

PROSPECTUS

Central Milton Keynes

Investing in a strong and
growing city



PART ONE

Context

Amazing MK – a growth city

'Different by Design' Milton Keynes was established over 50 years ago. Its population is increasing: home to 267,500 people today the aim is to expand Metropolitan MK to 500,000 - a city that's bigger than Edinburgh, Cardiff or Liverpool.

But that's only part of Milton Keynes' remarkable story. Milton Keynes is one of the fastest growing economies in the UK, producing £11.24bn of Gross Value Added (GVA) in 2015 and £12.14bn of GVA in 2016. Milton Keynes had the highest percentage growth in jobs (29.19%) of any city between 2010 and 2016. Of the 185,000 jobs identified by Centre for Cities in 2016, 145,500 were in the private sector and 39,500 in the public sector. This is a resilient local economy, spanning retail and education, IT, consultancy and financial services, and with a fast-growing concentration of knowledge intensive businesses.



CURRENT POULATION

267,500

TARGET POPULATION

500,000



Located in the heart of a strong growth region

The National Infrastructure Commission describes the Cambridge - Milton Keynes -Oxford arc of cities as the UK's Silicon Valley, an area of national and international importance with exceptional growth potential.

The government supports the National Infrastructure Commission's ambition to build up to one million high quality homes by 2050 to maximise the economic growth of the Arc. To achieve this the government has designated the arc as a key economic priority and will consider ways of maximising growth opportunities in the area.

To support the delivery of this growth agenda the government has committed to work with authorities on housing and growth deals.

These deals will provide funding and flexibilities for homes, jobs and infrastructure to support the long-term development of the cities along the Arc. This means that Milton Keynes will be at the heart of a large, expanding, highly skilled sub-regional labour market, strengthening its competitive advantage.

CMK will play a key role at the hub of that corridor and East West Rail and the new Expressway road will provide stronger links with Oxford and Cambridge, complementing the existing transport links running north-south through the city including the rapid West Coast mainline service to the Euston "Knowledge Quarter" in London.

Cambridge

Milton Keynes

Oxford



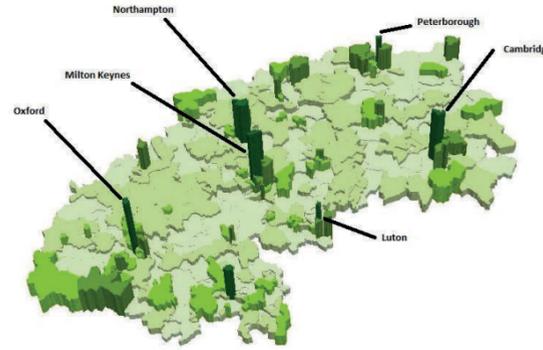
With a strong city centre

Central Milton Keynes (CMK) is the engine that drives growth across the whole city. It is home to the highest proportion of large companies in the region with more than 1,600 businesses, employing over 41,000 people achieving 25% higher productivity than the national average.

The retail sector in CMK has historically performed well and is one of the most successful town centre locations in the country. It serves a catchment area of approximately 1.4 million people within a 45-minute drive time. Over 30 million visitors a year come here.

People value the opportunity to combine retail and leisure trips to the city. They enjoy visiting shopping malls with retailers ranging from John Lewis to River Island, eating out at a variety of restaurants and visiting the Xscape leisure complex and the Theatre District. The city centre continues to offer growth opportunities. That's not just our view. Analysis from CACI put Milton Keynes top of the '2016 Hot 100 for Retail and Leisure'. This is due to the size of the catchment area, expected population growth and potential for new retail and leisure space.

An independent assessment of the relative performances of city centres conducted by the Centre for Cities and Capita identified CMK as a strong city centre. It said it had the 'right mix of retail,



Analysis from CACI put Milton Keynes top of the Hot 100 for Retail and Leisure.

leisure, and office based exporting businesses' (those whose products have a local, national and international market) to continue to grow.

The office vacancy rate has been consistently low at around 8%. There is evidence of strong demand for office accommodation across growth sector businesses in CMK and it is estimated that this demand will be sustained.

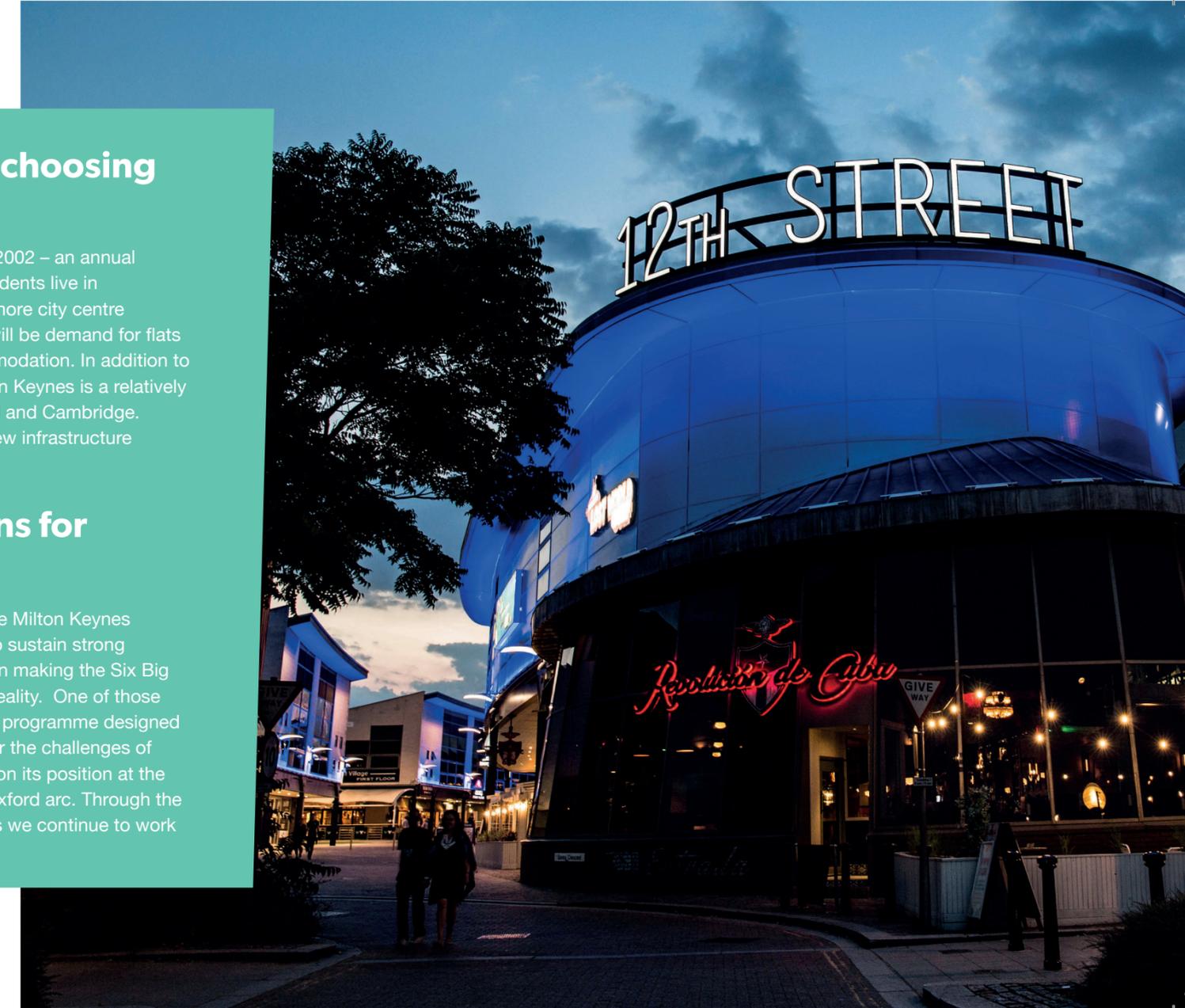


And more people are choosing to live in CMK

Its population has increased by 79% since 2002 – an annual growth rate of 4.6%. Over half of those residents live in rental properties and demand is strong for more city centre accommodation. It is estimated that there will be demand for flats for sale, as well as rent and student accommodation. In addition to strong local employment-led demand, Milton Keynes is a relatively affordable city compared to London, Oxford and Cambridge. Everything will be in easy reach when the new infrastructure is complete.

And with big ambitions for its future

Milton Keynes thinks big. We established the Milton Keynes Futures 2050 Commission to identify how to sustain strong inclusive growth and in 2016 started work on making the Six Big Projects the Commission recommended a reality. One of those Big Projects, Renaissance: CMK, sets out a programme designed to create an even stronger town centre fit for the challenges of the mid-21st century and able to capitalise on its position at the heart of the Cambridge - Milton Keynes – Oxford arc. Through the successful delivery of those Six Big Projects we continue to work towards making our great city greater.



PART TWO

The Principles

Our ongoing approach to the Renaissance of CMK embodies 3 key areas.

1 Innovation In Development and Design

Investments in ambitious denser and taller developments will be sought which reflect MK's heritage of innovation in design and technology. Buildings will respect Milton Keynes' founding principles whilst delivering and adding to the 21st century cityscape.

2 Success Sense of Achievement

Investment should generate new opportunities. New projects need to contribute actively to an enhanced city centre landscape where users will dwell and enjoy the Milton Keynes experience both in terms of sense of arrival and belonging.

3 Vibrant The Feel Good Factor

Investment will facilitate improving skills and helping local people to enjoy healthier, more active lives. Buildings will facilitate access to a variety of lifestyle and cultural experiences. This will produce a vibrant city centre that encourages participation, builds a strong community spirit and helps reduce social isolation.

These three areas of focus will be brought to life in the modern features of a new Central Milton Keynes by adopting the following principles:

- Striking and flexible commercial developments that stimulate evolving economic activity
- A global centre for innovation and knowledge-based industries to attract young talent
- Partnerships with the new university to develop and retain a highly skilled workforce
- Shared spaces for creative artists and tech enterprises to foster collaboration

- Emerging transport technologies built into developments
- Pioneering new homes that meet the needs of a demographically diverse population
- A rich mix of retailers that reflect the evolution of the High Street experience and combines with residential and office developments
- New destination spaces inspired by the city's unique heritage
- Cultural and entertainment activities to enrich visitors' leisure experience

PART THREE

We're On Our Way



Major investors are already active in CMK, building high quality office, leisure, retail and housing developments. There are many projects at various stages of progression which are delivering the Renaissance.

Working in Central Milton Keynes

Frontier Estates has developed **Victoria House**, a 45,000 sq ft, five-storey office 50% pre-let to Grant Thornton overlooking Grafton Park.

100 Avebury Boulevard is set to become Central Milton Keynes' newest Grade A office. This sustainable and low energy BREEAM accredited building will provide 140,000 sq ft of contemporary office space on eight floors with retail space and have its own multi-storey car park attached. First occupants are expected to be in place by the late summer of 2019.

New City Place, a partnership project between Milton Keynes Development Partnership and Sterling Property Ventures, is designed to provide class-leading office and living space within CMK. Current proposals would make this the tallest building in the city at more than 20 storeys high and feature 175,000 sq ft of offices and 260 apartments, between two glass towers, with an open piazza giving access to ancillary shops, cafés and restaurants.

Santander has unveiled plans for a state-of-the-art new campus in Milton Keynes to support its long term growth strategy. The proposal is for a new Milton Keynes campus to act as the bank's UK technology hub and is expected to be home to over 5,000 staff. Representing an investment of over £150m the new facility will create a world-class working environment specifically designed to encourage collaboration and innovation, supported by cutting-edge technology.



Living in Central Milton Keynes

Grainger has designed a build to rent development that is due for completion in 2020. The scheme on **Silbury Boulevard** will be owned by GRIT REIT, a joint venture vehicle owned by APG and Grainger plc, and managed by Grainger, the UK's largest residential landlord, and a market leader in the private rented sector (PRS). All 139 apartments will be designed by Grainger with the specific needs of renters in mind. Each unit will be finished to a high specification, featuring a stylish open plan kitchen and lounge area. The larger apartments will have a bedroom on either side of the living space, each with en-suite facilities. Residents will benefit from Grainger's professional management, onsite team and amenities including: complimentary superfast broadband, onsite concierge, residents' gym and amenity space. Grainger has identified Milton Keynes as a target city, and currently has two projects in its development pipeline in the city, totalling 400 units. The second development, located on the site of the former YMCA, will deliver 261 new purpose-built for rent homes as part of a wider development that will bring new investment into the area.



Packaged Living Limited, a Build to Rent developer and operator backed by Palmer Capital, a UK focused real estate investment management company with more than £800m of AUM (as at 30th September 2018), has submitted a planning application for **Aubrey Place**. This is a development of 294 apartments, residents' amenity space, commercial space, aparthotel and car parking at Avebury Boulevard and South Fifth Street.

YMCA MK is redeveloping its site creating a new purpose designed eight-storey building. The new campus will provide accommodation for 199 residents, 50 more than at present, together with a pathway of support, training and well-being services to help its residents reach their full potential and ensure they are never at risk from homelessness again. There will also be a number of units for social enterprises that will provide work experience, training and employment opportunities for residents.

A planning application has been submitted for a residential scheme on the site of a former garden centre site opposite Xscape, consisting of 328 residential units along with around 12,000 sq ft of supporting commercial units.

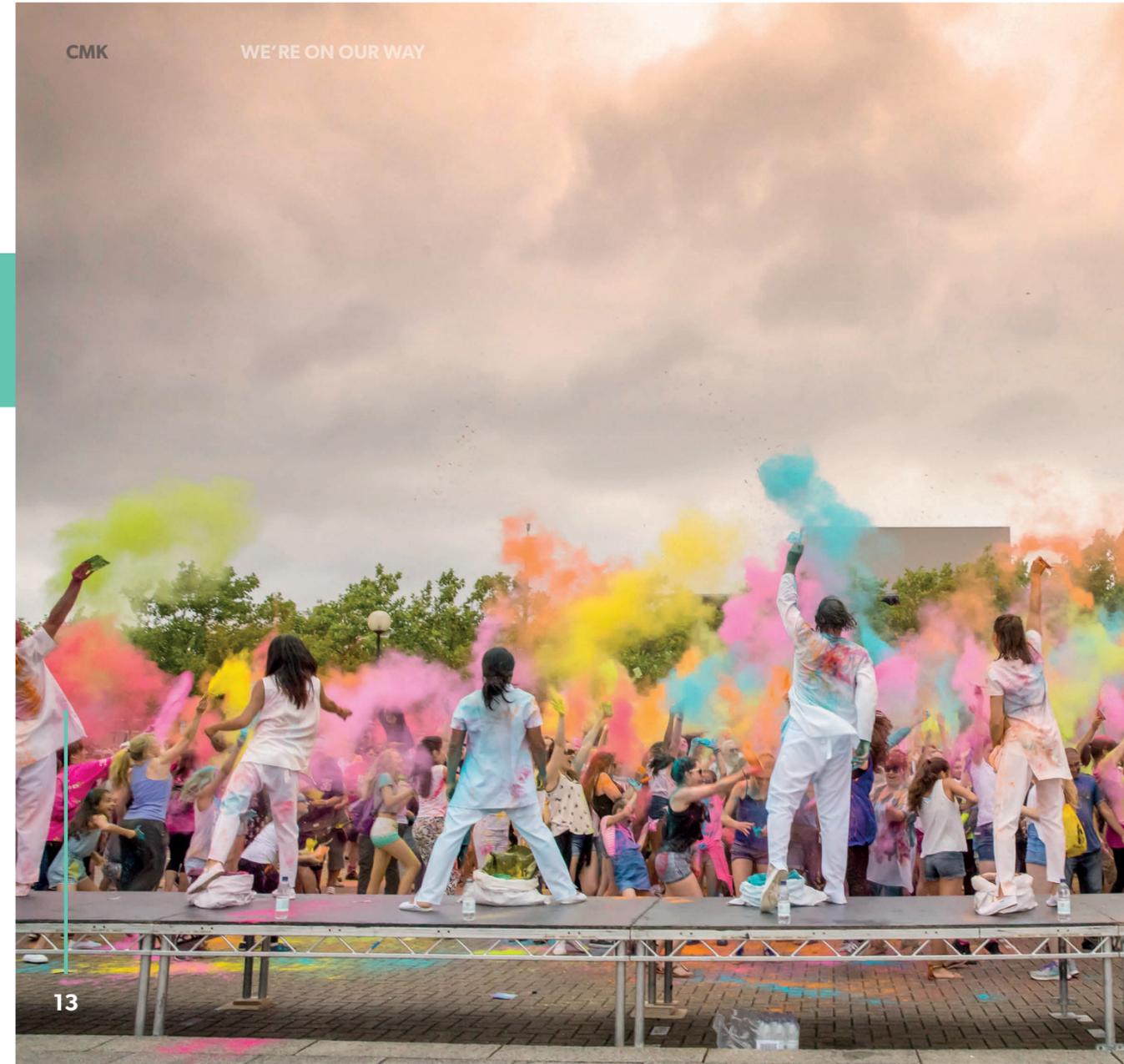




Campbell Park, will provide scope for development to complement CMK

Campbell Wharf, which is currently under construction, will provide 383 new homes, of which 115 will be affordable, along with a range of other amenities including a new 111 berth marina, a canal-side pub, café, restaurant and a new footbridge linking the two sides of the canal. First residents are expected to move into the homes on Campbell Wharf by winter 2019.

Crest and Urban Splash/Places for People are working up proposals for **Campbell Park Northside**. This will be a residentially led, mixed-use scheme that will frame the northern edge of Campbell Park. It will provide a high quality, high-density urban scheme comprising around 1,500 private and affordable homes, a local centre with food and beverage outlets, and a hotel with associated facilities and office/employment accommodation.



Our strong cultural and leisure offer

Our overarching ambition is to position Milton Keynes internationally as a Designed City on a scale unique across the UK and Europe. It will be a future model of how to live well in cities.

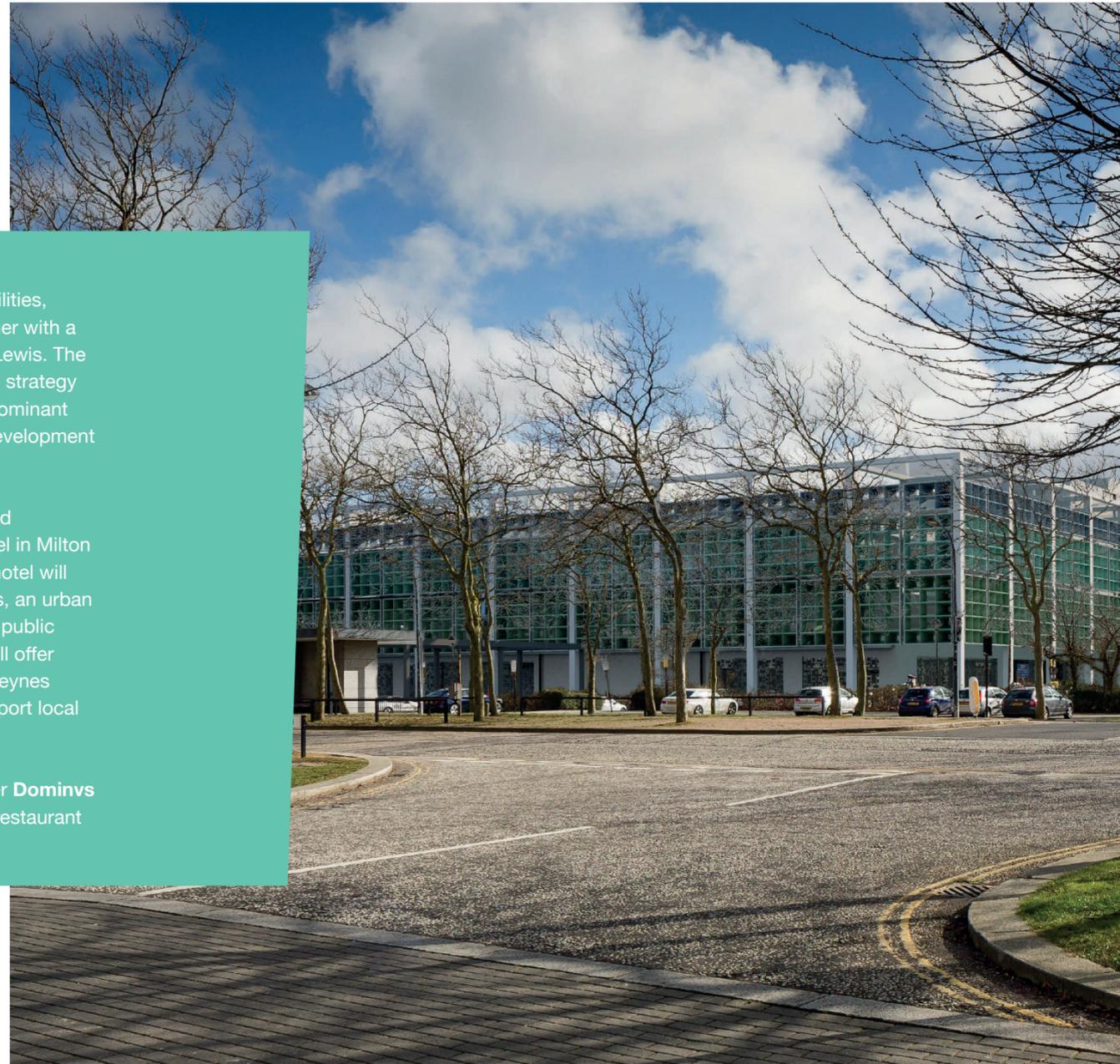
The prestigious **MK Gallery's** major expansion is doubling its exhibition space and adding new facilities to create more opportunities for community interaction. Major funders include Arts Council England, MK Council, SEMLEP and the Community Foundation.

Otium Real Estate finished a major refurbishment and repositioning of the **12th Street** leisure area in summer 2017 providing 18 restaurants, bars and destination leisure operators located in the heart of Milton Keynes.

Centre: MK has recently seen a £50 million investment programme providing new state of the art customer facilities, including a customer lounge and family facilities, together with a new 1,400 space multi-storey car park adjoining John Lewis. The addition of a flagship Primark and state of the art digital strategy will ensure it retains its position as a top 10 regionally dominant retail and leisure destination. There are also plans for development of intu Milton Keynes.

Independent British hotelier, **Hotel La Tour**, has received planning permission to build a luxury, four-star plus hotel in Milton Keynes. Situated near Marlborough Gate junction, the hotel will boast purpose-built conference facilities, 239 bedrooms, an urban spa and rooftop restaurant and bar, as well as a unique public space on the top floor, known as SeeMK. This space will offer members of the public panoramic views of the Milton Keynes skyline, as well as an opportunity to showcase and support local artists through a digital art exhibition area.

A planning application has been submitted by developer **Dominvs** for a 12-storey, 180 bedroom hotel with a ground floor restaurant on a site on Avebury Boulevard.

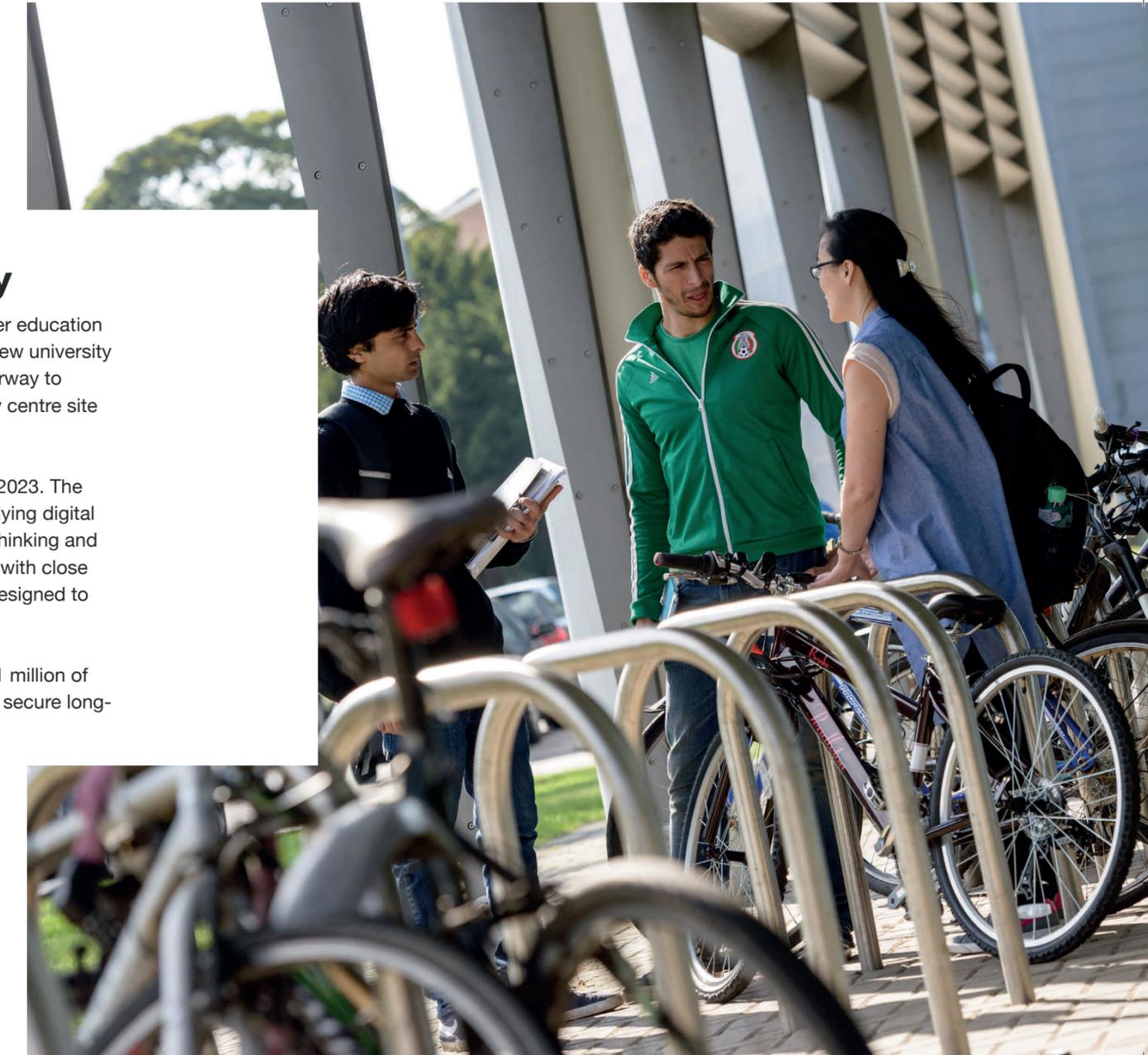


MK: U – Our new university

Cranfield University has been appointed as lead higher education delivery partner to establish and run Milton Keynes' new university and an international architectural competition is underway to deliver a striking functional development on a key city centre site allocated for its use.

MK: U will be no ordinary university when it opens in 2023. The first 5,000 of its potential 15,000 students will be studying digital and cyber, robotics and artificial intelligence, design thinking and entrepreneurship programmes that will be developed with close involvement of industry. These education pillars are designed to meet the needs of business now and in the future.

MK Council is providing a site and investing up to £11 million of funding in this project. This is a major commitment to secure long-term benefit for the city.



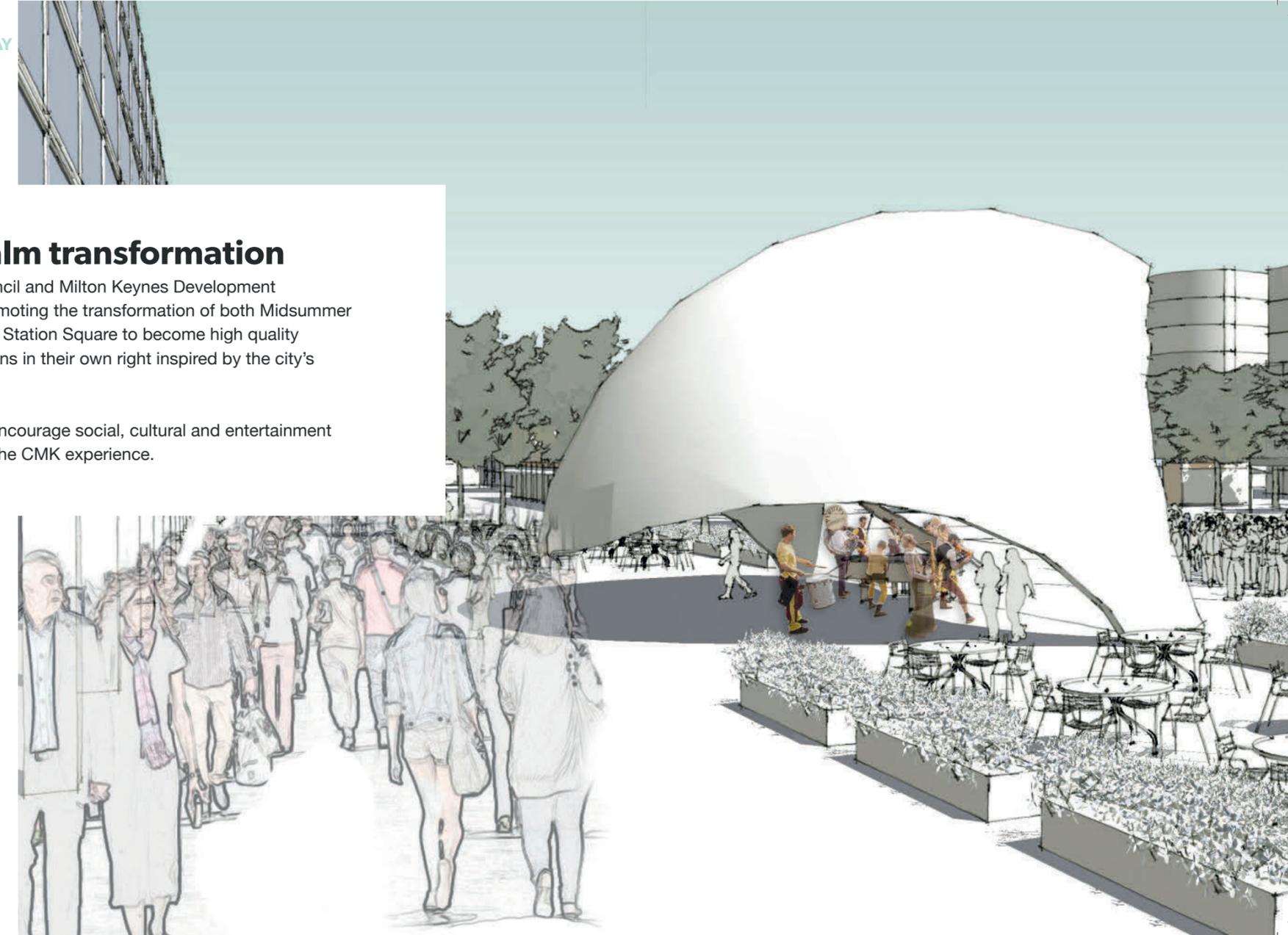


Infrastructure plans

Smart shared sustainable mobility is our ambition and we have a long-term view of what we will be doing to achieve it. This includes supporting growth and providing mobility for all, providing an effective network, maximising travel choices and protecting transport users and the environment.

This drives our investments in enhancing the station square, and our roads and network of cycle and pedestrian pathways. We already have an extended electrical charging infrastructure for EV vehicles and our long-term growth strategy for the metropolitan Milton Keynes area includes the delivery of an efficient and effective mass rapid transit system that means everyone will have easy access to the city centre.

We know how important digital infrastructure is and City Fibre, Vodafone and several other Fibre to the Premises (FTTP) ultrafast high capacity broadband networks are being installed and will benefit all our city centre businesses and residents. This is a £40+ million investment in the future.



Public realm transformation

Milton Keynes Council and Milton Keynes Development Partnership are promoting the transformation of both Midsummer Boulevard East and Station Square to become high quality attractive destinations in their own right inspired by the city's unique heritage.

These spaces will encourage social, cultural and entertainment activities to enrich the CMK experience.

The cumulative impact of these schemes is helping us achieve our ambition

Taken together, these schemes provide more than 435,000 sq ft of prime office space, over 2,560 new homes, including both affordable and build-to-rent developments, three new hotels, shops, cafés, restaurants and retail. A new marina and canal-side development will complement the refurbishment of the Theatre district. That's a big vote of confidence in our future.



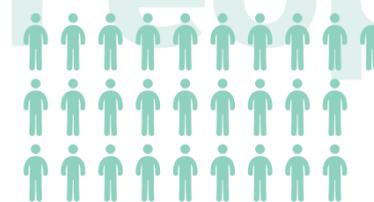
Milton Keynes

Key

- = 10,000 people
- = 1,000 businesses
- = £1,000,000,000

People

POPULATION



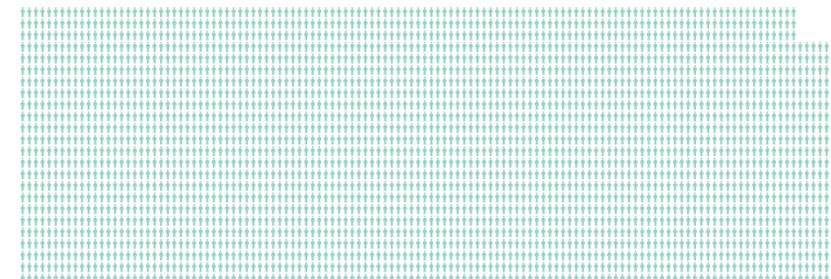
2019

267,500

2050

500,000

VISITORS



Business

EMPLOYMENT

1,600 businesses employing **41,000** people



GROSS VALUE ADDED

£12.14bn in 2016

Location

Car

LONDON **50 min** BIRMINGHAM **70 min**



Train

LONDON **32 min** BIRMINGHAM **45 min** MANCHESTER **90 min**



For more information contact:

www.investmiltonkeynes.co.uk

Information provided at the time of printing may change and Milton Keynes Council is not responsible for any inaccuracies contained in this document.