


PROPERTY INVESTMENT IN MANCHESTER

HOW TO FIND, FINANCE AND PROFIT
FROM MANCHESTER'S PROPERTY MARKET



AUCTION 360



Introduction

Manchester, often dubbed the "Capital of the North," is one of the fastest-growing property investment hotspots in the UK. With a booming economy, large student population, and significant regeneration projects, the city offers excellent potential for both capital growth and rental yields.

Below is an overview of why Manchester is an attractive investment destination, focusing on key areas, yields, and future prospects.



Why Invest in Manchester?



1. Economic Growth

Manchester is one of the UK's most important economic centres, driven by a variety of industries including tech, finance, media, and education. Major companies such as BBC, ITV, and Google have a presence in the city, attracting professionals and increasing demand for rental properties.

This has led to a rising demand for housing and, consequently, property price growth.

- **Employment Hub:** Manchester's strong economy attracts skilled workers from around the country and overseas, which in turn fuels the demand for high-quality rental properties, particularly in the city centre.
- **Northern Powerhouse Initiative:** The government's ongoing investment into the Northern Powerhouse project has spurred infrastructure development and urban regeneration across Manchester, further driving property price growth.



2. Large Student Population

Manchester is home to over 100,000 students, with prominent institutions like the University of Manchester and Manchester Metropolitan University. This makes the city a hotspot for student accommodation investment. Purpose-built student accommodation (PBSA) or buy-to-let properties in student-friendly areas can yield excellent returns, with high occupancy rates throughout the academic year.

3. High Rental Yields

Manchester is known for offering some of the highest rental yields in the UK, particularly in key postcodes such as M1, M3, and M4. The city's affordable property prices combined with high rental demand provide investors with strong yields, often ranging between 5% and 7%. For those targeting buy-to-let or Houses of Multiple Occupation (HMOs), Manchester offers a particularly attractive market.

4. Affordable Property Prices

Compared to London and other southern cities, Manchester's property prices are relatively affordable. The average property price in Manchester is around £240,000, but this can vary depending on the area. Despite this affordability, property values are increasing year-on-year, offering significant capital appreciation potential for investors.

Best Areas for Investment



1. Manchester City Centre (M1, M2)

The city centre is a prime location for professionals and students alike. The central districts offer high-end apartments, making them ideal for buy-to-let investors targeting professionals working in Manchester's thriving tech and financial sectors.

- **Property Prices:** Around £300,000 for apartments.
- **Rental Yields:** 5%-6%.
- **Key Features:** Close to major employment hubs, retail, and transport links.

2. Northern Quarter (M4)

Manchester's Northern Quarter is a trendy, artsy neighbourhood known for its cafes, bars, and independent shops. It's highly popular among young professionals and creatives, making it a great option for investors seeking long-term rental demand.

- **Property Prices:** Around £250,000 for apartments.
- **Rental Yields:** 5%-7%.
- **Key Features:** Cultural hub, proximity to the city centre, high demand from young renters.



3. Salford Quays (M5)

Salford Quays is home to MediaCityUK, which hosts companies like the BBC, ITV, and other media giants. It is a hub for media professionals, making it ideal for buy-to-let properties aimed at professionals working in the media and tech industries.

- **Property Prices:** Around £200,000 for modern flats.
- **Rental Yields:** 6%-7%.
- **Key Features:** MediaCityUK proximity, waterfront location, modern apartments.

4. Fallowfield (M14)

Fallowfield is one of the most popular areas for student accommodation. Its proximity to the University of Manchester and student-friendly amenities make it a top choice for buy-to-let investors targeting the student market.

- **Property Prices:** Around £180,000 for student houses.
- **Rental Yields:** 6%-8%.

Key Features: Large student population, affordable properties, strong demand for HMOs.

5. Ancoats (M4)

Once a working-class industrial district, Ancoats has undergone significant regeneration in recent years, transforming into one of Manchester's most desirable neighbourhoods for young professionals. The area boasts stylish, modern apartments, trendy cafes, and excellent connectivity to the city centre.

- **Property Prices:** Around £280,000 for apartments.
- **Rental Yields:** 5%-6%.
- **Key Features:** Rapidly gentrifying, close to city centre, increasing rental demand.

Manchester is experiencing significant urban regeneration, with several key areas undergoing transformation:

Upper Brook Street:

This £450 million project will provide nearly 2,000 student beds and over 500,000 square feet of life sciences workspace.

Holt Town:

Strategically located between the city centre and investment hubs like Sportcity, Holt Town will see the creation of 4,500 sustainable homes and a new Metrolink Station.

Ancoats:

Known for its trendy eateries and boutiques, Ancoats is set to receive 129 new residences and enhanced green spaces.



Withington Village:

This area will benefit from £2.1 million in funding for projects like Rutherford Place and Copson Street, which will include a new public square and pedestrianized areas.

Northern Quarter:

Famous for its independent businesses and cultural vibe, this area is highly desirable for young professionals.

Castlefield:

Known for its restored Victorian houses, Castlefield offers tranquility amidst city life.

Salford Quays:

Home to the BBC and ITV studios, this area attracts professionals with its modern waterfront apartments.

Deansgate:

With its vibrant atmosphere and convenient location, Deansgate is ideal for families and offers a premium rental yield.

These areas present unique opportunities for both residents and investors.

Rental Yields and Property Prices



Manchester offers some of the most competitive rental yields in the UK, with yields typically ranging from 5% to 7%. Certain student-friendly areas and HMO properties can achieve even higher returns.

Property prices in Manchester are steadily rising due to the high demand for both rental and owner-occupied properties, offering the potential for solid capital appreciation.

- **Average Property Prices:** Around £240,000.
- **Rental Yields:** Typically between 5%-7%, depending on location and property type.



City of
Manchest



Market Trends and Future Growth



1. Regeneration and Infrastructure Development

Manchester is undergoing several large-scale regeneration projects, particularly in areas like Ancoats, Spinningfields, and NOMA. These projects are transforming old industrial areas into vibrant residential and commercial spaces, pushing up property values and making these areas attractive to investors.

Additionally, planned improvements in transport infrastructure, including the HS2 high-speed rail project, are expected to further enhance Manchester's connectivity and boost property values, especially in commuter areas.

2. Rising Property Prices

Manchester has seen a steady rise in property prices, outpacing many other UK cities. This upward trend is expected to continue, driven by strong demand, population growth, and infrastructure investments. Investors can expect significant capital appreciation in the coming years.

3. Sustainability and Smart Homes

Manchester's property market is also seeing growing interest in eco-friendly developments and smart homes. Investors focusing on sustainable housing and green initiatives will likely find opportunities in emerging residential projects that meet modern environmental standards.

Conclusion

Manchester's property market presents a strong case for investors, offering a combination of high rental yields, affordable property prices, and excellent growth potential.

Whether targeting student accommodation, professional rentals, or long-term buy-to-let properties, the city's diverse market offers something for every investor.

With major regeneration projects, a thriving economy, and a large student population, Manchester is well-positioned for future growth. Investors looking for stable, high-yield returns and the potential for capital appreciation should consider Manchester as one of the top property investment cities in the UK.



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questions?



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