

ABSOLUTE LIVING DEVELOPMENTS
UK Property Research

Investment Opportunities in
Runcorn, Cheshire, UK



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DEVELOPMENTS

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CEO Edwen Yew – Letter to Readers

Dear Valued Investor,

I founded Absolute Living Developments (ALD) in 2012 to deliver attractive investment opportunities in UK property to international investors. The goal was not just to deliver any opportunity but opportunities that we believe have significant investment potential. The only way to deliver was by being innovative and by setting the trend, not by following it.

When we launched our first developments in Manchester (Trafford) and Bradford, many queried the investment rationale in these areas. Today, these are investment hotspots and an increasing number of developers and agents have followed our lead into these areas.

But our business is not about vindication. Our business is about delivering the best opportunities continuously and that means identifying the next opportunity before others identify and neuter it.

As Chief Executive of ALD, I have been hesitant in sharing how we think about opportunities and assess them because we do not want to help our trend-following competitors with much sought-after insight. At the same time, it is valuable to give our valued investors an insight into our thought process. And nothing is more important than our valued investors.

This is why we have decided to publish this property research piece. It not only shares an insight into how we work but goes into detail with regards to how we identified our next significant investment opportunity in Runcorn, Cheshire. It is a typical ALD investment opportunity – one today which seems less attractive but in years to come we know will be a trend setter in a prospering area.

I hope you find our property research piece of interest. If you do have any questions, please contact me personally and I will be happy to discuss this in more detail.

Edwen Yew
CEO – Absolute Living Developments

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Introducing ALD Research – Proven, Forward Looking

For each development, ALD undertakes significant, in-depth research. The purpose of this in-house research is to be forward-looking – to identify investment opportunities before the rest of the market identifies and neuters the opportunity.

The analysis undertaken is tailored to each opportunity but is broadly defined by the following 4 pillars of analysis:

1. The general state of the UK economy;
2. Significant trends in the UK economy;
3. Understanding of the local area including:
 - a. Infrastructure, including new development projects and transport links;
 - b. Attraction of the area for businesses;
 - c. Major commercial activities, including new businesses in the area;
 - d. Potential for job creation;
 - e. Social and demographic make-up of the population;
 - f. Travel-to-work flow analysis;
4. Other local community factors.

To date, ALD has brought to market 7 development blocks in Manchester (Trafford), 1 development in Bolton and 3 developments in Bradford. ALD's earliest developments in Manchester (Trafford) and Bradford were very forward looking, with investors querying the investment rationale.

Today, the Trafford area of Manchester is now considered one of the most attractive property markets in Greater Manchester¹, supported by the significant growth in the Greater Manchester economy² that ALD had previously forecast. On the back of this growth, ALD identified Bolton as a significant investment opportunity, based on its strong local economy as well as its commutability to Manchester. Today, Bolton is also an increasing investment hotspot with a number of other institutional investors now looking at entering Bolton as a major urban hub.

Bradford is yet another example of our foresight. When we entered the market, the general perception of Bradford was negative. Today, the city centre is benefiting from the *Invest in Bradford* initiative, which includes the £35m City Centre Growth Zone³ which supports new and existing business growth. An in November 2015, the upmarket Westfield shopping centre chain will launch its first shopping centre outside London. With an increasing student population and the existing engineering and manufacturing base, the future for Bradford is bright.

1. <http://www.manchestereveningnews.co.uk/news/greater-manchester-news/steep-trafford-house-price-rise-9444984>

2. <http://www.manchestereveningnews.co.uk/news/greater-manchester-news/booming-manchester-set-outperform-berlin-9522458>

3. <http://www.investinbradford.com/city-centre/city-centre-growth-zone>

Through its forward-looking research, ALD has now identified a significant investment opportunity in Runcorn, Cheshire. It is to date, the most exciting investment opportunity that ALD has commenced.

Report Highlights

1. The North West of England is a priority region for the UK Government.
2. There is greater institutional investment capital being deployed into major urban hubs outside of London, in particular Manchester and Liverpool.
3. Investments bring more jobs and opportunities for the working population. However, it also increases asset values and decreases the availability of affordable accommodation in these urban hubs, creating a demand for affordable housing units in the surrounding areas.
4. This is not just a London trend. The North West of England has been held back from achieving its full economic potential due to the lack of affordable accommodation units.
5. Generation Rent – the under-40 population of the UK that are more likely to rent their homes than buy them – is here to stay, creating a need for more affordable rental accommodation units.
6. In the coming years, Runcorn has a critical part to play in the future growth and prospects of Liverpool, and more broadly the North West of England.
7. Mersey Gateway is a £431m project to build a new six lane toll bridge over the Mersey between the towns of Runcorn and Widnes which will bring significant economic and commercial benefits to Runcorn.
8. Runcorn is an ideal location for many new businesses to come, with the availability of space, skilled labour and the ability to create new, desirable affordable accommodation to house a growth in the working population.
9. Runcorn is already a commuter town with established transport links that serves Liverpool, Manchester and many of the surrounding areas.
10. Runcorn is a typical ALD investment opportunity – one today which seems less attractive but in years to come, will be a trend-setter in a prosperous area.



Image: Runcorn's Silver Jubilee Bridge

1 – Macro Economic Research

General State of the UK Economy

The UK economy has recovered strongly since the credit crisis with UK GDP growth widely expected to average 2.4% to 2.6% in 2015 and 2016, the fastest of all the G7 economies. This is underpinned by strong consumer spending (which has remained relatively strong helped by lower oil prices) and business investments (a cut in corporation tax) which has kept the UK resilient to international risks, such as Greece and the Chinese stock market.

Figures according to PWC's quarterly UK Economic Outlook Reports break this growth down by region, with London and the South East continuing to lead the growth at around 3% in 2015 with the North West continuing its growth rate at about 2.5%⁴.

However, it is when we look beyond the headline fundamentals that we identify trends that are critically important in assessing property investments in the North West.

Significant Trends in the UK Economy

Long term economic plan for the North West of England

"The UK Government has identified the North West as a critical component in building a northern powerhouse that enables the UK reach its potential as a driving force in the UK economy".

In January 2015, Prime Minister David Cameron and Chancellor of the Exchequer George Osborne backed their long-standing verbal support of the North West with a clear six-point long term economic plan⁵.

Key highlights in the plan included:

- to have over 100,000 more people in employment in the North West during the next Parliament (before 2020) by supporting the private sector, backing business investment and new start-ups;
- to deliver a significant investment into transport infrastructure, including £4.5bn to the electrification of existing rail lines, new trains, new urban transport and a major upgrade to the road network across the region;
- delivering up to 25,000 new homes, many of these to be affordable accommodation units.

This substantiates ALD's long-held view the North West of England has one of the most exciting growth prospects going forward.

4. <http://www.pwc.co.uk/services/economics-policy/insights/uk-economic-outlook/ukeo-july-15-summary.html>

5. <https://www.gov.uk/government/news/long-term-economic-plan-for-the-north-west-set-out-by-prime-minister-and-chancellor>

Investment into Major Urban Hubs

“There is greater institutional investment capital being deployed into major urban hubs outside of London, in particular Manchester and Liverpool”

Driving this economic growth has been the significant pools of investment capital being invested into UK corporates and UK real estate by large institutional investors – pension funds, asset managers, hedge funds and private equity firms. But unlike pre-credit crisis, investments have been made with greater due diligence and accountability than before, removing much of the perceived “recklessness” that created the credit crisis.

A natural consequence of these increased standards of due diligence and accountability is that institutional investors have been far more selective in what they invest in. As such, a vast amount of investment capital has been chasing the same deals, which in turn has led to a demand / supply imbalance.

In real estate, “desirable postcode” investing has characterized most investments, highlighting this demand / supply imbalance and resulting in significant asset value increases and yield compression in these “desirable postcode” areas. And on a practical level, it’s clear why this has happened.

1. Many London-based investment directors of large institutional investors are not familiar with much of the UK outside of Central London. This ‘regionalism’ is often reflected in their instinctive resistance to invest north of the “Watford Gap”, an area in Northamptonshire which signifies the divide between the North and South of England. (Ironically, so ingrained is this ‘regionalism’ that many mistakenly associate the town of Watford, which sits on the outskirts of London, with this Watford Gap which limits their investment horizons even more).
2. Many institutional investors are not mandated to look outside of London and the South East because they have raised their significant pools of investment capital from investors on the promise of identifying opportunities only in these areas.

Central London has seen the greatest asset value increases and yield compression to such an extent that few attractive investment opportunities now remain, forcing many investors to look further afield to other desirable postcode locations where opportunities do remain.

The main beneficiaries of this expansion have been other major urban hubs, in particular Manchester and Liverpool⁶.

6. <http://realestate.ipe.com/markets-/regions/europe/manchester-the-pull-of-the-northwest/10007043.fullarticle>

Impact of Urban Investments on the Working Population

“Investments bring more jobs and opportunities for the working population. However, it also increases asset values and decreases the availability of affordable accommodation, creating a demand for affordable housing units away from the major urban hubs.”

ALD believes that what has been happening in London has already started being mirrored in Manchester and Liverpool. That is, the average commute – or distance between where one works & lives - has been increasing.

In London, the significant investment into central London has now seen residential accommodation costs increasing to unaffordable levels for the majority of the working population of London. This includes not just low-paid workers but high-earning professionals such as partners of law firms and accountancy firms, and investment bankers, many of whom now live outside of Central London.

This has led to the gentrification of previously unpopular areas due to the influx of professionals. Areas such as Shepherd's Bush to the West, Archway to the North, Shoreditch to the East and Southwark to the South – previously very undesirable areas with high levels of crime as recently as 2005 – are now populated by high-earning London-based professionals.

But this wave doesn't stop there. Those who used to live in these areas are now being pushed further afield. It is not unheard of for a worker who lived in Shadwell 10 years ago – just to the east of the City area of London – to be living a further 10 miles outside of London in Dagenham in 2015. And those that used to live in Romford (10 miles out of London) now living in Brentwood (20 miles out of London).

The result is that many workers, especially those in need of affordable accommodation, are being forced to move further away from their place of work to find homes and accommodation that is in their affordability range. And this is the fundamental root of the so-called Housing Crisis that exists in the UK⁷.

London is suffering because of the lack of supply of affordable homes. Yet, with more of the urban population being pushed further afield, the areas to which they are migrating are suffering from a greater influx of residents looking for considerably more affordable accommodation than what is readily available. This in turn is pushing many into social housing in and around London.

This trend is not sustainable. Affordable housing is required to house the many lower-paid population that keeps the economy going and many recognize that the lack of affordable housing will ultimately have a negative impact on the long-term growth prospects of an area.

7. <http://www.newstatesman.com/politics/2015/06/root-cause-londons-housing-crisis-we-dont-build-enough-houses>

How This Trend is Being Mirrored Elsewhere

“This is not just a London phenomenon. The North West of England has been held back from achieving its full economic potential due to the lack of affordable housing.”

While London is the most obvious illustration of this trend, other urban hubs that are benefiting from more institutional investment capital are seeing the same issues arise in respect of affordable housing. Manchester and Liverpool in particular have seen greater levels of institutional investment, with more jobs being created and local economics thriving. But this has also led to the same asset value increases and yield compressions we have observed in London.

The key factor in this analysis is how quickly the working population is tipped over the “affordability” level, something that the local economy has observed for a number of years. In May 2013, a ComRes survey undertaken for the National Housing Federation⁸ showed 80% of employers in the North West of England thought the lack of affordable housing was stalling economic growth and 66% warning that it was affecting their ability to attract and keep workers.

In practical terms, it means those that may have lived in the City Centre previously may now be living in the Trafford area of Manchester. Others are going further out to places like Bolton, which are only 10 miles outside of Manchester with strong transport links into Manchester City Centre.

In fact, any location with strong transport links and available affordable housing is beginning to benefit and this is why Runcorn is ideally located to benefit. Runcorn has very strong transport links combined with substantial local economic potential which will benefit from the significant institutional investment that is being made into Liverpool, Manchester and the other Northern hubs. (Please see Section 2).



Image: Aerial view of Runcorn

8. <http://www.housing.org.uk/press/press-releases/housing-crisis-choking-economic-recovery-say-north-west-businesses/>

The Rise of “Generation Rent” and the Need for Affordable Accommodation

“Generation Rent is the term coined to refer to the under-40 population of the UK that are more likely to rent their homes than buy them, because of changes in the economic situation in the UK.”

“An Englishman’s home is his castle” is an old English saying which expresses the idea that the English population see their home as the ultimate refuge. This reflects the mindset in the UK that owning a home – rather than renting – has always been the norm and is the expectation.

However, this is beginning to change. The term Generation Rent was coined in 2011 by the Halifax Building Society after a survey, undertaken by the UK’s National Centre for Social Research⁹, showed that many will be forced to rent because of:

- a. Property price rises that makes property purchases beyond the financial means of many
- b. Greater hurdle rates (income, LTV, credit history etc) in acquiring standard primary residential mortgages
- c. Lack of availability of affordable homes

Yet, this is a peculiar phenomenon for many outside the UK. In Europe and the US, renting is often considered the norm, with leading countries like Germany having one of the lowest levels of home ownership in the developed world because Germans often have very little interest in acquiring properties¹⁰.

The reality is that the UK is inevitably becoming a European-style market, with increasing numbers of the population having no choice but to continue renting for the long-term.

However, the UK is not well equipped. Given the limited supply of private rental units, rental costs have increased significantly and there are now Government-led initiatives to increase the stock, such as its Private Rented Sector Housing Guarantee Scheme¹¹. However, ALD believes much of the focus of this Scheme has been away from the affordable private rental units that so many areas require, in particular the North West of England.

This is why ALD believes there is a very significant commercial opportunity for developers like ALD to provide a market-based solution that meets the demand for affordable private rental units.

9. <http://www.macmillandictionary.com/buzzword/entries/generation-rent.html>

10. <http://qz.com/167887/germany-has-one-of-the-worlds-lowest-homeownership-rates/>

11. <https://www.gov.uk/government/news/35-billion-funding-boost-for-new-rented-homes>

2 – Local Economy Analysis

Understanding Runcorn, Cheshire

“In the coming years, Runcorn has a critical part to play in the future growth and prospects of Liverpool, and more broadly the North West of England.”

Runcorn, along with Widnes, forms the Metropolitan Borough of Halton. Widnes sits on the Northern bank of the River Mersey and Runcorn sits on the Southern bank of the River Mersey in an area approximately 10 miles south east of Liverpool and 20 miles south west of Manchester with a population of 70,000 (over 50% of Halton) as at the last census in 2011.

In May 2014, Halton became a member of the Liverpool City Region Combined Authority because of the critical role that Halton, especially Runcorn, will play in the future growth and prospects of Liverpool and more broadly, of the North West of England.



Historically a small village isolated by the River Mersey, Runcorn became a significant industrial town and cargo port during the Industrial Revolution, and was the location where four chemical companies came to form Imperial Chemical Industries (ICI)¹², which was bought by Akzo Novel NV in 2008 for \$14.5bn.

12. https://en.wikipedia.org/wiki/Imperial_Chemical_Industries

Given its role during the Industrial Revolution, Runcorn benefitted from the establishment of strong transport links. Today, its transport links are second to none, including:

1. Road

When plans for Runcorn new town were drawn up, they included three distinct types of road: local roads, expressways and the busways. The expressways are intended to keep all through traffic off the local roads. This system links to the north by the A533 over the Silver Jubilee Bridge to Widnes and Merseyside, to the northeast to Warrington by the A56, to the east to Northwich and north Cheshire by the A533, and to the southeast by the A557 to the M56 and to Frodsham. The M56 links to the M6 and, to the north of Widnes, the A557 links to the M62. This is soon to be complimented by the Mersey Gateway bridge which will accommodate the increased traffic flow to and from Liverpool.

2. Rail

There are two railway stations. Runcorn Mainline Station is on the Liverpool branch of the West Coast Main Line, providing services between Liverpool Lime Street and London Euston via Birmingham. Runcorn East station provides services to Warrington, Manchester and Chester. Travel times to Liverpool are 20 minutes, Manchester Piccadilly are 43 minutes and Birmingham are 75 minutes.

3. Bus

The busway is a system of roads for use by buses only, and bares no resemblance to guided busways or bus lanes in use elsewhere in the country. It is a totally separate road system, not running alongside or down the middle of existing roads. Bus services are provided by Halton Transport and Arriva. National Express coaches also call at Runcorn. Other coach services are provided by Selwyns Travel & Anthony's Travel, who are both based in the town.

4. Air

- Runcorn is 8 miles from Liverpool John Lennon Airport
- Runcorn is 22 miles from Manchester Airport

Today, Runcorn is often perceived to be a traditional manufacturing town in the UK that is in need of regeneration – and that is true. The older industries, such as the remaining chemical factories found in the South West of Runcorn, are a shadow of their former glory days. However, Runcorn has seen the successful establishment of a warehousing, distribution and service sector over the last 25 years as well, with 17% of jobs in Runcorn being in manufacturing and 87% in the service sector.

The two key drivers are the potential local economic growth that will contribute to the broader regeneration of the area and its traditional role as a commuter town for many of the other major and secondary urban hubs in the North West of England (and these are addressed in detail below). And much of this is substantiated by the amount of external investment that entering Runcorn, in particular the Mersey Gateway project.

The Mersey Gateway Project¹³

The Mersey Gateway project started construction in May 2014 and is due to be completed in the Autumn of 2017. To date, it has already created over 700 jobs and directly contributed over £44m into 138 local businesses who supply or sub-contract to the Project.

It will improve connections for Halton residents across the Mersey, making commuting to Liverpool easier and making Runcorn a more attractive location to live (the toll bridge will be free for Halton residents to cross). It will also improve commercial connectivity to Liverpool so as to encourage further business.

The Project also serves as the kick-start to a major 20-year regeneration programme for Halton, which includes the encouragement of new and inward investment into the region.

The overall impact of the Project is expected to be as follows:

- Creation of over 4,640 new jobs through direct employment, regeneration activity and inward investment
- Generate an estimated £61.9m a year in Gross Value Added from new jobs by 2030
- Form the centerpiece of a new and improved high standard link road connection the national motorway network in north Cheshire with Merseyside

“Mersey Gateway is a £431m project to build a new six lane toll bridge over the Mersey between the towns of Runcorn and Widnes to relieve the congested and ageing Silver Jubilee Bridge.”

While many areas in the UK are benefiting from regeneration, historically areas with significant infrastructure investments have had the greatest certainty of meaningful economic recovery. In London, many of the areas that have been successfully regenerated are those that have had or will be having significant infrastructure investments.

Precedents include Stratford – until 2005, a crime-ridden undesirable part of London – which is now a highly desirable location for working professionals after the significant infrastructure investment of the 2012 London Olympics. Areas further east of London, such as Abbey Wood, are already reaping the benefits of the much-anticipated CrossRail¹⁴ network, a new 136km railway line running through London that is expected to open in 2019.

What the Mersey Gateway Project affirms is that Runcorn is not just another UK town being allocated regeneration capital but a town strategically placed and critically important to the future growth prospects of the North West of England.

This is already being reflected in the growth and positioning of the newer industries in Runcorn. In the North East and South East of Runcorn (where our White House development is found) are an ever-increasing number of warehousing and distribution centres which can tap into this connectivity. Halton Council Leader Cllr Rob Polhill was recently quoted as saying, “Halton has found its niche with the logistics market”¹⁵ after yet another business – B&M Retail - set up a distribution centre in Runcorn.

The key attraction of Runcorn is not just the location. It has significant commercial space available. The workforce is appropriately skilled in the jobs being created. More importantly, Runcorn is seen as an area able to create new, desirable affordable accommodation which can house a growth in the working population.

All these factors give Runcorn in the long-run significant investment upside.

13. <http://www.merseygateway.co.uk/>

14. <http://www.crossrail.co.uk/>

15. http://www.runcornandwidnesworld.co.uk/news/13318542.B_M_distribution_centre_creates_250_new_jobs_in_Runcorn/?ref=ms

The Opportunities for Growth in Runcorn

Runcorn – Local Economy Potential

“Runcorn is an ideal location for many new businesses to come, with the availability of space, skilled labour and the ability to create new, desirable affordable accommodation to house a growth in the working population.”

Mersey Gateway Project has showcased the potential for Runcorn as a primary area of new business. ALD has always believed that this would attract more blue-chip businesses to come to Runcorn and with the Project coming closer to completion, the first signs of this are beginning to materialize.

In June 2015, B&M Retail, a £1.7bn turnover retailer listed on the FTSE 250, announced the creation of 500 new jobs¹⁶ at a new warehouse to facilitate their distribution business in Runcorn, highlighting the “excellent road network and the prospect of a new bridge”. And in July 2015, Marks & Spencer, the household FTSE-100 listed retailer, announced¹⁷ they were opening a new call centre in Runcorn which will create 380 new jobs.

But these are not just one-off announcements. This is the beginning of a precedent, with Halton Council investing significant time and resources in attracting businesses that have never had a centre in the North West to the Runcorn area, leveraging off the back of the Mersey Gateway Project. This will more than replace the traditional manufacturing industries as well as the companies who have been planning on leaving Runcorn for many years (e.g. Brakes, the food distributor, who always intended to leave Runcorn once their newly built warehouse in Warrington was complete).

It is for this reason that ALD expects that many more blue-chip businesses will look to move call centre & logistic / distribution businesses to Runcorn over the coming years, as the economic appeal of doing so, especially the costs savings to be achieved versus many other parts of the UK, becomes even more widely recognized.

At this point, we again refer back to the ComRes survey undertaken in May 2013 for the National Housing Federation¹⁸ which showed 80% of employers in the North West of England thought the lack of affordable housing was stalling economic growth and 66% warning that it was affecting their ability to attract and keep workers. With the major urban hubs facing difficulty creating affordable housing units, Runcorn is well placed to attract new business that relies on employing a significant number of those that would typically live in affordable accommodation.

16. <http://www.skillsforlogistics.org/news-events/news/bm-retail-to-create-500-new-jobs-in-runcorn-cheshire-as-part-of-warehouse-plans/>

17. http://www.runcornandwidnesworld.co.uk/news/13417386.UPDATED__Marks_and_Spencer_creates_380_jobs_at_new_call_centre_in_Runcorn/

18. <http://www.housing.org.uk/press/press-releases/housing-crisis-choking-economic-recovery-say-north-west-businesses/>

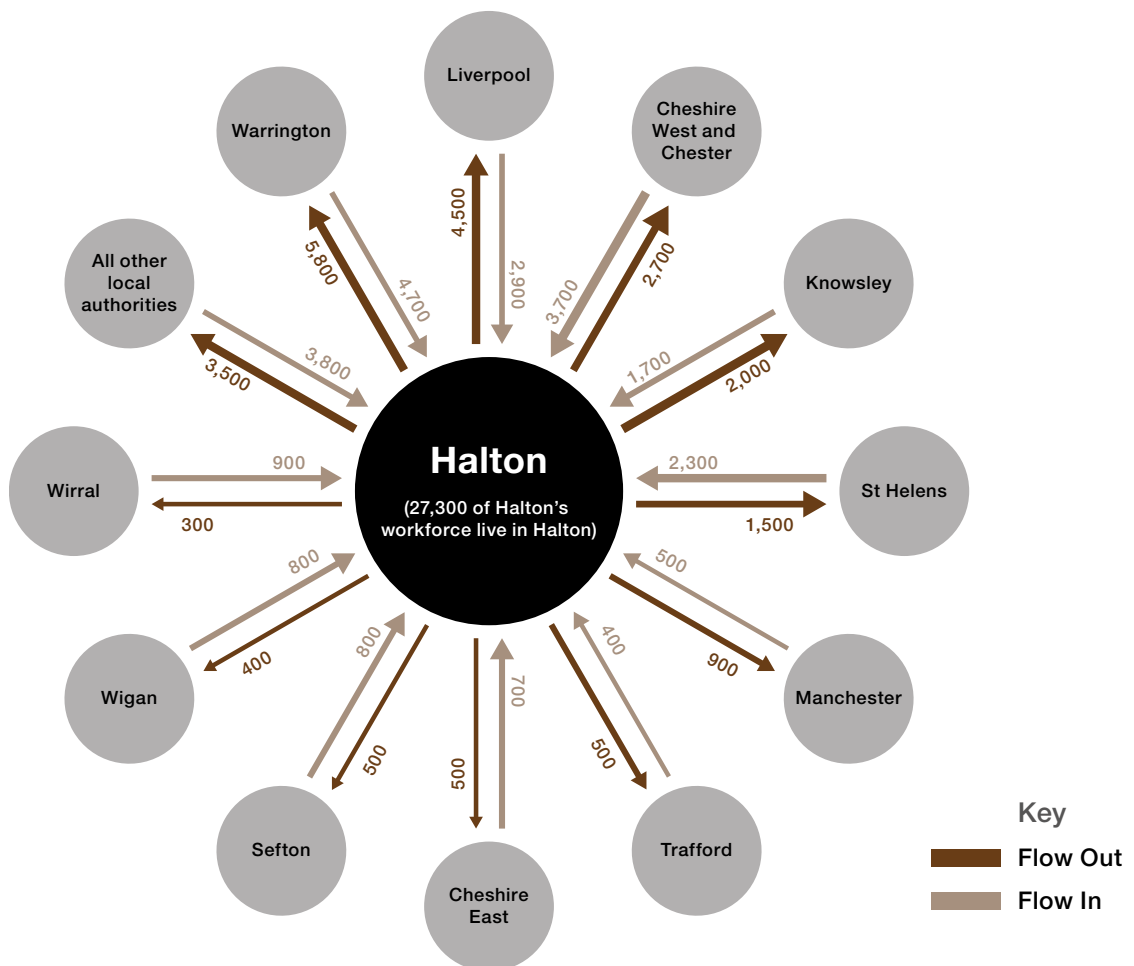
Runcorn – An Already Established Commuter Town

“Runcorn is already a commuter town with established transport links that serves Liverpool, Manchester and many of the surrounding areas.”

In the UK property investment world, it is not uncommon to hear that a previously non-commuter town will soon become a highly desirable commuter town.

In the case of Runcorn, it is an already established commuter town. As of the 2011 Census, the Office for National Statistics published “origin-destination statistics”¹⁹ which analysed “commuting flows to/from Halton in 2011”²⁰.

Figure 1 – Commuting Flows to/from Halton - below shows the extent to which a significant number of the Halton population commute out, as well as other North West towns commuting in to Halton.



19. <http://www.ons.gov.uk/ons/rel/census/2011-census/origin-destination-statistics-on-migration--workplace-and-students-for-local-authorities-in-the-unit-ed-kingdom/index.html>

20. <http://www4.halton.gov.uk/Pages/councildemocracy/pdfs/CensusandStatistics/HaltonCommuteToWorkProfile.pdf>

The key highlights that ALD observed were as follows:

- The largest net outflow of workers from Halton was Liverpool, where
 - 4,500 commuted from Halton to Liverpool; and
 - 2,900 commuting from Liverpool to Halton.
- There was an already established commuter pattern with Manchester and Trafford, where
 - 1,400 commuted to Manchester and Trafford from Halton; and
 - 900 commuted to Halton from Manchester and Trafford.
- There were other major towns in the North West of England with whom there were strong commuter patterns, including:
 - Warrington
 - Wigan
 - St Helens
 - Knowsley
- There were 23,100 people commuting out of Halton and 23,200 people commuting into Halton;
- Compared to the 2001 census data, the largest rise in workers commuting into Halton was from Liverpool (rising from 2,100 in 2001 to 2,900 in 2011).
- Compared to the 2001 census data, the largest rise in worked commuting out from Halton was to Liverpool (rising from 3,700 in 2001 to 4,500 in 2011).

Note all numbers were rounded to the nearest 100

This puts into context the Halton Housing Strategy 2013 to 2018 report²¹ which sets a minimum housing requirement of 9,930 net additional homes between 2010 and 2028, equating to 552 dwellings per annum, of which 60% needs to be built in Runcorn to accommodate the expected growth in the local population due to both the influx of new businesses coming into Runcorn as well as the commuter population.

It is worth noting that in 2011 – before the announcements of the Mersey Gateway Project and the expected benefits to be gained from the Project, the population of Runcorn (in the context of Halton) was expected to continue growing, albeit focused on the 65+ age group.

In fact, the working age population (ages 16 to 64 year olds) was projected to decline by 5% over the 10 year period to the 2021 census. However, ALD firmly believes that this number will materially differ by the time of the 2021 census because of the increase in the commuter population as well as the need for more workers in local businesses.

As a result, ALD forecasts that the population of Runcorn will grow significantly more than was projected in the 2011 census, increasing demand for the kind of affordable accommodation units that suit single and couple households.

3 – Conclusion

ALD believes that the future prospects of Runcorn are compelling given its location, its local economy and the major developments that have been taking place in Runcorn and believe that any investment opportunity in Runcorn will yield strong returns.

21. <http://goo.gl/B6uQfU>