

What is BTR?

- High quality homes, professionally managed
- Scale - minimum 150 homes (urban) 50-200 homes SFH
- Institutionally invested product (or similar)
- Purpose built for rent, often with on-site amenities and services designed in
- Offers security of tenure through flexible, long-term tenancies
- Long term hold, with community at its core.



How does BTR fit into PRS?



The UK has the capacity for 2 million BTR homes

Types of BTR and 2030 demand



Urban BTR
(multi-family)



BTR Housing/
Single family



Co-Living



Later Living
Emerging market



DMR & Affordable
Target market

330,000 homes
£110bn

550,000 homes
£160bn

600,000 homes (London)
£32bn

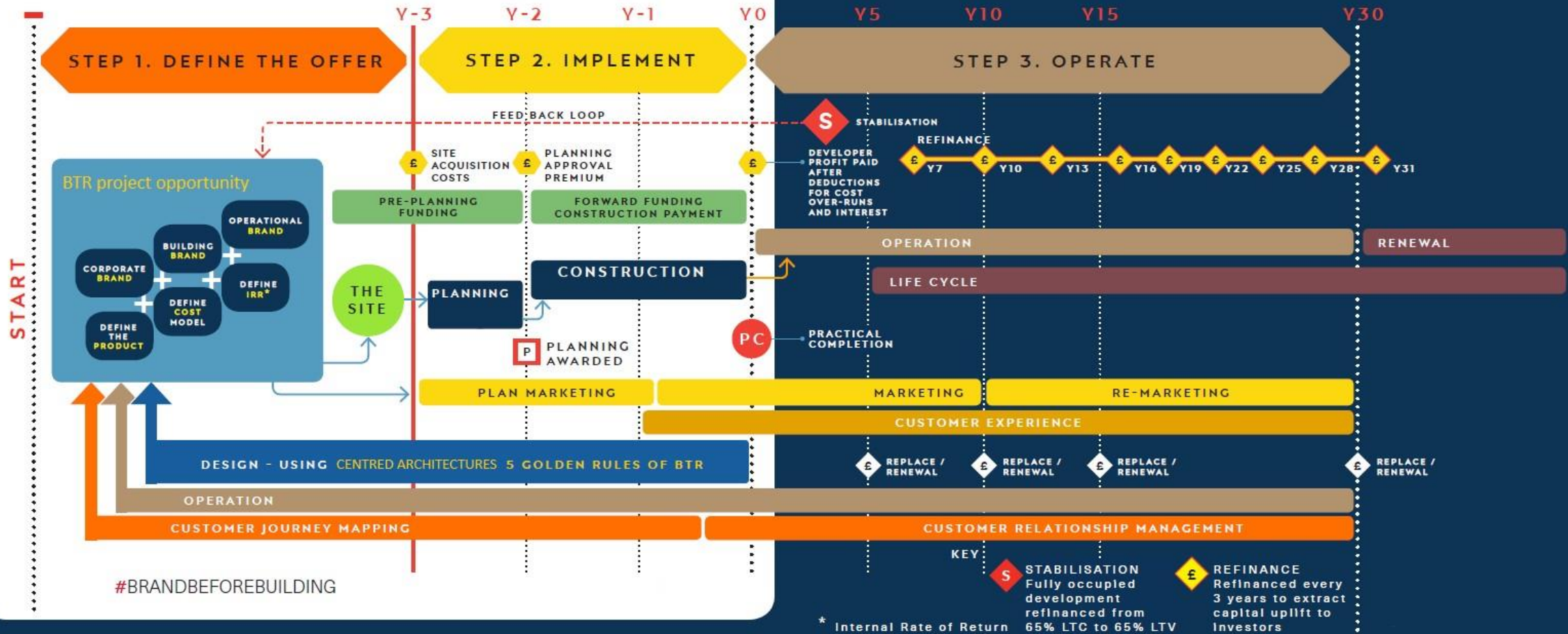
Capex v Opex

Capex v Opex

Capex 0 -5 years

Opex 0-30 years

BTR Timeline - © Centred Architecture 2021



BTR success: Customer satisfaction + operating efficiency + asset value = ROI

Customer experience (CX) is at
the heart of successful BTR



Better the product and service the greater the customer satisfaction.
Happy people stay longer

Ops design issues – Net Operating Income



// aka Gross to Net (not to be confused with area net to gross)

// Gross Rental Income: This is the total income (rent and services) generated from leasing the property before any expenses are deducted.

// Operating expenses: Property management

Maintenance and FM

Utilities

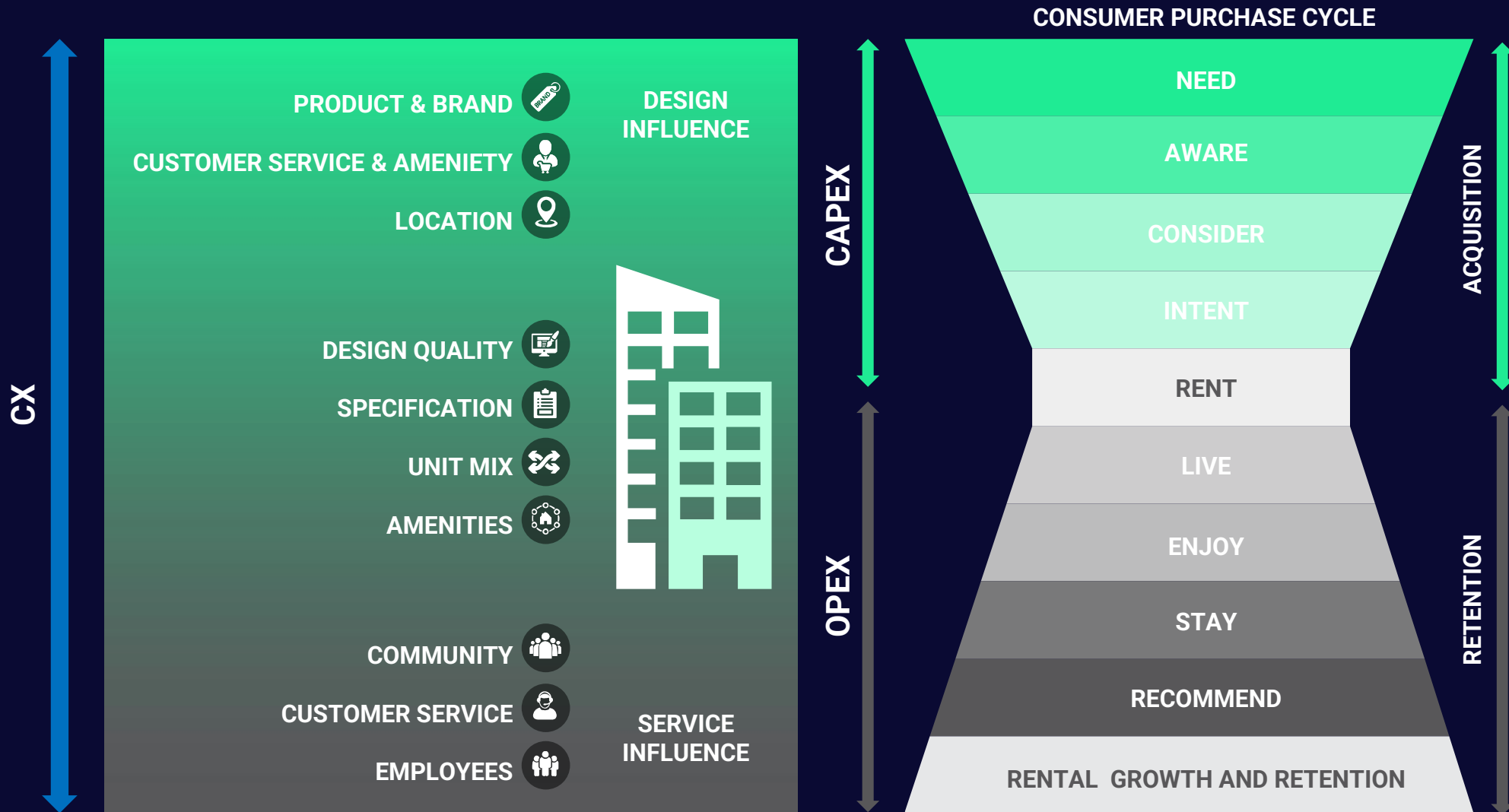
Insurance

Marketing, resident acquisition and retention

Administration

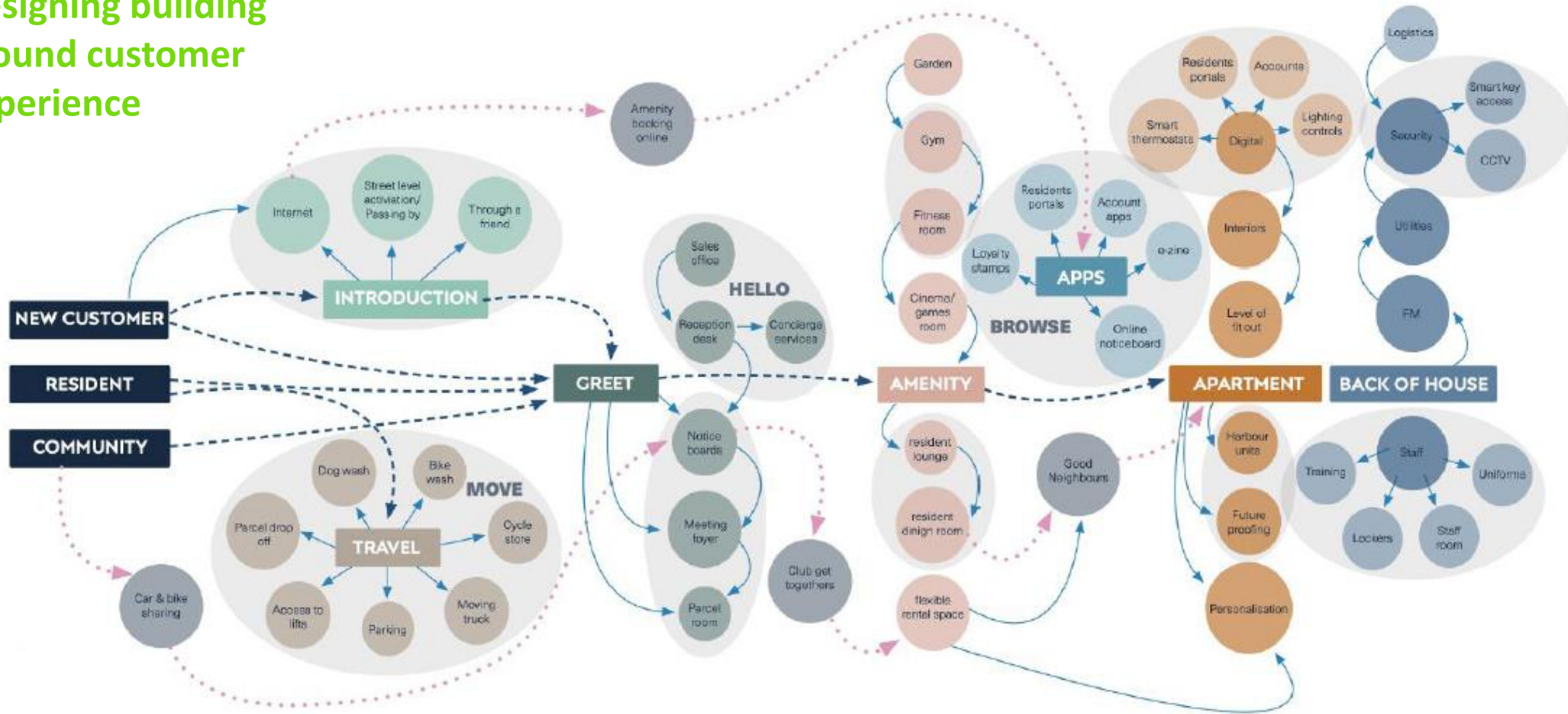
NOI = Gross rental income – Operating expenses

Customer's experience (CX) of Capex and Opex



CX Journey Mapping, Where Capex and Opex meet

Designing building around customer experience

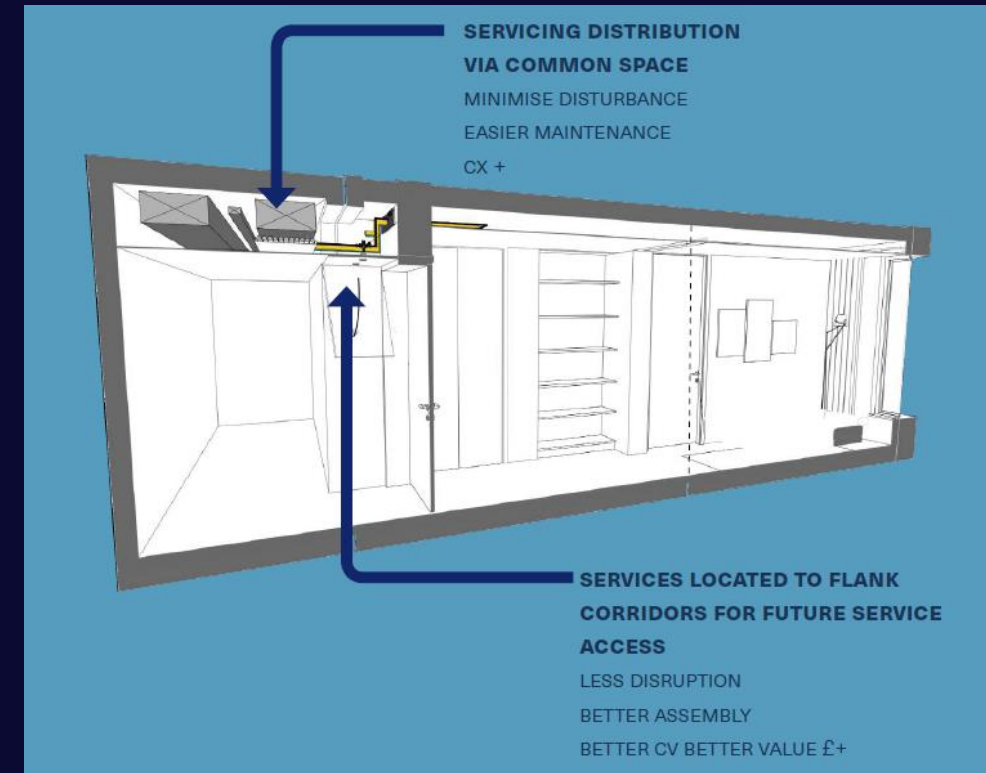
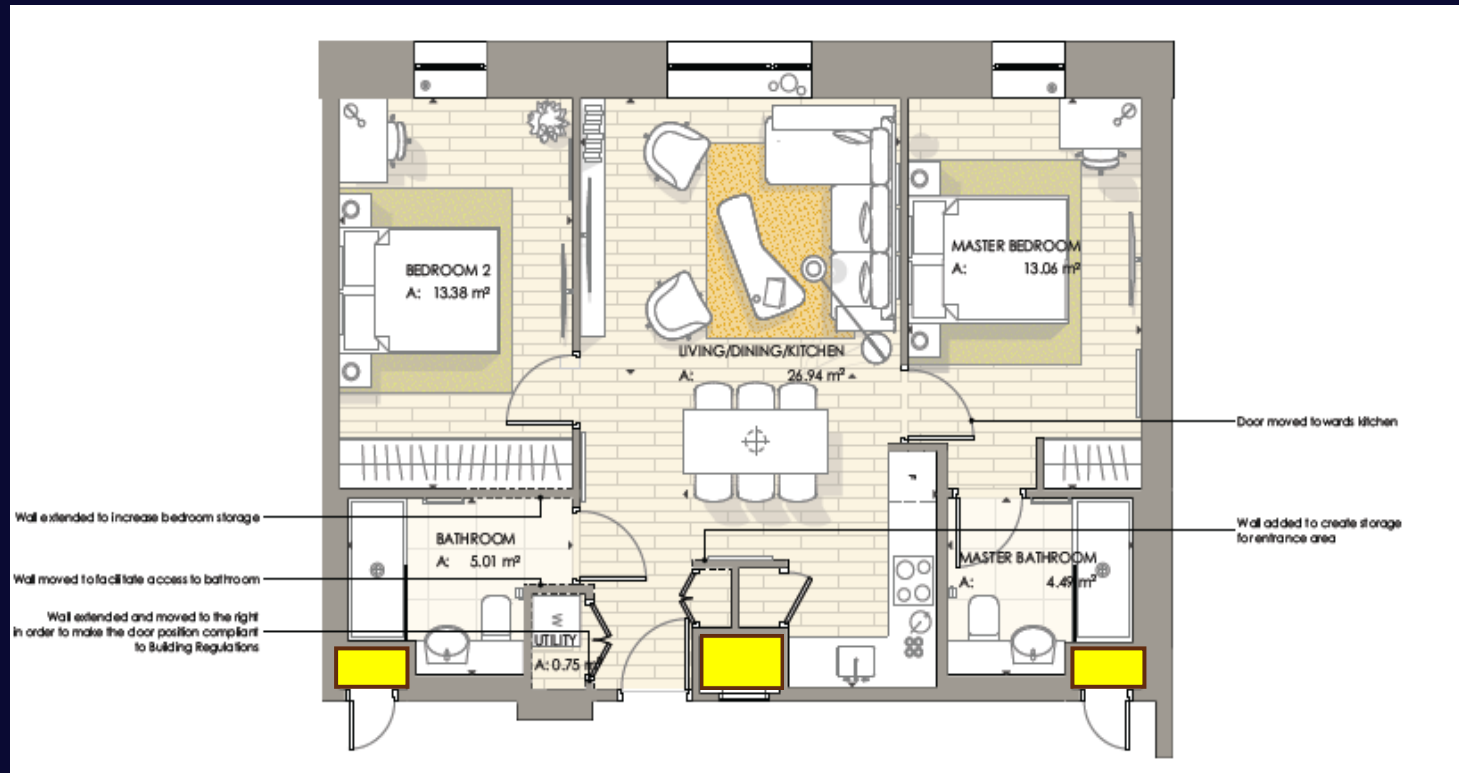


Ops design issues – affecting NOI

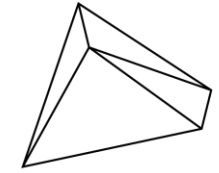
- // Servicing strategy and reticulation
- // Overheating, an ongoing issue
- // Insurance e.g. EV charging, batteries, wheelchair charging zones in M43 apartments
- // BSA - Safety case report & second staircases (essential for BTR)
- // Vertical transportation - efficient flow for residents and operators.
- // Waste management – minimise management movement - it costs time and money
- // Ease of maintenance e.g. external cleaning strategy
- // Post/parcel delivery and distribution
- // Natural wayfinding for staff and residents
- // IT infrastructure - critical for Optech
- // Materials selection - clean once a day, design for pets.
- // Dissatisfied customer = loss of revenue

Servicing strategy

hotel style, utility forms part of unit GIA



Riser access: operational efficiencies



CHAPMAN TAYLOR

Capex v Opex

- // customer satisfaction = revenue £££
- // ops efficiency investment benchmarks
- // NOI
- // asset valuation
- // get an BTR operator on board EARLY