

HOUSING FUTURES HOW THE MARKET IS CHANGING



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HOUSING FUTURES

Key trends shaping
the residential market



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VOLUME

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URBAN RENTERS

VOLUME IV



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PLATINUM GENERATION

VOLUME V

Life Moves: 10 Years On



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FUTURE LIVING

INSIGHTS INTO THE
TRENDS RESHAPING
UK PROPERTY



LIFE MOVES

The Next Chapter



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Life Moves
Reimagining Our Homes



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Life Moves: 10 Years On marks the tenth year of Strutt & Parker's Housing Futures series

Our latest research looks at what consumers really want from their next home and how they would like to live in the future. By surveying over 2,000 people across the UK we can see the motivations and influences that drive home-movers and how these people want to live. These include: the property features that are most important to people now; where people want to live; how they want to commute; and how environmentally friendly or sustainable they want to be. With ten years of historical data we also have the ability to delve into how these trends have changed and evolved over time.

If you would like to read previous editions of this series, please visit:

www.struttandparker.com/housingfutures



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Data Details:

Strutt & Parker; Housing Futures survey was conducted from 26th November to the 13th December 2022. The sample of 2,128 respondents is a combination of Strutt & Parker registered buyers, sellers, tenants and lettings applicants and a balanced general UK population sample conducted by Atomik Research. All were planning to move home within the next 5 years. Due to rounding, not all figures may add up to 100%.

Words by Tim Palmer.

Welcome

As we celebrate the 10-year anniversary of our Housing Futures series, we look back on the key findings and trends. This journey has taken us through the ever-changing landscape of the UK residential housing market, uncovering new themes and insights that have shaped our understanding of future housing requirements.

From the rise of living alone and the impact of technology on housing types to the growing popularity of multigenerational living and the increasing importance of environmental sustainability, our research has delved into the factors that influence the UK housing market and the diverse preferences of its consumers. Throughout the years, we have identified various demographic groups and housing solutions that have driven the UK's residential trends. These include The Waltons, who represent households with multiple generations living together; GloMads, young people who travel for employment and delay life decisions; and Rusticarians, environmentally conscious countryside dwellers embracing new approaches to work and lifestyle.

Two notable housing solutions that emerged from our research are the HEAL Home and Build to Rent (BTR) developments. HEAL Homes focus on health and well-being, incorporating design elements that promote physical and mental wellness. BTR developments cater to the rising demand for rental properties, offering professionally managed, high-quality rental homes with a range of amenities and services for residents.

Our research has also highlighted the importance of location, with a growing trend towards village living and the continued appeal of urban environments. We explored the changing dynamics of commuting and sustainable living, as well as the rise of the conscious community and the pursuit of outdoor space.

As we move into the next decade, it is crucial for developers, investors, and policymakers to continue to understand these key trends and demographic groups. By creating housing solutions that meet the evolving needs of the UK's population, we can ensure a more sustainable and inclusive housing landscape for the future.

Thank you for joining us on this journey through the Housing Futures series. I hope you enjoy this special 10-year anniversary edition, which encapsulates the insights and discoveries from the previous years of research. Here's to the next decade of housing innovation and transformation.



Vanessa Hale
Head of Research



Where do we go from here?

In our survey, 34% of respondents lived in a rented home, more than the number who owned a property with a mortgage (27%) or who owned their home outright (24%). The majority of renters – an estimated 4.4m households in England – are in private rented homes, and are likely to remain there for some time. A recent survey found that would-be house buyers now expect to be 37 years old before they can afford their first home, up from 32 in just two years¹.

Does anyone win from renting?

Given these figures you might expect the private rental market to be in good health, but the opposite is the case. It's a sector where many aren't happy. Tenants frequently complain of poor conditions, lack of security and rapidly rising costs – the median monthly rent is £825, which is the highest on record according to ONS' Valuation Office Agency figures. While at the same time, landlords say that rising mortgage interest payments and new proposed legislation are making their businesses unviable. An estimated 140,000 landlords sold up and left the sector last year² and many more have threatened to follow suit. Nonetheless 19.3% of our respondents said that they would prefer to rent, with a third of these correspondents under 29. For more on this, including the reasons why, please see our Housing Futures executive summary.

The growing pressure on affordability is at its greatest in popular locations such as Brighton, Bristol, Oxford and Cambridge and, of course, London. In Prime Central London, the proportion of lets under £500 per week (historically always over 30%), halved from 38% in 2021 to 19% in 2022 and has fallen further to 14% in the first half of this year³.

What about rental caps?

"The rising rents have prompted calls for official rental caps in London and Bristol, but, these could end up having the opposite effect, resulting in a lower supply of rental homes in the market and causing even more upwards pressure on rents." says Matt Henderson, associate director in residential research at Strutt & Parker

Nearly

20%

of respondents said they would choose to rent over buy if they had the option.

"Historically, rent caps have tended to make the problem worse. Limiting rental increases limits investors' yields and can scare landlords away from the market. This would be exaggerated in the current climate, where mortgage payments are increasing and many landlords would make a loss on their property if they couldn't put up rents," Matt says. "The fundamental issue behind rental caps is that they look to temper the symptoms and do not treat the underlying issue, which in this case is an undersupplied rental market, with a lack of homes to rent in the areas where most people want to live."

No obvious solution

Building more homes appears to be the obvious solution, but it's not as simple as it sounds. "The areas people want to live are often very expensive locations to build homes. Demand means that the price of land in places like the Home Counties and London is high, making any new home expensive." says Matt.

He adds that it points to a fundamental issue that the UK is too heavily centred around small areas of extremely high demand. "Until the levels of demand re-balance across the country, rents in the most highly demanded areas will continue to grow." The government's 'levelling up' plans look to address this issue by creating new centres of employment, attracting attention away from those typically high demand areas. There is undoubtedly much more that needs to be done.



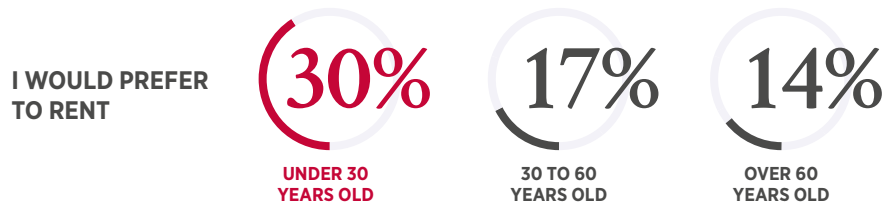


The generation gap

For a country that talks endlessly about house prices and the importance of home-ownership, the UK continues to be deceptively dependent on the rental sector.

As we saw in our executive summary, a third of under 30s would prefer to rent, rather than buy, due to the flexibility of short-term contracts and ease of managed homes.

If you had the option, would you prefer to buy or rent your next home?



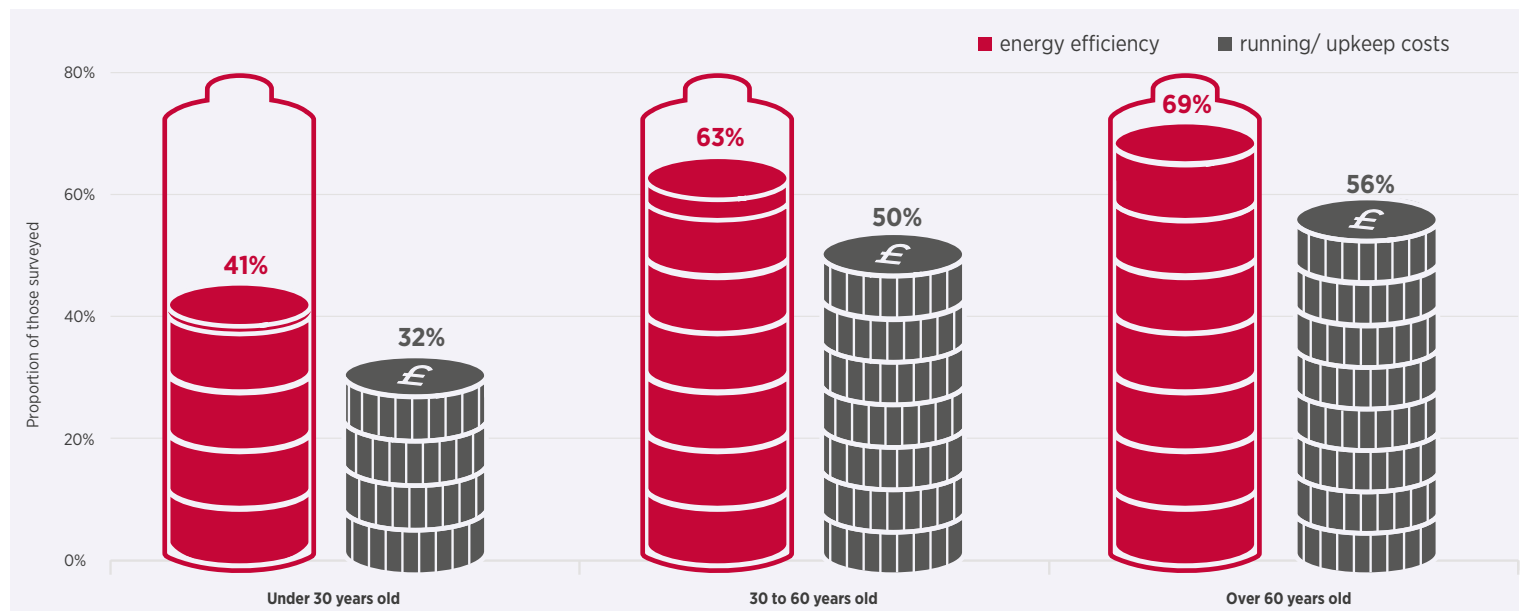
And those aged under 30 are also far keener to live in new-build homes - which is interestingly the opposite of those over aged over 60..

What type of home would you prefer your future home to be?



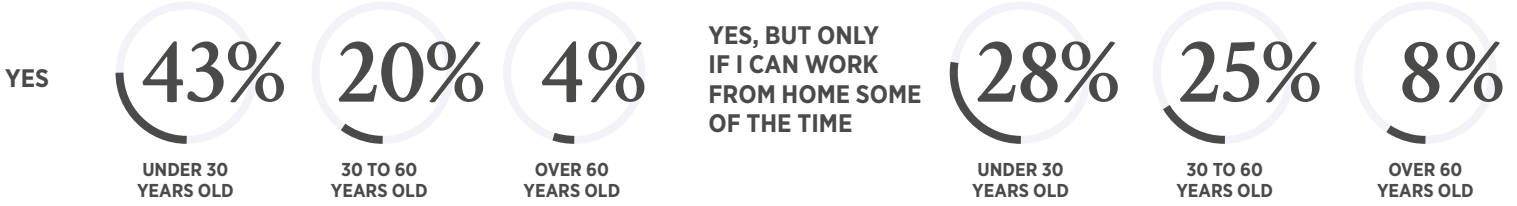
However, of those who are aged over 60 and do prefer new-build homes, their preference is heavily dependant on two factors: energy efficiency and running costs. This is unlike under 30s who prefer new-builds not for their green credentials or running costs, but for the modern amenities and style of the buildings.

Why do you prefer new-build?



One of the most significant generational changes is the growing willingness of under 30s to live further from the office than before the pandemic. This is exacerbated by the ability to work from home, a quarter of 30 -60 year olds are willing to travel further to the office if they can occasionally work from home.

Are you willing to travel for longer to work than before the pandemic?







Can build-to-rent make the sums add up?

At the top end of the market, the fledgling build-to-rent (BTR) sector has been touted as a panacea for the rental market and part of the solution to the housing market crisis.

BTR emerged in the UK, following the financial crisis, when the government was keen to stimulate the rental sector. “The idea was to drive up standards in the rental sector, to institutionalise the product and improve quality and variety, encouraging private landlords to up their game,” says Andrew Screen, Head of Residential Capital Markets at BNP Paribas Real Estate.

“It’s always regarded as a premier product, aimed at giving the resident a better experience. The US was considered to be a trailblazer, which is why so many UK developments are influenced by the US model, with lots of amenities – gyms, private dining, 24-hour concierges – rather than the European model, where institutions build and manage ordinary blocks of apartments,” he says.

BTR will continue to grow

BTR is a big draw for investors who see a future where the pressure on house prices means more people will be renting, as well as the knowledge that, for many, it still very much boils down to location in choosing where to live. Andrew says there are good opportunities for growth. He expects to see more single-family build-to-rent homes, with expansion away from cities and into commuter areas such as the Oxford-Cambridge corridor. Single-family means that the building is occupied by just one household; compared to multi-family which are typically tower blocks occupied by multiple households.

But will it solve the housing crisis?

In short, no. with just 80,000 units built since 2012 and 170,000 in the construction and planning pipeline, compared with 5.5 million units in the private rental sector, it’s just a drop in the ocean, says Andrew Screen.

Size no longer matters

When it came to retirement, small used to be beautiful. All that mattered was selling the family home and moving into something more manageable. Times have changed, our ambitions have grown and we now hope for more from our later years than a bit less room to move around in.

Our survey shows that shrinking living space is now cited as the weakest motive for moving. Only 34% say that a smaller home is an important motivation to seek a new house. It's a recent change. In the early years of our survey, from 2013, roughly 50% of people cited a smaller home as an important reason to move.

How you use the space you have

That doesn't mean that everyone's staying where they were, nor that smaller properties are falling out of fashion. "Decisions at this crucial life stage are focused less on how many square feet they have, and more on how they're going to use it," says Matt Henderson, associate director of residential research at Strutt & Parker.

According to Charlotte Moxon, regional head of new homes at Strutt & Parker, this shift is occurring because retirement isn't what it used to be. "We have seen the demographic of downsizers change in the past five years from people in their 70s and 80s to people in their 50s and 60s who are thinking about the lifestyle they can have."

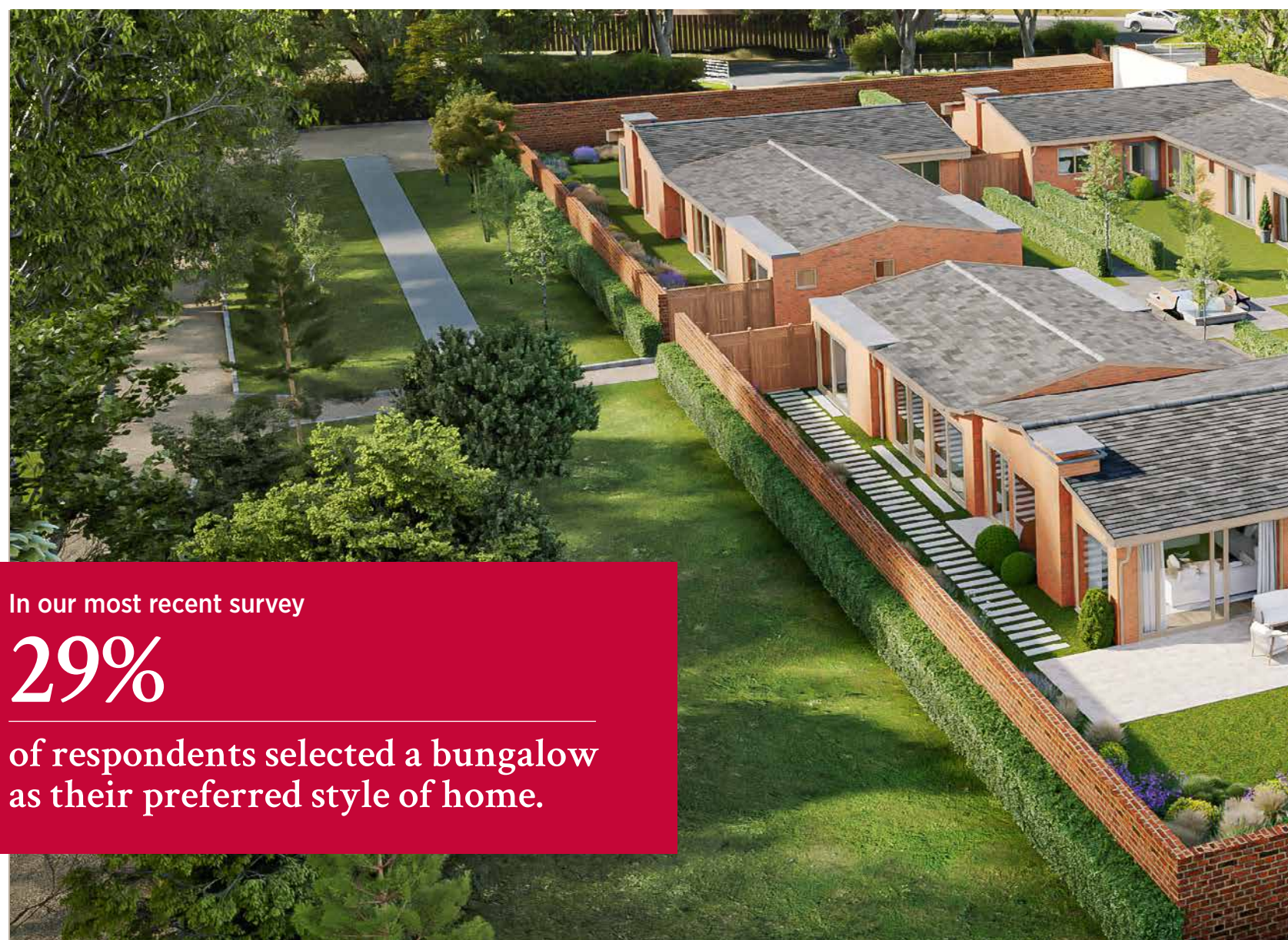
Has downsizing lost its value?

Some may consider the rising cost of moving and the ever-increasing pressure on affordability and decide that staying put in the family house is what's best for them, and their family. If the equity they had hoped to free up for the kids is eaten up by fees and taxes, and those kids aren't going to be able to afford a home of their own, might it not be better to hang onto those extra bedrooms? That way, there's a spare room for the children should they need it, and you're not diluting your investment in an asset that has consistently overperformed for the past three decades

Other priorities

For some people, the pursuit of the perfect lifestyle can take them from the suburbs to the city. The homes may be smaller there, but that's regarded as a worthwhile sacrifice for a car-free life with daily access to galleries, theatres and restaurants.

For others, that means chasing the holiday lifestyle offered by a move to the coast or country – often in the ever-popular West Country. Richard Speedy, a senior director at Strutt & Parker in Exeter, says that these buyers are less worried about exactly how much space they'll have and more concerned with things like energy efficiency and finding the perfect location on the edge of a village or town. "They don't want to be all on their own in the middle of the moor, and they don't want to be getting in the car all the time," he says.



In our most recent survey

29%

of respondents selected a bungalow as their preferred style of home.

And for many, a bit of extra space can offer both flexibility and an opportunity to top up the pension. “An annexe or outbuilding is now a really big selling point. They will usually be moving away from London or the Home Counties where their children are, so they’ll want space for them to be able to come and stay, but an annexe also gives them the flexibility to rent it out when it’s not being used.” Richard says.

Bungalows, all demand but no supply

People love bungalows, so why aren’t more being built? In our survey, a bungalow was the joint second most popular choice of future home, picked by 29% of respondents, putting it equal with a cottage and only just behind a new-build, which topped the poll with 31%.

Not surprisingly, the bungalow is most sought-after by the older generation, who may have an eye on future-proofing their home against potential health or mobility issues. It was first pick among almost half of the over-65s, and a third of those aged 35-65. “Many of today’s bungalows prioritise design, space and technology, recognising that today’s downsizer is a lot younger and more demanding than they used to be” says Charlotte Moxon.

Unfortunately, many people aren’t going to get their wish. Although the demand for “lateral living” is strong, that’s not being translated into supply. Fewer than 2% of the new homes built in 2020 were bungalows.⁴

According to Charlotte Moxon that’s just a simple matter of economics. “A bungalow does attract a higher price per sq ft, but not enough to make up for the extra profit that would come from an extra storey,” she says.

Why not build more?

Where new bungalows are being built, it’s often because planning restrictions have ruled out the possibility of building a multi-storey home. One good example of this is the Walled Garden, pictured below, a development of four bungalows in a historic kitchen garden near Ascot. With eco features, lots of glass and high ceilings, it’s also a good illustration of how far bungalow design has involved from the classic retirement properties built during the 1950s and 1960s. “Many of today’s bungalows are cooler and trendier, recognising that today’s downsizer is a lot younger and more demanding than they used to be,” says Charlotte.

Only

1.5%

**of new build sales in 2022
were bungalows.**

Source: HM Land Registry, EPCs



















Property trends: 10 years on

This graphic shows the 16 motivations to move that we at Strutt & Parker have been asking about for the 10 years since we carried out our first *Housing Futures* survey.

Where each motivation sits now, and how far it has climbed or fallen over the last decade, provides a view into the societal shifts that have occurred around how and why we home.

Motivations to move and change over the last decade

2022 RANK	MOTIVATION TO MOVE	CHANGE IN RANK FROM 2012
1	 Access to shops/amenities	↑ 2
2	 Privacy	↓ 1
3	 Reducing running costs/ Improved energy efficiency	↑ 2
4	 Personal finances	↑ 6
5	 Health	↑ 6
6	 Access to public transport	↑ 2
7	 Better broadband, internet & WiFi connectivity	↓ 3
8	 Lifestyle change	↓ 6
9	 Close to family/friends	↓ 2
10	 Close to work	↑ 2
11	 Financial support for children/relatives	↑ 4
12	 Career change	↑ 1
13	 Better Schools	↑ 1
14	 Smaller home	↓ 5
15	 Political environment	↑ 1
16	 Smaller plot	↓ 10

Feature of the decade

Over the last 10 years of Housing Futures, our survey has asked people to name the features they would most like in their ideal future home.

Totalled across the years, we have compiled the top five outdoor, kitchen, and bathroom features, as well as the most popular extra room features people would like most in their dream future home.

Outdoor Features



1st (Jnt)
WALLED GARDEN



1st (Jnt)
SWIMMING POOL



3rd
VEGETABLE / KITCHEN GARDEN



4th
HOT TUB



5th
SUMMER HOUSE / PERGOLA

Bathroom Features



1st
RAIN SHOWER



2nd
UNDERFLOOR HEATING



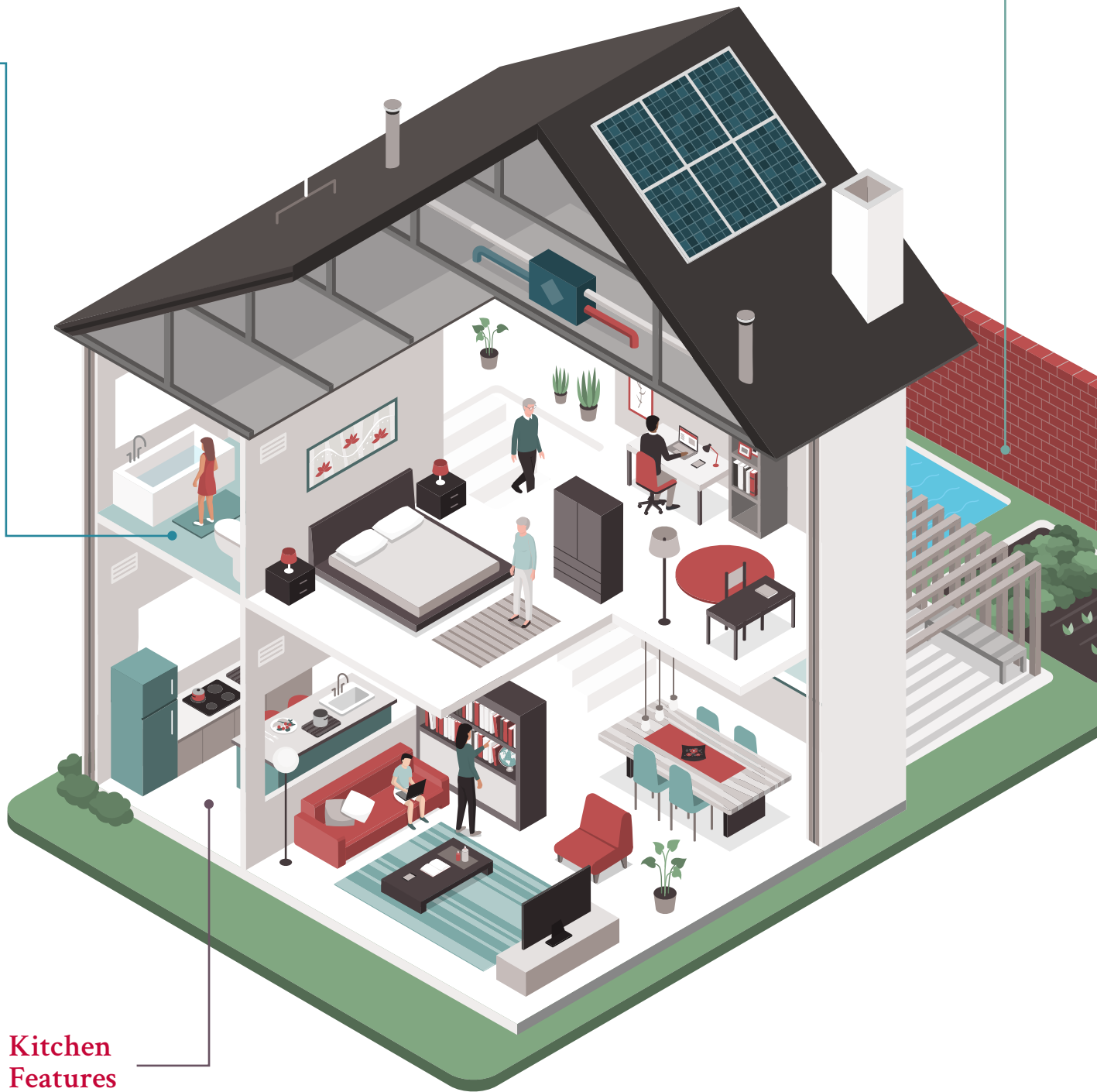
3rd
FREE STANDING BATH



4th
JACUZZI BATH



5th
WET ROOM / SAUNA



Kitchen Features



1st
AMERICAN-STYLE BUILT-IN FRIDGE-FREEZER



2nd
STATEMENT KITCHEN ISLAND



3rd
PANTRY OR LARDER



4th
CAST IRON RANGE COOKER (E.G. AGA, EVERHOT)



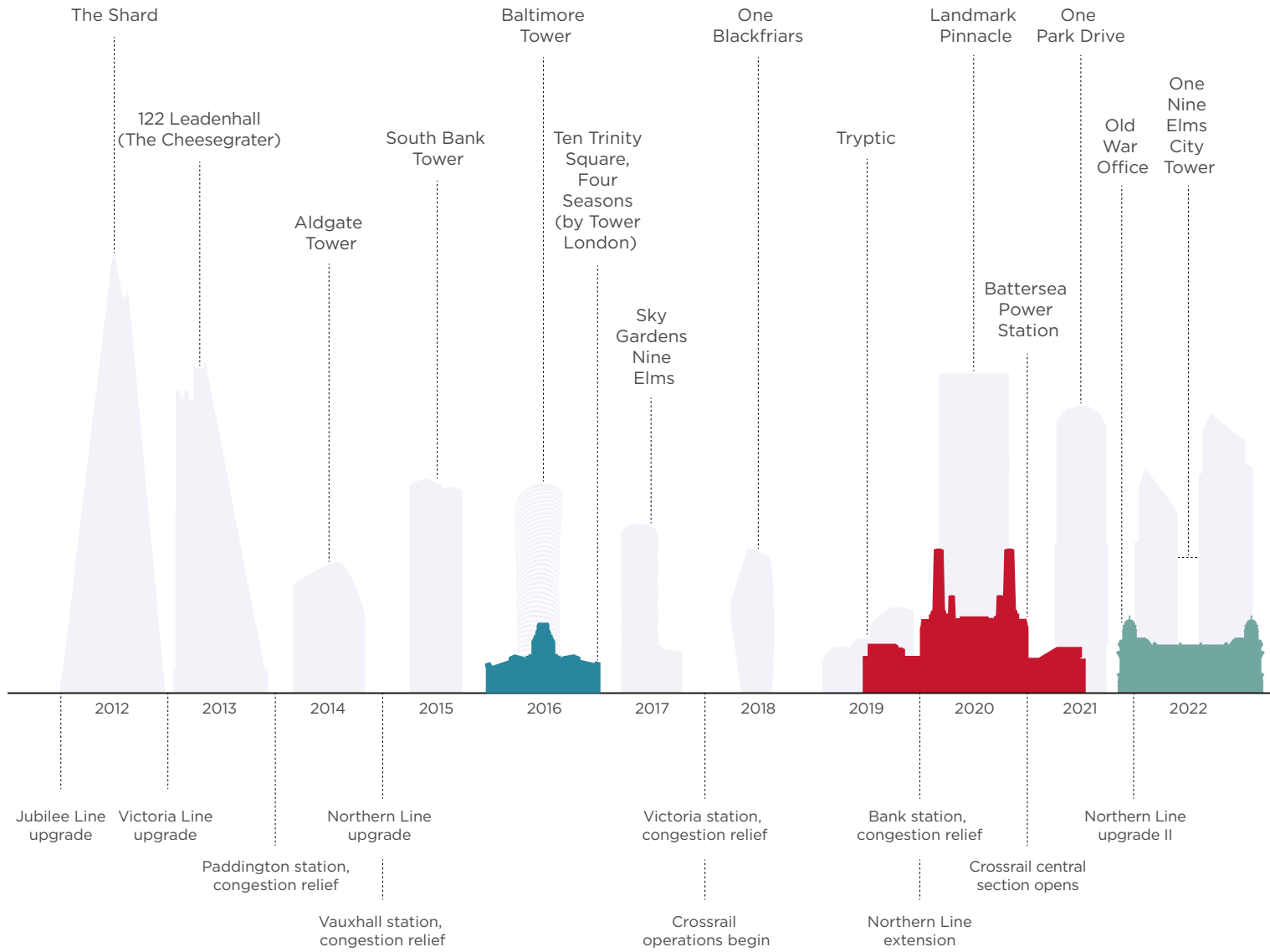
5th
INSTANT BOILING WATER TAP

Capital Growth

How has London changed in the last 10 years?

One of the best-developed cities in the world, London is known for its constant investment and pioneering infrastructure.

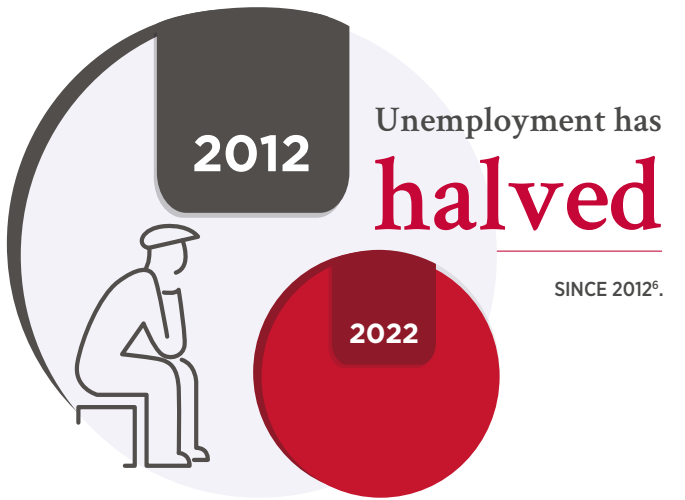
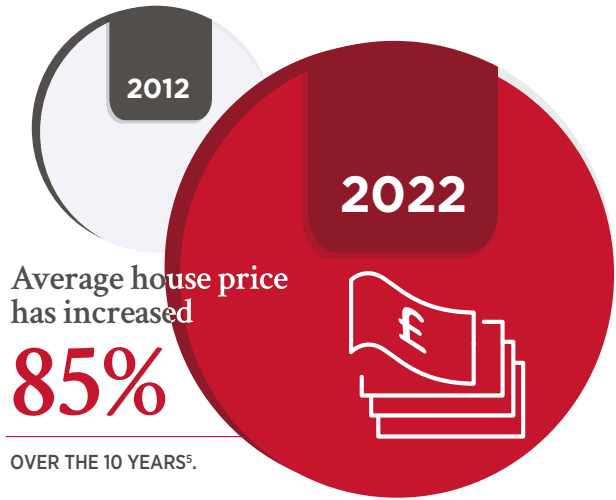
The capital has developed in numerous ways over the last 10 years. Our graphic, below, shows how London's iconic skyline and far-reaching transport infrastructure are constantly evolving. London's transport system isn't limited to its famous tube network, it also has an extensive overground rail network, five international airports that are connected to the capital and a comprehensive bus network.



London has held the position of number-one city in the World's Best Cities rankings for six consecutive years based on several criteria including human capital, infrastructure, culture, experience and prosperity, according to the World's Best Cities report, powered by Resonance.

Despite the current economic outlook, after a year of record inflation and hikes in the base rate, Prime Central London is still considered one of the safest places to invest in the world.

London has thrived over the last 10 years, with investment helping house prices grow by 85% and unemployment in the capital falling by half since 2012.



Parks and open green space occupy about

33%

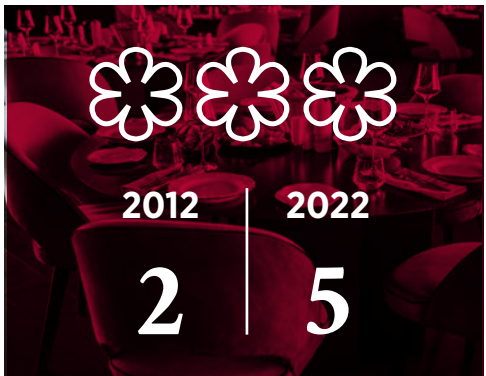
of Greater London⁷.

London is the international capital of fashion, art, music, education and sports. The city is full of 21st century entertainment venues and attractions which are intertwined with its carefully protected historical landmarks. This creates a unique feel of a modern day city that is still connected to its interesting and well recorded history.

The city has over 150 theatres, with the West End alone bringing in almost £900m⁸ through box office revenue in 2022. With thousands of restaurants, shops, and galleries London's cultural and culinary scene is always evolving; the growth of which can be clearly seen by the constantly rising number of Michelin-stars restaurants.



Michelin-star Restaurants in London⁹



Village affairs

We're falling back in love with villages. They are where most people in our most recent survey said they wanted to live – and it's the place most of them want to put down roots. In fact, one in six people said they'd like to move to a village. And almost sixty per cent of respondents said they expected to stay there for more than 10 years, compared with less than fifty per cent of those who chose alternative locations.

But what are these prospective village residents looking for? There's no official definition of a village, and not all villages are particularly small. Each of the country's largest half-dozen villages (though that's a hotly contested ranking) has a population greater than several cities.

Why villages?

Kate Eales, head of regional residential agency at Strutt & Parker, thinks that what people who want to live in a village are really looking for is a sense of community. "We have seen the importance of community grow so much since the pandemic. It's about knowing your neighbours and being able to come together. People expect to find this in a village, but it can happen anywhere, from residential corners of a big city to the suburbs."

Interestingly, suburbs saw the biggest increase in popularity in this year's survey, picked as the preferred location by 13% of respondents, up from 8% last year. Kate says this is because a suburb can offer the best of all worlds, particularly now the pandemic-induced rush for the countryside has eased.

“It's all about convenience. You can find green spaces to enjoy and an independent shop to explore, but you can still get to your job – particularly important now it's more likely to be three or four days a week in the office.”

”

Kate Eales
Head of Regional Residential Agency

Try before you buy

Whatever the location, it's the sense of community that makes a place stand out, and Kate recommends that buyers do their research before moving to check exactly what's on offer. "Go to the village pub, check the community noticeboard and try and find out if there were celebrations for the Jubilee or the Coronation. And of course, do ask the estate agent, who will know exactly what life is like in their local area," she says.





The best of both worlds

The people who chose a village in our survey, also indicated that they don't want to be far from amenities such as local shops and GP surgeries. There are many villages where you won't find these, nonetheless our results suggest that village life is most fancied by older age groups. It was the most popular option among the over-55s, and picked by almost one in three of the over-70s.

"People say they love the idea of living in a village, but often want all the amenities of a town or a city. Most buyers want the convenience of local amenities on their doorstep rather than just the pretty village church and post office," says Charlotte Moxon, head of regional new homes at Strutt & Parker.

A blend of amenities and communities

The developers responsible for the new garden villages that are springing up in prime sites around the country are careful to incorporate a mix of amenities and community space into their plans. These villages form only a small part of overall new housing provision, but some are very substantial, growing to tens of thousands of homes, though often over several decades.

With a focus on sustainability and good design, these developments offer a hopeful vision of housing for the future, often loosely following the model laid down by King Charles's Poundbury suburb near Dorchester in Dorset. Although it was mocked as old-fashioned when it launched 30 years ago, Poundbury has proved popular with residents and made it onto *The Sunday Times Best Places to Live* list this year.

Innovative but in keeping

The best of these new villages are constructed by local craftsmen using locally sourced materials. And they will include independent shops, community spaces and green space designed to be well used by the people who live there.

"Rather than laying down rows of identical houses, developers can use different styles of home to create a more aesthetically pleasing and natural environment. Many of the developers that we work with have been going back to more traditional designs – Georgian and Victorian influenced architecture that still include the latest eco-features." Charlotte says.

"By combining good design and traditional materials, these new villages can provide what people are looking for, sustainable and low maintenance homes with curb appeal."

The slow race to sustainability

As the global temperature rises, so does our desire to live more sustainably. Over half the people in our survey cited greener living as an important motivation for moving – up from just 20% in 2012 – and two thirds said it was important that their future home should be environmentally friendly. The goodwill may be there, but that hasn't been translated into practice. Our homes are responsible for 21% of the UK's total carbon emissions, and despite improvements in technology, the UK still has the least energy-efficient domestic properties in Europe.

Why is the UK so far behind?

It's partly the nature of our period properties – “Some homes just weren't designed to be energy efficient,” says Sarah Roberts, of Strutt & Parker's residential property management and lettings – “but it's also the result of stop-start initiatives and grant schemes, and an overall lack of guidance that have left ordinary homeowners unsure how to make their homes greener in a cost-effective way.”

Politically, energy efficiency has given way to carbon capture and heat pumps as the government's preferred headline grabbing strategies for cutting carbon emissions, adds Donna Rourke, head of ESG and sustainability at Strutt & Parker.

Certainty is key

The issues around this topic were epitomised by the Prime Minister's comments in September of this year, 2023. A bill was going through parliament requiring all let properties to have an EPC of a C by 2028 and all domestic properties to have an EPC of a C by 2033. An increased spending cap at of £20,000 was proposed within this bill. Landlords, the public, had a level of certainty in what was coming down the pipeline.

Then, in the PM's September speech, where he delayed the ban on the sale of new petrol and diesel cars, he also pledged to scrap policies that would force landlords to upgrade energy efficiency in their homes, however he “encourages” households to do so. Suddenly no one was sure on what regulations were coming. Less than a year from a general elections uncertainty always rises, people aren't sure of what changes a new government might implement.

However, the scrapping of a widely expected policy creates unnecessary levels of political uncertainty surrounding how the UK is to move forward on sustainability within residential real estate and introduces a further drag on the actions needed to make our homes more energy efficient. Until the picture is clearer, Alexander MacFarlane, of Strutt & Parker's building consultancy arm, recommends making small improvements as they become necessary, rather than gambling on one big transformation.





Improvements should be made, but must be viable

Although the specifics of the government regulations are constantly changing there is only one direction of travel and making your home more sustainable, where possible, will be beneficial. Whilst building regulations mean that progress is being made with new-builds, reducing carbon outputs from many existing homes remains confusing – especially for period and listed properties. With grants available only for the poorest households, it can be extremely expensive. “I worked with one house that needed a new oil boiler. The bill for replacing it was £7,500 but installing a heat pump and all the necessary improvements would have cost £35,000,” says Sarah Roberts.

One way to ensure you’re making the best decision is to employ a building consultant, who can offer independent advice, keep you up to date with the latest technology and make sure the work is done properly. “There are cowboys out there who will sell you products

for places where they shouldn’t really go. If you are installing new insulation or a heat pump, you need someone you can trust. And there’s a real skills shortage if we want to improve the sustainability of our homes on a mass scale,” says Alexander MacFarlane.

Currently all residential homes require an EPC in order to be sold, the grades are only enforced on lets. This doesn’t mean that homeowners can ignore energy efficiency. Apart from the benefit to running costs, it’s an issue that many mortgage lenders are now taking seriously. Some offer preferential interest rates for energy efficient homes and require a certain percentage of homes in their portfolio to be “green”. It’s a welcome development, says Alexander. “There will be pushback because people don’t like change, but the lenders will have to drive this. If we are going to see meaningful change to the landscape, the big players are going to have to be involved.”



Three new green technologies we could be seeing more of:

Heated skirting boards



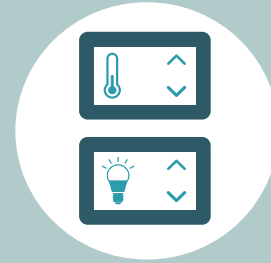
More efficient than underfloor heating – because they don't have to heat the floor in order to heat the rest of the room – these run off electricity, so can be installed without pipes or plumbing.

Solar Slates

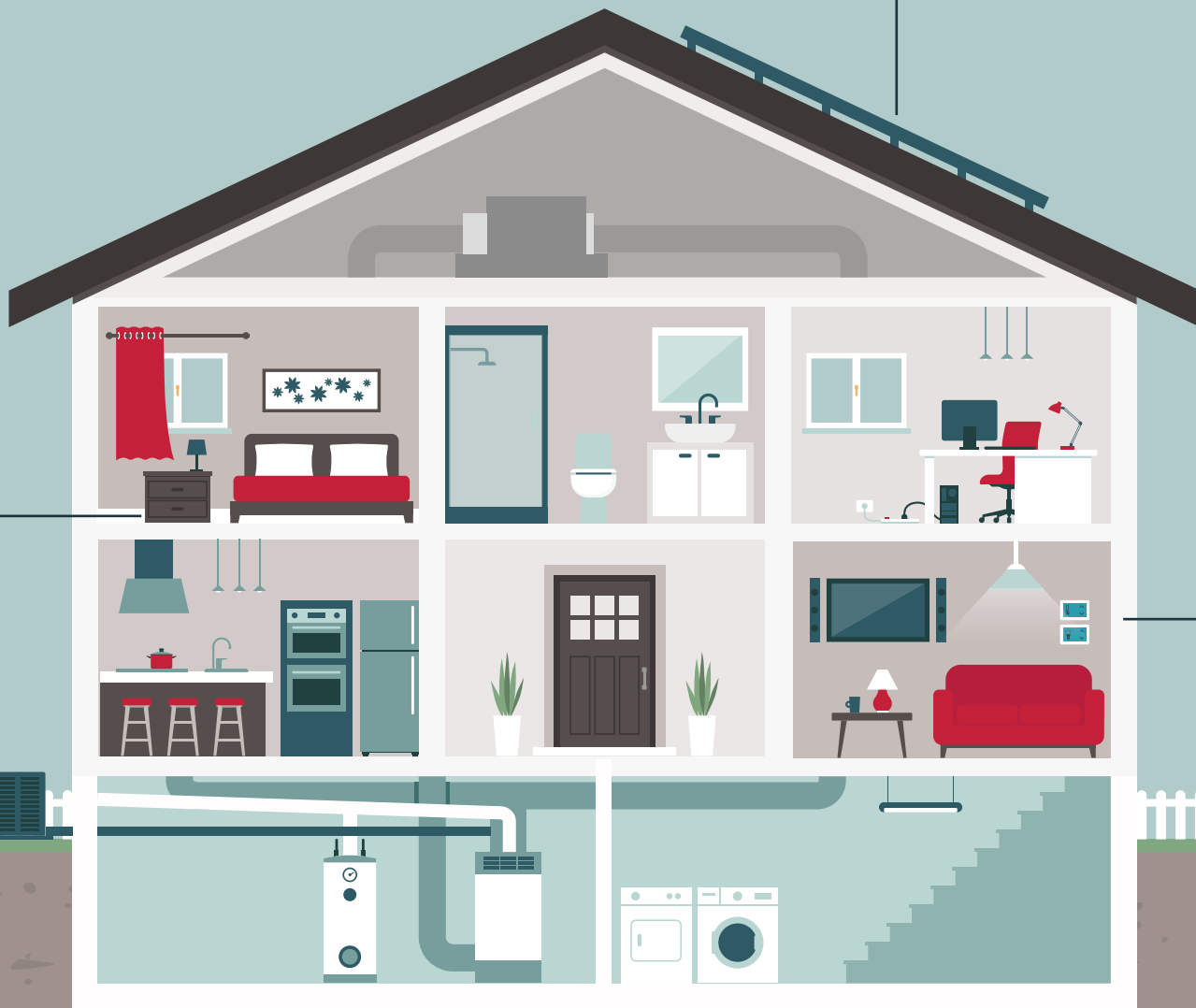


More attractive than conventional solar panels, and more likely to be accepted in a conservation area, these slot into existing roofs and can be used to heat water as well as generate electricity. The slates are durable, too, and although they're expensive at the moment, the price is likely to drop.

Smart controls



Being able to control the lights and heating remotely can be a surprisingly big energy-saver. It's common in luxury newbuilds, less so in the draughty period houses where they might make the biggest difference.



The rise of health consciousness

Death, divorce and debt may always be with us, but a new reason to relocate has emerged since the pandemic. In this year's survey, health was rated as the second most important motivation to move - only just behind personal finances.

Over the past 10 years health has been the biggest climber in motivations for moving, cited as important by 69% of respondents - up from 29% in 2013. Health consciousness has increased among almost all age groups, but the rise is most striking among 45-49-year-olds, with 75% considering it important in 2022 compared with 44% in 2018.

A Covid side-effect?

It seems likely that this rising health-consciousness is a result of the pandemic. Covid not only forced the subject into the front of our minds but also created an explicit connection between our physical health and where we live, with factors such as space, ventilation and access to the outdoors directly affecting the risk of becoming seriously ill.

That may also explain the choice of health- and wellbeing-boosting qualities that people now hope to find in a new home. Two thirds wanted outside space, 61% wanted rooms with lots of natural light and 55% wanted to be close to green space or nature. And as a reminder that good health isn't just about ventilation - especially during an energy-price crisis - 64% wanted good insulation and energy-efficient heating.

London is setting the standard

It's a trend that luxury developers have been quick to cotton on to, says Keir Waddell, head of London new home sales at Strutt & Parker. "Health and wellbeing are key features of the best new developments, and what that involves has been changing. For example, we have seen a gravitation from gyms to wellness centres. Fitness will still be an aspect - Triptych Bankside has a rock-climbing gym, for example - but there is now an understanding that health isn't just about physical health but also includes things like meditation spaces, yoga and treatment rooms," he says.

The prime London market is leading the way. "The capital sets the standards and the rest of the country follows," says Keir. "A lot of the inspiration comes from branded residences: high-end, amenity-rich developments partnered with luxury hotel chains whose focus has always been on the wellbeing of clients. Residents at The Old War Office by Raffles will have access to hotel facilities, including use of treatment suites, vitality pools, yoga studios and personal training - as well as one of the smartest spas the capital has ever seen."

It isn't just about facilities. Noise pollution (71%) and better air quality (67%) were both rated important motivations to move in our survey. That air quality is now a selling point shows how big an issue pollution can be for homebuyers. The certification scheme *AirRated* gives developers the chance to advertise the indoor air quality in new homes.

Blue space

"We're also seeing a focus on gardens and outside space, with greenery and views. And if you want to take that one stage further, the wellbeing power of 'blue space' - views of the water - is also being recognised and is something that developers are building in where they can," says Keir.

Green space, fresh air and sea views are easier to find away from big cities - a major reason why people are continuing to leave built-up areas for corners of the country that have easy access to wild scenery, sea views and dark skies - but aren't so far from city life that you're cut off from work or culture.

Suffolk is a prime example. Sharnie Rogers, a director at Strutt & Parker, says that a healthy lifestyle is one of the big attractions for the many people leaving London to live there. "They generally fall into two categories. There are families who are looking to bring their kids up in an active way, with lots of outdoor and water-based activities. And there are retirees, who are looking for a relaxed, healthy lifestyle. Somewhere like Suffolk has coastline, green landscapes and lots of local, healthy food, so there's something for everyone," she says.





Looking Ahead

As we reflect on the past decade, our thoughts naturally turn towards the future. What trends will shape the next ten years in real estate?

Gazing into the crystal ball can become speculative but there are a few pillars of certainty that we can base our ideas on.

Regardless of whether the working from home trend continues or we all return from the office, the ageing demographic of the UK's population indicates that the workforce will likely contract over the next decade. Moreover, the pressure on housing in the most high-demand areas of the UK will not go away without innovative solutions.

Yo-Yo houses – homes where walls can be moved to have a flexible, adaptive living space – were one of our less fruitful ideas. There have only been a couple of examples and the concept has not (yet) taken off.

Nonetheless, could this still relatively novel concept be used to help create mixed use environments? For many, the office working week has become Tuesdays, Wednesdays and Thursdays, topped and tailed by a day working from home. This current working week leaves offices sitting almost empty for four days. Not an efficient use of rent nor space.

With a shrinking workforce, not in the office five days week, office vacancy is a growing problem across much of the country. For instance, in Central London, the most in-demand location in the country, 8.4% of offices are vacant according to BNP Paribas Real Estate's office research team's most recent data.

The concept of converting office space into residential homes is not new. With the current volumes of vacant commercial space and dire need for housing, it is a concept that will only continue to gain traction.

Putting some thought and innovation into how both vacant and new office spaces can be transitioned to residential as efficiently as possible remove either in part or in whole, will take changes and buy-in from everyone from planners to operators to developers, and perhaps most importantly residents.

But the upside could be transformational. Developing a flexible space reduces the attached operational risk and has the possibility of opening doors to new types of investment. If done well, the output could help to evolve residential housing for the most in demand areas of the UK market.



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