

6%
Net Rental
Guarantee
For 5 Years



Completed Serviced
Apartments, **Central Leeds**

Introducing Completed Serviced Apartments, Central Leeds

4* Hotel standard accommodation in Leeds city centre with a 6% net rental guarantee for 5 years

A compelling investment for the current economic climate

“Serviced apartments offer a “safe bet” for investors... leaner cost structures provide for more efficient profit margins, providing more dependent and less volatile returns for investors.”

IDEALLY LOCATED FOR SHORT-TERM LETS

City Centre Apartments occupy a prime address in Leeds city centre, within walking distance of the university campuses, popular retail quarter, centres of employment and of course – the nationally renowned St James’s hospital, one of the UK’s leading teaching hospitals. Furnished to a high standard, all the apartments enjoy air conditioning and guests can take advantage of the onsite facilities which include secure car parking, laundry, café, super-fast broadband – and IT support.



“We have seen regional hotels, staycation markets and serviced apartments continue to perform well into 2023.”



Why buy at Completed Serviced Apartments, Central Leeds?

6%
net rental
guarantee
for five Years

From
£110,000
per unit

85%
occupancy
rates – proven
appeal

Ideal location
for short-stay
tenants

Income
producing
NOW

Higher yielding
than PRS &
BTR sectors

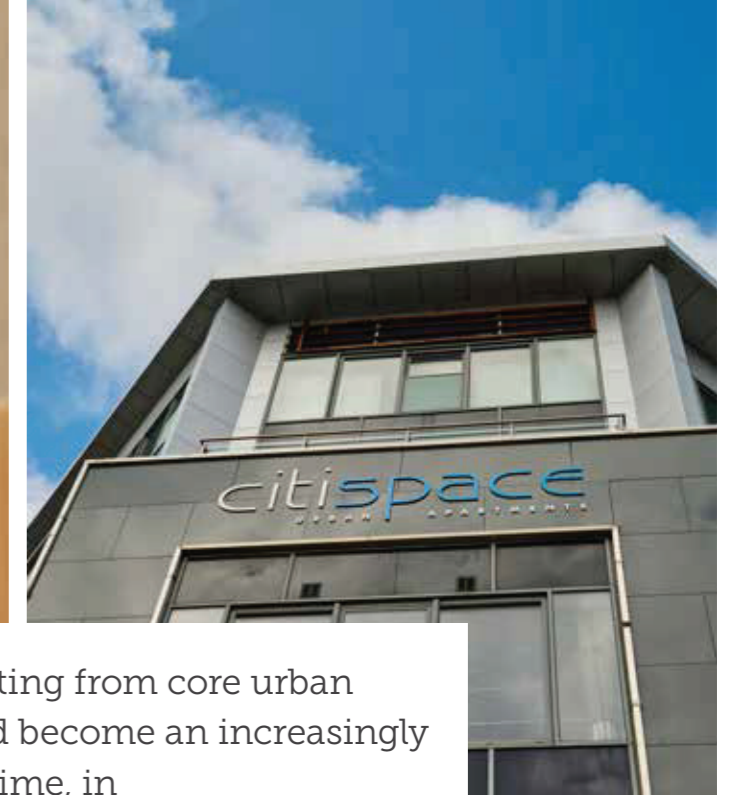
Serviced Apartments: A growing asset class with higher yields than traditional PRS and BTR assets

In 2023 JLL predicts the Serviced Apartment market to grow exponentially, citing increased appetite for serviced apartments:

- An asset class that can provide a hedge against inflation
- An asset that can offer investors an underlying asset in a core or prime location
- An asset class with efficient operating model, particularly pertinent in a period of labour and utility market uncertainty
- An asset class that offers a historically higher yield than the PRS and BTR sectors, making them more aligned with the hospitality sector. 2023 forecasts showing Serviced Apartments outperforming the Hotel sector
- An influx of institutional capital into the sector. The UK accounts for 47% of European transactions in serviced apartments

How the new normal is driving the appeal of serviced apartments.

Predominantly, it was business travellers who were responsible for the majority of stays in serviced apartments. Post-Covid however, and the rise of the staycation has increased their appeal amongst tourists and leisure travellers who now opt to stay in serviced apartments over a hotel. Concerns that hybrid working might diminish the number of corporate tenants have been mitigated by rising ESG requirements for businesses. JLL wrote in 2023, 'There have been initial signs appearing that corporate travel will no longer consist of many short trips, rather will be replaced with fewer extended trips, further boosting demand for serviced apartments.' Such trends will encourage longer guest stays. Incidentally the average length of stay at City Centre is three months, showing their already proven appeal amongst corporate clients.



"With most serviced apartments benefiting from core urban locations, we anticipate that they could become an increasingly sought-after assets class. At the same time, in a period when energy security is top of the agenda investors will be attracted to the less energy intensive business model offered by this sub-sector. This dovetails nicely with the ever-increasing importance placed upon ESG credentials."



KNOW YOUR REAL ESTATE INVESTMENT ACRONYMS

RevPAR = Revenue Per Available Room **PRS** = Public Rental Sector
ADR = Average Daily Rate. **BTR** = Build To Rent

Serviced apartment ADR is **21% higher** than 2019 (Savills)

RevPAR for regional serviced apartments is **22% higher** than 2019

"ADRs have reached a new normal, and it is highly unlikely there will be a correction to pre-Covid levels...The current levels are being underpinned by the strength of demand, which has accelerated post-pandemic, despite the squeeze placed on real disposable incomes. This is because households are prioritising holiday (experience) spend, supported in part by excess savings."



REASONS TO INVEST in Completed Serviced Apartments, **Central Leeds?**

1.

MODEST CAPITAL OUTLAY:

Units at City Centre start at £110,000 – and they're income producing on purchase.

2.

PREMIUM RENTAL YIELDS:

Short-term lets enjoy increased rental yields over traditional buy-to-lets – on average a third more. Get your money to do more with a 6% net rental **GUARANTEED** over five years.

3.

A FLEXIBLE ASSET:

Your asset can be a fully managed short or long term let – or anywhere in between!

4.

A CAUTIOUS INVESTMENT:

Serviced apartments enable investors to hedge and decrease exposure to a single asset class or market. They're an asset class that is more immune to fluctuations in the UK housing market.

5.

IDEALLY LOCATED:

According to local agencies, LS2 postcode has an average short-term let yield of 9.2% – therefore City Centre 6% net rental guarantee for 5 years is conservative.

6.

STRONG FORECASTS:

Leeds city rents have risen by 3.9% already in 2023 (Q1 & Q2) with the average Leeds rents now 29% higher than in June 2020 and a 11.7% compound growth in Leeds/ Yorkshire house prices forecast between 2023-27 (Savills).

7.

85% OCCUPANCY RATE:

City Centre Serviced Apartments are a proven top-performing asset with occupancy rates well above the UK average for serviced apartments; 85% occupancy levels since 2022 compared with 76% for the UK average in 2019. The average length of stay in City Centre is three months.

MORE REASONS TO INVEST...

Premium PREMIUM rental yields

As stated previously, shorter-lets command higher yields but if investors have good quality stock in areas of high demand they can charge even more premium rates for certain units.

Diversification

Serviced apartments are a different asset class, so if you're a traditional buy-to-let investor you may like to spread your risk by diversifying into another asset class.

Location independence

The best areas to invest in are those that attract business travellers but also the tourism trade. City centres are the ideal place as they often appeal to both – which is why the LS2 postcode makes a great location, right in Leeds city centre and close to some key areas of demand such as St James's Hospital, and the future planned Leeds Innovation Arc.

Tax benefits

In the UK, if your investment meets the criteria for furnished holiday lettings (FHL) then you might qualify for various tax advantages including, potentially, capital gains tax trader relief.

Professionally managed hands-off investment

Obviously, serviced accommodation requires slightly more management than traditional buy-to-lets due to the higher turnover of stays. The good news, however, is that City Centre employs an outstanding on-site management team so you don't have to lift a finger.

Higher Average Daily Rates/RevPAR

RevPAR stands for Revenue Per Available Room – and due to the short-term nature of booking, serviced apartments command higher daily rates, feeding into your higher rental yield. The average length of stay at City Centre is three months – and demand is constant with a 85% occupancy rate.

Demand from corporate tenants

Corporate and business tenants often prefer serviced apartments than hotels and you may find investing in locations with a strong business presence can lead to consistent demand for your apartment.

Potential for appreciation

If you buy in locations with strong growth potential, the value of your asset may appreciate over time, providing capital appreciation in addition to a rental income stream.

Hedge against economic downturns

Because they're in the hospitality sector rather than the mainstream property market serviced apartments may offer somewhat of a hedge against a stagnant or underperforming market. Business and leisure travellers will still require accommodation – and tourists will still book those trips!

Easily scaled

If you're happy with your initial investment serviced apartments are very easy to scale in that you can acquire additional units, increasing your revenue stream. Also, they're generally a lower price point than traditional buy-to-let meaning a lower capital outlay in the deposit needed to purchase the unit, tying up less of your cash.



“The undisputed leader of the Northern Powerhouse.”



Leeds is a town which commands huge affection from those who visit, known for its brilliant shopping, nightlife and spark. You'll find a real entrepreneurial streak running through the city – and a booming economy. A marker of its phenomenal growth, according to Cambridge Economic Associates, Leeds' expected growth between 2015-30 is 69% higher than its 2000-15 growth.

Leeds is a city that has outperformed all UK average economic data over the last 10 years. In their July 2023 report Savills described Leeds as 'the largest contributor to UK GDP in the Northern Powerhouse,' earmarking its vast potential as a key area of growth with a local economy worth £69billion, a workforce of 1.4million people and over seven million people within an hour's drive. Its buy-to-let appeal is further cemented by the fact that it has one of the largest student populations in the UK.



7MILLION PEOPLE
(within an hour's drive)

Leeds is the **SECOND LARGEST** metropolitan district in England.

1.9MILLION PEOPLE work within the Leeds City region

LARGEST FINANCIAL CENTRE IN ENGLAND OUTSIDE OF LONDON: more people employed in finance than in Manchester, Birmingham or Glasgow

Home to all of **THE BIG SIX** legal firms

Home to all of **THE BIG FIVE** accountancies

▲ **8% POPULATION GROWTH** over the last decade a ▲ **6.4% FURTHER GROWTH** expected by 2040

5th in the UK for **GRADUATE RETENTION**

HOME TO THE BANK OF ENGLAND. Its only other office outside of London.

▲ **16% FORECAST** in Leeds GVA over next 10 years

▼ **30% LOWER OPERATING COSTS** than London: The best place in the UK to start a business.

2023 a significant year for **TAKE UP OF GRADE A OFFICE SPACE**

200,000 STUDENTS one of the largest student populations in the UK



LEEDS: A tourist city

LEEDS YEAR OF CULTURE 2023

30.42 million day and night visitors visited Leeds in 2019.

Businesses in Leeds are now reporting a return to 2019 levels of visitors to the city, a figure which will likely increase in 2023 with the city enjoying its status as the 2023 city of culture.

TOP ATTRACTIONS IN LEEDS



FAMOUS SHOPPING
The north of England's "premium shopping area" where big brand names like Harvey Nichols meet the independent retail and historic architecture of the Victoria Quarter.



ROYAL ARMOURIES MUSEUM
The UK's national collection of arms and armour where you can spectate live jousting and other combat demonstrations.



KIRKSTALL ABBEY
The best-preserved medieval Cistercian abbey in Britain. Now a beautiful and iconic ruin in an award-winning park with an interactive visitor centre.



FIRST DIRECT ARENA
Described as a super-theatre with a 13,000 capacity, the First Direct Arena hosts the best in music and entertainment, a mainstay on the national tours of artists, entertainers and musicians.



HAREWOOD HOUSE
One of the 'Treasure Houses of England' this Georgian stately home is famous for its contemporary art exhibitions and 'Capability' Brown designed gardens.



LEEDS UNITED
Once the club of Eric Cantona, Leeds may not be in the Premier League this year, but their ground Elland Road is only a 10-min drive from the City Centre Serviced Apartments.



LEEDS FESTIVAL
The annual music festival that sees the top names in indie and rock music perform in the city's Bramham Park attracting thousands of revellers to the city.



LEEDS WEST INDIAN CARNIVAL
The oldest West Indian Carnival in western Europe draws 100,000 people to the streets of Chapeltown and Harehills.



LEEDS DIGITAL FESTIVAL
The largest tech festival in the UK

Leeds City Centre: The Central Business District of Leeds.

City Centre Apartments have an unrivalled and outstanding reach to Leeds's major employers and institutions, both in its financial districts, arts and education, healthcare and TV and broadcasting centres.

1	LEEDS GENERAL INFIRMARY	1 mile	24 min walk / 6 min drive / 9 min cycle
2	LEEDS BECKETT UNIVERSITY	0.7 miles	17 min walk / 4 min drive / 6 min cycle
3	UNIVERSITY OF LEEDS	1 mile	24 min walk / 6 min drive / 8 min cycle
4	BBC YORKSHIRE	0.5miles	11 min walk / 7 min drive / 4 min cycle
5	LEEDS STUDIOS	1.9 miles	43 min walk / 7 min drive / 13 min cycle
6	LEEDS PLAYHOUSE	0.3 miles	8 min walk / 4 min drive / 3 min cycle
7	NORTHERN BALLET	0.5 miles	11 min walk / 6 min drive / 4 min cycle
8	LEEDS CONSERVATOIRE	0.5 miles	11 min walk / 7 min drive / 4 min cycle
9	LEEDS BPP (Law School)	1.1 miles	26 min walk / 9 min drive / 7 min cycle
10	AVIVA	1.3 miles	29 min walk / 9 min drive / 8 min cycle
11	THE BANK OF ENGLAND	1 mile	23 min walk / 11 min drive / 7 min cycle
12	DIRECT LINE	1.1 miles	24 min walk / 9 min drive / 8 min cycle
13	LLOYDS BANKING GROUP	0.5miles	12 min walk / 4 min drive / 5 min cycle
14	KPMG	1 mile	22 min walk / 8 min drive / 6 min cycle
15	ZURICH FINANCIAL SERVICES	0.8miles	19 min walk / 8 min drive / 6 min cycle
16	ASDA GROUP HQ (Asda House)	1.1miles	24 min walk / 10 min drive / 7 min cycle
17	CHANNEL 4 (NATIONAL HQ)	1 mile	22 min walk / 13 min drive / 6 min cycle
18	FIRST DIRECT HQ	2.5 miles	56 min walk / 10 min drive / 18 min cycle
19	GHD (Wellington Place)	1.3 miles	56 min walk / 8 min drive / 8 min cycle
20	JET2.COM	1.5 miles	34 min walk / 9 min drive / 9 min cycle
21	LABCORP	1.5 miles	34 min walk / 8 min drive / 9 min cycle
22	CYBG PLC	0.6 miles	14 min walk / 4 min drive / 5 min cycle
23	CRISP (AI Intelligence)	1.2 miles	27 min walk / 8 min drive / 7 min cycle
24	CAPITA	0.7 miles	17 min walk / 4 min drive / 7 min cycle
25	SKY	1.2 miles	27 min walk / 8 min drive / 7 min cycle
26	PWC	1.2 miles	27 min walk / 8 min drive / 7 min cycle
27	ROCKSTAR LEEDS	1.4 miles	31 min walk / 10 min drive / 9 min cycle
28	NHS DIGITAL (Wellington Place)	1.4 miles	31 min walk / 8 min drive / 8 min cycle
29	LEEDS TRINITY SHOPPING CENTRE	0.7 miles	15 min walk / 8 min drive / 4 min cycle
30	VICTORIA QUARTER	0.6 miles	12 min walk / 4 min drive / 3 min cycle
31	GRAND THEATRE & OPERA HOUSE	0.5 miles	10 min walk / 3 min drive / 3 min cycle



A BROADCAST CENTRE

ITV has always maintained a presence in Leeds but now with the addition of Channel 4 relocating their HQ to the city centre in 2021 and Leeds Studios, a new state-of-the-art film and TV production hub in Leeds City Centre, the city is becoming a centre for broadcasting which will only drive demand for short-stays further. Good news for investors at City Centre.



18 FIRST DIRECT HQ

The Leeds Advantage:

FINANCIAL POWERHOUSE

It's the financial powerhouse of the north. Leeds GVA forecast to increase by 16% over next 10 years.

HUGE POPULATION

Seven million people live and work in and around the Leeds metropolitan area, making it larger than Manchester.

SHORTAGE OF SUPPLY

There is a documented shortage of short-stay apartments in the city centre, thanks to its growing industry and commerce as well as being a tourist destination.

INNOVATIVE INDUSTRY

It's pivoted to future-focused industry. Innovation is at the heart of city's growth plan with the information and communication sector expected to grow by 31% over next 10 years.

STUDENT COMMUNITY

The city is home to one of the most popular universities in the country (University of Leeds) THREE graduate law schools and many other colleges and educational institutions including the prestigious Northern Ballet school, all attracting short-stay tenants.

AFFORDABLE PRICE POINTS

It's still a relatively affordable place to live which means better rental yields for landlords!

CENTRE OF CLINICAL EXCELLENCE

Healthcare is huge in the city, with the sector forecast to increase by 35% between 2018-2028 (£1.1bn). Already the city is home to NHS Digital – a major driver of future growth, and a major UK teaching hospital – ideal industries for short-term lets.

AN AFFLUENT CITY

It has a higher proportion of high-income households than Manchester.

STRONG RENTAL GROWTH

In 2023 alone, city rents rose by 3.9%. Average rents are now 29% higher than they were in June 2020. Savills predicts a compound growth in house prices of 11.7% over the next five years.

Scarcity breeds demand: What the experts say

Savills 2023 outlook showed serviced apartments outperforming regional hotels. The UK remains the most dominant serviced apartment investment market in Europe, accounting for a 47% share of volumes (2021) transactions. "Investor appetite continues to accelerate, although a lack of available stock continues to limit transaction activity."

Manchester ranked fourth in the European pipeline for stock coming on in 2022, but risks of oversupply make Leeds a better market – and Citiscape is proven.

The Leeds Innovation Arc: A world class hub for research and innovation in health and medical technologies.

3000 new homes



Two new hospitals



Two city parks



Read Savill's report [here](#)

World-class research hub



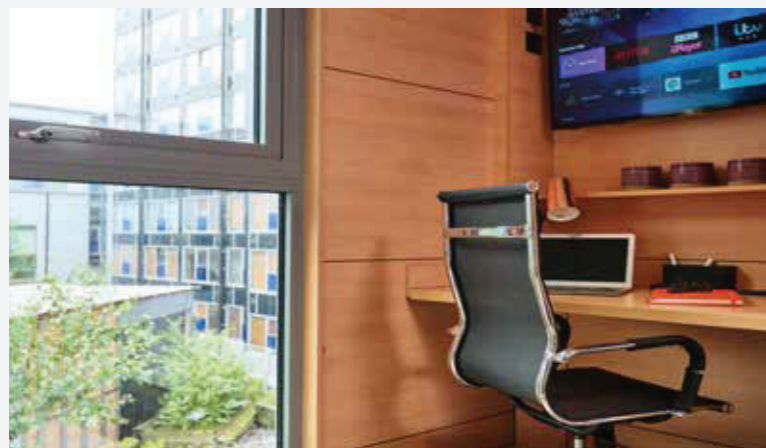
A **15-minute walk** from the City Centre Apartments

The Innovation Arc brings together the city's **anchor institutions** - Leeds Teaching Hospitals NHS Trust, University of Leeds, Leeds Beckett University, Leeds Arts University, Leeds City Council – with one of the UK's strongest and most dynamic networks of private sector businesses.



Introducing the Completed Serviced Apartments, **Central Leeds?**

Full address: 11 Regent Street, Leeds LS2 7QN



For Investors

6%

NET RENTAL GUARANTEE FOR 5 YEARS

85%

85% OCCUPANCY RATE



999-YEAR LEASEHOLD



54 APARTMENTS
£110,000 - £127,000
1 APARTMENT
£182,500

For Residents



EQUIVALENT TO 4* HOTEL STANDARD ACCOMMODATION



SEPARATE SLEEPING AND LIVING AREAS



42" SMART TVS



HIGH QUALITY SHOWER ROOM WITH MAINS POWERED SHOWER



LIFT ACCESS



SECURE, ON-SITE PARKING AND LAUNDRY FACILITIES



NEW BUILD COMPLETED IN 2022 TO THE LATEST REGULATIONS



LATEST AIR SOURCE HEATING AND COOLING TECHNOLOGY



2 MIN WALK FROM ALDI SUPERMARKET



GRADE A EPC AND EWS1 CERT



FULLY FITTED GALLEY KITCHENS WITH HOB, MICROWAVE/OVEN COMBO AND FRIDGE



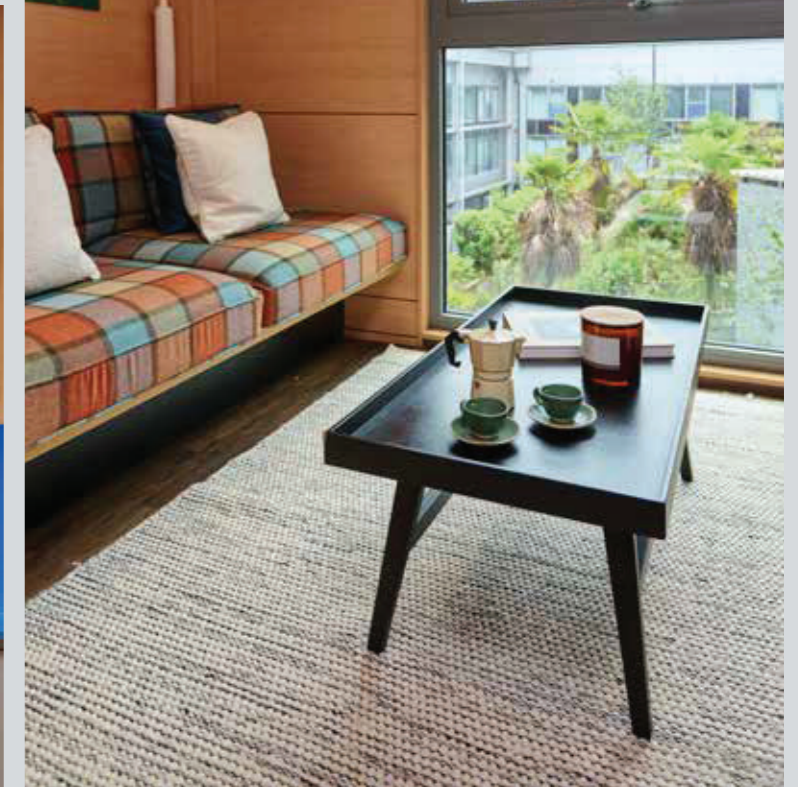
ONLINE REPAIR REPORTING SYSTEM

Customer Reviews

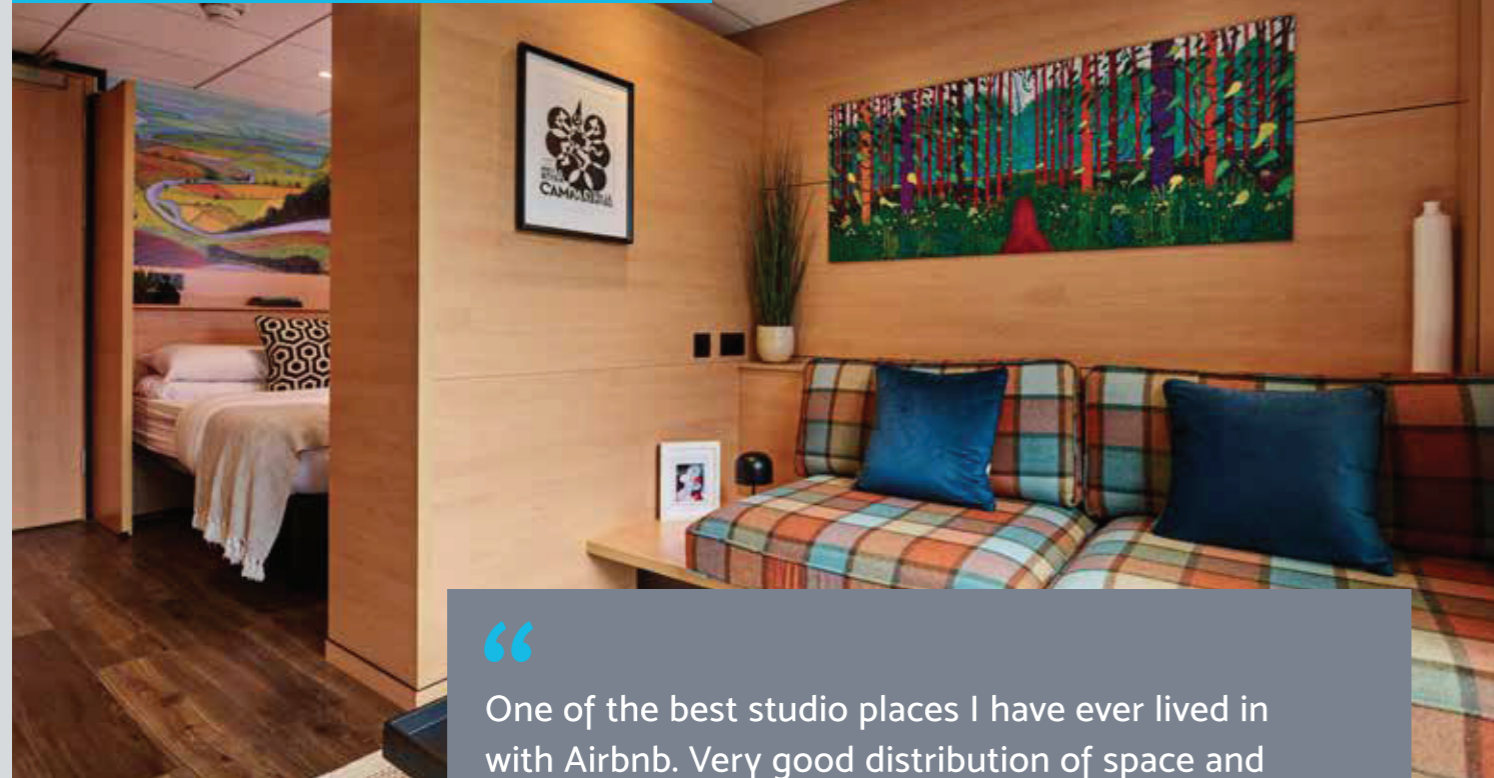
“ Perfect location, a short walk to the city centre. The place had everything you'd expect and was furnished to a high standard. ”

“ One of the best studio places I have ever lived in with Airbnb. Very good distribution of space and well equipped. Clean, safe and in a central area. Could accommodate single or couple. ”

“ The check in process was seamless and the property was exactly as described. Very clean and plenty of space. Comfy bed and enough amenities to use as well. Close to the city centre without being in a noisy area too. ”



“ A clean and modern studio (bigger than the pictures tbh) in a great central location. ”



Completed Serviced Apartments, **Central Leeds?**

Based on the cash purchase of studio apartment unit 1.1

UNIT DETAILS

PURCHASE PRICE:	£ 110,000
FURNITURE PACK:	Included in purchase
HOLDING DEPOSIT:	£ 2,000
SIMULTANEOUS EXCHANGE & COMPLETION: £ 108,000	
Solicitors	£ 950
Legal & VAT est.	£ 975
Land Registration	£ 230
SDLT	£ 5,500
TOTAL CASH INVESTMENT:	£ 117,655

* SDLT calculated for an overseas buyer with more than one UK property under ownership.



Projected Annual Cashflow & Investment Performance

GUARANTEED NET INCOME AT 6% FOR 5 YEARS £ 6,600

Investment Performance Year 5 (6% yield)

RETURN ON INVESTMENT £ 53,786

ROI% 45.7%

Investment Performance Year 10 (16.6% Gross Yield)

RETURN ON INVESTMENT £ 147,501

ROI% 125.4%

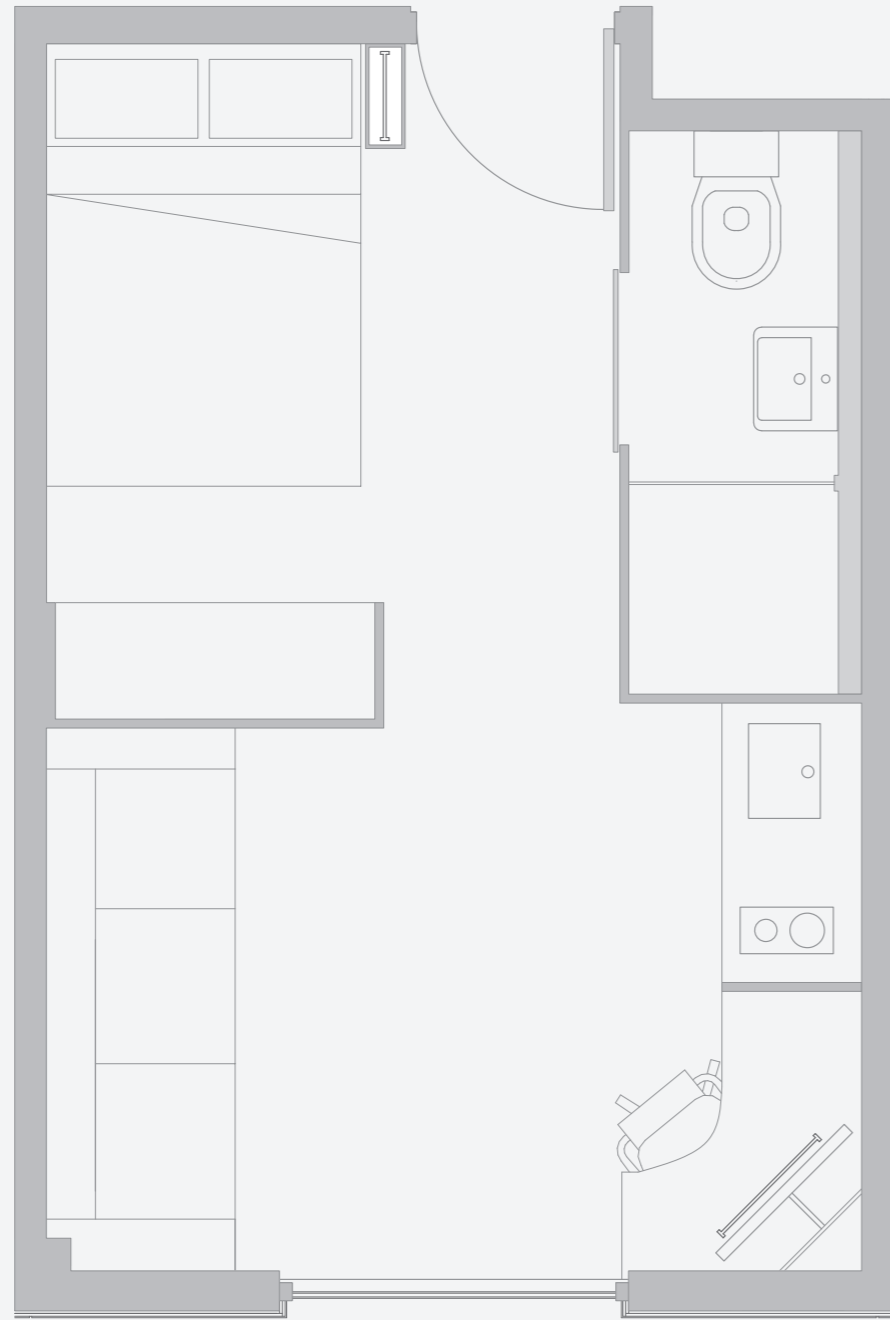
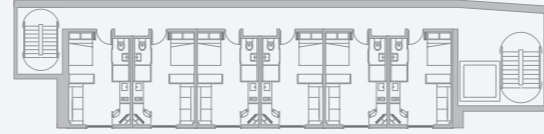
For a detailed breakdown of running costs please speak to your sales consultant.

ROI projections are not guaranteed (other than the first 5 years' income of net 6% annually) and take into account a mixture of increased income from year 6 onwards plus an average 3.2% capital value appreciation annually. For a full understanding of this we encourage you to speak to your sales consultant.
* SDLT calculated for an overseas buyer with more than one UK property under ownership.

Floorplan

Floor 1 - 7

Typical Floorplan or reversed
Total GIA 18.5 m² / 200 ft²





About CitispacE Group

Established in 2004, CitispacE Group is an experienced Leeds developer and managing agent, founded specifically to let and manage the CitispacE development in central Leeds. During this time CitispacE has been acknowledged as one of the best value and best managed residential locations in Leeds, maintaining consistent occupancy rates of over 85%.

Citigarden Living Limited was established in 2018, as an associate company of CitispacE Group, to develop and manage a new service apartment concept on the CitispacE estate. The development was completed in 2022 and has rapidly established itself as a prime product for those looking for short-term accommodation in central Leeds.

FAQs

WHERE IS CITISPAC E?

CitispacE is located in Leeds city centre. Its full address is 11 Regent Street, Leeds LS2 7QN.

WHO ARE CITIGARDEN LIVING LIMITED?

Citigarden Living Limited was formed by CitispacE Group to develop the new serviced apartment building. CitispacE Services Limited is the group management company who have successfully achieved an average occupancy of 85% in the new serviced apartment building during the last two years. They have also managed the wider CitispacE complex for the last 17 years and will continue to manage during the 5-year guarantee period.

HOW DOES THE NET RENTAL GUARANTEE OF 6% FOR 5 YEARS WORK? AND IS IT REALLY GUARANTEED?

Yes, your rental income is assured at a 6% net yield for five years by CitispacE Guarantors Limited. With the confidence from an average stay of three months within the apartments, higher than average occupancy rates and a significant track record CitispacE Guarantors Limited have undertaken to cover any potential shortfall should there be one.

WHEN IS THE RENTAL INCOME PAID?

The rental income is paid minus costs in full 14 days after the end of each month.

WHAT ARE THE COSTS ASSOCIATED WITH THE INVESTMENT?

We estimate the annual running costs to be around £3,288, including a management fee of £825 and combined operating costs of £2,463.

WHAT HAPPENS AFTER THE 5 YEAR GUARANTEE PERIOD IS UP?

Once the initial 5-year guarantee period has finished CitispacE Services Limited will continue to manage the apartment and all rent will be paid to you minus the costs of the service provided to rent and manage the apartments.

HOW DO I EXIT THE INVESTMENT?

Disposing of the investment is the same as you would with any other of your property investments. The serviced apartment is a tangible real estate asset with a registered title, you simply put it up for sale either conducted through a local agent, online portal or we can refer to you RPA's sister company, Brick Management.

WHO ARE TYPICAL TENANTS WITHIN THE PROPERTY?

Since the development's completion in 2022, the tenants at CitispacE have been a mixture of commercial tenants (including Amazon engineers and individuals working in IT) as well as overseas post-grad students from the UAE, China and India who prefer to stay in private studios off-campus.

DO I PAY STAMP DUTY?

At £110,000 per unit the apartments at CitispacE fall below the requirement threshold for Stamp Duty for UK residents. However, if you are a second homeowner or an overseas buyer the amount of SDLT is (at the time of writing) 5%.

DO I PAY TAX ON RENTAL INCOME?

Yes, as per your other UK property investments, the same tax code will apply to you on any income earned from your asset.

Completed Serviced Apartments, **Central Leeds**



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www.meadenewhomes.co.uk

andy@meadenewhomes.co.uk

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