

London Development Barometer

Spring 2019

Launched in Autumn 2017 by M3 Consulting, the LDB aims to compile a snapshot of market sentiment from property specialists and decision makers across London development industry.

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High expectations for inward overseas investment



64% expect inwards investment to increase or remain the same, up from 51% in Autumn 2018.

74% expect Asia to be the primary source of investment.

Development finance fears continue to ease



65% expect an increase in cost, down from 75% six months ago. 37% predict increased availability, up from 30%.

The verdict on the Article 50 extension



36% say it will lead to a better deal

15% say it will have a positive impact on development activity over the next five years

48% say it will not lead to a better deal
59% say it will have a negative impact on development activity over the next five years

16% do not know if it will lead to a better deal

26% say it will have no impact

Verdict on central and local governments

83%

believe they are not doing enough to enable London development activity, comparable to six months ago.

17%

of this 83% believe they are actually discouraging development, a high since autumn 2017.

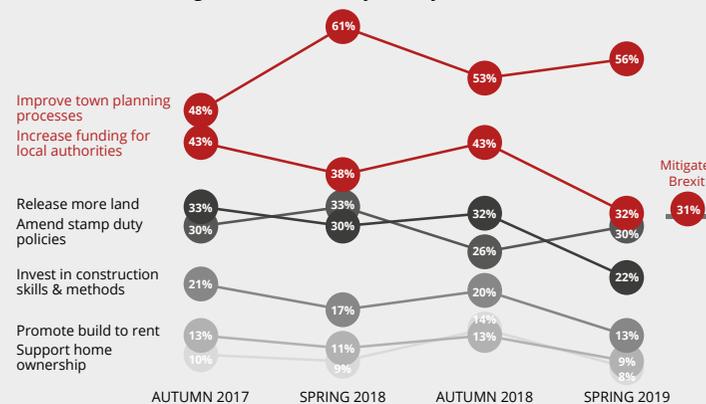
12%

believe they are doing enough or more than enough.

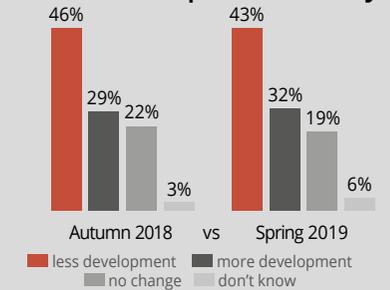


Please improve town planning processes and increase funding

These have been cited as the industry's top two priorities for central and local governments every survey since autumn 2017.



Slightly improved outlook on overall development activity



Confidence in mayoral and town planning policies decline



42% and 44% believe these will have a negative impact on London development activity. These outweigh the 35% for both who believe they will have a positive impact for the first time in 18 months.

Construction skills and capacity and costs still a concern

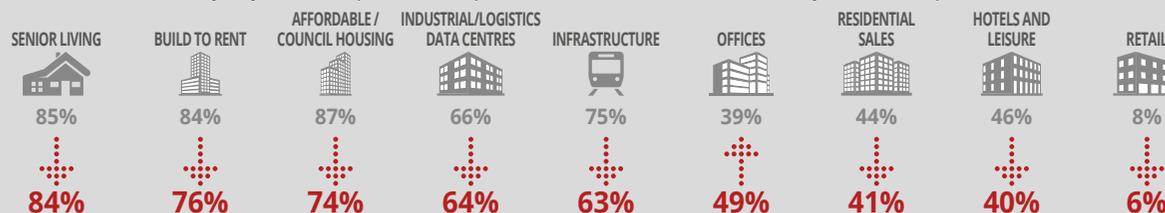


with 79% and 68% believing these will have a negative impact.

Industry continues to expect positive impact from Crossrail 2 (68%), government investment (55%) and market demand (54%).

Outlook on demand falters slightly over last six months, but remains positive

A majority of the respondents expect an increase in demand for every sector except retail.



M3 Consulting is an independent specialist development management business.

It works closely with developers, investors, landowners, and institutions to create, plan and deliver property opportunities and development projects.

