



Investing in Liverpool



A guide by Property Moose



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At a glance

Home to Property Moose HQ, Liverpool is situated in the North West of England. As a buzzing **metropolitan city**, it has an incredible amount on offer. As a major port, Liverpool's expansion became unparalleled during the industrial revolution and hasn't slowed down since. Liverpool is renowned for its **creativity, culture and personality**. In 2008, Liverpool held the **European Capital of Culture** title, together with Stavanger, Norway. Home to the Beatles and David Morrissey, Liverpool also holds the Guinness World Records title of "**World Capital City of Pop.**" With 3 main train stations, excellent road links and an airport hosting flights to over 70 countries, Liverpool has branded itself as an accessible **transport hub. (1)**

A hub for financial innovation

We believe Liverpool to be a certain hotspot for developing businesses. **In 2016, Liverpool was crowned as the UK capital destination for fast-growth firms. (2)** In fact, it's already home to "a bigger proportion of fast-growing firms than anywhere else in the UK," including London. In addition, last year, Liverpool hosted the **International Business Festival**. Attracting over **26,000 delegates** from over **100 different countries**. Officials are confident the event will deliver **£265 million** in new investments across the UK, many of which will be in Liverpool and the North West. Plans to make the festival bigger in 2018 are already underway. (3)





Liverpool has invested **£19m in a cruise liner terminal**, which “now welcomes dozens of cruise ships and has become undoubtedly one of the most desirable cruise destinations in Europe; building on the city’s rich maritime heritage. With 115,000 passengers and crew expected to disembark from around the world in 2016, Liverpool is fast becoming a **great place for tourists to explore.**” (4)

According to Delph Property Group, however, **the most impressive area of development on the skyline of Liverpool’s Docklands is West Tower**: a 40-storey skyscraper that’s now the tallest building on the city’s landscape, featuring high-end apartments, fine dining and ample business space.” (4) Other redevelopments include the **Liverpool ONE complex**, which breathed life into “42 acres of previously underutilised land in the heart of Liverpool city centre at a total investment cost of **£920m.**” In fact, it’s one of the **largest open-air shopping centres** in the UK. (4)

Regeneration

Between 2009 and 2015, there was a 77% increase in residential property sales in Liverpool.

A lesson from foreign investment

Recent figures show that London is losing its charm, and more attention has been devoted to cities in the north. (10) Liverpool, in particular, has put itself on a pedestal. One development includes New Chinatown, which is an investment venture worth **£200m.** (5) It has been described as “one of the most **important and exciting developments in the UK today**” and expects to become “one of the UK’s most luxurious and desirable residential destinations.” (5) The BBC supports this in claiming Chinese property investors have been “lured by George Osborne’s promotion of the “**Northern Powerhouse**”, and since then “Chinese investors are packing their bags and heading up the M6.” (6) Apparently, since the beginning of 2016, Hong Kong Homes, an equity firm who have been leading seminars on the **benefits of investing in the north** has “already sold more than 400 flats in Manchester, Liverpool and Sheffield to Chinese clients.” (6)

"London may have been claiming the house price headlines in recent years, but rather than focus their attention on the capital, **property investors should turn their attention to Glasgow, Manchester, Birmingham, Sheffield and Liverpool.**" (7)

In 2015, Liverpool came second in a list which detailed the top UK areas for buy-to-let yields, beating London. (7)

1. 8.90% Glasgow (G2)
2. **8.80% Liverpool (L7)**
3. 8.70% London (EC3)





High potential for capital growth

In June 2016, Liverpool's property value grew an impressive **6.1%**, making it "one of the UK's **most promising property markets** at present." It's likely that this may compel investors towards Liverpool, especially "while **growth is accelerating** and there is still **strong appreciation expected** in the future." (8)

In fact, "both domestic and international investors, many formerly devout London buyers who are now looking for **better returns** in the regions, are picking up assets in Liverpool because of its considerable **potential as a buy-to-let destination.**" (8)

High demand for rental units

Liverpool offers **three universities**, which collectively contribute to a student population that grew from 50,000 in 2015 to **60,000 in 2016**. Research strongly suggests that many **students remain in Liverpool after graduating**, which is driving demand for "affordable, but high quality rental accommodation." (9) In addition to this, considering Liverpool's innovative financial scene, the city is attracting a significant number of **young professionals, raising the demand for rental units even further.**





A guide by Property Moose Capital at risk

Sources

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