

Facility Management Strategy

iQ Echo Street

April 2023

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1. Introduction

This document outlines the facility management strategy that will be employed by iQ Student Accommodation (iQ) in operating the proposed Echo Street development.

The development will be a 1224-bed Purpose Built Student Accommodation (PBSA), and will be owned, operated and maintained by iQ, benefiting from our significant operational experience.

This document sets out the management strategies for the site, to create a safe, clean, well run environment for its occupants, which respects their need for privacy and study whilst encouraging social integration and promoting wellbeing.

About iQ

iQ has been part of the education eco-system since 2007 – creating the best home-from-home environment that enables students to flourish during their time with us. We are the largest provider of purpose built student accommodation in the UK by value, operating 78 sites across 29 UK cities. We provide homes for over 32,000 students from 120 different nations. Almost 4,000 of these bed spaces are offered across the 12 schemes we run in Manchester.

University is an exciting time when students can spread their wings and transition into resilient, independent adults. We offer affordable accommodation that appeals to a range of students and their parents, and all-inclusive bills make budgeting straightforward. We also make it as easy as possible for students to make new friends by creating a sense of community through free leisure facilities, events, social platforms and shared study spaces.

Because we always want to improve what we do, we run a continual programme of investment and refurbishment throughout our sites – and in the summer of 2022 we invested more than £19m in improving our sites across the country. For the incoming summer of 2023, we have budgeted over £26m to improve more than 2,000 beds.

We work closely with universities who rely on us to provide high quality, well-located homes for their students, and have partnerships with over twenty leading institutions across the UK. In addition to student accommodation, iQ also runs a number of Private Rental Schemes (PRS) across the UK, as well as the Pendulum Hotel in Manchester, bringing a breadth of experience to the operation of these facilities.

iQ is owned by Blackstone. Blackstone is the world's largest alternative asset manager, with \$975B in Assets Under Management (AUM), which include more than 12,000 real estate assets and 250 portfolio companies. iQ are accredited by ANUK (Accreditation Network UK). The ANUK National Code of Standards for Student Accommodation is designed to regulate and bring large student landlords into line to deliver a distinct set of standards to students. Accreditation schemes are voluntary schemes that good landlords join to demonstrate that they provide good quality accommodation.

About Echo Street

Echo Street is one of the finest development opportunities in the city centre of Manchester standing as a prominent landmark highly visible from Piccadilly Railway Station and adjacent to prime retail streets and leisure attractions of the City.

The scheme provides 1,224 student bedrooms with a mixture of standard 5-bed (29.8%), standard 6-bed (19.6%) and studio 1-bed (50.6%) bedrooms. At ground floor level communal amenity space will create an active, social space for residents. This will face out onto Vimto Park, bringing more vibrancy to this area. The smallest block will also have a basement area which will include secure bike store.

The scheme comprises three towers stepping up in height towards Piccadilly Station, which vary between 16, 22 and 28 storeys, and joined together by two intermediate blocks with 12 and 16 storeys. The main towers are faced in red/purple-brick cladding to root them in the context, with intermediate blocks in glass reinforced

concrete panels to provide contrast and visually break up the mass.

In keeping with our ethos to create an environment that encourages social cohesion and a sense of community, the student accommodation blocks will benefit from an extensive range of innovative amenity spaces ranging from on-site gym facilities, cinema room, collaborative study spaces and private dining room.

2. Launch & Leasing Strategy

Marketing

iQ is a highly experienced and successful operator of student, PRS and hotel accommodation, and as will all new developments, a well-researched marketing plan will be in place for the launch of Echo Street. Our ability to effectively market and lease up our accommodation is evidenced by us consistently achieving an occupancy across our portfolio of 97% or higher.

Our focus prior to opening will be to encourage potential new residents to visit our site and view the property for themselves via the website. To ensure this is possible, all of our properties benefit from highly effective virtual tours. Our show rooms, in the pre-opening phase, will allow our experienced operations teams to show potential residents what will be on offer at the scheme, either in person or via Skype tours.

These efforts will be supported by a robust marketing plan encompassing traditional, digital and email marketing, as well as the use of social media. In the case of the student accommodation we will have a strong presence at university open days and fairs.

Leasing

Residents will be able to stay with us for either a 44-week or a 51-week period, to suit their accommodation needs and course requirements. In both cases, the student and iQ will enter into iQ's standard Assured Short hold Tenancy (AST) for student residents. A copy of the 2023 AST tenancy agreement can be provided on request.

Flexibility

If a student resident is able to demonstrate extenuating circumstances and is not able to begin or to continue their stay at Echo Street, iQ will exercise its discretion to release the student resident from the terms of their AST. Examples of such circumstances include:

- did not obtain the grades that they needed to attend university;
- cease to be a full-time student at any time during the academic year; or
- serious illness of the resident or of a close relative.

All-inclusive pricing

The price points for the different types of accommodation within the scheme will appeal to a wide range of accommodation budgets. In addition, the all-inclusive bills make for straightforward budgeting and will allow to benefit from iQ's bulk discounts and deep supply chain. The iQ all-inclusive rent includes:

- Rental charge
- All utility bills
- Home contents insurance
- High speed broadband for multiple devices
- Free access to all amenities including gym, private dining, games room, etc.

- Involvement in activities organised by the on-site team
- Membership of the cycle hire scheme

Arrears Management

iQ operates a clear approach to arrears management involving a 21-day payment follow up process that includes contacting both residents and guarantors if a payment has been missed. If a resident is experiencing financial difficulties and is unable to pay a rent instalment, they would be encouraged to meet with the Operations Manager to discuss whether a payment plan can be agreed. A more formal escalation to a third-party arrears management company is also available if a customer should leave without making contact or rental payment.

3. Resident Experience

We believe that the right setting has a significant impact on how students experience university. Not just through the quality of rooms or the proximity to campus, but in the way students feel in their accommodation.

We create an environment where students are safe, can meet and make friends, focus on study, exercise, cook, sleep well and have fun. This belief runs through the business, and we build the student experience around it.

We know that our approach is working, and in our recent survey of student residents, 95% said that they would recommend us to their friends.

Facilities and Amenities

The design of the scheme aims to encourage social cohesion and a sense of community, and will benefit from an extensive range of innovative amenity spaces and facilities.

Students at Echo Street will benefit from multiple shared amenities. These include:

- A dedicated gaming room
- Multiple dedicated study zones for individual and group study
- Communal laundry facilities
- Internal bicycle storage and access to cycle hire facility
- A private gym
- Private dining area
- Cinema room
- Private courtyard gardens

A large and welcoming ground floor reception area will be provided as part of our commitment to encourage residents to use these spaces to entertain their friends and guests, a number of the spaces will be available for private hire. Bookings for amenity spaces will be managed and approved by the reception staff for the relevant accommodation ensuring that the spaces are being used for agreed activities.

Customer Service Ethos

We have offices in London and Manchester, and dedicated site teams across the UK, giving us an in depth understanding of our markets. All our front-line staff, with the exception of on-site security, are directly employed by iQ and we empower our teams to deliver excellent customer service locally – ensuring resolution is speedy. The majority of customer service queries are dealt with in person on site, and our Operations Managers, who have the best site understanding, take responsibility for this. We are one of the few student accommodation providers who have a resident maintenance technician at all sites, and we offer round the clock site-based security – which we know our residents value.

4. Resident Services

iQ has a great reputation for creating communities within the sites we operate, including well attended social events that make it easy for our residents to make friends. Events can vary from themed movie nights, celebrations of different cultural events to mindfulness, yoga and wellbeing classes. Our social and wellbeing calendar runs throughout the year – with events to support residents at different times in the year.

Communicating regularly with our residents about things that might be important to them or the residence is key. We do this through our friendly operations teams, as well as through closed social media communities managed locally. Residents can join as soon as they book with us- giving further opportunity to connect with others that will be living in the property. To encourage their sense of belonging in their new residence, new customers are able to contact their prospective flatmates via our portal, so they can start getting to know each other before they arrive.

We also send a planned series of communications that are sent out to bookers, helping them get ready for moving in and making the transition to life at university.

We produce current and helpful local information for our residents that help them to navigate the local area, as well as local and iQ services. In the case of our student residents, this is in the form of a digital resident's handbook, and example of which can be provided on request.

Digital Services

We want our residents to be able to spend their time on the things that matter most – whether that be focusing on their studies, work or social lives. Our technology platforms enable this, for example:

- We have made significant investments into onsite Wi-Fi facilities, and all our properties now boast high speed broadband, as will Echo Street.
- We leverage the technology investments we make on site to offer enhanced services, such as digitally enabled onsite launderettes.
- For students, our online portal saves time and gives students a one-stop shop to manage their stay with us. Through the portal students can select their rooms, find out about their new flatmates, log maintenance requests, check parcel deliveries, pay rent and conduct inventory checks.

Over the coming months we will be making significant investments in digital innovation, offering residents an even better experience with us.

Accessibility Management Plan

iQ welcomes all people onto its premises and takes a proactive approach to providing access and making reasonable alterations to the sites under its control, so that people with disability can enjoy access to facilities, as far as is reasonable.

Where iQ is advised that a resident with adapted needs will be living at a site, discussions will be held with the applicant to determine their individual needs to ensure that the site can be prepared to accommodate them and determine if any additional capital work is required.

During the booking process, the application system will seek information as to whether the student will require assistance to undertake independent living. To protect their privacy no details are sought at this stage and this will be the subject of a follow up conversation with the applicant.

The iQ student website allows for viewing of all available properties and will include the accessible offer at this property.

- The student will be contacted to discuss specific requirements.
- A room will be allocated as part of the application process if this has not been self-selected.



- Where adaptations are required by statute, these will be undertaken with direct discussions with the student as part of the building operators risk assessment process.
- The management team within the property will be advised of specific requirements that maybe necessary to ensure safety and evacuation processes are tailored to the student. A Personal Emergency Evacuation Plan (PEEP) will be completed with the student as required with the specific management team in the building.
- All emergency cords within the designated accessible rooms are linked to the alarm panel positioned in the management office and will be monitored constantly by the site operations team. Future accessible rooms, where identified within the building manual, will be completed to ensure adaptability is readily available with blanking plates for emergency cords to be installed as required
- The building has 3 building cores and we are providing 2 lifts in each of the building cores. In all cases, the building operator has a Service Level Agreement with lift operators to ensure a 1 hour response to any lift entrapments and within 4 hours in the event of lift failure. Each lift landing has a disabled refuge with EVC system.
- The building operator regularly monitors the service to all our students through specific surveys (regardless of disability) and will take account of feedback to ensure we are providing what they want. Our operations team will keep track of the AMP as they will be implementing it on a day to day basis.

5. Site Operating Model

Strong Management Team

iQ has a strong track record in the effective management of all of our sites, with highly experienced operational teams in place on the ground.

The accommodation at Echo Street will be staffed around the clock, seven days a week. Outside of the core operational hours, 0800 to 2000 Monday to Friday and some weekends, the building will have on-site security who will manage the site. Our Echo Street staff team will be structured as follows:

The Operations Manager will take overall responsibility for the development, our residents and our staff. They will be the key point of contact for any external stakeholders, and for the wider local community. Their job is to ensure the effective and safe operation of the buildings.

The Assistant Managers and Customer Service Assistants for the respective accommodation elements will support the Operations Manager in all aspects of the role and act as the initial point of contact for most our residents, prospective residents and our resident's parents.

Maintenance Technicians will be based on site and will be responsible for carrying out all the required statutory compliance testing throughout the development, as well as providing a general repairs service to our residents. Specialist contractors will be used, as required, for any specialist works.

Housekeeping staff will be responsible for ensuring the communal areas of the development are kept clean and tidy. Our out of hours' staff will remain on site in the evenings and at weekends and respond to any emergency situations, as well as providing support and assistance to residents.

A Security Team provided by a third party, will perform customer service and security role throughout the development during evenings, overnight and weekends ensuring a 24/7 service is available. The team are trained to deliver continuity of service, ensuring the iQ vision and values are upheld.

The site operations team are supported by a highly experienced head office support team, based predominantly in London and with a local office in Manchester. iQ has taken great care in developing its head office and site teams – the senior operations staff come from a mixture of university, property and social housing backgrounds so have a strong focus on customer service, compliance and facilities management.

Training

We have a strong customer focused ethos at iQ, and training and empowering our staff is key for us to be able to deliver the right experience for our residents.

We offer development for all roles and levels, to support the career aspirations of our teams, with leadership and management development programmes in place to support and develop them. We have developed a social learning platform, which allows staff to access learning opportunities and share their knowledge.

In addition to this we provide training and development in a number of other areas, such as enhanced customer service and comprehensive Health & Safety training.

Check In

Residents will be asked to complete an online pre-arrival questionnaire prior to moving into the property. This questionnaire will prompt them to select an arrival date and time (AM/PM/Out of Hours), enabling iQ to forward-plan and ensure an appropriate number of staff are available on site to assist with the arrivals.

We employ additional staff for the busy move-in periods to ensure everyone arriving is given a personal welcome, and we can answer any questions they might have about the property or surrounding area. In addition, we have innovated to make check in even easier for new residents, and this year 100% of 2023/24 students will receive a paperless check in.

Check in is managed at the start of the tenancy period with, where possible, a fairly even spread of arrivals managed by a check in booking process. International arrivals will be anticipated with additional staffing allocated based on incoming flights.

Prior to arrival correspondence including a map, is made available to all residents advising them on access to the property, parking arrangements whilst unloading cars, and subsequent parking once cars have been unloaded.

At the main access points, there will be members of the Building Management Team directing customers to ensure that local traffic flows are not interrupted.

Check Out

As the end of their stay in Echo Street nears an end, residents will be able to choose the date and time for their preferred check out slot by enquiring at the reception desk or booking directly via the App.

A member of the operations team will meet the resident at their room at their confirmed check out time and they will jointly undertake an end of tenancy inspection to identify any damage and discuss associated deductions. They will then return to the reception desk to complete the check out procedures and get the return of the security deposit.

At the end of the tenancy period many customers rebook for the following year thus reducing check out traffic as these customers will typically keep the same room, or their belongings on site, and therefore not need to leave the property. The building operator's properties also attract a number of overseas students who find it beneficial to stay in one property for the full duration of their academic career, again reducing the number of customers checking out after just one year.

Deposits

Student residents will enjoy the benefits of relatively low deposit amounts of one to two week's rent, the exact amount depending on the unit type and the type of resident. This compares favourably to the PRS sector where deposits are typically equivalent to six weeks rent and rarely less than a calendar month's worth of rent.

A deposit will be payable at the time of booking and will be treated as a reservation fee up until the

resident checks in. Thereafter, it will be treated as a security deposit and will be registered under a Government approved tenancy deposit protection scheme.

Deposits will be refundable at the end of the resident's stay subject to any damage deductions or unpaid rent. If any deductions are disputed, the tenancy deposit protection scheme provider will adjudicate and their decision will be final.

Complaints / Anti-social behaviour

All our front-line staff, with the exception of on-site security, are directly employed by iQ and we empower our teams to deliver excellent customer service to ensure appropriate and speedy resolution. The majority of customer service queries are dealt with in person on site, and our Operational Managers, who have the best site understanding, take responsibility for this. In the event that a resident is not satisfied with how an issue has been handled they are able to escalate it to the Regional Operations Manager, and thereafter to the Operations Director based at Head Office.

In the case of our student accommodation, and matters covered by the ANUK National Code of Standards for Larger Student Halls, a formal process of escalation to the Codes Complaints Administrator can be followed. If necessary, a tribunal hearing will be conducted although iQ will do all it can to avoid a resident feeling that they have no option but to seek resolution that way.

To date, iQ has never had a complaint considered by the National Code.

Disputes between tenants

We work hard to make sure every resident is happy in their home and are able to work with them to reallocate rooms if they don't feel settled in their flat after they've moved in.

If disputes cannot be resolved amicably between flatmates the Operations team are equipped to mediate between parties to find a resolution.

Where occupancy allows, residents will be given the option to move within the accommodation to a new flat with a different set of flatmates.

Residents Code of Conduct

For student residents, there is no formal code of conduct but each resident is issued with a Residents Handbook that outlines how they are expected to behave. This is backed up by clauses in the tenancy agreement. This Resident's Handbook is referred to in Section 5, Resident Services.

Anti-social behaviour

Any perceived tenancy breaches are dealt with at the first available opportunity by iQ staff. The operational team will respond to and try to resolve any complaints regarding noise or anti-social behaviour.

Depending on the severity of the tenancy breach, iQ staff may choose to serve the resident with either a verbal or written warning, all with the explicit aim of preventing the escalation of any anti-social behaviour and directing our residents to the appropriate support networks. In the case of our student residents, external parties such as the university welfare team or student support services may be involved.

Ultimately, in the case of very serious anti-social behaviour or other such incidents, as the landlord, iQ retains the right to apply to the courts for an eviction order.

Residents' Feedback

There will be no formal residents association / committee in place, but residents will have the opportunity to put forward any issues they have at open door sessions with the Operations Manager that will be held on a regular basis.

Residents will also be encouraged to provide feedback and suggestions regarding the types of social events they

would like to participate in.

Maintenance / Cleaning

The property will be cleaned to a standard cleaning specification and the Housekeeping team undergo comprehensive training. Communal areas including stairwells are cleaned at least weekly, and although cleaning within each flat is a tenant responsibility, there is a termly inspection of each flat by the Operational team to ensure acceptable standards are being maintained.

At the end of each tenancy period, tenants are again expected to leave the property in a reasonable condition but a full deep clean including, blinds, windows, cooking appliances, kitchens and bathrooms is carried out by the building operator before occupation by the next tenant.

Waste is mainly of a domestic nature and as a result of the building operator studies based on actual amounts of waste generated by students, a standard number of refuse containers, with 1100litre capacity and are provided to all properties. Sites are planned to provide easy and safe access for waste disposal vehicles to collection area.

Waste Storage / Disposal Strategy

The waste strategy for the site has been developed together by iQ and a waste management specialist, Vectos.

The Student residents would take their waste via lifts to the bin stores in the Basement for Blocks A+B and at Ground floor level for Block C and deposit their waste into the bins there.

The waste forecasts for Student Accommodation have been based on a typical waste generation rate of 100 litres per bedspace per week. The proportion of waste in each waste stream is based on a mix of surveys and information from PBSA operators.

Refuse collection would be made on a daily basis. For Blocks A+B there is a need for 10 Eurobins and 3 x 240litre foodbins. In Block C there is a requirement for 8 Eurobins and 2 x 240litre foodbins.

The bin stores would have impervious floors, bump strips to avoid damage to doors and walls, be appropriately ventilated and to assist in cleaning, the bin stores will benefit from a nearby water outlet. It will be the responsibility of the on-site management team to keep the bin stores and transfer routes clean. The bin doors are a minimum of 1.3m wide and the bins stores would be covered by CCTV to monitor activity there.

The Bin Store for Blocks A+B can provide space for 19 x Eurobins and 4 x 240litre foodbins. Block C can provide space for 9 x Eurobins and 3 x 240litre foodbins and therefore the bin storage is in excess of the forecast daily demand.

If there is a need for bulk collection of waste such as furniture, then space is available to store that for collection which would be charged to the student.

At the end of term when apartments are being vacated there could be additional waste generated. In these circumstances there is the option for additional collections to be made.

Security

The safety and security of our residents is paramount for iQ. We will have a member of staff on site 24/7 who will work closely with the police, universities and student unions to provide personal safety advice to our residents.

An electronic fob access system will be in place to control access to all buildings and to the flats themselves. These fobs are programmable and can be de-activated if they are lost or stolen, meaning free access to the building is tightly controlled and will be restricted to staff and residents only.

In addition to this, a comprehensive CCTV system will be installed. To ensure key areas within the building and the building perimeter have an appropriate level of camera coverage.

Health & Safety

iQ operates to the HSG65 Model and responsibility for delivery of Health and Safety Management is delegated to the Compliance Director who reports to the Chief Operating Officer.

The business consults with its employees on Health and Safety matters through the Health and Safety Committee that meets three times each year and consists of representative from each region at Operations Manager level.

Health and Safety Policy covers all Employees, Contractors, Residents and Visitors who receive appropriate training on joining the 11tilization11 and through learning pathways specific to individual roles including and up to Board level.

Site based Health and Safety Management is delivered though the Operations Manager and supported by regionally based Health and Safety Managers who provide appropriate assurance through site visits and auditing and who report to the Compliance Director Statutory checks and servicing records are maintained through a series of site based logbooks and supported by an on-line Health and Safety Management system – Meridian. This system also provides an incident reporting and management tool.

Further assurance is provided by annual external audits through a specialist Health and Safety consultancy. iQ has Primary Authority status for Fire Safety with Manchester Fire and Rescue Service.

Each operating site has a full series of Risk Assessments including Fire, Water, Electricity and General Health and Safety.

Periodic Fixed Wire tests are carried out every 5 years by competent contractors and PAT and Fixed Appliance Testing occurs every 12 months.

All mechanical and electrical equipment is subject to service contracts with competent companies who are Safe Contractor approved and properly vetted with relevant insurance.

Deliveries and Collections

Deliveries and collections will be accepted during acceptable hours, ensuring that consideration for residents and neighbours is shown.

Transportation

Travel Plan Coordinator

A member of management staff will be a nominated Travel Plan Co-ordinator. They will have responsibilities such as:

- Maintaining an up to date travel information booklets to be distributed to residents on check in.
- Maintaining up to date travel notice boards providing useful information on key public transportation routes as well as improvements or changes to routes/infrastructure
- Implementing measures to promote cycling, walking and utilisation of public Transport
- Monitoring and encouraging the utilisation of the on site cycle hire club facility

Car Parking

No car parking will be provided within the site. It is expected that the majority of trips to and from the site will be made by modes other than the private car. The site is located in a highly accessible location for walking, cycling, bus, Metrolink and rail and therefore providing a car-free development at this location is considered acceptable.

Eight on-street pay and display car parking bays will be retained on Granby Row along the site frontage offering 2-hour parking. Two of these will be designated as disabled bays to facilitate convenient car access to the development for the mobility impaired.

Cycle Storage

To enhance the convenience of cycle use and help promote this sustainable form of transport, 313 long stay cycle spaces will be provided within the site and 8 short-stay cycle spaces will be provided externally.

The long stay cycle parking will be provided within two secure cycle stores within the basement level of Blocks A and B.

The basement will be accessed via secure access gates leading onto Echo Street. The gates will be fob controlled for ease of access. Access to the basement will also be available from within the building via lift or stairs.

6. Community

iQ owns and manages all of its 78 properties across the UK. Communities around our properties benefit from having a single professional and experienced operator managing the entire building, supporting its residents and community. Our teams are aware of their obligations to our residents and the wider community, and conduct themselves professionally at all times.

Community Liaison

At iQ we believe in being good neighbours to the communities around our properties. Our Operations Manager and teams make every effort to be available to both the students and other residents from the community. A responsible member of staff will be available, within reason, to attend the property outside of normal working hours. They will also aim, given notice, to be available to any member of the local community in and around the residence, should they wish to discuss any concerns with regard to the property.

As mentioned, we are one of the few student accommodation providers to make sure there is management or security staff onsite around the clock. This means that there will be a security presence on site out of hours. As with all our schemes, Echo Street will have electronic access control to the main and internal doors and extensive CCTV inside and outside the building.

Landscape Maintenance

Landscape maintenance will be carried out by the property maintenances and housekeeping teams who will undertake a daily clean, weekly sweep and rubbish removal, and, where required, periodic gardening.

7. Conclusion

With its significant expertise, strong investment record and experienced management team, iQ is building a world-class development for Manchester whilst increasing the range of locations and accommodation to young people in the city.

Manchester is experiencing major growth and an ever-increasing student population. We believe developments like Echo Street will help to retain talent and attract young professionals to the city, and with our knowledge of the Manchester market, where we already operate 4,000 student beds and a well-known hotel, we believe we are well placed to continue to be a part of Manchester's vibrant growth.