

“The Year of Our Lorde 1665 hath been such a terrible one for ye plague.

I cannot wait for 1666, for which I have especial excitement to trye the newe bakery that hath opened on Pudding Lane”

- Samual Pepys



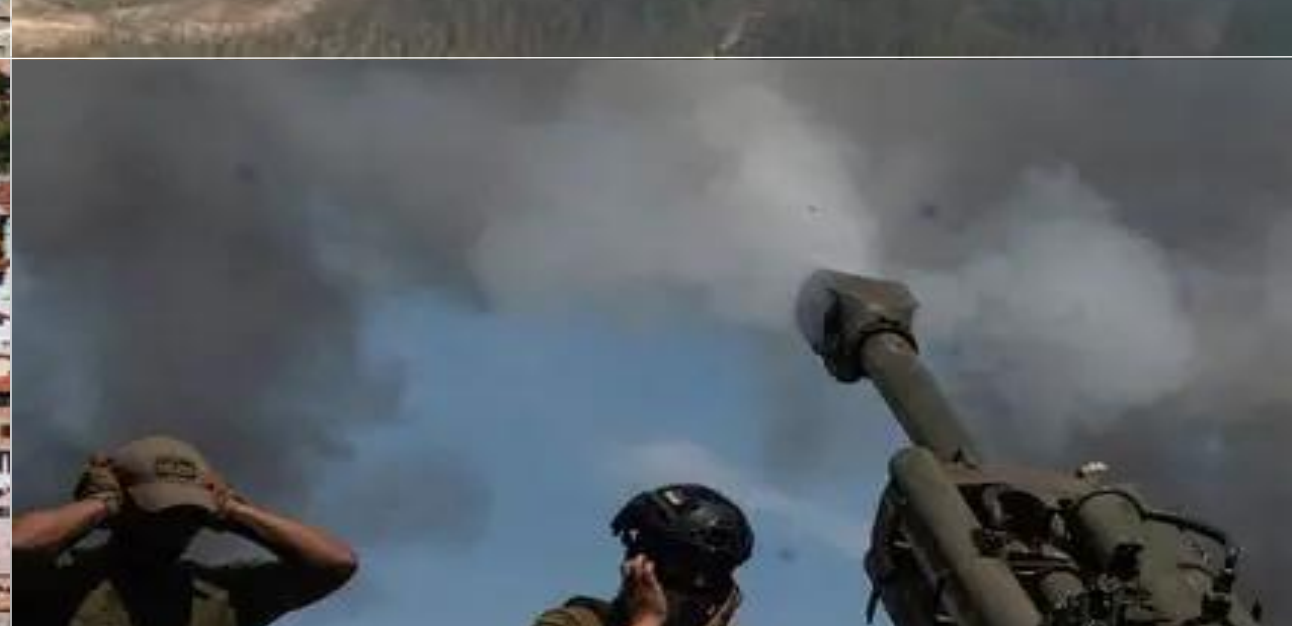
 Demographic Shifts



 Social Inequality



 Climate Change



 Geopolitical Tensions

City Advocacy Panel

CTBUH
2024
Europe
Conference

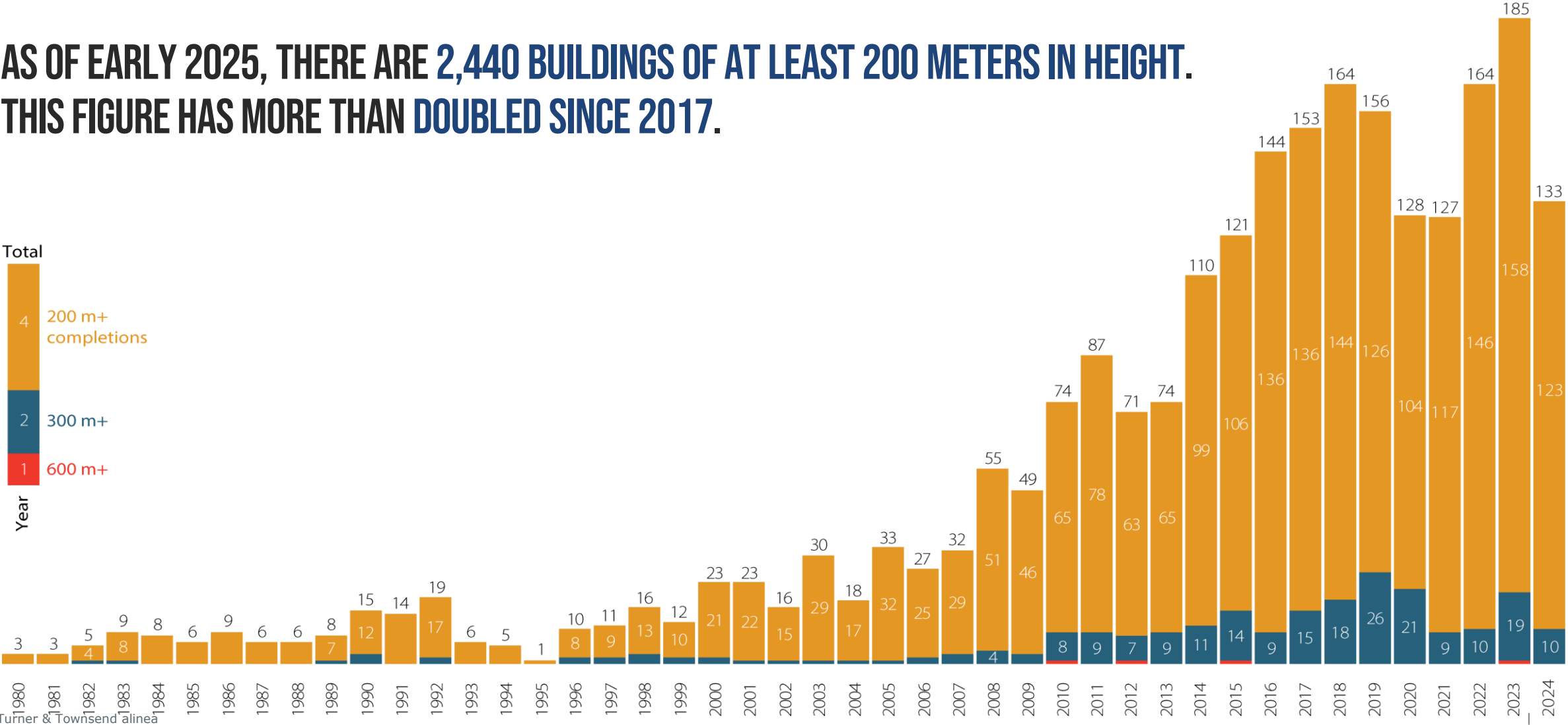
CTBUH
2024
Europe
Conference



TALL BUILDING TRENDS

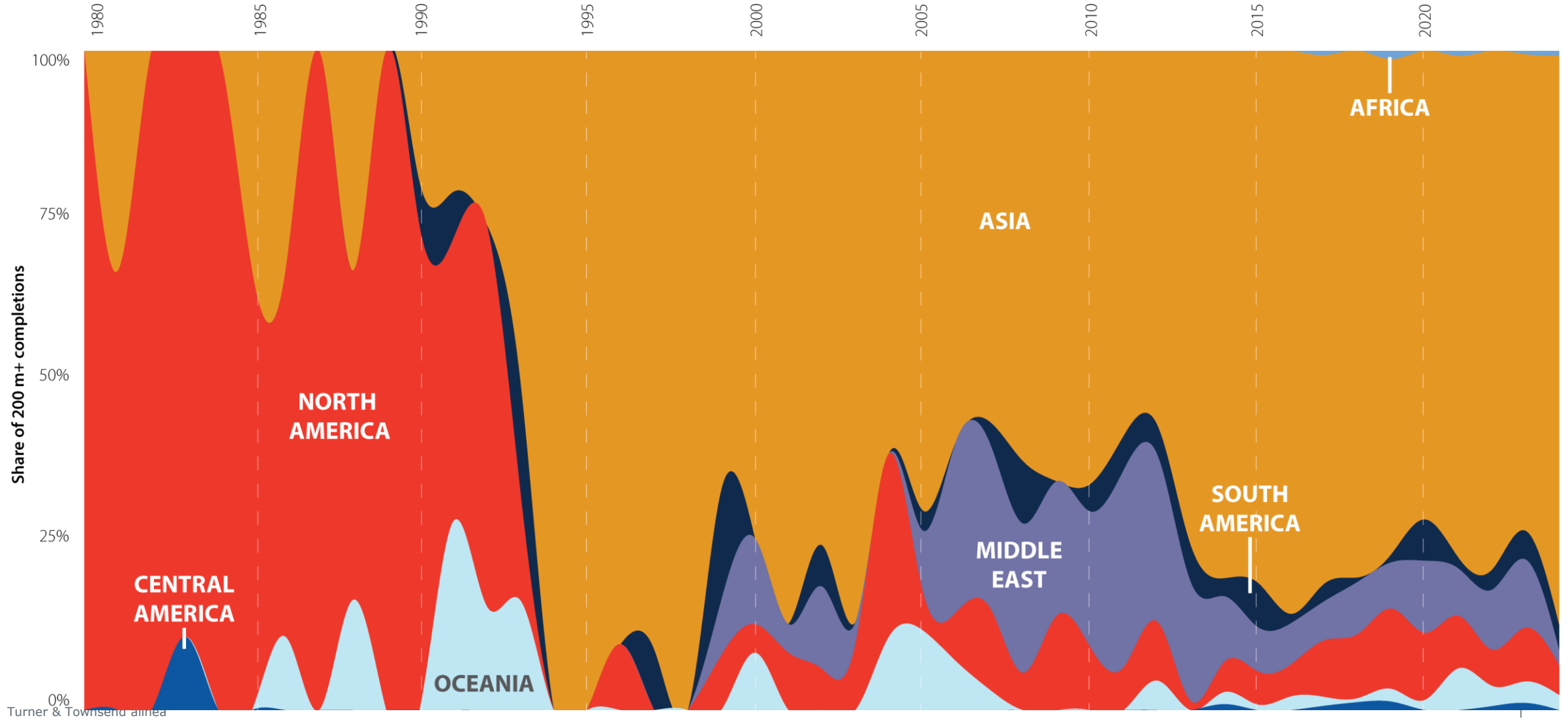
200M+ COMPLETIONS BY YEAR

AS OF EARLY 2025, THERE ARE 2,440 BUILDINGS OF AT LEAST 200 METERS IN HEIGHT. THIS FIGURE HAS MORE THAN DOUBLED SINCE 2017.



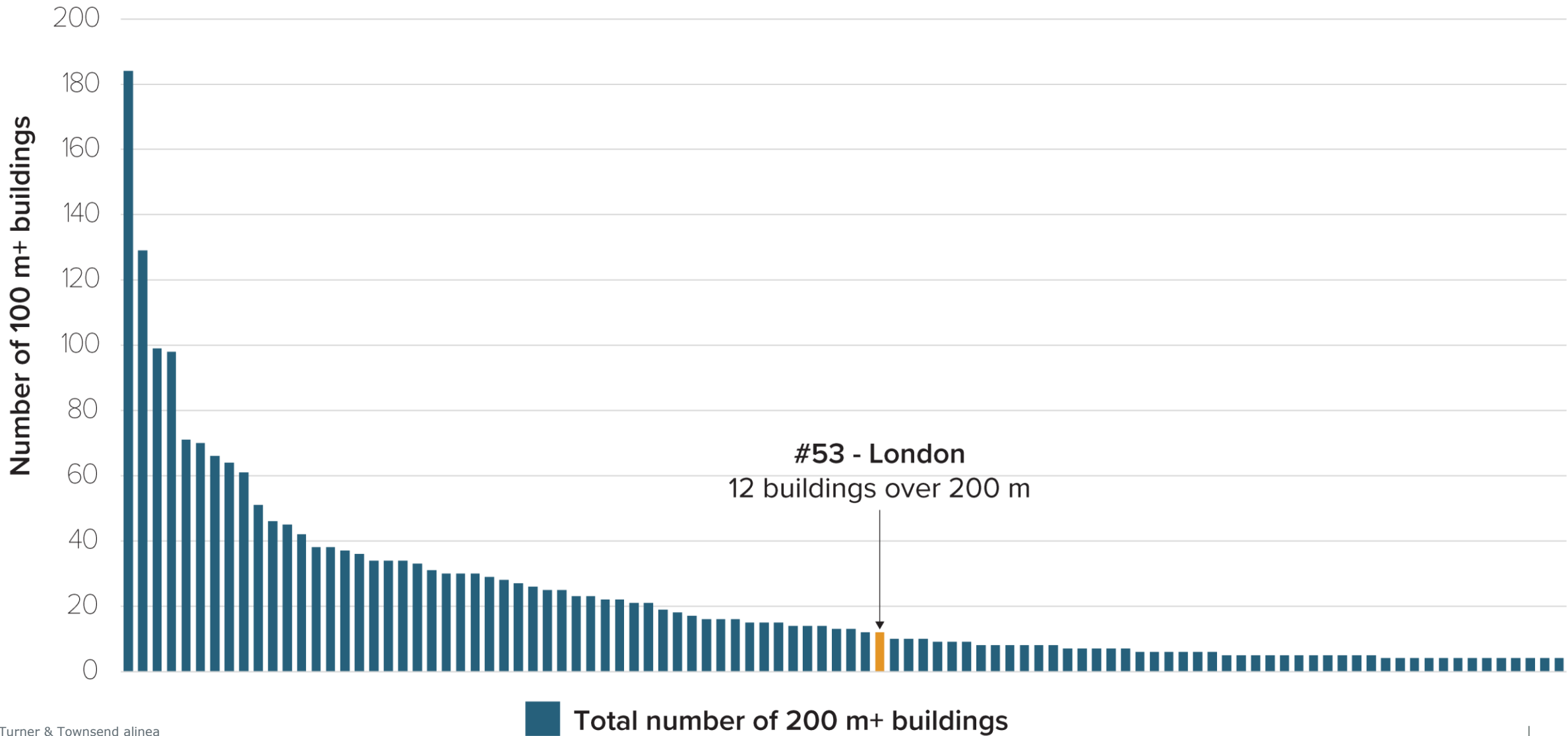
TALL BUILDING TRENDS

200M+ COMPLETIONS BY REGION



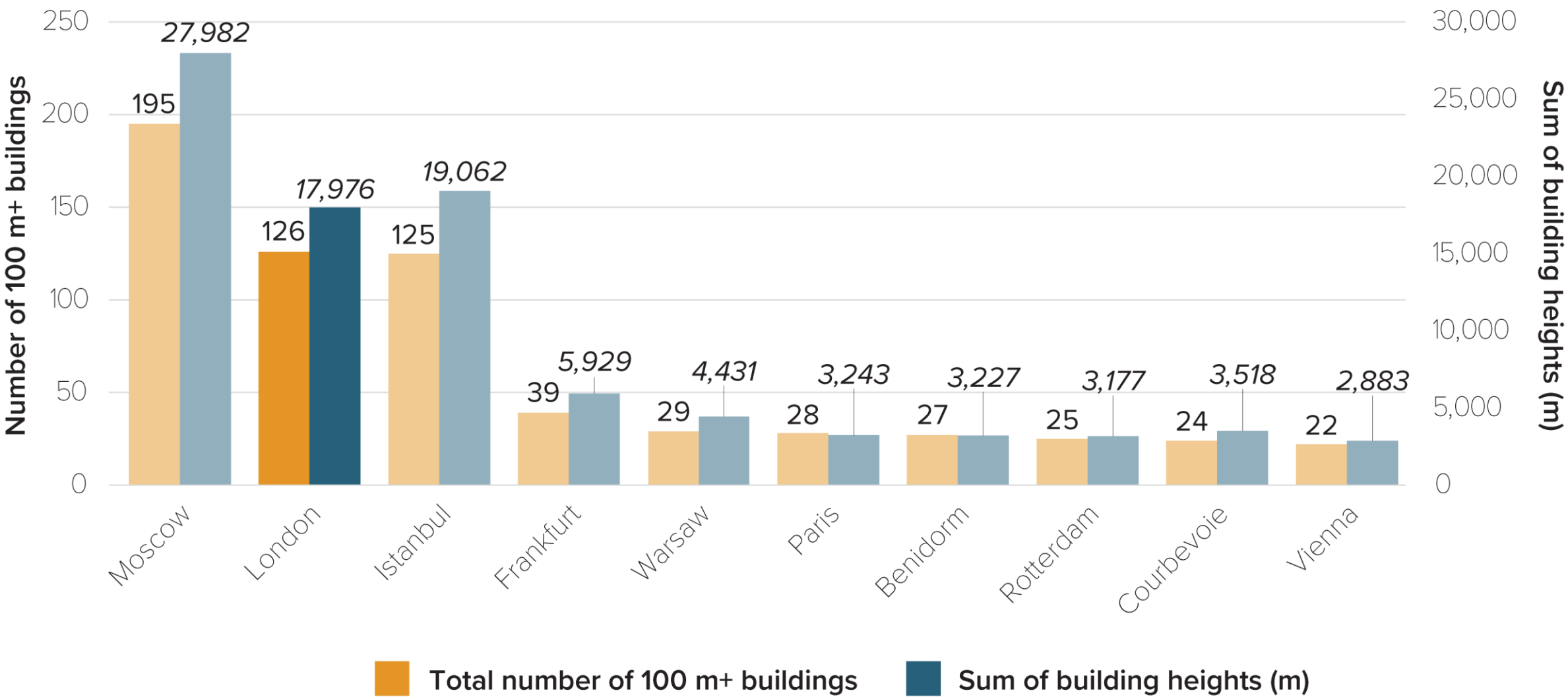
LONDON IN CONTEXT

WORLD'S 100 TALLEST CITIES



LONDON IN CONTEXT

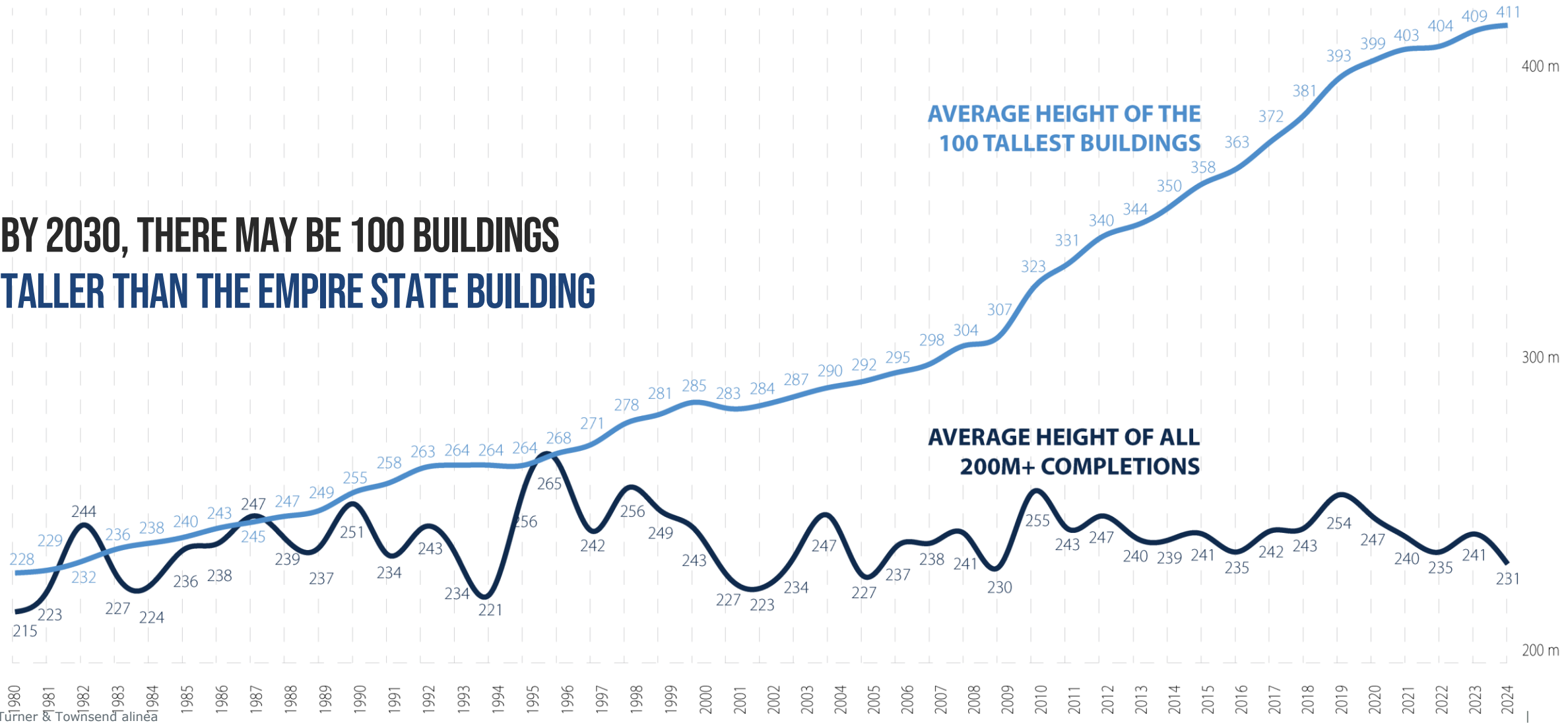
EUROPEAN CITIES



TALL BUILDING TRENDS

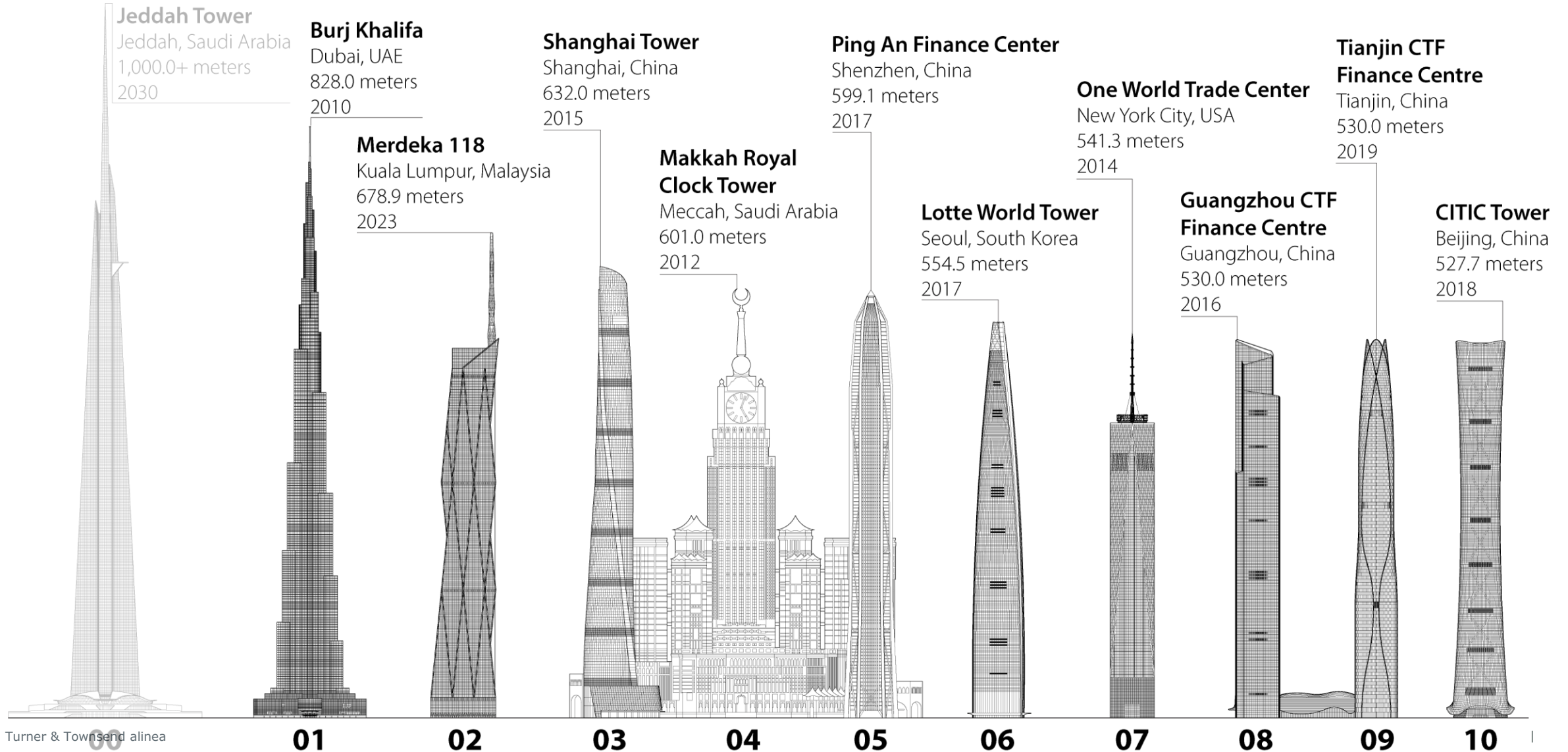
AVERAGE HEIGHT

BY 2030, THERE MAY BE 100 BUILDINGS
TALLER THAN THE EMPIRE STATE BUILDING



10 TALLEST BUILDINGS IN THE WORLD

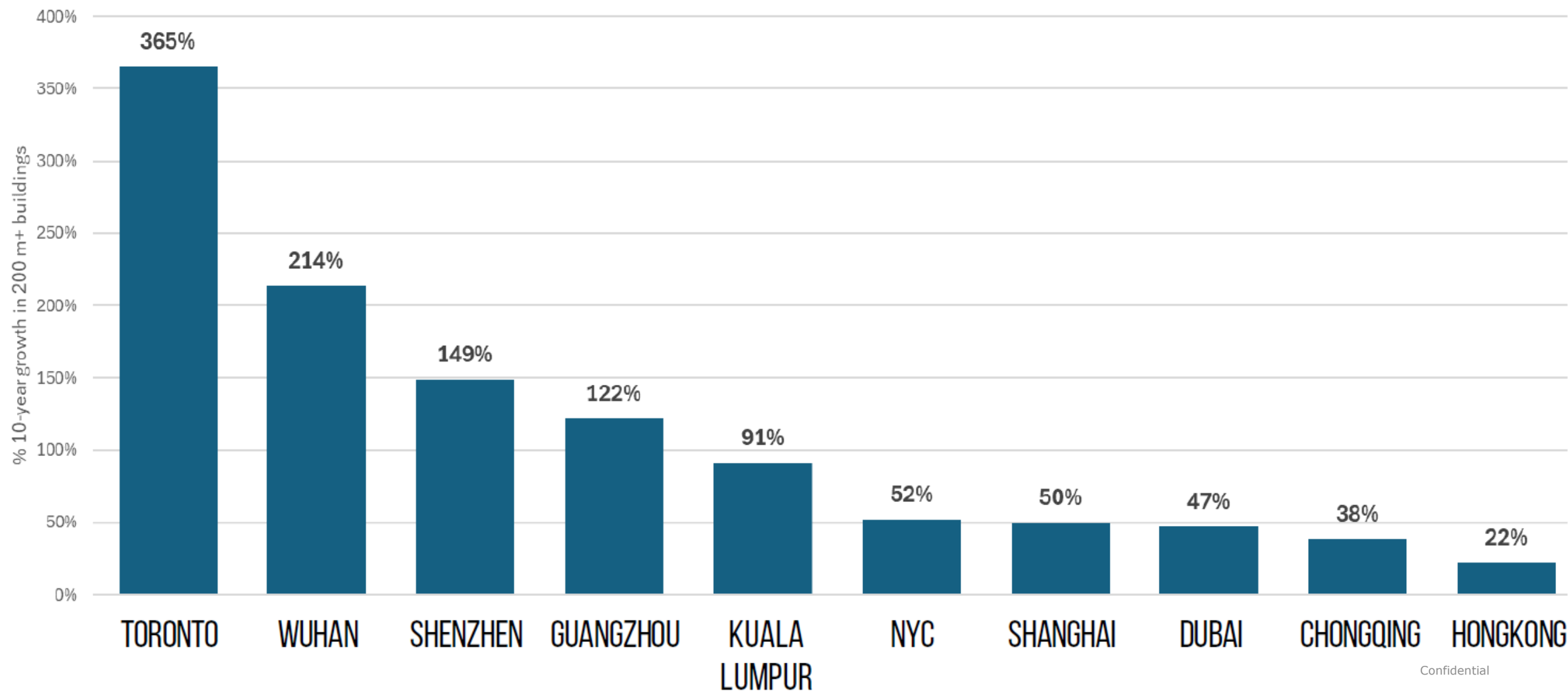
AS OF 2025



TORONTO

% GROWTH IN 200+ BUILDINGS FROM 2020 TO 2030

(AMONGST THE FORECASTED 10 TALLEST CITIES OF 2030)



Confidential

TORONTO

SKYLINE 2006

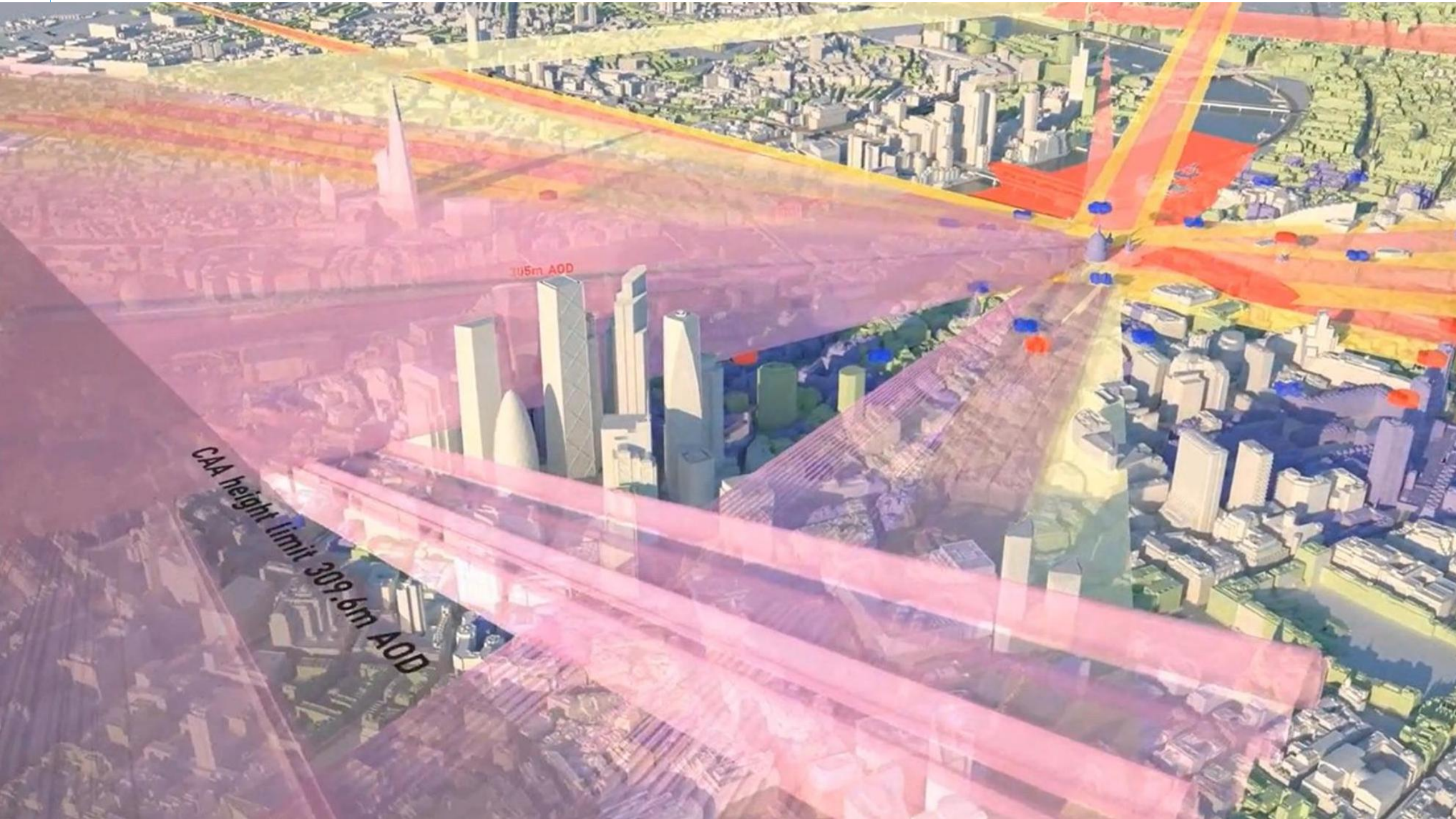


TORONTO

SKYLINE 2024







305m AOD

CAA height limit 309.6m AOD

Singapore



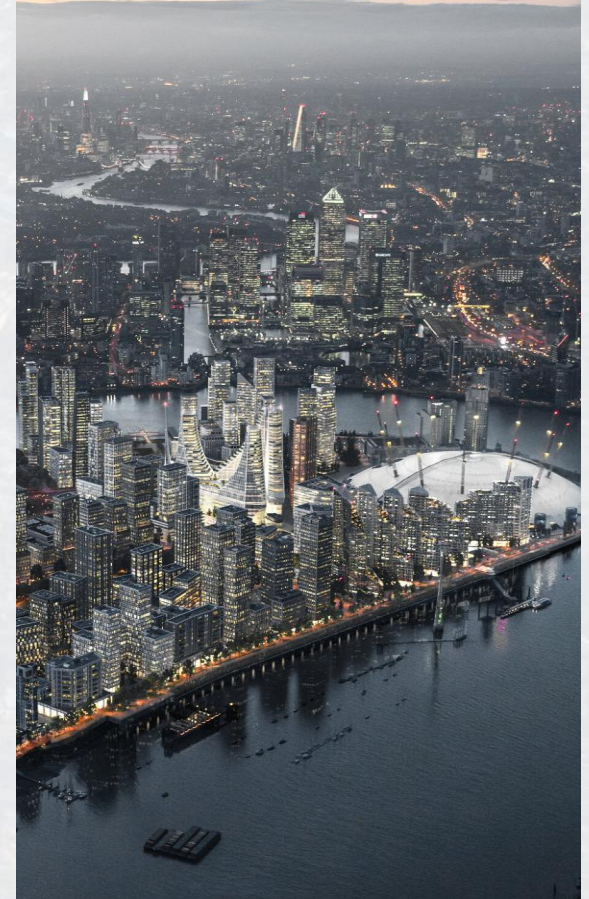
Chicago



London – Kings Cross



London - Greenwich Peninsula





Quay Quarter Tower, Sydney





8 Canada Square

London, UK

Client: Canary Wharf Group, Qatar Investment Authority

Type: Adaptive Reuse, Mixed-Use

Size: 102,200 m² / 1,100,000 ft²



Sky's the limit for the man with plans for BT Tower

ILLUSTRATION: TONY BELL



Tyler Morse was a baggage handler before a career in hotels that now sees him reviving the revolving restaurant in a London landmark and maybe putting a swimming pool on top

OLIVER GILL



Tyler Morse was enjoying a cocktail with friends in Mayfair's Shepherd Market last Tuesday evening when his phone rang. Stepping out into the mild February air to take the call, Morse's lawyers were on the line to give him the news he had been waiting for: he had just bought the BT Tower.

"I left a half-drunk Margarita with the salt on the rim to go out and do the DocuSign," he said.

The following morning, Britain woke up to the news that one of the country's best-known buildings had been sold by BT to Morse's company MCR for £275 million, paving the way for it to be converted into a hotel.

The question on many people's lips is whether the rotating restaurant for which the tower was so famous in its six-

far from chic. It is near-derelict, surrounded by a collection of ugly concrete buildings in Fitzrovia. The shutters are down over what was the main entrance, with a solitary security guard on patrol. The Tower Tavern pub opposite is boarded up. It feels like a district that London seems to have left behind.

Not that the size of the challenge fazes Morse. What's more, this 177-metre tall giant will be his first hotel outside the US. "I wanted to start small," he joked.

The son of an oil company lawyer and travel agent, Morse worked at Los Angeles airport loading luggage and dispatching planes while studying at University of California, Berkeley. Other student jobs included a stint in the local Cheesecake Factory and as a busboy at the Hard Rock Café in Hawaii.

There was also a ski season in the Chilean Andes, as well as one nearer to home in the California resort of Mammoth Mountain.

He recalls prepping the pistes in the pitch black at 4.30am. "I had a backpack with 22 pounds of dynamite in it,

gest property investors. Morse got a taste for owning and operating hotels, but impatience got the better of him. After just two years as Sternlicht's "right-hand guy", the Californian struck out on his own with his first hotel in Huntsville, Alabama.

"I raised a little bit of money to build one hotel," he said. "It did pretty well. So then I raised a little bit of money to do another hotel and that did pretty well, so I raised another one."

That was 2006. Now MCR has 150 hotels across 37 US states. With \$5 billion in assets, it is the third-biggest owner-operator in America.

Morse has been on a spending spree in recent years, picking up some of New York's best-known hotels. He bought the 725-room Lexington in 2021 for \$185 million and the gargantuan 1,780-room Sheraton New York Times Square Hotel for \$373 million in 2022. One senior hotel executive gushed at the acquisitions as "stunningly cheap deals".

The five-star Gramercy Park Hotel was tacked on for \$50 million last August. MCR also co-owns and operates the High Line Hotel in the upmarket Chelsea district of the city.

The BT Tower appeared on Morse's radar two years ago. His

A VERY TALL TALE

1961: Construction began after being commissioned by the General Post Office (GPO). Its purpose was to support microwave aerials, allowing line-of-sight transmission from London to towers across the UK.

1965: Prime minister Harold Wilson officially opened the Post Office Tower. Its location was, bizarrely, covered by the Official Secrets Act because of its military purpose. As a result it did not appear on Ordnance Survey maps and taking of photos was forbidden.

1966: The rotating restaurant began service on the 34th floor.

1971: A bomb exploded in the roof of the men's toilets at the restaurant. The tower was closed to the public.

1980: Sir Billy Butlin lets the restaurant lease lapse, leading to its closure.

1981: After GPO's telecoms arm was spun off, it was renamed the British Telecom Tower.

1984: Noel Edmonds broadcast his first Christmas TV morning show from the top of the tower.

1992: It was renamed BT Tower after a rebrand by British Telecom.

Butlin elected not to renew the franchise. "We haven't figured out everything yet," said Morse. But he promises a dining experience that "will be better" than rival revolving restaurants such as that on top of the CN Tower in Toronto.

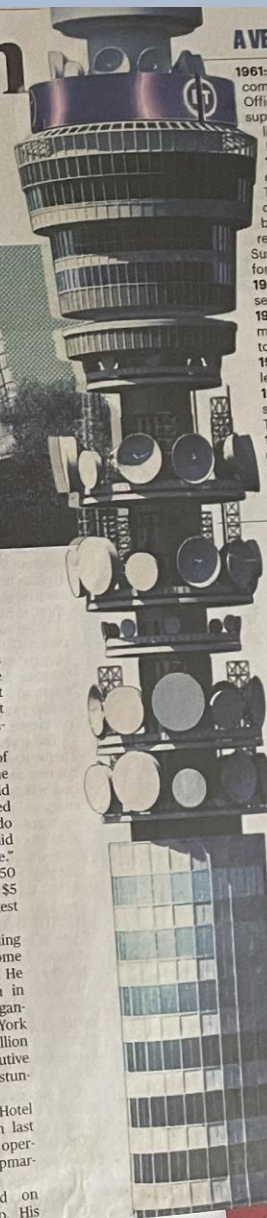
The MCR team will now embark on a "listening tour" to garner opinions from locals and conservation groups, opinions that will be crucial to navigating strict planning laws. Morse knows it could take up to two years given the tower's Grade II listed status.

Morse wants to keep the building's original purpose, as a telecoms hub, at the heart of the theming of the hotel. "It's about telephony. It's about the telegraph era. But with all the modern amenities," he said.

He describes how "billions of miles of telephone wire" from inside the tower will be woven into hotel wallpaper, for instance. An infinity swimming pool that looks over the city could also be on the cards but, in line with some of MCR's other hotels, guests may have to pay to use it. Retro rotary-dial phones are being considered for every room.

Calling on Heatherwick to spearhead the building's design will stand Morse in good stead. The designer's credits range from the 2012 Olympic cauldron to London's New Routemaster double-decker buses and from Paddington's rolling bridge to Google headquarters in Mountain View and the 1,000 Trees project in Shanghai.

Meanwhile, inspiration will be taken from Morse's transformation of Berlin's Saarländisches Theater.





Headwinds



The cost impact of non-inflationary change

Offices

- Basement & End of Trip space
- Stepped massing / terracing / greening
- Amenity space
- Underfloor fresh air
- Electric building
- Fire provisions
- Opening windows / venting facades
- Forensic challenge of carbon intensity – frame basement etc

10% to 18% since 2018

Residential

- Dual aspect to increase lighting and ventilation
- Future homes
- Building safety act : Gateways and golden thread
- Electric vehicle charging points
- Overheating
- Electric building
- Whole life carbon assessments
- Fire safety : sprinklers, Second staircase

8% to 20% since 2018

Viability questions and impacts



Whole life carbon

- Openable windows
- Optimised window/wall ratio through parametric analysis
- Chilled slabs and active thermal mass
- Thermal store
- Heat rejection to adjoining estate
- GGBS in concrete
- Hi-star steel
- Aluminium from hydro sources
- IBMS systems to monitor energy performance

Wellbeing

- Majority of plant in basement
- Elevated fresh air provision (20 l/s/p)
- Green terraces on every floor + green walls + planters
- Generous communal spaces
- High quality cycle facilities
- Visual link to staircases on floorplates
- Intelligent IP addressable floor tiles linked to BMS



99 Bishopsgate, London

The state of our sector

The global construction sector faces a myriad of challenges in some of the most uncertain global conditions since the end of the Second World War.

Throughout 2024, the industry faced persistent challenges such as high inflation, driven by elevated material and labour costs, and overstretched supply chains exacerbated by the Red Sea shipping crisis and ongoing Middle East tensions.

The collapse of major contractor ISG, a British company with a £2.2 billion turnover, was the most significant since Carillion in 2018. But this was just one of 4,208 construction firms in the UK to fail in 2024 (6,073 in Europe and 3,217 in ANZ), and with global contractor insolvencies experiencing the most significant increase in a single year, this highlights the major financial vulnerabilities within the sector, causing ripples of uncertainty.

A shortage of skilled labour, rising material costs, supply chain disruptions, fluctuating inflation, and a sudden trend towards protectionism in the world markets all converge to result in over two-thirds of large construction and engineering projects failing to be delivered to time, cost, and quality objectives.

On top of this, increasing regulations to address global atmospheric climate change, as well as rapid technology advancements in AI and robotics are creating their own significant challenges. Firms that fail to adapt will, and do, fail.



The screenshot shows a 9News article from February 24, 2022. The headline is 'Probuild plunged into administration, with \$5b worth of unfinished projects around Australia'. The byline is 'By Mark Saunokonoko, 9News Staff'. The article is categorized under 'News / National'. The 9News logo is visible at the top, and there are navigation links for National, Latest, Politics, World, Videos, Live, Today Show, and ACA. A 'Join us' button and a 'Sign in' button are at the bottom right.

Globally, an estimated **20,000** construction firms became insolvent in 2024 alone

BBC

Home News Sport Business Innovation Culture Arts Travel Earth Audio Video Live

ISG collapse 'devastating' for construction industry

24 September 2024

Share Save

Nick Edser
Business reporter



President Trump Expands Steel and Aluminum Tariffs to All Countries; Effective March 12, 2025

CN Construction News

NEWS LONG READS PODCAST CN INTELL

Project delays tip envelope firm into loss



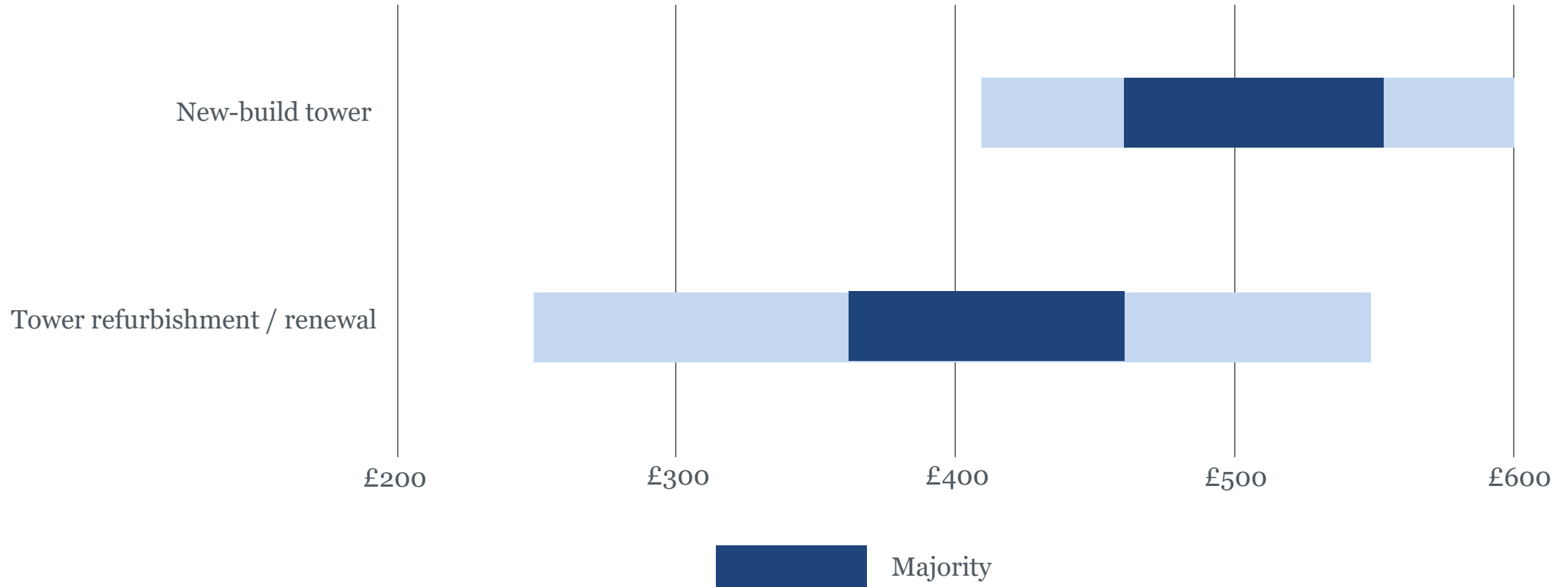
Tower costs are very much 'Then & Now'

London office towers – Shell and core cost (£/ft² GIA)

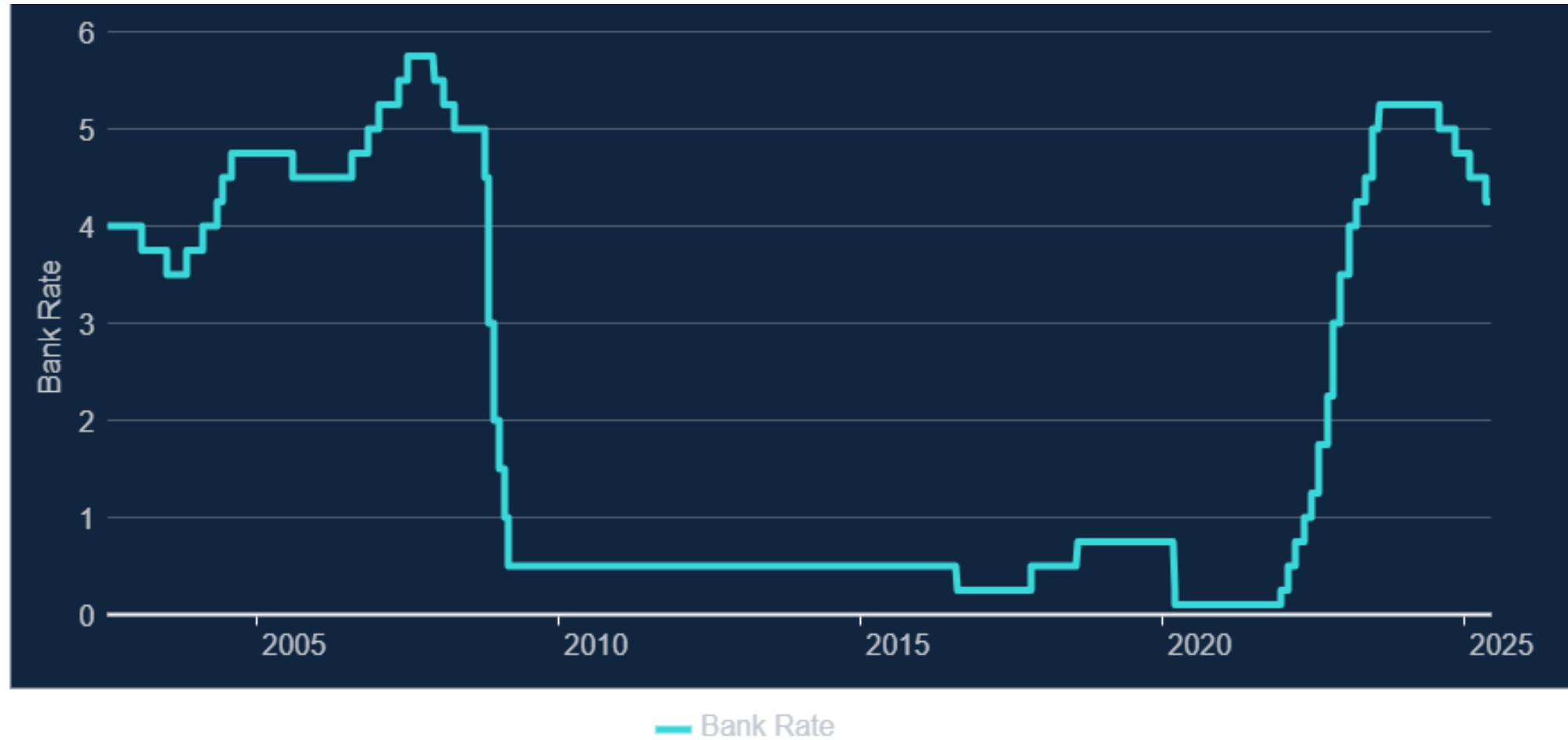


New vs Renew Costs

London office towers – Shell and core cost (£/ft² GIA)



Interest rates



Opportunities





The Shard, London





The Valley, Amsterdam



Ten Degrees, London

"IMPORTANT, TIMELY, INSTRUCTIVE, AND ENTERTAINING."

—Daniel Kahneman, Nobel Prize-winning author
of *Thinking, Fast and Slow*

HOW **BIG** THINGS GET DONE

.....
THE SURPRISING FACTORS
THAT DETERMINE THE FATE OF EVERY PROJECT,
FROM HOME RENOVATIONS TO SPACE EXPLORATION
AND EVERYTHING IN BETWEEN

BENT FLYVBJERG
and DAN GARDNER