmentally sound housing supply

02 | New homes close to jobs and existing physical and social infrastructure

03 | More care homes assisted/living spaces and homeless provision

04 | Promotes walking and cycling (improved health and well-being) and encourages the use of public transport (less traffic)

05 | Potential cost reduction through connecting to existing roads and utilities

06 | Enhancing the overall quality of the built environment – with the impact of reducing crime through more active frontages and passive surveillance

07 | Conserves rural and agricultural land and the consequential environmental, ecological and economic benefits of this

Ask yourself

01 | Would your council benefit from improvement to distressed private stock?

02 | Would your council benefit from regeneration and renewal?

03 | Do you have sufficient care home / assisted living beds to cope with demographic demand over next few years?

SAH offers capacity quality and yield for investors at no cost to councils

the opportunity before your eyes

Presented by David Ritchie | david@sahpi.com