



BUILD TO RENT  
**ASK THE EXPERTS**  
**Q&A SERIES 2020**

# Introduction

Here at UK Built to Rent we regard our team and content to be at the cutting edge of the industry. Our team network and work with with all aspects of the Build to Rent community, from investors to architects, property developers and property managers. This network allows us to create the content that reviews and advises on the best practice currently being implemented within the industry as well as how the sector will look in the coming years.

But don't just take our word for it.

Within this document you will find content not currently available on our platform detailing the best practice processes, thoughts and opinions of our close network who also happen to be the Build to Rent industries most established names.

With well over £1 billion of project value between our network of experts and over 100 years of combined Build to Rent experience this document will provide tremendous value to anyone looking to look behind the curtain and see just what the best in class within the industry are currently prioritizing and implementing.

Enjoy!

***UK Build to Rent Team***



# Investment



**FREDDIE WONNACOTT**  
M&G



**MEIKO SCHMIDT**  
Telford



**ANDREW SAUNDERSON**  
Grainger plc



**JOHNNY CADDICK**  
Moda Living

# Investment Q&A



**FREDDIE WONNACOTT**  
Associate Director





## **Design Q&A with Freddie Wonnacott of M&G**

M&G Real Estate is a leading financial solutions provider for global real estate investors with £33 billion in assets under management. It has a sector leading approach to responsible property management and is committed to continuously improving the sustainability performance of its funds.



# FREDDIE WONNACOTT

Associate Director

Freddie Wonnacott , Associate  
Director at M&G Real Estate

Freddie is an investment  
manager specialising in  
residential & student  
accommodation in the UK.

**Q: What kind of investment opportunities are M&G looking for in the current climate?**

**A:** We continue to seek opportunities that meet the requirements of our core investment strategy, which revolves around three key themes: employment, connectivity and education.

We typically invest in locations within close proximity to centres of strong employment such as central London or strong regional hubs such as Manchester and Edinburgh.

In terms of connectivity, opportunities will ideally be within five minutes' walk to a tube station or other public transport intersections, and with a total travel time of under 30 minutes to a major employment hub.

We also like locations within the catchment of good/outstanding OFSTED rated schools in more suburban locations with ample outside space and good connectivity to appeal to the young family rental market, in addition to the young professionals who make up our primary customer pool.

Although the COVID pandemic has certainly given cause to re-evaluate this strategy, due to the reduced use of public transport and the prevalence of working from home, our belief is in the medium to longer term these themes will continue to be important when identifying investment opportunities.

**Q: What are a few things a company should know about M&G before approaching you for an investment opportunity?**

**A:** If any company who wants to work with us isn't sure about what would suit, we are always very happy to chat over the phone and let them know if it is something that will work for our main UK Residential Fund, but also if it might be appropriate for M&G's wider business.

We certainly favour simplicity in our deals over any unnecessarily complex structures. We are dynamic and able to progress opportunities quickly, thanks to the discretionary nature of our capital and highly efficient internal processes.

As a long term investor, partnerships and repeat business are a big focus for us. We prefer to engage initially on a single opportunity with a like minded partner knowing that there is potential to build a future relationship.

**Q: What do you believe is the single biggest threat to the growth of the UK BTR sector in the coming years & why?**

**A:** Ultimately, the BTR sector needs to compete with other uses in the land market in terms of viability whether versus the other residential sub sectors (sale product/student accommodation/affordable housing) or indeed versus wider commercial uses.

Anything that makes BTR less competitive in this regard will be a major threat. Examples of this could be any number of things from an increase in Stamp Duty Land Tax affecting BTR, increased regulation or a more challenging planning environment.

*It is therefore vitally important to be united as a sector and continue to extol the virtues of the many benefits for all stakeholders of high quality institutionally owned residential rental accommodation to central and local government*



**Q: Other than yield and IRR, what are the key financial metrics you view as vital to the success of a BTR development?**

**A:** Our primary focus is net income, so it is equally important to underwrite the correct rental income position and operational expenditure to create the right balance.

The key to success is thorough analysis of local and comparable markets, as well as the wider considerations of affordability for the customer, especially in the medium term.

At an early stage it is important to understand building efficiencies from an operating perspective and to ask the right questions such as does it have multiple cores and lifts that are expensive to run? Are there multiple entrances that will increase security and management staffing costs? Environmental Social and Governance (ESG) credentials are also crucial for our occupiers, investors and management teams.

**Q: Where do you see the UK BTR sector in 2030?**

**A:** We believe the UK BTR sector will become a recognised major contributor to UK housing supply, leading the way from an ESG perspective. In summary, a creator of sustainable, environmentally friendly communities in energy efficient buildings that our customers love living in.

**Q: We've seen the saturation of a location start to affect a BTR development success due to oversupply. Where do you feel are the areas, if any, that will suffer from oversupply in the coming years?**

**A:** Manchester and increasingly Birmingham are often quoted as being oversupplied. While these locations do cause some short term concern for rental growth prospects as the supply is absorbed, we are positive on the long term given the economic fundamentals of these cities.

We are more cautious around smaller regional locations where the fundamentals are weaker, and supply will take longer to absorb.

**Q: Where are the cities in the UK that you believe have the most exciting investment potential for BTR developments?**

**A:** A: Our focus is on larger regional centres with strong wage growth and positive economic fundamentals such as Bristol, Edinburgh, Leeds, Birmingham and Manchester, as well as South East locations such as Oxford, Cambridge and Brighton.

# Investment Q&A



**MEIKO SCHMIDT**



**telfordhomes**



## **Investment Q&A with Meiko Schmidt of Telford**

Telford Homes is one of London's largest residential and mixed use property developers. As a Trammell Crow Company developer, they specialise in creating, designing and building landmark developments across the capital. Telford Homes' focus is on delivering the homes and creating the places that London needs and as such, its developments are bespoke designs consisting of various housing tenures, alongside commercial properties and community buildings. The business acts as a value partner to landowners, housing associations, local authorities and build to rent investors across its supply chain, contributing to its strong reputation across the industry. Most recently, the business has made a strategic move into the build to rent sector believing its ability to offer both acquisition and project delivery services provide a unique position in the market from which to capitalise on the growing appetite for build to rent within the capital and beyond.



# MEIKO SCHMIDT

Investment Director

Meiko Schmidt is Investment Director at Telford Homes where he is leading on the underwriting and capitalisation of build to rent deals and is responsible for the integration of institutional BTR investment processes to Telford.

He gained extensive experience in institutional investment of UK BTR deals through his 5 year tenure at Greystar where he oversaw the investment function for UK BTR development deals. As one of the earliest members of Greystar's first international venture outside the

US, he gained valuable experience particularly in the adoption of US multifamily expertise to the emerging UK BTR market. His experience covers more than 4,000 BTR units in development deals executed in the UK, spanning from smaller scale BTR deals to large scale regeneration schemes, through his involvement as investment lead of Greystar's two largest and most complex BTR regeneration projects of 900 units in Nine Elms and more than 2,000 units in Greenford

**Q: Is Telford still looking for BTR investment/ Funding and if so what kind of investment opportunities are you looking for in the current climate?**

**A:** Telford are actively looking for new BTR investment opportunities and have a substantial pipeline of deals for which we will seek funding partners.

With the expertise and firepower of Trammell Crow Company behind us, **we have exchanged contracts on 2 BTR land deals in the UK during the period of lockdown, and are targeting to acquire land to deliver a total of 3,000 BTR units by 2021.**

In terms of funding, Telford are looking both at partners to forward fund projects as well as equity co invest structures with hold periods through the operational stabilisation of the asset.

**Q: What is currently key criteria a company should know about Telford Homes investment strategy before approaching for possible BTR opportunities?**

**A:** We are focussing on development sites either with planning consent or subject to planning that are suitable for BTR product in close proximity to transport, with minimum 150 units and located in Greater London and surrounding commuter towns.

*Telford's unique advantage in the market is that we are a partner not just to acquire a site and structure the funding, but we also have significant inhouse planning and development expertise.*

We will typically deliver the project through our experienced inhouse development team and are therefore able **to significantly de risk the project for our investors.**

**Q: What do you believe is the single biggest threat to the growth of the UK BTR sector?**

**A:** We are confident the UK BTR sector will continue to grow and outperform other real estate asset classes.

The immature state of the sector in the **UK does present some challenges such as data availability, valuation approaches that are for sale driven and access to competitively priced debt, as well as a lack of understanding of the BTR product in affordable housing policy.**

However, we are confident these issues will disappear over time as the sector matures and liquidity improves.

**Q: Other than yield and IRR, what are the key financial metrics you view as vital to the success of a BTR development?**

**A:** Operational efficiencies to achieve reasonable NOI margins a well designed purpose built BTR asset at scale achieves lower stabilised operating costs and at the same time provides a better tenant experience driving premium rents.

**Q: Where do you see the UK BTR sector in 2030?**

**A:** *We believe the UK BTR sector will continue to grow and mature significantly over the next decade and will approach a state similar to the US market where multifamily is a well established and highly liquid asset class.*

# Investment Q&A



**ANDREW SAUNDERSON**

Investing in homes since 1912  
**grainger plc**





## **Investment Q&A with Andrew Sanderson of Grainger plc**

Grainger plc is the UK's largest listed residential landlord and a leader in UK PRS and build to rent. With c.9000 homes in operation and c.8500 in the development pipeline, Grainger is investing £2bn into the delivery of high quality rental homes across the UK.



# ANDREW SAUNDERSON

Andrew Saunderson is Investment Director at Grainger plc. Since joining Grainger in 2001 he has been instrumental in facilitating several large acquisitions of both assets and corporate entities. Under Andrew's leadership, the Investment team at Grainger helped deliver on the business strategy to invest £850m into the Build to Rent sector by 2020, far surpassing that target.

**Q: What kind of investment opportunities are Grainger looking for in the current climate?**

**A:** In line with our investment strategy, which we have developed with our inhouse research function, we have identified a number of target locations in which we see the greatest current demand and the greatest growth potential.

Our focus is on identifying opportunities in our target locations that meet our investment criteria. This criteria can broadly be summarised as developments that will compromise between 150 and 350 homes with an appropriate amount of internal and external amenity space that will enable us to deliver our mid market, high quality for rent product.

**Q: What do you believe is the single biggest threat to the growth of the UK BTR sector over the coming years and why?**

**A:** The biggest single threat is access to land. Through BTR we have a real opportunity to help alleviate the housing crisis and deliver quality homes to meet the growing demand, but the valuation of BTR generally gives rise to lower land values making it difficult to compete when on a head for head basis with house builders. Similarly, to continue to grow and deliver the required homes, legislation needs to support the sector and encourage investment.

**Q: What are a few things a company should know about Grainger before approaching you for an investment opportunity?**

**A:** My general answer to this is if a company has an opportunity that they think might be of interest to us please send it through. We have been investing in

please send it through. We have been investing in BTR assets for a number of years and over that time we have created a very efficient internal system for determining whether an opportunity is of interest or not, that enables us to reply very promptly advising whether something is of interest or not.

**Q: Other than yield and IRR what are the key financial metrics you view as vital to the success of a BTR development?**

**A:** Yield and IRR are the two main financial metrics that we consider but ultimately both are driven by our underwriting assumptions. It is therefore of fundamental importance to us that we utilise realistic assumptions.

**Q: Where do you see the UK BTR sector in 2030?**

**A:** By 2030 I expect that the BTR sector will be a fully functioning asset class in line with Multi Family market in the US.

According to the BPF there are now c.51,000 operational BTR units in the UK and this increases to c.172,000 when extended to include those assets under construction and in planning.

*We are therefore well on our way to creating the asset class but until operational assets are being traded it is difficult to argue that there is a functioning market.*

**Q: We've seen the saturation of a location start to affect a BTR development success due to oversupply where do you feel are the areas, if any, that will suffer from oversupply in the coming years?**

**A:** Although there has been quite a significant rise in supply in certain markets relative to the overall housing stock and the PRS market more specifically the supply is still small.

It may well be the case that future BTR development slows in certain locations as the operational units are absorbed but if this happens, I would expect further BTR developments to come forward.

Furthermore, as the concept begins to gain traction with our target customers, I would expect any excess supply to be quickly absorbed.

**Q: Where are the cities in the UK that you believe have the most exciting investment potential for BTR developments?**

**A:** There are many! The sector is still so new and the potential is enormous. *At Grainger, we have a very strong portfolio and pipeline in London, and this year, we've concentrated our investment in our regional portfolio recent launches in Bristol, Sheffield and Milton Keynes have performed incredibly well and we have schemes in our pipeline in Birmingham, Leeds, Manchester, Nottingham and Cardiff, to name a few. We see great potential in all of these locations where there is an undersupply of high quality rental homes. We also see potential for a more suburban offer in line with product that we have already delivered in Hampshire. Any additional suburban product that we bring forward will be focussed on more affluent areas where access to the private for sale housing market is most difficult.*

**Q: Anything else you would like to add on a personal note?**

**A:** Despite the pandemic and all the hardship that it has brought our portfolio has been very resilient. Now more than ever people are recognising the benefits of well designed, well managed home in a good location and this is something that Grainger is committed to continue delivering.

# Investment Q&A



**JOHNNY CADDICK**

**MODA**

# MODA

## Investment Q&A with Johnny Caddick of Moda Living

Moda is the UK's fastest growing housing brand pioneering positive change in the residential space and setting a precedence in the Build to Rent ("BTR") sector with its Next Generation Neighbourhoods.

We are making a meaningful and sustained contribution to addressing the UK's housing crisis with the provision of high quality professionally managed rental homes which are becoming increasingly popular as people adapt to a new Covid 19 way of living. Our Next Generation Neighbourhoods are innovative, pioneering and technology enabled residential neighbourhoods focused on creating supportive, inclusive, and intergenerational communities. We provide exceptional new places via adaptive building design, extraordinary public realm and the provision of amenity rich facilities which are accessible to all the residents of our new homes with health and well being at the heart of our approach.

With a growing £2.5Bn pipeline of over 8,000 rental we will house 10,000 residents across the UK by 2025 with over £850M of projects currently being developed on site. Following the completion of Angel Gardens in Manchester (466 homes), The Lexington in Liverpool (324 homes) will open in 2021. We are also on site with The Mercian in Birmingham (481 homes), SOYO in Leeds (515 homes) and the McEwan in Edinburgh (475 homes) which will all open in the next 18 24 months. In addition, work will start on Holland Park in Glasgow (433 homes) in the coming months. Planning permission was secured in Brighton and Hove (824 homes) in August 20 and work on site will start in Q1 2021.





# JOHNNY CADDICK

Chief Executive,  
Moda Living

In 2013, Johnny co founded Moda , the first regional high amenity build to rent platform in the UK. Since its inception, Moda has secured a pipeline of over 8,000 apartments across the UK with a development value of 2.5bn. Moda's flagship, 36 story scheme, Angel Gardens, officially opened last October.

Johnny also runs the Caddick Group with his father Paul Caddick. Founded in 1979 it has

grown to become one of the largest and most successful property companies in the UK. Johnny has been responsible for some of the group's most high profile schemes including the development of Trinity Leeds, the 1m sq. ft. shopping centre in the heart of the city, and more recently, SOYO Leeds a 6 acre mixed use site that Caddick is investing £300 million to redevelop. In 2009 Johnny established Caddick Group's urban residential team with the commencement of Vauxhall Sky Gardens, a 36 story residential development in London.

**Q: What kind of investment opportunities are you looking for in the current climate?**

**A:** With a huge depth of market for BTR and the living sector more broadly, there is an unparalleled opportunity in the current climate as BTR currently represents less than 1% of the current rental stock in the UK, compared with the US which is X%. Despite being 7 years old as a business, Moda is still at the beginning of its journey the sector is still in its infancy in the UK. There are major opportunities for projects across the living sector throughout the UK in both regional cities, commuter belt towns and suburbs and of course in London.

**Q: What are a few things a company should know about Moda before approaching you for an investment opportunity?**

**A:** Moda is focused on being the voice of authority in improving the perception of the BTR sector as well as setting a precedence for best practice. We are confident in the defensibility of the sector and the strength of our business model and brand.

We want investors to view us as best in class, a company with a great track record, integrity and of course huge passion for what we do.

We understand the importance of the Moda brand and see the opportunity in leveraging this more moving forward with our existing network. We have a truly engaged and captivated audience, and this has helped us to become a market leader in the space.

Investors should know that one of our core values is to only work with like minded companies (with the same vision and values) across the property lifecycle and our supply chain. Recognising the importance of ESG, integrating into local communities and having a long term vision.

We pride ourselves in being so much more than a developer and operator we are a vertically integrated custodian of our next generation neighbourhoods with a vested interest in every aspect of the communities we are regenerating.

More broadly we want to be perceived as a landlord that cares residents wellbeing is vital.

We are tech driven we fully understand the importance of tech innovation and that Smart buildings will help us to become more sustainable over time.

Lastly that we are future thinking we are always innovating and evolving. Being dynamic and flexible in this climate is key to long term success and we use data to ensure we remain ahead of the curve when creating our Next Generation Neighbourhoods.

**Q: What do you believe is the single biggest threat to the growth of the UK BTR sector over the coming years and why?**

**A:** The biggest threat is probably the sector not reaching its full potential, due to a wider lack of collaboration and education on the benefits we bring to local communities as well as supporting the government's 300,000 new homes initiative.integrating into local communities and having a long term vision.

It's important not to get complacent, we need to keep evolving, keep moving forward and adapting to our residents' long term needs. The second wave for BTR will be when prospective residents truly understands what BTR is. This will only be achieved when there is more unity between other operators to collaboratively educate the masses as well as stakeholders.

**Q: Other than yield and IRR what are the key financial metrics you view as vital to the success of a BTR development?**

**A:** As a long term developer/operator/investor we look at the depth of the market within a given location and the growth potential of a location to look at long term viability.

We also understand that building sustainable neighbourhoods will ultimately drive the performance of a building, and that will help bottom line, by delivering cost efficient operations and passing on the cost savings directly to the resident and the investor, whilst at the same time having a major positive impact on the environment.

**Q: Where do you see the UK BTR sector in 2030? (free reign here leaders in modern methods? Technology boom? Location saturation? Boom in big cities for years to come?)**

**A:** From an operational perspective this lies firmly in the aggregation stage. As has happened in the PDSA sector, we see sector consolidation in the longer term, with a handful of large scale operators with portfolios nationwide these will be across the living sectors (from co living, BTR, student accommodation etc).

From a development perspective, there will be lot more activity in regional cities and towns, including suburban BTR and a mixture of product from mid market family housing through to the more highly ammenitised product. In short, more choices at every price point creating a truly accessible product that a customer can use across their entire property lifecycle.

**Q: We've seen the saturation of a location start to affect a BTR development success due to oversupply where do you feel are the areas, if any, that will suffer from oversupply in the coming years and how can they remain competitive to achieve underwriting targets?**

**A:** This is not an issue right now. As I said, I firmly believe we are still at start of the journey. Nowhere has reached saturation point. In 2014 we were told there was too much BTR development in Manchester. There has been a big push for urbanisation which has coincided with the way regional cities and zones of London have become a lot more desirable places to live. There is certainly a large appetite for regional cities, and we saw this happening with big corps opening HQ's in regional hubs, then came the pandemic which has been even more of a catalyst for relocation.

It's our belief that a scheme will stand or fall on its individual merits and it is the responsibility of funder and developer to decide whether a location is viable. Ultimately it is driven by supply and demand. What is key is to find your USP consumers need a differentiated product this means varying price points, different level of amenity and provision etc with one aim the fulfil residents evolving needs.

**Q: Where are the cities in the UK that you believe have the most exciting investment potential for BTR developments?**

**A:** The whole of the UK to be honest. We are a big believer in the regions, but we also know there is a big opportunity for the right product in the right location in London. That being said, there has been a big shift towards people's desire to live in the regional cities in contrast to 10yrs ago. Catalysts like student retention rates thanks to more quality jobs outside of London. So many regional hubs have all the fundamentals in place and their own merits be that corporate HQs, tech hubs, great transport links, better quality of living, ultimately quality jobs require quality homes, and our role is to fulfil that need.

# Design



**FREDDIE WONNACOTT**  
M&G



**JOHN BADMAN**  
CRTKL



**BRENDAN GERAGHTY**  
Geraghty Taylor



**ROBIN KEATES**  
Grainger plc



**TONY BROOKS**  
Moda Living

# Design Q&A



**FREDDIE WONNACOTT**  
Associate Director





## **Design Q&A with Freddie Wonnacott of M&G**

M&G Real Estate is a leading financial solutions provider for global real estate investors with £33 billion in assets under management. It has a sector leading approach to responsible property management and is committed to continuously improving the sustainability performance of its funds.





# FREDDIE WONNACOTT

Associate Director

Freddie Wonnacott , Associate Director at M&G Real Estate . Freddie is an investment manager specialising in residential & student accommodation in the UK.

**Q: What is the most overlooked or under designed aspect of a BTR development and what can you tell us about why it has such importance?**

**A:** The focus of design is normally on apartment layouts and the creation of fantastic amenity spaces.

*As important as these features are, the 'nitty gritty' aspects of property management are often overlooked.*

For example, we ensure post rooms are correctly sized and the parcel strategy is thought through properly. We review the access strategy, CCTV layout and access control to avoid unnecessary security costs. We want our onsite team to create and enjoy pleasant working environments, which ultimately helps with staff retention. Sufficient storage is also a must so we can hold stock onsite for speedy maintenance repairs.

These factors combine to improve efficiencies and overall performance.

**Q: If you could recommend 1-3 developments for someone to visit that would provide a masterclass in BTR best practice design which would they be and what makes them so unique?**

**A:** There is no 'perfectly designed scheme'. We have learned an awful lot in terms of design during the last seven years and pride ourselves on continuous improvement and have built upon those learnings for the schemes we are currently developing.

In terms of the latest completed developments, we are very proud of The High Line in Poplar, London. Developed by Telford Homes, it boasts a wonderful sky lounge and gym with amazing views of the city.

We'd also encourage people to visit our first suburban scheme, The Green, near Crawley in Sussex, which includes various community led amenities such as a multi use games area and multifunctional 'village hall' space, as well as gym and residents lounge.

*We expect we will continue to invest in more suburban schemes as occupiers increasingly value open space in conjunction with our continued investment in the urban locations that have formed the mainstay of our activity to date.*



*The Green near Crawley in Sussex*

**Q: Without mentioning Amenity space what do you think we will see as defining features of a BTR's unique selling point once the sector has reached further maturity in areas of steep BTR competition?**

**A:** Yes, it's important to have the right building blocks with high quality accommodation and good 'fit for purpose' amenity spaces in the right location, but these are almost already prerequisites today.

*Our strong belief is that quality service will be the defining factor for the future success of a scheme.*

We put huge focus on property/asset management and customer service, which is why so many of the staff on site are from a hospitality background with a customer centric focus. In our mind, demonstrating that we are professional and caring landlord is just as if not more important than a snazzy amenity space.

**Q: Often development designs need to be scaled back to achieve better financial metrics. What is the most difficult part of creating a BTR development that both meets the tenants needs & investors budget & how do you ensure you reach that balance?**

**A:** Often we will engage when a scheme is at Stage 2 RIBA design (either has planning permission or is submitted for planning) and while we are increasingly seeing schemes designed for rental, many of the opportunities are still build for sale products requiring changes to suit us as a long term owner investor for a rental product.

Given the relatively late stage of involvement, it can be a challenge to incorporate our requirements. Ultimately, there is a trade off in terms of additional cost and so the key is to be clear from the outset with the counterparty regarding the minimum requirements (in terms of overall design, specification general arrangements etc ), thus avoiding additional costs when trying to incorporate them at a later stage.

**Q: What has been your biggest lesson in BTR design over your career?**

**A:** Recognising the dynamic nature of the design evolution and the huge benefits of learning from our operational assets.

With now c. 2,000 live units and a further c. 1,500 under construction, it's great to review what works well operationally and what can be further refined and incorporate this into the future developments in a constant feedback loop.

**Q: Just because it's such a hot topic to rubbish chute or not to rubbish chute?**

**A:** It depends on the scheme. We don't typically install them as they can cause additional maintenance issues especially if improperly used.

That being said, there are merits to occupiers not having to take their smelly rubbish down in the lift with them! They do work better in taller buildings where obviously there are greater efficiencies across a single core.

# Design Q&A



**JOHN BADMAN**  
Director of CallisonRTKL

**CALLISONRTKL™**



## **Design Q&A with John Badman of Callison RTKL**

CallisonRTKL (CRTKL), a global architecture, planning and design practice, began over seven decades ago and has evolved into a cultural agency to advance positive outcomes in our local and global communities. Through a human centric design approach our team addresses the imperatives of resiliency, wellbeing and technology and their influence in the built environment.



## JOHN BADMAN

John Badman has been at the forefront of the Build to Rent ( BtR ) sector since its UK inception in 2009. Contributing to both editions of the ULI Best Practice BtR Design Guides, he sits across multiple BTR committees and informs the development of lifestyle led residential investment product.

As a Director of CallisonRTKL (CRTKL), John leads the global architecture and design firm's residential team across the UK

and Europe. Having shaped over 8,000 BtR units across the UK, his commercial acumen and human centric design approach are well documented. As is his ability to bring together cross sector expertise within the firm to create solutions of increased value. In addition to his BtR portfolio, John is one of CRTKL's collective of specialist architects driving new opportunities for retail and commercial assets. The group is advising clients on the diversification of their portfolios and their expansion into the residential market and other sector classes.



**Q: What is the most overlooked or under designed aspect of a BTR development and what can you tell us about why it has such importance?**

**A:** The population of the Build to Rent (BTR) developments during the day is set to increase dramatically in a post covid world. How and where we work has changed forever in the minds of both employer and our employee. Working from home or working from anywhere is no longer a special case, but a given. It is a trend that has been accelerated and accepted through the period of lockdown, and going forward our homes, and our buildings and local neighbourhood will become as important to our working life as our central city offices once were.

This changes the brief for what is needed from Build to Rent and shifts the emphasis from the home just being a place a to sleep, eat, dress, wash and socialise with other building residents, to a product that must also now accommodate a working population of residents.

Co-working spaces, print rooms, stationary cupboards, video call booths on corridors, meeting rooms and collaboration spaces will all become the norm for BTR amenities.

*Residents will invite colleagues over the way they do friends, only now the shared amenities they will seek out will be the collaborative open spaces and high tech meeting rooms rather than gyms or cinemas rooms.*

The BTR developments of the future have an opportunity to be curated around not just a social community, but around a generation of home workers who spend considerably more time in their buildings, through choice, than they ever did before.

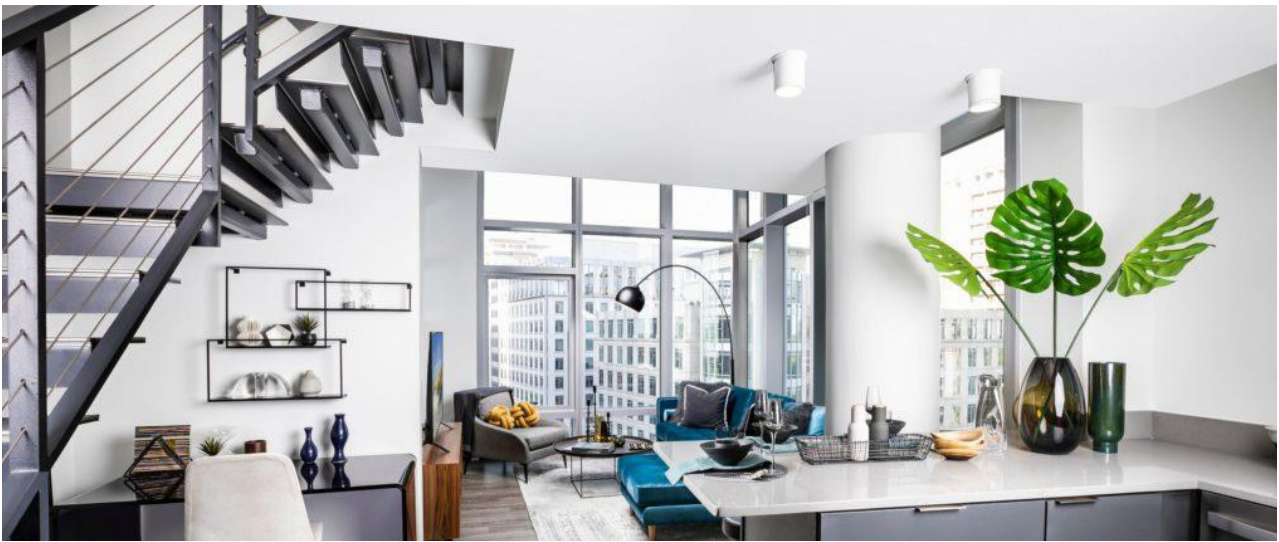
**Q: If you could recommend 1-3 developments for someone to visit that would provide a masterclass in BTR best practice design which would they be and what makes them so unique?**

**A:** I have been fortunate to visit many BTR developments in the UK and many more multifamily schemes across the US, here are the standouts for me:

In the US, just outside Washington DC is the recently completed Origin at Ballston Quarter in Arlington . Developed and managed by Brookfield , and yes, designed by CallisonRTKL ( this property ticks every box. Cross the threshold of the lobby and find fabulous shared spaces that are both easy to navigate and well varied with amenities that facilitate living, working and social activities. Meanwhile, the unit layouts and provisions within the apartments are carefully considered to make living easy across its roof terraces and multiple levels.

Beyond what can be experienced at the surface, it is the masterplan that underpins it all that makes Ballston Quarter a real success. Born out of an old shopping centre , this mixed use development cut into its retail space and removed its roof to make room for multiple uses that blur seamlessly within the buildings and lobbies that makes the resulting project feel like more than just an apartment block. This place is part of a thriving leisure and retail environment that plays host to a concert one night, and an arts festival the next.

As a resident, the ability to have such a multi dimensional programme and amenity rich offering on their doorstep makes these some of the most highly sought after and well tenured apartments in the area.



[MORE ABOUT BALLSTON QUARTER HERE](#)

In the UK, when we are doing tours around best in class developments, I always take people to **Vantage Point by Essential Living** . It was a front runner in the UK BTR movement, and while it has been open some five years now, it does still stand the test of time.

From its fitness suite, home working facilities, social space, library and top floor dining rooms; to the terraces overlooking London complete with herb gardens and BBQ deck.





## MORE ABOUT VANTAGE POINT

The reuse of the existing office block here also gives you a sense of the way the property world is turning with focus on the adaptive re-use of this huge existing structure in north London, far better for the planet and the area's character than its demolition would have been.

If we take a closer look at the apartments themselves, we can provide further insight on the Essential Living product we were involved in the creation of some eight years ago. The prototype apartments for this went on to be built here at Vantage Point, where three units with different finishes and different layouts were tested by real residents and then improved upon based on their feedback. The efforts are evident with the product continuing to uphold a high quality development with what to my mind is an extremely forward thinking provision of resident space.

**Q: Without mentioning amenity space... What do you think we will see as defining features of a BTR's unique selling point once the sector has reached further maturity in areas of steep BTR competition?**

**A:** When the competition comes and residents are given a choice, differentiation for BTR will come down to service and convenience.

*This will shift the preconceptions of this offering being a luxury product, to it being the norm and a way of life that all renters can enjoy.*

The people and the management of a BTR building will become its USP and we aren't talking about how smart staff are dressed or whether there is a concierge sitting behind a desk or not.

I have spent a lot of time with Lincoln Property Company both in the US and UK in recent years, developing their first UK development at Station Hill in Reading and one of the key things I've seen differentiate them in the US, is their front of house, day to day connection with their resident community. Their property managers are residents of the development themselves, usually found in T shirt and jeans, sitting on a sofa in the lobby. Discrete but utterly welcoming and extremely enthusiastic, they are Lincoln's in house advocates and as proud as them of the building and just as passionate about the community they are curating. That has a big impact on the leasing walk they set the tone of the development and the custodians of resident culture.

Design works in tandem to set this tone and culture, with the interiors and layouts of a building actively influencing this management style. Familiarity doesn't just happen, it needs to be designed in from the beginning, into the layout of all the shared spaces and into the recruitment process of the property manager. These details make all the difference, working quietly on under the surface, they will define the vibe and be the differentiator that competitors can't quite put their finger on or emulate.

**Q: Often development designs need to be scaled back to achieve better financial metrics. What is the most difficult part of creating a BTR development that both meets the tenants needs and investors budget and how do you ensure you reach that balance?**

**A:** 60% of the cost of a BTR building cannot be seen or experienced by the resident, with the remaining 40% being equally split between the façade and finishes internally. Residents are buying a product, and the product is something that is seen and touched directly experienced with all the senses.

With that in mind, for the cost plan, focus extremely hard on the unseen, those elements that are not experienced drive the engineers hard, work the form and layout to your advantage with designs that bring efficiency and make the biggest dent in the cost plan. That way you won't have to compromise on the wooden floor, or kitchen surface, or amenity provision.

*By working the design smarter not harder, you are able to deliver a product that appeals to both residents and your bottom line, because the truth is they don't care about the reinforcement detailing in the floor slab, the size of the plant room or the foundation solution, so that is where you should be looking for cost efficiencies.*

The aim is balance, a word we use regularly in all parts of the design process with our BTR schemes, with the focus placed heavily on how to balance out the financial model. There are three constitute parts of this financial model build cost, operational cost, and VALUE. It is the value that is often overlooked, as with any pioneering sector, the true value isn't evident until after opening. It is a prediction and aspiration for the product that it will deliver on the anticipated rents. The point we need to get to with this is a very granular and transparent conversation about value what will people pay for, what do residents value, where is the money best spent, etc. We have all asked these questions for many years now, with the answers something our operators can help provide as they continue to gather data from their operating assets and report back on the design decisions that deliver the best return.

HomeViews' entry into the BTR market will also support this and help create the feedback loop our industry needs. Real, measurable results and analysis from these two groups will eliminate guess work and preconceived ideas. Rather than making design decisions based on how they affect the cost plan, with this intel we can instead ground such decisions in their return on investment, which can be measured by the value they bring or are attributed by residents. For example, private balconies, larger windows, walk in showers, shoe storage drawers under kitchen units, refuse chutes, acoustic perfection, etc. all cost more. They are non essential and easily stripped out of a cost plan, and yet it is these same 'optional extras' that generate a higher rental return on investment and contribute to an apartment fetching a premium. The value they generate in the form of rent is worth more than their initial impact to the cost plan, so the sooner we have a way of validating this with real facts and figures, the better.

**Q: What has been your biggest lesson in BTR design over your career?**

**A:** There is no formula. Every client, every site, every location is different. In the early days, there seemed to be one sharers and millennials in dumbbell flats with amenities and a concierge. Tick those boxes, and there you go, it was the paint by numbers equivalent to BTR! How wrong that proved to be, with the variety of product, the range of price points, the difference of locations and character of neighbourhoods all instead adding up to different solutions.

And yet, I am still asked every week, how much amenity should we have? My answer is always the same know your neighbourhood, know your future residents, and tailor your product to their needs and wants. BTR is not a tick box exercise, it requires a deep understanding of the place you are looking to create, and knowledge of an operator's business model, so you can make the right decisions along the way. What is right in one instance might not be so in the next, the solution will be different every time.



**Q: Just because it's such a hot topic to rubbish chute or not to rubbish chute?**

**A:** Rubbish chute no question. Who wants to stand in a slimy puddle from a dripping bin bag in the lift on the way back from work?!

**Q: Anything else you would like to add on a personal note?**

**A:** I love working in this sector for one reason everyone has an interest in the product being as good as it can be the resident, the operator, the local authority, the neighbours, the funders everyone wants it to thrive. Long may it continue.

The BTR sector has such a big role to play in the future normal of our cities and towns.

*In a post pandemic world, where working practices and attitudes will change significantly, BTR developments have an opportunity to become focal points of their neighbourhoods and active participants in their local high streets.*

Blended buildings are the future and as we have seen from the recent changes in legislation, they will be supported by evolving trends and conditions across all asset types.

# Design Q&A



**BRENDAN GERAGHTY**

Founding members of Geraghty Taylor

**GERAGHTY  
TAYLOR**

# GERAGHTY TAYLOR

## Design Q&A with Brendan Geraghty of Geraghty Taylor

Geraghty Taylor have been a leading voice in the UK's Build to Rent Sector since its inception. Their BTR Brand and Design Guides are at the heart of their ongoing delivery of over 5,000 new homes across the UK and Ireland.

For them, defining and controlling the customer experience is the key to the creation of healthy communities, excellent urban and building design, predictable operational costs and consequently sustainable revenue.



# BRENDAN GERAGHTY

Founding members of  
Geraghty Taylor

Brendan Geraghty is one of the founding members of **Geraghty Taylor**. He brings a broad range of senior level experience drawn from projects in the UK and around the world and is a residential council member of the **Urban Land Institute**.

He leads Geraghty Taylor's work in master planning, residential design and branding, as well as the practice's ongoing R&D. He has huge energy with an attuned strategic sensibility and was instrumental in bringing forward the Livinhome flexible house type.

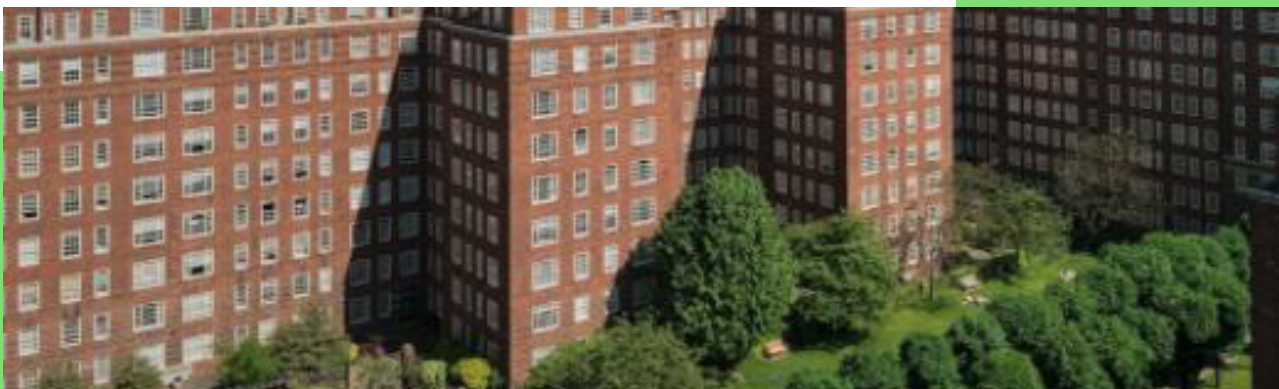
**Q: What is the most overlooked or under designed aspect of a BTR development and what can you tell us about why it has such importance?**

**A:** The most overlooked aspect of BTR design is the requirements that too much attention is paid to the definition of the product (building) and not enough on the customer needs and operational requirements. This can add cost and complexity to a BTR building, reduce its ability to be flexible and meet future market and customer needs. It is important that these three elements form the foundation to a BTR brief that in turn will allow Design Teams to produce an integrated solution.

At Geraghty Taylor, our unique methodology **Brand Before Building** does just that. A brand speaks to both Client and Customer and will describe the product, emotional and support characteristics of a BTR offer. *The building should be a derivative of a BTR brand and not the other way round.*

**Q: If you could recommend 1-3 developments for someone to visit that would provide a masterclass in BTR best practice design which would they be and what makes them so unique?**

**A:** Dolphin Square – nearly 100 years of British BTR and still very relevant. It is a building with history and authenticity, it was progressive, still innovating and it has some great stories.



The **Apollo** in Washington DC, by **Bazzuto**. This building is a great example of what I think would be a popular BTR offer in the UK.



**10 Degrees, Croydon Greystar's** volumetric towers set a new benchmark for the construction industry and for BTR.

Geraghty Taylor have long been advocates of **MMC and believe that Offsite and BTR want the same things** – a quality product, a thoughtful customer experience, intelligent standardisation in design, quicker construction and integrated operational and maintenance requirements. We predict BTR will lead the drive for Offsite in residential real estate.



**Q: Without mentioning Amenity space what do you think we will see as defining features of a BTR's unique selling point once the sector has reached further maturity in areas of steep BTR competition?**

**A:** Great customer service is the first and most important amenity this will be one of the important areas where customers will judge BTR operators. Keeping on top of customer needs, carefully observing trends in society and then adapting the BTR offer to meet these changing requirements will be key in future competition.

Customers will want to know what a BTR operator stands for and what they can expect from them a strong brand narrative will be very helpful in communicating to customers.

From a product perspective architects and designers must design buildings with enough in built flexibility to respond to the changing needs of customers and their Clients.

BTR is in a very good place to provide good support and leadership for the emerging 3<sup>rd</sup> space market (the space between work and home), this along with a 'greening market' increasingly concerned with well being, should provide all the clues needed for a competitive BTR amenity strategy.



**Q: Often development designs need to be scaled back to achieve better financial metrics. What is the most difficult part of creating a BTR development that both meets the tenants needs & investors budget & how do you ensure you reach that balance?**

**A:** This is a challenge for all and there are many competing requirements in BTR viability. From a design perspective BTR is a long income model dependant on customer satisfaction to underpin value. This requires the balanced integration of Capex and Opex costs with customer requirements.

One of the most difficult parts of creating a good balance with all of this is getting clarity from Investors, beyond the very important ROI, about the nature and character of their BTR Offer and to match this to the detailed customer data and customer needs.

One of our first objectives is to understand the exit strategy this will have a strong bearing on how the design will evolve and how far the integration of Capex and Opex will go.

*Another important question is whether projects are treated singularly or as a portfolio with shared standards and benchmarks. With the latter is much easier to also integrate Offsite technologies and commit to a smaller supply chain that will support the BTR operator in a long term relationship.*

Mature BTR operators take greater control of the product and what they want from it and this helps to manage costs and risk. On the customer side good data around operational and customer needs helps designers to create better buildings. (Again, a brand can be very helpful here)

**Q: What has been your biggest lesson in BTR design over your career?**

**A:** Listen to your customer.

**Q: Just because it's such a hot topic to rubbish chute or not to rubbish chute?**

**A:** Chutes.

**Q: Anything else you would like to add on a personal note?**

**A:** *With its focus on the customer and the way it embraces technology, I think BTR is going to change forever, residential real estate in the UK. This is very welcome and is already happening and continue to accelerate. I think it will be a very enjoyable ride.*

# Design Q&A



**ROBIN KEATES**

Investing in homes since 1912  
**grainger plc**



## **Design Q&A with Robin Keates of Grainger plc**

Grainger plc is the UK's largest listed residential landlord and a leader in UK PRS and build to rent. With c.9000 homes in operation and c.8500 in the development pipeline, Grainger is investing £2bn into the delivery of high quality rental homes across the UK.



## ROBIN KEATES

Robin, who joined Grainger in 2018, leads the delivery of Grainger's forward funded Build to Rent developments, overseeing a pipeline of over 20 large scale BTR projects either on site or in planning across the UK. Prior to joining Grainger, Robin held roles with Berkeley Homes as well as a number of consultancy and architectural firms.

**Q: What is the most overlooked or under designed aspect of a BTR development and what can you tell us about why it has such importance?**

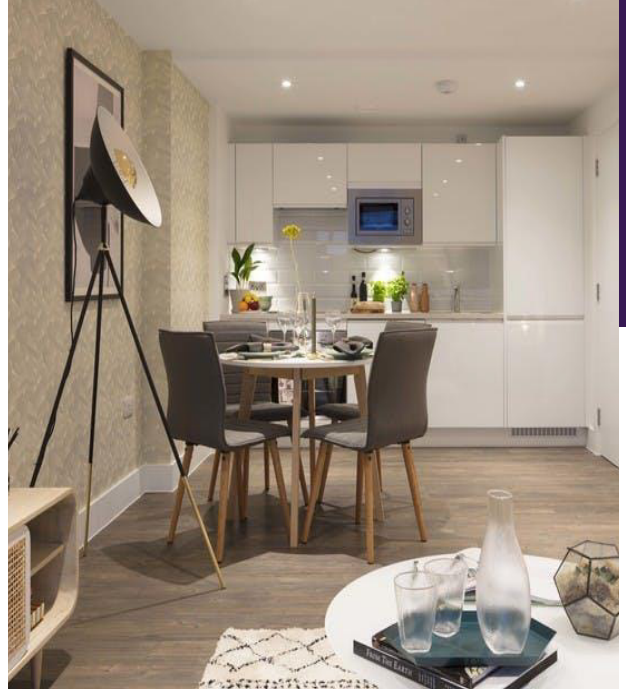
**A:** Each project has its own unique variations, from the local planning system and urban design, through to specific customer requirements and market expectations. Grainger's in house expertise in the design, operation, and management of BTR enables us to ensure each scheme is tailored to suit the local requirements. The basics of good BTR design are common on all schemes: Amenity and customer journey, Back of House, Servicing, Waste Management.

*I have observed some Architects and BTR developers failing to spend enough time considering how a development will age over time. This is important as most BTR investors take a long term view on their assets. For this reason, choosing the right external materials, good detailing of high traffic areas, and careful consideration of elements such as kitchens and bathrooms are critical to ensuring good long term performance.*

**Q: If you could recommend 13 developments for someone to visit that would provide a masterclass in BTR best practice design which would they be and what makes them so unique?**

**A:** I will choose three examples from my team's delivery pipeline. Not only because we're very proud of the developments and the hard work put in by our developers, consultants and contractors, but also because I think these developments capture the spirit and diversity of the Grainger BTR Portfolio.

**Hawkins & George in Bristol**, is a great location and part of a wider high quality redevelopment by Cubex . The club room on the roof and views from the terrace are outstanding.



HAWKINS & GEORGE IN BRISTOL

**Millet Place in Pontoon Dock** in London is a recently completed project, developed by **LinkCity** and **Bouygues UK**, as part of an ongoing relationship with a future scheme already on site. This development offers our residents a relaxing outlook over the Thames Barrier park, outdoor terraces and access to green spaces, great amenity space and really fast journey times into London.



The **Headline** in Leeds is being built on the site of the old Yorkshire Post newspaper. This scheme is still under construction but has been well designed to maximise the benefit of its riverfront location. The main contractor (ISG) demonstrated great resilience and innovation this year during the COVID pandemic, ensuring the site could remain safe and operational, minimising impact on programme





**Q: With out mentioning Amenity space what do you think we will see as defining features of a BTR's unique selling point once the sector has reached further maturity in areas of steep BTR competition?**

**A:** Having an on site team to help nurture and support a genuine 'community' amongst the residents. Having great customer service and a Landlord who is invested in the long term success of the entire development, whilst always being on hand.

**Q: Often development designs need to be scaled back to achieve better financial metrics What is the most difficult part of creating a BTR development that both meets the tenants needs and investors budget and how do you ensure you reach that balance?**

**A:** This doesn't have to be a trade off. It is worth investing the time to identify win win scenarios, i.e. better quality fittings & finishes, can be better for the customer experience whilst also reducing product failure and replacement leading to lower whole life costs.

**Q: What has been your biggest lesson in BTR design over your career?**

**A:** The industries supporting the design and construction of BTR developments are somewhat still getting to grip with the fact that the client keeps the completed asset as a long term investment. This means that we have to collectively focus on whole life assessment when making decisions around the design and specification of new BTR stock. All too often 'value engineering' efforts fail to recognise the long term impact of initial build cost savings.

**Q: Just because it's such a hot topic to rubbish chute or not to rubbish chute?**

**A:** We do have schemes with and without chutes in our development pipeline. For me, the jury's still out. The technology and innovation being used to address historic problems with chutes is impressive. However, as with all technology and systems installed in a development: greater complexity leads to greater risk of breakdown and maintenance issues.

**Q: Anything else you would like to add on a personal note?**

**A:** This year has seen unprecedented challenges. It has been great to see the resilience of BTR as an asset class, and the security that brings to those who depend on BTR for work and living. It has also been great to see examples of innovative approaches to COVID H&S by the construction industry testament to their historic focus on proving safe working environments on site. Hopefully 2021 sees a return to normality.

# Design Q&A



**TONY BROOKS**

# MODA

# MODA

## Design Q&A with Tony Brooks of Moda Living

Moda is the UK's fastest growing housing brand pioneering positive change in the residential space and setting a precedence in the Build to Rent ("BTR") sector with its Next Generation Neighbourhoods.

We are making a meaningful and sustained contribution to addressing the UK's housing crisis with the provision of high quality professionally managed rental homes which are becoming increasingly popular as people adapt to a new Covid 19 way of living. Our Next Generation Neighbourhoods are innovative, pioneering and technology enabled residential neighbourhoods focused on creating supportive, inclusive, and intergenerational communities. We provide exceptional new places via adaptive building design, extraordinary public realm and the provision of amenity rich facilities which are accessible to all the residents of our new homes with health and well being at the heart of our approach.

With a growing £2.5Bn pipeline of over 8,000 rental we will house 10,000 residents across the UK by 2025 with over £850M of projects currently being developed on site. Following the completion of Angel Gardens in Manchester (466 homes), The Lexington in Liverpool (324 homes) will open in 2021. We are also on site with The Mercian in Birmingham (481 homes), SOYO in Leeds (515 homes) and the McEwan in Edinburgh (475 homes) which will all open in the next 18 24 months. In addition, work will start on Holland Park in Glasgow (433 homes) in the coming months. Planning permission was secured in Brighton and Hove (824 homes) in August 20 and work on site will start in Q1 2021.



# TONY BROOKS

Managing Director, Moda  
Living

With over 35 years in property development, Tony Brooks has a proven track record in delivering complex mixed use and residential schemes across different markets.

In 2013, Tony co founded Moda Prior to Moda he was Founding Director at City Lofts Group PLC, a multi award winning nationwide residential developer delivering schemes in excess of £1bn and labelled by The Times as 'the brand that brought loft living to the He is also CEO of his family business Generate Land Ltd offering development management services and advice.

**Q: What is the most overlooked or under designed aspect of a BTR development and what can you tell us about why it has such importance?**

**A:** It is essential to get the technical details right to ensure smooth running of the asset. The servicing of the building is critical for a comfortable customer experience. Starting with getting the refuse out via chutes on every floor down to the basement refuse stores. And then the transference of this out to the refuse collectors in a quiet and effective way that does not disturb the residents if possible. The mechanical and electrical systems and of course great internet is essential. At Moda we ensure that mobile phone signals will work in corridors as well as apartments. We also pay particular attention to cooling. This is becoming more essential as we experience more extreme weather situations in the summer. We constantly improving the insulation and energy use of the buildings and there is a tendency for tall buildings to heat up around the core. This can create very hot bathrooms from waste shower water for instance. We use MVHR units combined with comfort cooling on some of our new buildings to keep the apartments cool in summer.

**Q: If you could recommend 1-3 developments for someone to visit that would provide a masterclass in BTR best practice design which would they be and what makes them so unique?**

**A:** Moda Angel Gardens in Manchester was designed from day one as a Grade A institutional BTR asset. I like to think it can compare with any other UK large scale BTR building, and some of the new schemes in Chicago and New York. Our upcoming Neighbourhood in Birmingham; The Mercian will be even better with a 12m high internal atrium and 200m running track on the podium!

**Q: With-out mentioning Amenity space what do you think we will see as defining features of a BTR's unique selling point once the sector has reached further maturity in areas of steep BTR competition?**

**A:** Without a doubt, quality BTR will change the face of residential living in the UK. This will be driven by a demand from customers and Moda's desire to give a serendipitous residential experience. We want residents to feel that they are having a super relaxed time in our buildings, but they don't need to know how that happens. This is facilitated by 'behind the scenes' technology, such as our partnership with Utopi , which enables us to monitor the performance (and wellness) of all aspects of the buildings, from air quality, temperature, humidity, Co2, right through to music in communal spaces and great Samsung AV displays with information. We supplement this with state-of-the-art furnishings throughout.

Also, the way we aggregate the data we collect through our IoT sensors helps us to monitor busy or quiet spaces in the building and communicating this back to our residents via our App so they can choose to go to the gym, or the lounges and co working spaces in less busy periods. Obviously, provision of WFH spaces is essential, and has always been part of our product, but we will certainly provide even more of this space going forwards.

**Q: Often development designs need to be scaled back to achieve better financial metrics. What is the most difficult part of creating a BTR development that both meets the tenants needs and investors budget and how do you ensure you reach that balance?**

**A:** It's the hardest part of the business! We constantly want to put in more facilities and better quality fixtures and fittings. We spend 1000's of hours working with our contractors to get best value for both our residents and investors. We have the experience to know where to spend and where not to overspend and how to do this for maximum comfort of our residents. Other major areas are cladding details and structural solutions, and vertical transport analysis is key (i.e. the performance of the lifts). This comes with many years of experience in designing and building large scale residential projects.

**Q: What has been your biggest lesson in BTR design over your career?**

**A:** Cost planning and picking the right contractors is a constant challenge and the most difficult part of the business. Effective delivery of the actual building is the hardest part of the process. So, learning how to pick the right team has been the key. It has taken many years, but at Moda now we now have the best team I have ever worked with, and I take my hat off to all my colleagues. They are second to none and will go the extra mile every time to get it right. Moda is about our people as much as anything.



**Q: Just because it's such a hot topic to rubbish chute or not to rubbish chute?**

**A:** Chute! See above.

**Q: Is there anything else you would like to add on a personal note?**

**A:** I think where Moda is now has formed a solid platform of capability, built on experience and track record, but we are only at the start of a great journey and we have so much further to take the Moda business. BTR in the UK is still in its infancy and Moda is constantly looking at new designs and technology to give our customers the best possible residential experience. We want people to stay with us for a lifetime and we will never stop working on that as our keyproposition!v

# Management



**PIERRE MELHADO**  
CA



**ANISH THOBHANI**  
Grainger



**JONATHAN GAINS**  
ResiGains



**DEBRA YUDOLPH**  
SAY



**DAN BROOKS**  
Moda Living

# Management



**PIERRE MELHADO**





## Management Q&A with Pierre Melhado of CA

CA focuses on niche, commercial real estate asset classes with powerful secular growth drivers and resilient performance. While each CA community draws inspiration from its surrounding neighbourhood, all are highly amenitised and professionally operated by CA's in house management team, which places health and wellness, sustainability and technology at the forefront of the residential experience to deliver exceptional results.



# PIERRE MELHADO

Pierre Melhado , Managing Director, BTR at CA Ventures . Pierre has over 15 years in property management and has managed portfolios in excess of 8,000 units across 15 markets in USA.

**Q: What are some things you wish you'd known when first hiring for a developments BTR management team?**

**A:** As a manager you always want to be involved in the early stages of pre development to ensure the theme matches the service of delivery, for example don't miss on sustainability if that is the theme of the development.

*It is more important now than in the past that all dancers are on stage at the beginning to ensure all stages of the development are well executed at date of performance.*

There is no point in investing in technology if you are investing the wrong type of technology and the property management team does not understand it. **It is like handing someone a race car and not knowing how to shift gears, there must be investments in people to ensure the right competencies are in place.**

At CA, we have global heads for sustainability, health & wellness, technology & innovation, revenue management, and more. You must invest in the right people and build synergies with the development team early on in the life cycle of the scheme.

**Q: What is the best pound saver for operating cost you've seen in your career?**

**A:** Using a Facilities Management software/app is a cost saver because the leading apps offer a holistic view in managing your Facilities.

A well thought out app will track all your service requests and ensure they are closed out in a timely fashion. This will ensure your residents are satisfied thus increasing renewal conversion rates.

In addition, it can track where recurring issues are occurring and become more prescriptive in the facilities management approach as opposed to being reactive.

By providing the proper proptech tools to your facilities management team you are equipping them to reduce costs, increase resident retention, thus positively affecting your bottom line.

**Q: What do you think will be the separator of top tier management companies in the coming decade?**

**A:** Companies that invest heavily in developing a consumer facing brand which resonates with consumers will be more successful.

In some ways, the Covid 19 crisis has become a dry run for the sustainability agenda and an opportunity for companies to see how they can tackle an expanding range of environmental, social and governance (ESG) challenges.

The risk of a pandemic was known, and yet the crisis has exposed a lack of adaptability and resilience for many companies. The consumers want to be aligned with companies that are focused on Sustainability.

*Companies which focused on sustainability agendas and were proactive during the pandemic will be remembered by consumers for their “Resident First” approach.*

**Q: BTR management is all about fostering a community within the development how important is integrating that community feeling to the wider area & how is this currently being achieved?**

**A:** Integrating the greater community into a development is very important otherwise the development may face long term hurdles such as not being part of the fabric of the community or lacking the support of the local community. When you include the local community, you are giving them an opportunity to be a part of something grand which in turn will make the development and community more successful. *during the pandemic will be remembered by consumers for their “Resident First” approach.*

Proptech groups like Built ID allow for effective community engagement in a digital setting. They have an interactive polling interface tied into targeted digital marketing which allows for developers to engage with the community and allows for greater involvement from the community. Getting the community involved in the early stages will allow for a bigger commitment into your development.

You attract tenants by building the right apartment community for the neighbourhood Working with local communities and their stakeholder as partners, you meet the specific needs of the neighbourhood . This creates an atmosphere where residents can thrive academically, personally, and professionally.



**Q: What do you see as the core values that should underpin any management team in BTR?**

**A:** The core values that any team should have are a positive attitude, heart of service, a strong work ethic, and honesty and integrity. I always hire for those persons that share these values as you cannot train someone to be hospitable and have a heart of service.

*This is why employees from the hotel sector typically make a good fit in the property management sector as they are naturally inclined to provide high levels of service in an operational setting.*

**Q: Anything else you would like to add on a personal note?**

**A:** I am glad I made the move from USA to the UK as **it is an exciting time for BTR in the UK**. CA will be delivering housing across several cities in the UK with the first deliveries in summer of next year in Glasgow, Edinburgh and Sheffield.

We are excited about our in house developments as well as our third party management services and look forward to collaborating with others in this sector. Happy to share best practices and lessons learned with anyone who is interested. I am also excited about celebrating the successes of other BTR Developers and Operators in the UK. After all, a rising tide lifts all boats.



*Upcoming CA developments in the UK*

# Management



**ANISH THOBANI**

Investing in homes since 1912  
**grainger plc**



## **Management Q&A with Anish Thobani of Grainger plc**

Grainger plc is the UK's largest listed residential landlord and a leader in UK PRS and build to rent. With c.9000 homes in operation and c.8500 in the development pipeline, Grainger is investing £2bn into the delivery of high quality rental homes across the UK.



## ANISH THOBANI

With over 25 years' experience in residential property, Anish Thobhani, who joined Grainger in 2003, is Director of Customer Operations. Anish is incredibly passionate about great service and innovation and works with his team to develop and deliver an industry leading offering for Grainger's residents.

**Q: Who do you see as an outstanding build to rent management company and why?**

**A:** Grainger of course ! Having been established over 100 years ago we have built up an extensive experience and we are committed to enhancing the quality of renting in the UK.

*We are also fairly unique in our business model that sees us invest, build and operate our homes. This provides great insight that is used to better inform decisions as we continue to grow and ensures we have a greater control of a resident's experience with Grainger through our inhouse management.*

**Q: What is a unique or quirky management technique that you felt really worked well within the development?**

**A:** I'm not sure that it's unique or quirky, but relationships and trust are hugely important, especially as we are dealing with someone's 'home'.

We find that where we have strong relationships between our customers and team members, the trust that we have built enables us to solve issues before they really become an issue . It also enables us to treat our residents as individuals and having a better understanding of someone's personal circumstances means we can tailor our approach to their needs.

**Q: What do you think will be the separator of top tier management companies in the coming decade?**

**A:** A genuine commitment to customer service with a quality and consistency of service offering, will always be key.

Grainger's inhouse operating platform, service models and training academy helps to ensure we are not only equipped for growth, but that a Grainger resident in Manchester receives the same standard and quality of service as one in Bristol.

**Q: BTR management is all about fostering a community within the development – how important is integrating that community feeling to the wider area and how is this currently being achieved?**

**A:** *It's absolutely essential. We don't just build homes, we build communities and for the long term success of a scheme, it's essential to bring the wider community along with you.*

We have an extensive community engagement programme that we implement from the very early stages of a project – **we want to understand the needs of the existing community and by engaging early, ensure that the community we curate can add value.**

**Q: What do you see as the core values that should underpin any management team in a BTR?**

**A:** At Grainger, our values are instilled across the business. We put people at the heart of everything we do and we know that every 'home' matters.

We are committed to changing the rental experience within the UK and we are leading the way in enhancing standards. In everything we do, we always try to exceed our resident's expectations.

**Q: Anything else you would like to add on a personal note?**

**A:** It is really exciting to see so many new and successful BTR communities being created.

*All BTR operators are working hard to improve the service standards and create a professional rental offering. As a sector it is important that we drive standards and improve the services, to promote renting as a viable housing option.*



# Management



**JONATHAN GAINS**





## Management Q&A with Jonathan Gains of ResiGains

ResiGains is a niche consultancy focused on optimising management operations in the Build to Rent sector. The company draws on real world insights to add value and reduce risk at each key stage of delivery focused on the integration of technology with quality management practices.



## JONATHAN GAINS

Jonathan has spent several years in the BTR sector working at a senior strategic level with leading management operators delivering services to some of the leading BTR clients across multiple schemes and thousands of letting units. He helped shape the early introduction of technology to support resident and building management in BTR and remains closely engaged with the development of next generation PropTech in this sector.

**Q: What is the best pound saver for operating cost you've seen in your career?**

**A:** There is already so much pressure on the Opex that finding a silver bullet to move the needle significantly is difficult, **the key challenge being how to engineer out cost without diminishing the value proposition for residents.**

*Technology will increasingly provide the key to reducing operating costs, and some good single solution software products exist that address one or other of the key building management issues. The problem is that implementing a patchwork of siloed solutions quickly lifts the overall tech stack cost and creates a drag on the Opex rather than a tailwind.*

A better solution would be a single integrated platform delivering multiple incremental Opex benefits from different functionalities, and identifying cost saving opportunities through insights that are invisible to single function systems.

I am currently working on the launch of Kotelo for example, a new building management platform which combines resident engagement tools with access controls and physical sensors to provide a digital platform on which to run the physical building and deliver resident services. Each functionality of the Kotelo platform maps to a different area of the Opex, so a deployment will reduce the overall operating costs and complexity for managers while raising service standards for residents. A virtuous circle.

**Q: What advice would you give to someone first hiring for a BTR development management team?**

**A:** I'd be advising clients not to try and squeeze every onsite function into a single role and expect flawless delivery across the board.

If a job description includes acting as front desk concierge; parcel distribution manager; check in and check out supervisor; bin storage manager; viewings negotiator; parking warden; defects inspector; inventory clerk; complaints handler; toilet flusher in empty units; and community events organiser , then it's probably not going to be a recipe for success!

Equally, I wouldn't be advising clients to split these tasks into more and more headcount for the building.

*Onsite roles are an expensive overhead, so operators must have a clear understanding of where onsite roles really add value, then create other support mechanisms for building and resident management to free up the bandwidth to do so.*

As in so many areas, technology will be key in optimising this balance in future delivery models.

**Q: Who do you see as an outstanding build to rent management company and why?**

**A:** I'm continually impressed by Moda Living having seen their journey from the early stages through to opening their first building in Manchester last year. Moda invested considerable time and brainpower thinking through their brand and service delivery model long before opening. The result at Angel Gardens is an amazing building with a great onsite team who have been rightly recognised for their great approach to resident management and welfare during lockdown. With a strong pipeline of future schemes, I expect Moda to remain at the forefront of UK operators for the foreseeable future.

I'm also interested to see the growing impact of large US operators coming into the UK market. Speaking to American operators in the UK, what comes across clearly is the depth of corporate operating experience they bring from the hugely established Multi Family market. Over time, I expect to see new market norms emerging as a result in areas like staff hiring and training, use of technology, yield management strategies and customer service commitments.



**Q: What is a unique or quirky management technique that you felt really worked well within the development?**

**A:** This would be a role that exists mainly in my mind and inspired by a trip to Disneyworld with my son a few years ago – an amazing experience and an education in customer focus. Disney became world class at operating theme parks by creating the perfect blend of place, people and technology and then endlessly re engineering the recipe with astonishing attention to detail to deliver a seamless and near-perfect guest experience.

*With my imaginary CEO hat on then, I'd hire someone with Disney guest experience skills and task them with de constructing and rebuilding the entire BTR resident experience from start to finish, sprinkling in some little moments of delight along the way, to end up with a world class operating model. Simples!*

**Q: What do you think will be the separator of top tier management companies in the coming decade?**

**A:** Almost every aspect of our daily lives is now lived digitally, but building management remains one of the few exceptions. Technology allows operators to unlock potential in building management that is unreachable without a digital backbone. For me it is clear.

*The next generation of top dog management companies will be those that embrace technology at the core of their building management model.*

Not everything in this brave new world of technology is yet available, but platforms such as **Kotelo** are being built to anticipate the new possibilities that 5G and the Internet of Things will bring. Couple that with machine learning and process automation and you are looking at a transformation in the way residential buildings can be operated, freeing up onsite roles to focus on managing the resident experience.

**Q: BTR management is all about fostering a community within the development how important is integrating that community feeling to the wider area and how is this currently being achieved?**

**A:** Management operators have a great opportunity to take the ingredients of place, people and technology and blend these to create the conditions where community activity can evolve naturally. BTR buildings provide a variety of indoor and outdoor places; the people are there in the building and potentially around it too; and the right technology platform can support and empower groups to come together, either with or without management intervention.

In terms of the wider local community, I hope more BTR schemes will offer semi public areas such as co working suites, cafes or gyms which can be accessed by residents and non residents alike at certain times of the day. External areas around buildings can also be configured for better public access and community use rather than just for the enjoyment of residents. Areas of semi open use like this can help break down the hard barriers that otherwise exist between a building and its place in the community.

Smart access control systems support the management of semi public areas like this without compromising security and the separation of resident only spaces. Technology platforms that support residents can also be integrated with local community groups to further blur the sharp edge between what is just for residents and what is available to others in a wider community.



**Q: What do you see as the core values that should underpin any management team in a BTR?**

**A:** Good people are by far the most important resource in operational management, so hiring and developing great individuals who care enough to go the extra mile in delivery should be a prerequisite.

Beyond that, there are many influencing factors that can help the management team achieve success in an often challenging role a strong leadership team; good business model; clear customer proposition; thought out operating model; clearly mapped business processes; strong technology systems; comprehensive and relevant training; supportive line management; motivational rewards and recognition; and the opportunity for career development, to name but a few.

Managing large residential buildings brings a variety of tasks and challenges on a daily basis, and on occasion also involves dealing with situations that can put extreme pressure on the delivery team. A heating system failure at the coldest time of year, a serious security incident on the doorstep, or the many impacts of a global pandemic such as we continue to experience. When the chips are down, you can only call on what you have in place, so it pays to build on strong foundations for just these moments.

# Management



**DEBRA YUDOLPH**

**say**



## **Management Q&A with Debra Yudolph of SAY**

SAY Property Consulting is an award winning advisory business specifically established to provide residential, commercial and mixed use management consultancy services to developers, investors and property owners.



# DEBRA YUDOLPH

Debra has over 25 years' experience in residential property. Before starting SAY with Charles Seifert, Debra was at Grainger plc for ten years as Director of Asset and Property Management. She was responsible for building Grainger's asset and property management expertise.

Debra is an expert in residential property and asset management with a particular focus on the private rented sector.

**Q: What is the best pound saver for operating cost you've seen in your career?**

**A:** Supporting your team, creating a positive culture, recognising excellence this means that you have low staff turnover and the team are much more likely to deliver a great service to the customer happy customers stay longer and improve your returns.

**Q: What are some things you wish you'd known when first hiring for a developments BTR management team?**

**A:** Don't assume everyone understands what "good" looks like my – idea of customer service and someone else's can be very different. Be explicit in the vision, values, processes and procedures and ensure the balance is right between compliance and health & safety, technical knowledge and customer experience.

**Q: Who do you see as an outstanding Build to Rent management company and why?**

**A:** We have to be really impartial many are our clients and some are our competitors for consultancy work it's like being asked to pick a favourite child..... what I would say, is that there is a great relationship between the various businesses and a lot of support and sharing and that's really positive.

*COVID has helped to bring the industry together in a very positive way.*

**Q: What is a unique or quirky management technique that you felt has really worked well within a development?**

**A:** We don't deliver management, we advise on how to set it up, we tender contracts and we plan the mobilisation . Maybe my favourite was a move in manager whose sole job it was to manage the planning of the logistics such as parking, lifts, bulky refuse removal etc. It's not very "sexy" but it meant that during a really busy move in period, things went as smoothly as they could.

**Q: What do you think will be the separator of top tier management companies in the coming decade?**

**A:** To think like an investor, invest in technology, train and invest in their teams, encourage diversity of thought & people, and strive for continuous improvement.

**Q: BTR management is all about fostering a community within the development how important is integrating that community feeling to the wider area and how is this currently being achieved?**

**A:** It is really important and it's not something that is done so well for the BTR sector, as for perhaps other mixed tenure places or large regeneration schemes. *COVID has helped to bring the industry together in a very positive way.*

*Community is not about physical design it's about attitude, communication, engagement, understanding, support and to a certain extent investment. The wider community can be your best advocates – or your worst – ignore them at your peril.*

**Q: What do you see as the core values that should underpin any management team in a BTR?**

**A:** Honesty, passion, attention to detail, openness, common sense, enthusiasm, caring, business minded, smiley even when stressed!

# Design Q&A



**DAN BROOKS**

# MODA



# MODA

## Management Q&A with Dan Brooks of Moda Living

Moda is the UK's fastest growing housing brand pioneering positive change in the residential space and setting a precedence in the Build to Rent ("BTR") sector with its Next Generation Neighbourhoods.

We are making a meaningful and sustained contribution to addressing the UK's housing crisis with the provision of high quality professionally managed rental homes which are becoming increasingly popular as people adapt to a new Covid 19 way of living. Our Next Generation Neighbourhoods are innovative, pioneering and technology enabled residential neighbourhoods focused on creating supportive, inclusive, and intergenerational communities. We provide exceptional new places via adaptive building design, extraordinary public realm and the provision of amenity rich facilities which are accessible to all the residents of our new homes with health and well being at the heart of our approach.

With a growing £2.5Bn pipeline of over 8,000 rental we will house 10,000 residents across the UK by 2025 with over £850M of projects currently being developed on site. Following the completion of Angel Gardens in Manchester (466 homes), The Lexington in Liverpool (324 homes) will open in 2021. We are also on site with The Mercian in Birmingham (481 homes), SOYO in Leeds (515 homes) and the McEwan in Edinburgh (475 homes) which will all open in the next 18 24 months. In addition, work will start on Holland Park in Glasgow (433 homes) in the coming months. Planning permission was secured in Brighton and Hove (824 homes) in August 20 and work on site will start in Q1 2021.



## DAN BROOKS

Director of Operations,  
Moda Living

And one of Moda's founding team 18+ years in property and development across different sectors Focus and passion for residential and living sectors Responsible for team management, design development of projects , setting up and overseeing the launch of Moda Life. Current focus: talent mapping the growth of Moda, driving the technology strategy of the management platform, and ensuring the team is focused on future planning of assets , and ensuring the best possible lifestyle experience of residents.

**Q: What is the best pound saver for operating cost you've seen in your career?**

**A:** Asset management through emerging prop tech. The contribution tech enablement offers in making buildings operate more efficiently from design stage is significant and will become a major driver in the industry.

By designing, installing, and managing a smart infrastructure, and providing data analytics and insight, we can lower maintenance and utility costs, improve residents living experience, and increase the value of our assets long term by making every Moda neighbourhood safer, healthier and more affordable.

By integrating previously siloed digital systems such as Wi-Fi, CCTV, access control, IoT, BMS, lighting etc, our buildings become more sustainable. This is a new approach to facilities management technology first, with remote diagnostics and fix of faults. This actively reduces reactive maintenance site visits, reducing the cost significantly and delivering a big saving on energy, reducing the carbon footprint of our buildings.

Real time data is taken from all systems and presented in single pain of glass. Wellness sensors installed throughout, give real time data on how the building is performing from an environmental point of view which includes improved resident wellbeing. This means we will have greater influence in achieving a net zero carbon energy strategy longer term and ultimately help Moda deliver on our ESG objectives. We will also be able to monitor our ongoing performance against our social and environmental credentials.

**Q: What are some things you wish you'd known when first hiring for a developments BTR management team?**

**A:** Managing property is simple but delivering high quality customer service is not.

There are lots of good property managers out there that do not deliver on customer service, and lots of great customer centric people that lack property management experience.

We have learnt that it's easier to teach property management than it is to teach customer service customer service first is something that is intrinsically part of your personality or it's not. The Americans excel at customer service as it is very much embodied in their culture, the same doesn't apply in the UK and it's something we are constantly striving to improve.

**Q: Who do you see as an outstanding build to rent management company and why?**

**A:** We have a huge amount to learn as the sector establishes itself, especially leveraging platform wide data to enhance the customer experience. There are plenty of companies in the States which do this well, facilitated by the fact that they have so much aggregated data to use – they can get very scientific when it comes applying data to new developments because they truly understand their end customers evolving needs. We don't yet do that in the UK, but it is something Moda is focused on and we are starting to benefit from as our customer base grows. There will be a great deal to learn as sector matures.

**Q: What is a unique or quirky management technique (i.e specific role within the management company or tenant experience) that you felt really worked well within the development?**

**A:** We work very hard to ensure that our staff are trained to be completely multi functional. I think this sets us apart. It means that individual employees can act as true ambassadors for the management team and the asset, by working across customer experience, leasing and customer service as an intrinsic part of their role.

**Q: What do you think will be the separator of top tier management companies in the coming decade?**

**A:** Quality of service is the absolute number one. Some owners and operators are focused purely on letting units as quickly as possible and then running a building as cheaply as possible. Others, like Moda are striving for the best customer experience, and the best lifestyle experience. We believe that by achieving this we will see a greater premium across our platforms. A big part of achieving this means delivering on ESG objectives and embracing technology, as these naturally enhance the customer lifestyle.

**Q: BTR management is all about fostering a community within the development how important is integrating that community feeling to the wider area and how is this currently being achieved?**

**A:** It is fundamental that we really view our buildings as part of the wider neighbourhood and community. We have a long term vested interest in the communities we invest in and we immerse our brand in the neighbourhood from the moment we break ground; working with local businesses, suppliers, creating jobs, homes and investing in regenerating the wider area as well as working with local charities.

We always seek to work with the best local partners and stakeholders to help establish Moda in the broader community. The MyModa App is a good example of how we connect our residents to the local community, by showcasing independent suppliers to ensure that the culture and spirit of the wider community remains a key part of what our neighbourhoods stand for. Our residents all benefit from relationships with local bars, restaurants and businesses through the app and engage with them quickly and easily. The MyModa App is exciting because residents can find people with similar interests and break down barriers when it comes to establishing relationships in our buildings. They can share tips on everything from what's on Netflix to the latest games.

This sense of community has always been a key differentiator for Moda. During lockdown it was crucial that we took the mental wellbeing of our residents' seriously during an unprecedented time. We were able to move many of our usual activities online to respect social distancing protocol (seminars, fitness classes some streamed over 20,000 times, cookery, wine tasting etc.) thanks to the App, meaning our Moda community never felt isolated. We also helped residents overcome their concerns about rental payments by offering secure and flexible tenure.

**Q: What do you see as the core values that should underpin any management team in a BTR?**

**A:** The foundations upon which our core values and service are based on are trust, reliability and communication. We recognise first and foremost that we have a duty of care to our customers to ensure they are happy and healthy in their home. This level of wellbeing, physical and mental, is something at the forefront for Moda.

That aside we believe in true passion for our product, a deep understanding of the market and to be viewed as a professional landlord who cares. This means a dynamic and flexible management style that continues to evolve as customer needs change.

As mentioned previously, we also understand the fundamental importance of immersing ourselves in the wider communities we are operating in.