

# Progressive Property & Construction Daily



27 April 2021: TPGF, LSL, BOOT, CSH, BYG | Supply-demand imbalance most acute in family housing - Zoopla

## A round-up of market statements, news, economics and views from the property and construction sectors

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## Company news

### **The Property Franchise Group** (TPFG, 215p, £67m mkt cap)

Franchised lettings and estate agent group, enlarged through 2021 acquisition of Hunters, also operating hybrid web-based EweMove platform. FY (Dec) results and Q1 trading update. FY rev +0.9%, £11.5m; PBT +20%, £4.8m; adj EPS +4%, 16.8p; div 8.7p, including second interim div, 6.6p in lieu of cancelled final payout for FY 19 (FY 19 interim, 2.6p). YE 20 net cash, £8.8m (YE 19, £4.0m). Q1 net debt (following 19 March Hunters acquisition), £7.3m. Sales pipeline (branches) +98%, £10.3m; (EweMove) +124%, £5.6m. Managed rental properties unch., 58,000. *Q1 trading update:* Network income (branches) +13% Y/Y, £23m; (EweMove) +150%, £5m; (Hunters) +69%, £16m. Total offices +59%, 580 (branches, 235; EweMove, 135; Hunters, 210). *Outlook:* “Trading in the current year has begun well. The primary areas of growth and focus for us in the year ahead will be the increase in franchisees, residential sales activity, portfolio acquisitions, growing our financial services' revenues, improving our digital support channels and integrating Hunters into the Group. We are confident that we are very well placed to push forward with our new strategy and long-standing growth plans”.

Five year agreement signed with estate, lettings and property/financial services agent **LSL Property Services** (LSL, 358p, £376m) in which LSL will offer mortgage and protection advice services to all of TPGF's franchisees, including those recently incorporated as a result of its acquisition of Hunters Property.

### **Henry Boot** (BOOT, 278p, £370m)

Land Promotion, property investment & development and construction group. Planning permission has been granted for a new 2,000,000 sq ft distribution warehouse at Wakefield Hub, a 200-acre industrial and logistics scheme located adjacent to Junction 30 of the M62 in Yorkshire.

### **Civitas Social Housing** (CSH, 113p, £705m)

Care-based social housing REIT, providing homes for working age adults with long-term care needs. Acquisition of 15 supported living and care facilities in South Wales for a total consideration of £10.9m. The portfolio provides 51 beds and long-term support for individuals with learning disabilities and mental health care needs. The properties are subject to 25-year leases with Auckland Home Solutions, with rents adjusted annually in line with CPI subject to a lower limit of inflation of 0% and a maximum indexation of 4% pa. Auckland is a counterparty to existing leases within the company's portfolio. The net initial yield is in line with the company's present expectations.

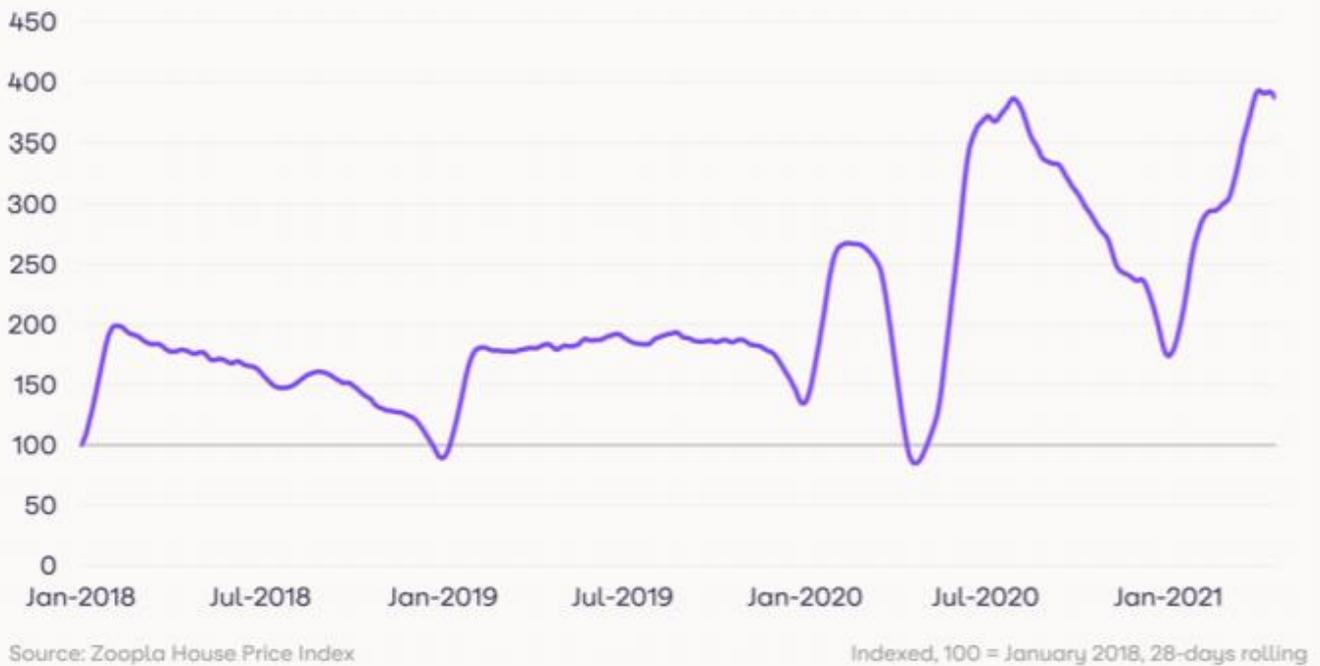
### **Big Yellow Group** (BYG, 1,212p, £2,132m)

Self-storage REIT. Acquisition of 0.9-acre site in Kentish Town, North London for £16.5m on which the group will seek planning permission for a 68,000 sq ft self-storage centre. It takes the number of stores in the group's pipeline to 14, of which eight have planning consent.

## Economic data

**House price inflation** moderated to +4.0% Y/Y in March, down from +4.5% in January, according to the latest monthly report from Zoopla, which also showed a widening gap between demand and supply, particularly for family houses ([link](#)). The value of new homes sold in the first 15 weeks of 2021 was double that in the same period in 2019. "The combination of children returning to school and the Stamp Duty holiday extension announcement in early March, as well as the return of first-time buyers and the continued 'search for space' among homeowners came together to create a demand boost, especially for family houses," according to the report. The cities seeing the highest levels of demand in Q1 were Birmingham, Swansea, Glasgow, Liverpool and Leicester, where average house prices are all under £200,000.

## Buyer demand hits new peak



*Prices are as at the previous day's close.*

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