SHAKESPEARE MARTINEAU
Legal advice for life and business

2040

Housing Report

Scotland

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Contents

Introduction

Citing pressure on homelessness services, rising property prices and high levels of temporary accommodation, the Scottish government and 12 of the country's 32 councils have declared housing emergencies – signalling that intervention is needed.

Our ageing population and the cost-of-living crisis will only look to exacerbate the problem unless we act now and prioritise the needs of future residents.

Utilising the latest National Records of Scotland population projections, we have built **a national and regional picture of Scotland's housing need in 2040**. Supplementing this is government data on homelessness applications and the number of households living in temporary accommodation, as well as under-occupation statistics.

There is a significant need for general market homes to accommodate the growing population. According to the government's minimum all-tenure housing land requirement, at least 352,500 homes need to be constructed across Scotland by 2040.

As well as meeting this basic need, more could be done to provide greater choice and acknowledge the positive impact of specialist and affordable homes as part of a functioning housing market, much of which can be facilitated through market-led development at scale.

The following report predicts where the highest number of **first-time buyers and family homes** will be required and separately, where the greatest need for **affordable housing** lies.

The report also highlights areas with the greatest **ageing populations** and predicts **under-occupation** of homes by those aged 65+, ultimately identifying opportunities for right-sizing properties and later living accommodation.

We show which areas will have the greatest proportion of those of **student-age** and therefore where the demand for purpose-built accommodation will be highest. It also places a **spotlight on each region** in Scotland. The data follows trends and highlights significant areas of need, and therefore areas of opportunity.

If we are going to meet the needs of the population in 2040, we need to start building the right homes today.

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Methodology and glossary

All the projections and analysis utilise government-provided data. Below are links to data sources and definitions for the language used throughout this report.

Population:

Throughout the report, we refer to the 16+ population data:

Population Projections for Scottish Areas (2018-based) | National Records of Scotland (nrscotland.gov.uk)

We acknowledge that these projection figures are conservative. The latest national population projections from the Office for National Statistics show that the numbers could be much higher due to predicted increases in immigration. However, these new figures are not available at a regional level, so have not been used for the purpose of this report.

Students (18-22-year-old demographic):

Without specific student population projection data available, student population changes have been calculated using the 18-22-year-old demographic data.

Population Projections for Scottish Areas (2018-based) | National Records of Scotland (nrscotland.gov.uk)

First-time buyers (25-44-year-old demographic):

The average age of a first-time buyer in the UK is 34 and the average age of a first-time mother is 30.9 years. To best reflect this young family/first-time buyer demographic, we have reported on the changes seen in the 25-44-year-old population.

Population Projections for Scottish Areas (2018-based) | National Records of Scotland (nrscotland.gov.uk)

Later living and right-sized properties:

Throughout the report, we reference 'later living' and 'right-sized' properties. These are 'catch-all' phrases to describe the various accommodation types available for people in later life, such as independent living through to extra care. This does not include care homes. We define 'later living' age as 65+.

Population Projections for Scottish Areas (2018-based) | National Records of Scotland (nrscotland.gov.uk)

Under-occupation:

We define a property as 'under-occupied' if it has two or more spare bedrooms. We have analysed data on the number of households made up of one or two residents where at least one resident is aged 65 or older, and where these households exceed the minimum bedroom standard requirements by two or more bedrooms. This data is available for 2010-2020, so to project forward, we have taken the change experienced between this period and continued the trend to 2040.

Scottish House Condition Survey: Local Authority Analysis 2017-2019

Minimum housing need:

To calculate the total number of properties that need to be built between 2022 and 2040 (18 years) to meet current population projections, we have used the minimum all-tenure housing land requirement (MATHLR) for each local authority as published in Annex E of the National Planning Framework 4 (13 February 2024). The figure published is for a 10-year period and we have therefore used the average annual requirement for each local authority and multiplied it by 18. It should be noted that the National Planning Framework 4 expects the MATHLR to be exceeded in each Local Development Plan's Local Housing Land Requirement.

Calculated using the government's minimum all-tenure housing land requirement

Households in temporary accommodation:

This data shows the number of households in temporary accommodation by local authority between 2014 and 2023. We calculated the 2040 projected figure by multiplying the average annual change by 17 (i.e. for 2023 to 2040).

Tables for Homelessness in Scotland 2022-23: Worksheet 26

Homelessness applications:

This data shows the number of homelessness applications made to each local authority annually between 2014 and 2023. We calculated the 2040 projected figure by multiplying the average annual change by 17 (i.e. for 2023 to 2040).

Tables for Homelessness in Scotland 2022-23: Worksheet 1

Affordable housing:

For this report, 'affordable housing' refers to social housing stock owned by local authorities and private registered providers.

The national picture

Scotland is poised for significant demographic change over the next two decades, bringing forth new challenges and opportunities in the housing sector.

By 2040, Scotland's **16+ population** is expected to grow by 4% to more than 4.7 million people. Notably, Edinburgh and Lothians emerges as the fastest-growing region – anticipating 15% growth to more than 871,000 – while Highlands and Islands will witness a 3% decline in its total population.

Current estimates suggest that at least 352,500 **homes need to be constructed** across Scotland by 2040 to meet the burgeoning demand. Edinburgh and Lothians leads the way in housing need, with demand for more than 111,500 homes. In contrast, South of Scotland demands the least, with a requirement of 16,830 properties.

However, this is based on the government's long-standing minimum all-tenure housing land requirement and we believe this figure should be far higher – especially after the Scottish Parliament declared a national housing emergency in May 2024, highlighting that the current situation is not working and intervention is needed. As of September 2024, 12 of Scotland's 32 councils have also declared a housing emergency, beginning with Argyll and Bute Council in June 2023, with the most recent being East Renfrewshire Council in September 2024.

Nationally, the **first-time buyer demographic** is anticipated to grow by 1% to more than 1.3 million, with Edinburgh and Lothians expected to experience the most positive growth at 11%. Highlands and Islands stands out with the most significant decline, projected at 7%.

However, the demographic remains a hugely important segment of the housing market. The first-time buyers of 2040 are teenagers and young adults living with their parents today, so they will be completely new entrants to the housing market. The consequences of not adequately providing for this segment of the housing market are considerable, and result in many young people moving back into the family home – with delays to household formation and fertility rates in younger adults directly impacted.

If current trends continue, in 2040, homelessness applications will rise by 90% to more than 4,100 and the number of households living in temporary accommodation will grow by 89% to more than 7,000 – signifying a pressing need for **affordable housing** solutions.

Nationally, the **later living demographic** is set to witness a 27% increase, with Edinburgh and Lothians experiencing the greatest surge (39%) and South of Scotland demonstrating the slowest growth (19%). Meanwhile, the **student-age demographic** is set to make up 7% of the total 16+ population in Scotland's university cities.

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Regional spotlight:

Aberdeen and North East

Introduction

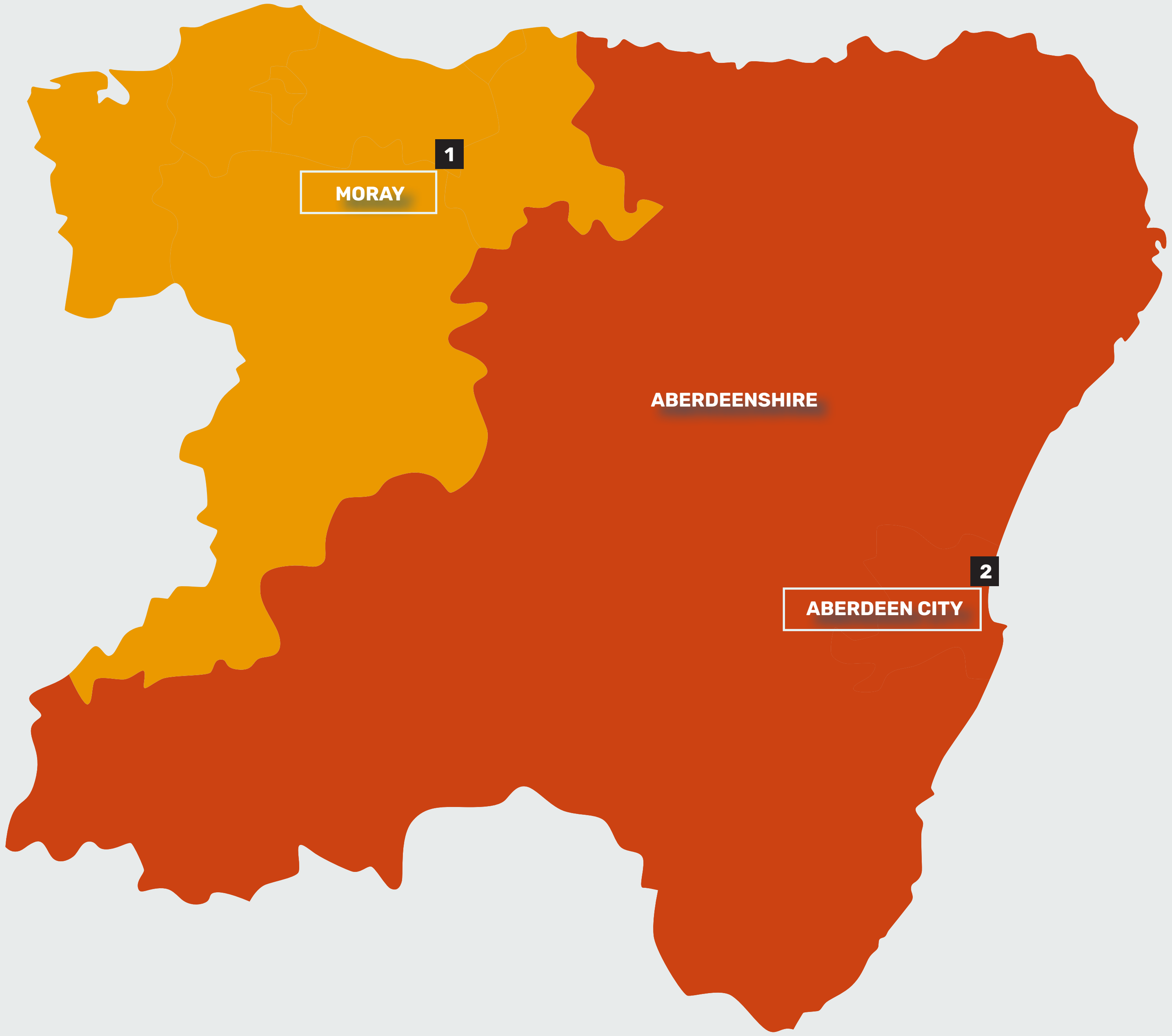
At least 32,400 new homes need to be built across Aberdeen and North East to meet the needs of its 2040 16+ population of more than 506,000.

Developer hot spots:

Housing type	Borough	Key fact
Starter and family homes	Aberdeen City	6% growth in first-time buyer demographic
Later living accommodation	Moray	65+ age group expected to rise by 35% to more than 29,000
Student accommodation	Aberdeen City	18-22-year-olds to make up 8% of 16+ population in 2040
Affordable housing	Aberdeen City	837 homelessness applications expected by 2040

Opportunities

The Aberdeen and North East region presents significant opportunities for developers, especially in catering to the area's diverse housing needs. In Aberdeen City, the increasing student population will drive demand for purpose-built accommodation, while Moray, with its rising 65+ demographic, presents significant opportunities for later living developments. Bucking the regional first-time buyer trend is Aberdeen City, which will see growth in its 25-44 age demographic, offering potential for developers to focus on market housing for young professionals and starter homes to accommodate this expanding age group.



1

With a coastline on the Moray Firth and bordering Aberdeenshire, **Moray's** 65+ demographic is expected to rise by 35% to more than 29,000, making up 36% its 16+ population. Alarmingly, 75% of properties occupied by one or two people where at least one person is aged 65+ are projected to be under-occupied by 2040 – the fifth highest number of under-occupied properties in Scotland.

2

Home to the University of Aberdeen and Robert Gordon University, **Aberdeen City's** student-age demographic is expected to make up 8% (16,159) of its total 16+ population. The overall 16+ population of Aberdeen City is estimated to rise by 7% to more than 201,000, 35% of which will be in the first-time buyer demographic, which is expected to experience 6% growth. If current trends continue, the city will also see 837 homelessness applications by 2040 – the greatest number in the region.

Regional spotlight:

Highlands and Islands

Introduction

Despite the 16+ population of Highlands and Islands decreasing by 3% to 323,000 by 2040, the area still needs to build at least 25,700 new homes.

Developer hot spots:

Housing type	Area	Key fact
Starter and family homes	Highland	25-44 age demographic to make up 26% of 16+ population
Later living accommodation	Orkney	65+ population to grow by a third
Student accommodation	Highland	18-22-year-olds to make up 5% of 16+ population in 2040
Affordable housing	Highland	2,257 households expected to be in temporary accommodation by 2040

Opportunities

Highlands and Islands' later living population is set to rise by 21% to more than 117,300, with each area due to witness growth of at least 11%. Bearing this in mind, market housing will be in high demand, as well the development of right-sized properties for the region's ageing population to offer more choice and free-up family and starter homes for the 25-44-year-old age group, which is set to make up 25% of the region's overall 16+ population. Affordable housing should also be a priority for this region, with Highland expected to see the second-greatest number of households in temporary accommodation by 2040 in the country.

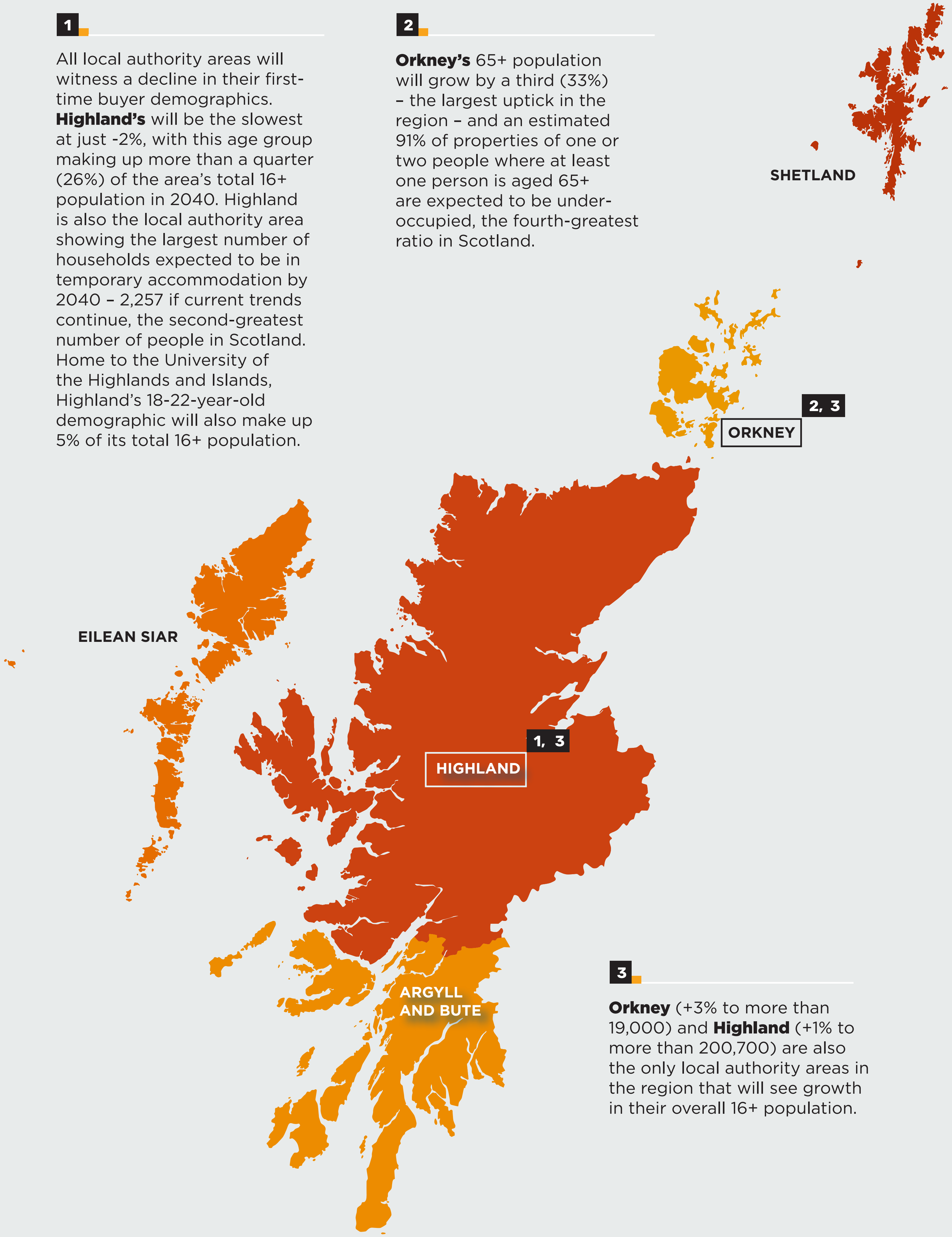
The Scottish government's Housing to 2040 report has made it clear parliament will be taking specific action to support housing development in the country's rural and island communities, helping to stem depopulation and supporting communities to thrive.

1

All local authority areas will witness a decline in their first-time buyer demographics. **Highland's** will be the slowest at just -2%, with this age group making up more than a quarter (26%) of the area's total 16+ population in 2040. Highland is also the local authority area showing the largest number of households expected to be in temporary accommodation by 2040 – 2,257 if current trends continue, the second-greatest number of people in Scotland. Home to the University of the Highlands and Islands, Highland's 18-22-year-old demographic will also make up 5% of its total 16+ population.

2

Orkney's 65+ population will grow by a third (33%) – the largest uptick in the region – and an estimated 91% of properties of one or two people where at least one person is aged 65+ are expected to be under-occupied, the fourth-greatest ratio in Scotland.



3

Orkney (+3% to more than 19,000) and **Highland** (+1% to more than 200,700) are also the only local authority areas in the region that will see growth in their overall 16+ population.

Regional spotlight:

Tayside, Central and Fife

Introduction

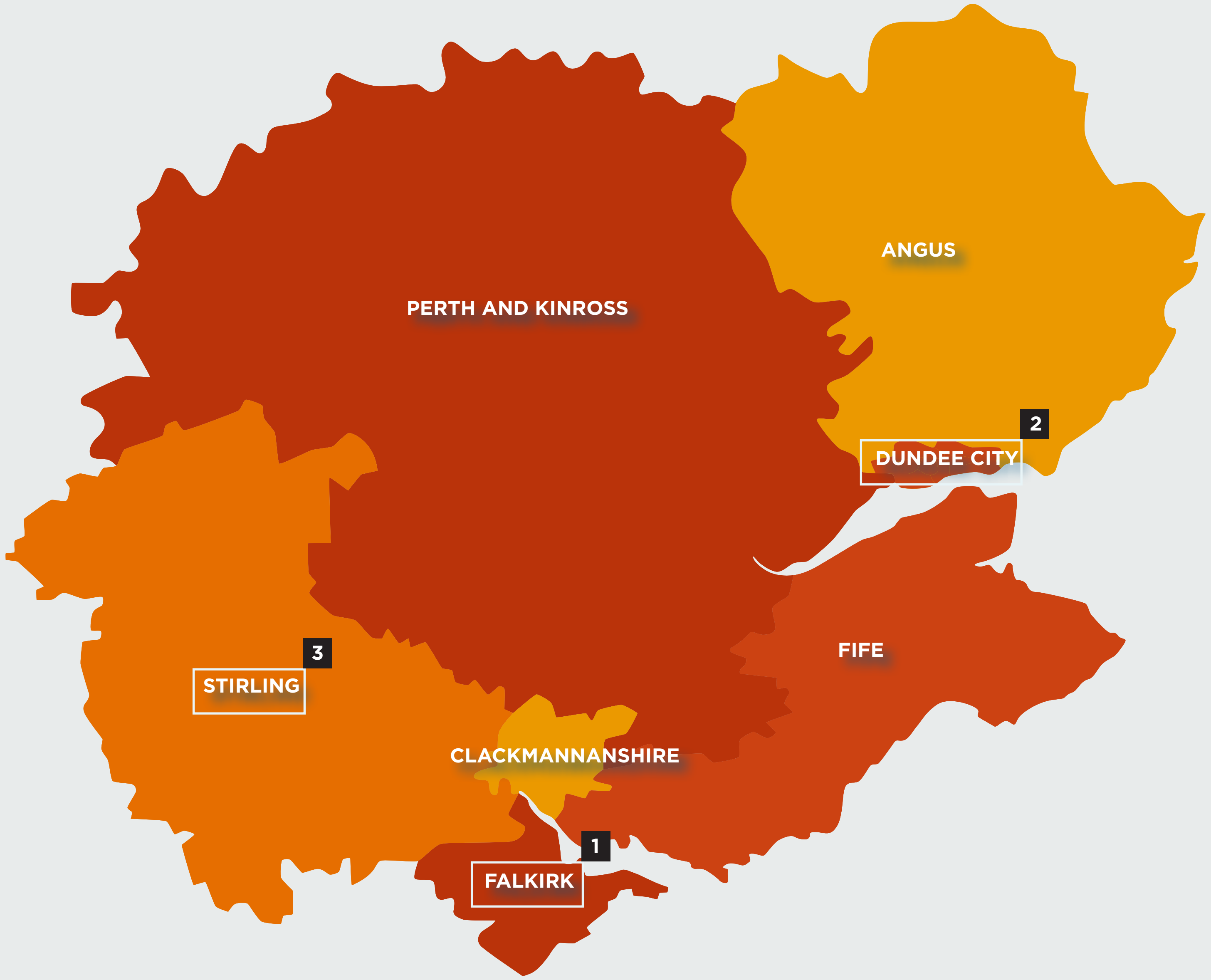
Tayside, Central and Fife requires at least an additional 59,200 new homes to meet the needs of the region's 16+ 2040 population, which is projected to rise by 3% to more than 938,000.

Developer hot spots:

Housing type	Area	Key fact
Starter and family homes	Stirling	21% demographic growth – largest growth in Scotland
Later living accommodation	Falkirk	40% increase in its 65+ age group
Student accommodation	Dundee City	18-22-year-olds to make up 9% of 16+ population in 2040
Affordable housing	Stirling	261 households to be temporary accommodation by 2040

Opportunities

Stirling has the largest first-time buyer demographic growth in all of Scotland. The Tayside, Central and Fife region's later living population is set to rise by 27%, with each area set to witness growth of at least 18%. Bearing this in mind, market housing will be in high demand, as well as the development of right-sized properties for the region's ageing population to offer more choice and free-up family and starter homes. Dundee City's student-age demographic is predicted to be at more than 11,401 in 2040, making up 9% of its total 16+ population – the greatest proportion of 18-22-year-olds in Scotland – presenting an opportunity for purpose-built student accommodation.



1

Falkirk will see an increase in its 65+ population by 40% to more than 43,000, with 60% of households of one or two people where at least one person is aged 65+ expected to be under-occupied.

2

Home to the University of Dundee and Abertay University, **Dundee City's** student-age demographic will make up 9% (11,401) of its total 16+ population – the greatest proportion of this age group in Scotland.

3

Of Scotland's local authority areas, **Stirling** will experience the largest growth in its first-time buyer demographic – an increase of 21% to more than 24,500, making up 28% of its total 16+ population. At 261, it will also have the region's greatest number of households in temporary accommodation by 2040.

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Regional spotlight:
Edinburgh and Lothians

Introduction

Across Edinburgh and Lothians, at least 111,500 new homes need to be built to meet the needs of the region's 16+ 2040 population, which is projected to rise by 15% to more than 871,000. Overall, the region will also see largest growth in its 25-44 and 65+ demographics (11% and 39%, respectively).

Developer hot spots:

Housing type	Area	Key fact
Starter and family homes	City of Edinburgh	14% growth in first-time buyer demographic
Later living accommodation	West Lothian	48% increase in 65+ demographic – largest growth in Scotland
Student accommodation	City of Edinburgh	18-22-year-olds to make up 7% of 16+ population in 2040
Affordable housing	City of Edinburgh	4,677 households expected to be in temporary accommodation by 2040 – the highest number of any local authority area in Scotland

Opportunities

At 15%, Edinburgh and Lothians will see the greatest growth in its overall 16+ population in all of Scotland, creating diverse housing demands. West Lothian will experience the largest growth in 65+ residents in the country, offering opportunities for developers to invest in later living or mixed-use schemes. The City of Edinburgh, meanwhile, has a substantial number of people living in temporary accommodation, a large and growing young population, and a huge number of student-age people, who will require market and affordable housing options, as well as purpose-built student accommodation, to help them get on the property ladder and into stable homes. Despite there being a great requirement for development, land in central Edinburgh is scarce, so it is vital the city continues growing outwards and nearby suburbs support in delivering unmet need. Additionally, regeneration of under-utilised areas within the city should be prioritised to maximise the use of existing spaces and revitalise communities, ensuring sustainable development that meets the housing demands of a diverse population.

1

West Lothian is projected to see a 48% surge in its 65+ population – making it the largest increase of this demographic across Scotland.

2

Scotland's capital, the **City of Edinburgh**, will see the largest growth in its first-time buyer population (14% to more than 183,000) – making it the local authority area with the highest number of 25-44-year-olds in Scotland. The city will also have Scotland's greatest number of households in temporary accommodation by 2040 – 4,677 if current trends continue – and the greatest proportion of 18-22-year-olds (7%) in the region.

Regional spotlight:
Glasgow and Strathclyde

Introduction

Across Glasgow and Strathclyde, at least 106,800 new homes need to be built to meet the needs of the region's 16+ 2040 population, which is projected to rise by 2% to more than 1.8 million.

Developer hot spots:

Housing type	Area	Key fact
Starter and family homes	East Renfrewshire	9% growth in first-time buyer demographic
Later living accommodation	Glasgow City	33% increase in 65+ demographic
Student accommodation	Glasgow City	18-22-year-olds to make up 7% of 16+ population in 2040
Affordable housing	Glasgow City	419 households to be in temporary accommodation by 2040

Opportunities

With more than 1 in 4 (28%) people predicted to be 65+ by 2040, the region is a hot spot for later living development opportunities. Home to three universities, student accommodation should also be a key focus for investors and developers as the region will have the highest number of 18-22-year-olds in Scotland (more than 40,000) – especially as Glasgow has the greatest shortage of purpose-built student accommodation in the UK.

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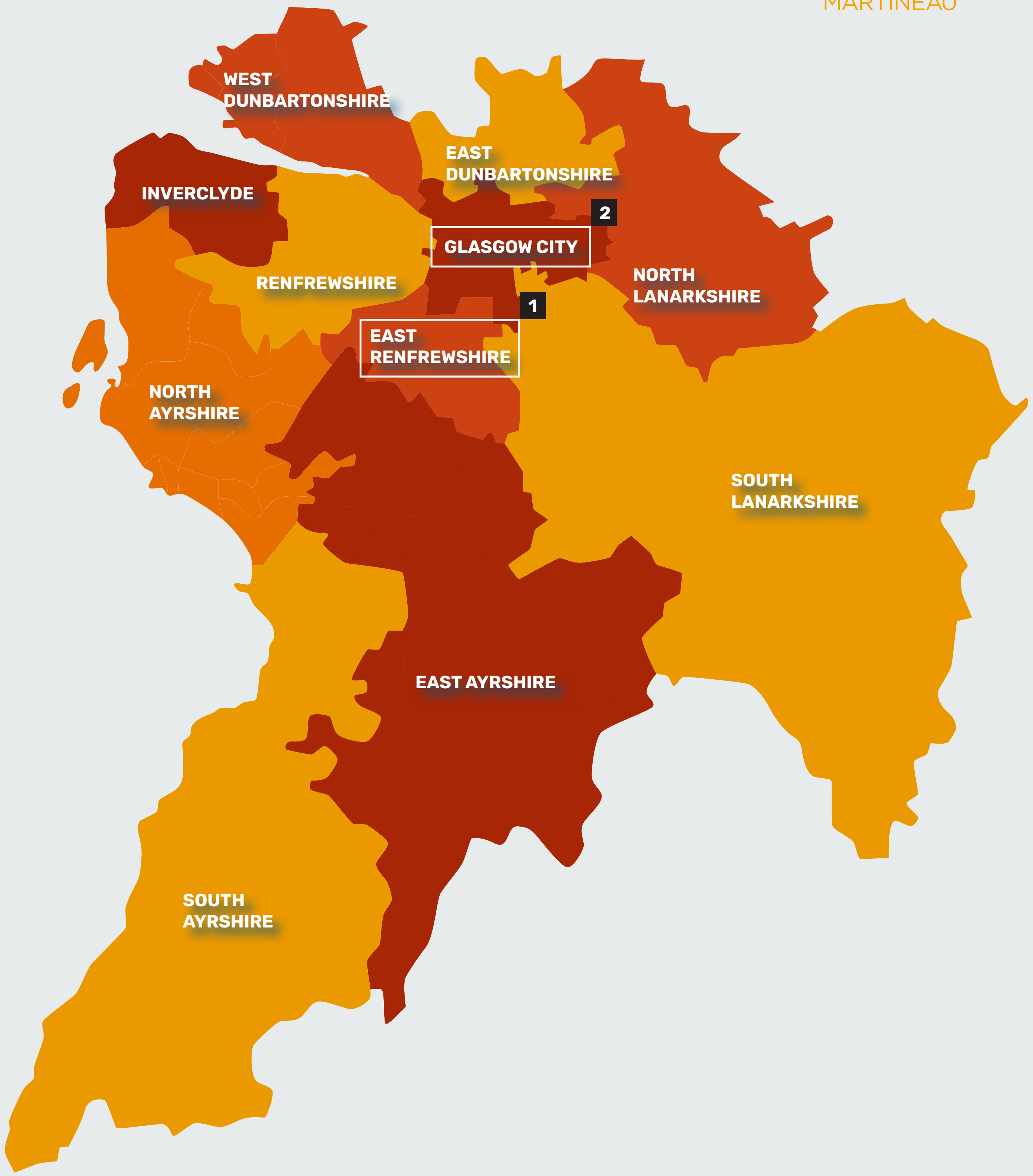

1

Bordering Glasgow and predominately a commuter area, **East Renfrewshire** is forecast to see the largest uptick in its first-time buyer demographic (9%).

2

Glasgow City is anticipated to witness the most substantial increase in its later living population, with the number of people aged 65+ in Scotland's most populous city predicted to increase by 33% to more than 115,000. The area will also have the greatest number of 18-22-year-olds in Scotland (more than 40,000, making up 7% of its total 16+ population), as well as the region's largest number of households in temporary accommodation (419).

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Regional spotlight:
South of Scotland

Introduction

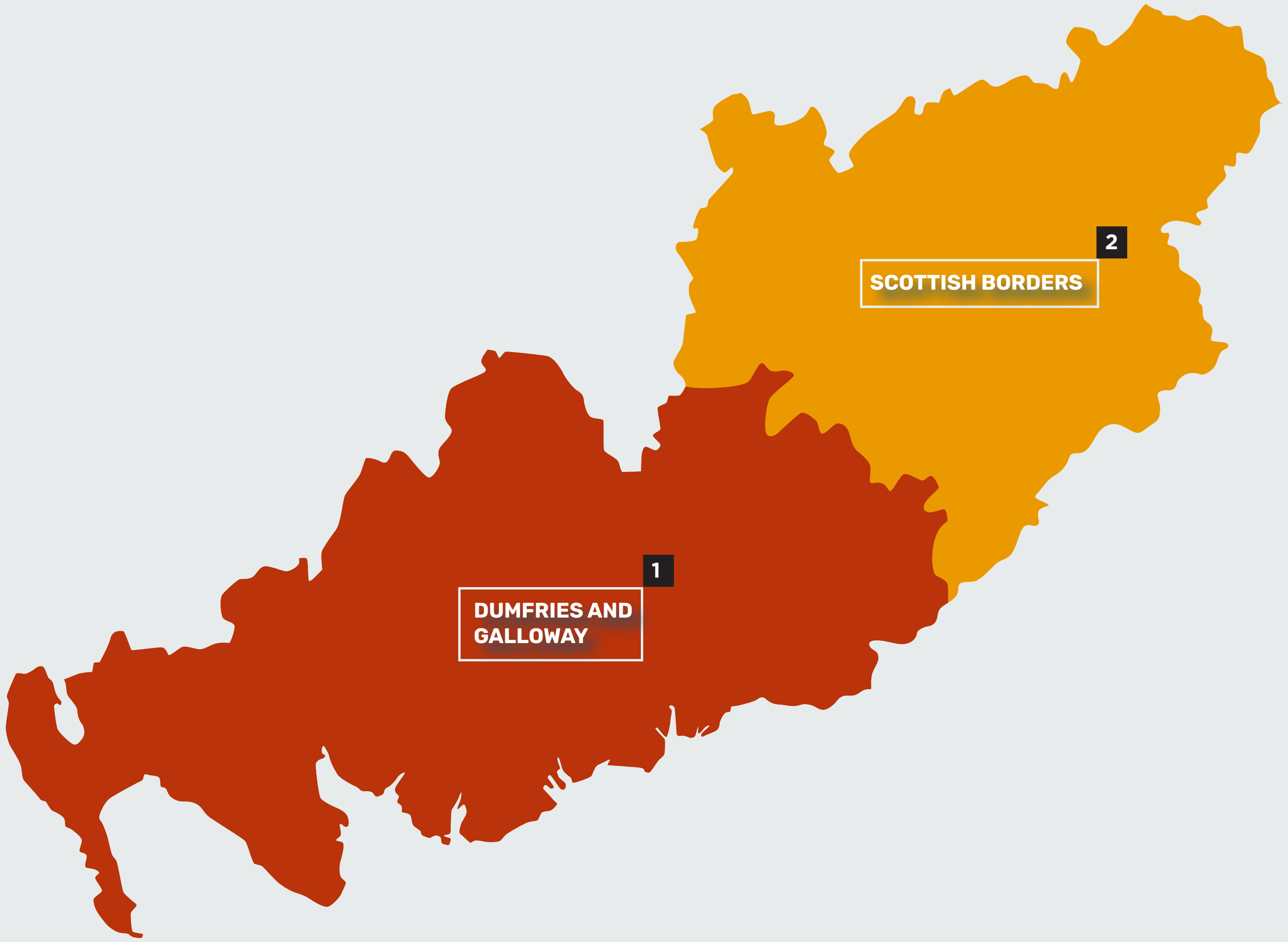
Despite the 16+ population of the South of Scotland decreasing by 2% to 218,000 by 2040, the area still needs to build at least 16,800 new homes.

Developer hot spots:

Housing type	Area	Key fact
Starter and family homes	The Scottish Borders	Age demographic remains static
Later living accommodation	The Scottish Borders	21% increase in 65+ demographic
Student accommodation	Dumfries and Galloway	18-22-year-olds to make up 5% of 16+ population in 2040
Affordable housing	Dumfries and Galloway	631 homelessness applications expected by 2040

Opportunities

Both local authority areas are set to witness substantial growth in their later living population, making the South of Scotland overall an ageing region, with more people aged 65+ than those in the first-time buyer demographic. Despite this, the 25-44-year-old age group is still set to make up 23% of the region's total 16+ population, posing opportunities for developers to invest in this market or local authorities to prioritise the area for regeneration and jobs to attract younger generations.



1

Dumfries and Galloway will see the greatest number of homelessness applications in the region – 631 if current trends continue. Home to the University of the West of Scotland's Dumfries campus, the local authority area's 16+ population will also be made up of the greatest proportion of 18-22-year-olds (5%).

2

The **Scottish Borders** can expect to see its 65+ population increase by 21% to more than 37,000 – making up 39% of its total 16+ population – and 95% of households of one or two people where at least one person is aged 65+ will be under-occupied in 2040. The local authority area is also poised to buck the regional trend in its first-time buyer demographic, with its 25-44 age group remaining static at just over 23,000 – making up 23% of its 16+ population.

Housing type spotlight:

Affordable

Introduction

Scotland abolished the Right to Buy scheme, which gave council house tenants the opportunity to buy their rented home at a discounted price, in 2016 – leading to a 4% increase in the country's social-rented homes stock in the six years that followed.

However, it is estimated that by 2040, homelessness applications will grow by 90% to more than 4,100 and the number of households living in temporary accommodation will rise by 89% to more than 7,000. To provide stable and accessible housing for this predicted growing demand, it is crucial the public sector and housing associations work together to provide affordable accommodation.

Developer hot spots:

Local authority area	Households in temporary accommodation by 2040
City of Edinburgh	4,677
Highland	2,257
West Lothian	712
Glasgow City	419
Stirling	261
Inverclyde	255
East Lothian	202
East Ayrshire	134
Dundee City	125
East Renfrewshire	108

1 HIGHLAND

Highlands and Islands

By 2040, **Highland** is projected to have the second highest number of households living in temporary accommodation in Scotland, accounting for 32% of all such households in the country.

2 STIRLING

Tayside, Central and Fife

If current trends continue, there will be 444 homelessness applications in **Stirling** by 2040, the seventh highest in Scotland.

3 CITY OF EDINBURGH

Edinburgh and Lothians

By 2040, the **City of Edinburgh** is anticipated to have the largest share of households in temporary accommodation in Scotland, comprising two thirds (66%) of the total nationwide.

4 INVERCLYDE EAST AYRSHIRE

Glasgow and Strathclyde

By 2040, **Inverclyde** is forecasted to receive 712 homelessness applications, ranking as the fourth highest in Scotland.

Should current trends persist, **East Ayrshire** is projected to lose almost 1,000 social housing units by 2040 and will also see 1,451 homelessness applications by that time, the highest of any area in Scotland.

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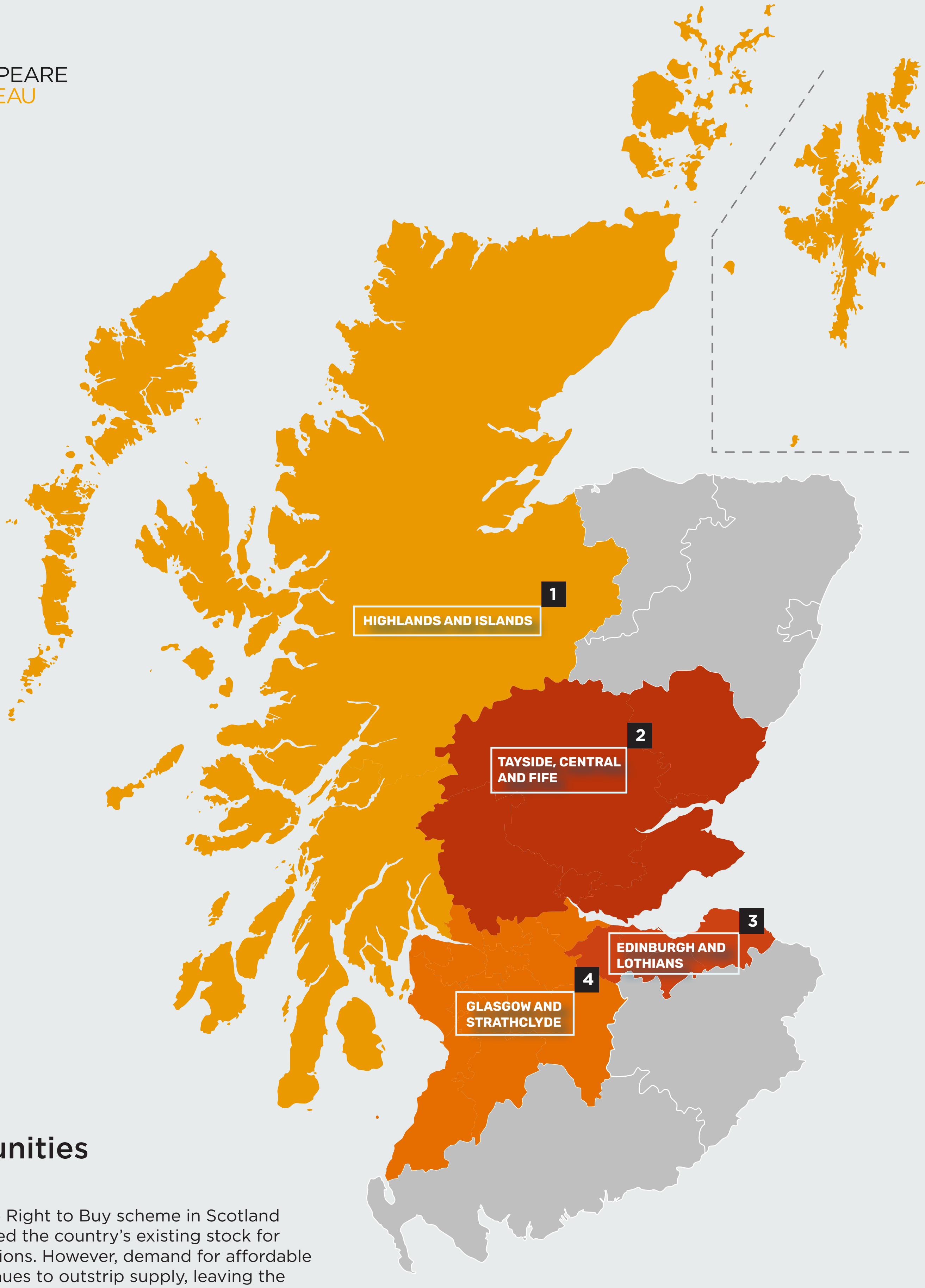

Opportunities

The end of the Right to Buy scheme in Scotland has safeguarded the country's existing stock for future generations. However, demand for affordable housing continues to outstrip supply, leaving the poorest households with no choice but to enter into unaffordable private tenancies and putting them at risk of homelessness. The Scottish government's Housing to 2040 report has made it clear it will break away from the five-year parliamentary cycle to bring new stability and commitment to housing by setting a new ambition to deliver a further 100,000 affordable homes over the following 10 years, with at least 70% of these for social rent.

Being able to access social housing when people need it most is at the heart of the Scottish government's efforts to build a sustainable housing policy for the future, presenting an opportunity for developers and housing associations to bring projects forward. Helping to build the case for the scheme's need to influence and convince local authorities it needs to be approved is essential, and it is important decision-makers take the crisis seriously.

Housing type spotlight:

First-time buyers
(25-44)

Introduction

While the 25-44 age group appears to remain static, increasing by 1% across Scotland, this group will make up 29% of adults in the country in 2040. The first-time buyers of 2040 are teenagers and young adults living with their parents today, so they will be completely new entrants to the housing markets. Every region needs market housing, but the following shows where the greatest demand will be located based on population projections.

Developer hot spots:

Local authority area	% increase in 25-44 population between 2022 and 2040
Stirling	21%
City of Edinburgh	14%
East Renfrewshire	9%
Midlothian	8%
West Lothian	8%
Glasgow City	7%
Aberdeen City	6%
Dundee City	6%
Falkirk	4%
East Dunbartonshire	3%

1 CITY OF EDINBURGH | MIDLOTHIAN | WEST LOTHIAN

Edinburgh and Lothians

In the **City of Edinburgh**, 36% of the area's 16+ population will fall within the 25-44 demographic – the second largest of any local authority area in Scotland, just behind Glasgow City.

Bordering the City of Edinburgh, **Midlothian** and **West Lothian** will both experience an 8% increase in their 25-44 population when compared with 2022.

2 GLASGOW CITY

Glasgow and Strathclyde

Scotland's largest city, **Glasgow**, will have the biggest first-time buyer population (213,457 – a 7% rise when compared to 2022).

3 DUNDEE CITY | STIRLING

Tayside, Central and Fife

Dundee City's 25-44 age group will increase by 6%, making up a third (33%) of its total 16+ population.

Stirling's 25-44 age group is predicted to rise by 21%, the highest of any local authority area in Scotland, making up 28% of its total 16+ population.

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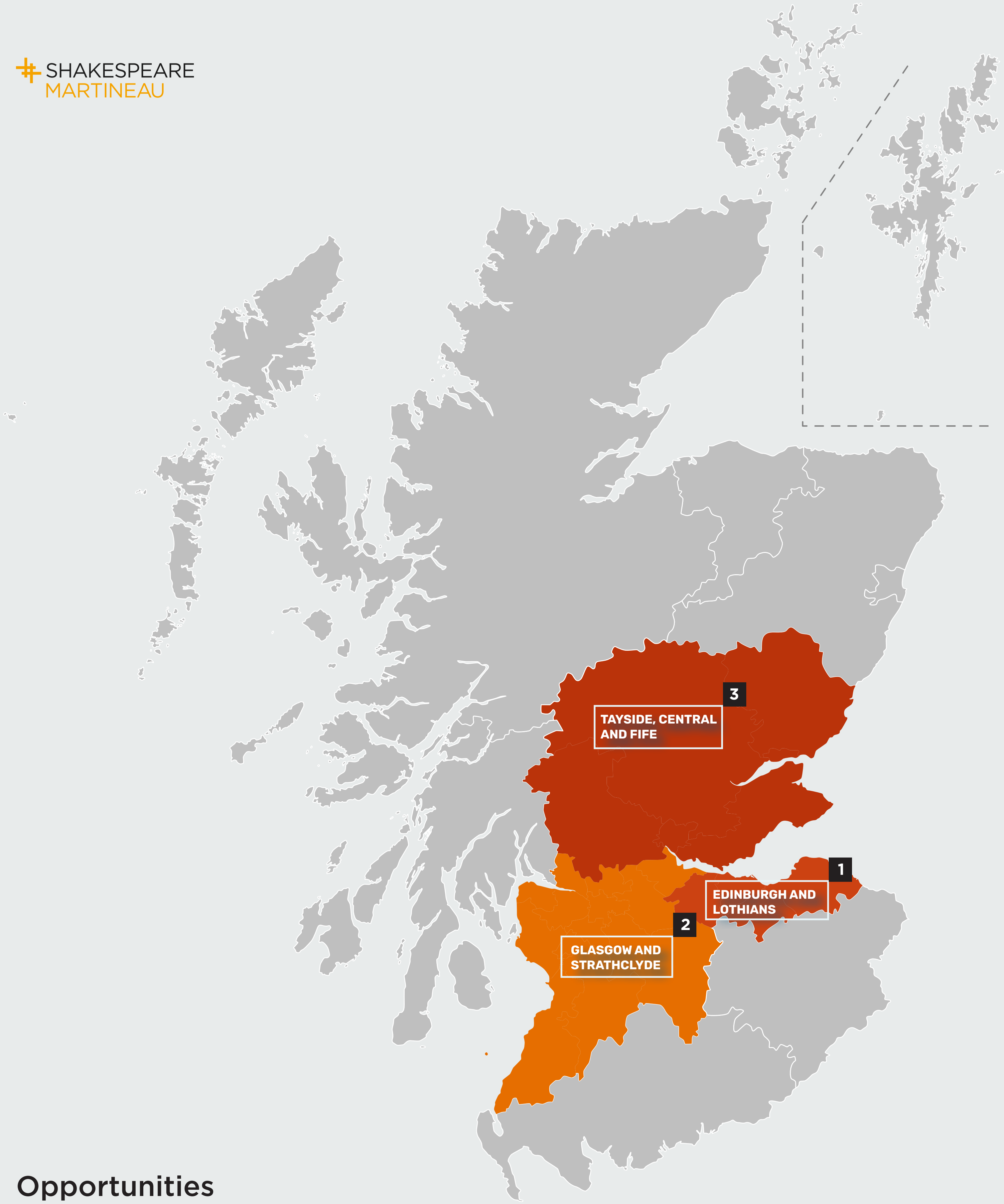

Opportunities

Without suitable right-sized properties, the increasingly ageing population are staying put in homes too big for their needs, creating gridlock in the market. For young expanding families, making a move is often a necessity rather than a nice to have, so ensuring second-steppers have suitable, larger properties to move into will also free-up stock for those looking to get onto the housing ladder.

An increasing imbalance between supply and demand is continuing to push prices skywards and younger people tend to not be preoccupied solely with location, which means there's a real chance for developers to also invest in build to rent schemes – a sector that is thriving and growing in popularity for those not yet ready to lay down their roots.

Housing type spotlight:

Later living
(65+)

Introduction

Scotland is ageing faster than other parts of the UK and by 2040, more than one in four people in the country (29%) will be aged 65 and over, putting much greater demand on housing and health and social care services. And if current trends continue, the country can expect 54% of the properties occupied by those in this demographic to be under-occupied in 2040.

Developer hot spots:

Local authority area	% increase in 65+ population between 2022 and 2040	% of 65+ households under-occupied by 2040
West Lothian	48%	34%
Falkirk	40%	60%
Midlothian	39%	100%
City of Edinburgh	36%	39%
East Lothian	36%	65%
Moray	35%	75%
Orkney	33%	91%
Stirling	33%	54%
Glasgow City	33%	19%
North Lanarkshire	33%	39%

1 MORAY

Aberdeen and North East

Moray is expected to experience a 35% increase in its 65+ population by 2040, with more than 29,000 people being of retirement age – the largest rise in this region.

2 CITY OF EDINBURGH WEST LOTHIAN MIDLOTHIAN

Edinburgh and Lothians

With an estimated 112,448 people 65+ in 2040, the **City of Edinburgh** will have a 36% increase in those of retirement age.

With a projected 48% growth, **West Lothian** is expected to see the greatest increase in its later living population across Scotland.

Out of the top 10 later living developer hot spots, **Midlothian** will experience the greatest level of under-occupied properties, with 100% of properties occupied by those aged 65+ projected to be under-occupied in 2040.

3 GLASGOW CITY

Glasgow and Strathclyde

Glasgow City will have Scotland's largest later living population in 2040.

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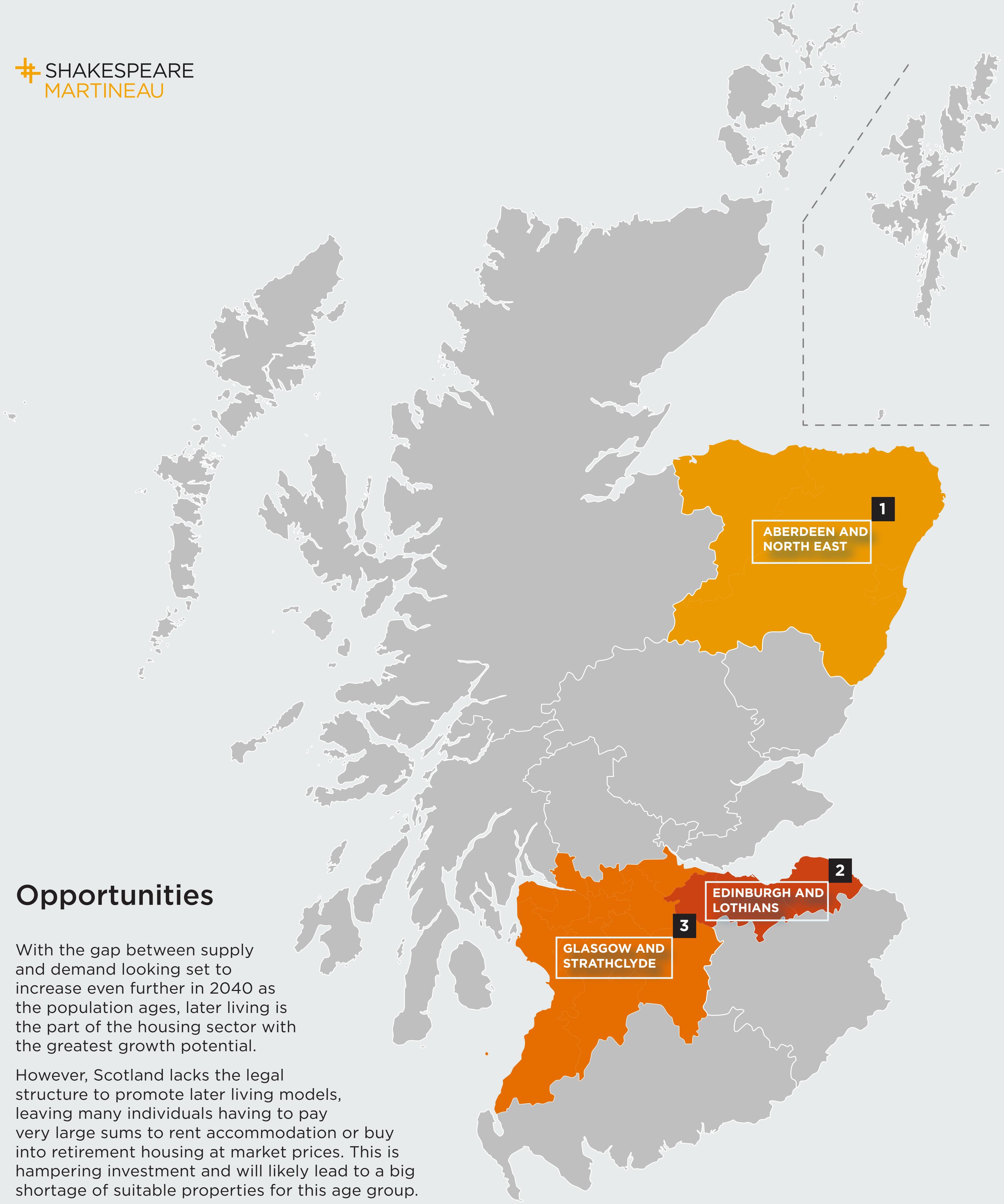


Opportunities

With the gap between supply and demand looking set to increase even further in 2040 as the population ages, later living is the part of the housing sector with the greatest growth potential.

However, Scotland lacks the legal structure to promote later living models, leaving many individuals having to pay very large sums to rent accommodation or buy into retirement housing at market prices. This is hampering investment and will likely lead to a big shortage of suitable properties for this age group.

There is no doubting the impact under-occupied homes has on the housing crisis. It is estimated that for each bedroom added to the retirement stock, two to three are released in mainstream housing, so pulling people through the market will increase the number of family homes available. Furthermore, older people living in accommodation better suited to their needs improves the quality of their life, while reducing pressure and easing the burden on the NHS and community social care, which has huge benefits for local authorities and the government.

This presents strong opportunities for developers to invest in the later living market and create links between housing associations, investment funds and local authorities to offer greater choice to the consumer in terms of location, style and facilities. However, we also know that even with greater choice there are still many older homeowners who will choose not to move – placing even greater importance on building general market housing.

Housing type spotlight:

Student-age
(18-22)

Introduction

By 2040, the student-age demographic (18-22) in Scotland's university local authority areas is projected to be more than 180,100, making up 7% of their total 16+ population.

Developer hot spots:

Local authority area	Student-age population as a % of 16+ population in 2040	Universities
Dundee City	9%	University of Dundee, Abertay University
Aberdeen City	8%	University of Aberdeen, Robert Gordon University
Stirling	8%	University of Stirling
City of Edinburgh	7%	University of Edinburgh, Heriot-Watt University, Edinburgh Napier University
Glasgow City	7%	University of Glasgow, University of Strathclyde, Glasgow Caledonian University
Fife	6%	University of St Andrews
Renfrewshire	6%	University of the West of Scotland, Paisley Campus
South Lanarkshire	6%	University of the West of Scotland, Hamilton Campus
Dumfries and Galloway	5%	University of the West of Scotland, Dumfries Campus
East Lothian	5%	Queen Margaret University
Highland	5%	University of the Highlands and Islands
South Ayrshire	5%	University of the West of Scotland, Ayr Campus

1 DUNDEE CITY STIRLING

Tayside, Central and Fife

Of all the university areas in Scotland, Dundee City's student-age demographic will make up the greatest proportion of its 16+ population (9%).

The historic city of Stirling is the only local authority area in the top five that houses just one university – yet its student-age demographic will still make up 8% of its total 16+ population.

2 CITY OF EDINBURGH

Edinburgh and Lothians

With the second-largest student-age population in 2040 (more than 35,300), 7% of the City of Edinburgh's 16+ population will be aged 18-22.

3 GLASGOW CITY

Glasgow and Strathclyde

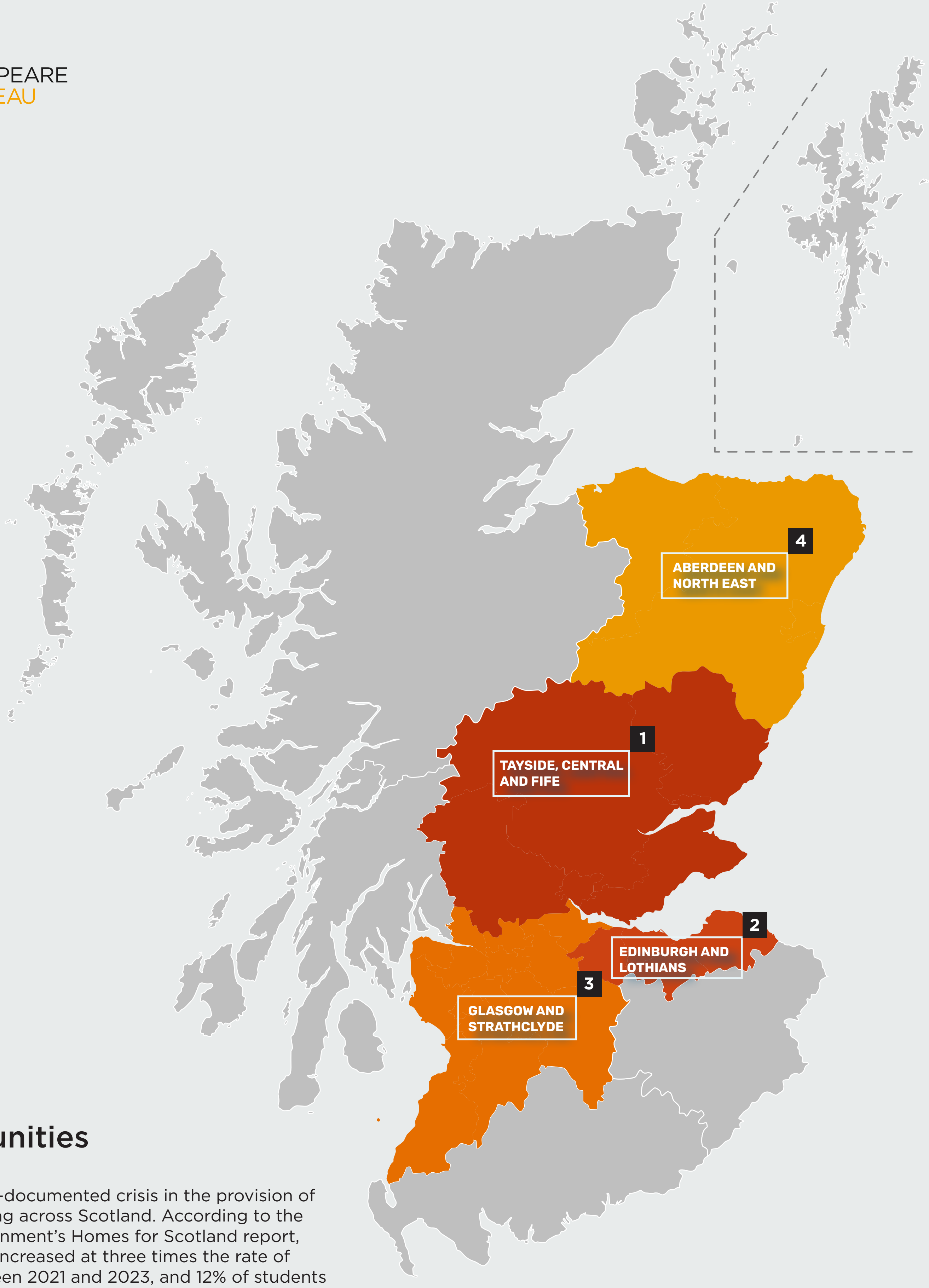
Glasgow City will have the greatest student-age population, with more than 40,000 18-22-year-olds expected to be living in the port city by 2040.

South Lanarkshire, Renfrewshire and South Ayrshire are home to three of the University of the West of Scotland's campuses. It is estimated there will be more than 29,000 18-22-year-olds in these local authority areas in 2040 – 6% of their total 16+ population.

4 ABERDEEN CITY

Aberdeen and North East

More than 16,000 people aged 18-22 are estimated to be living in **Aberdeen City** in 2040 – making up 8% of its total 16+ population.



Opportunities

There is a well-documented crisis in the provision of student housing across Scotland. According to the Scottish government's Homes for Scotland report, student rents increased at three times the rate of support between 2021 and 2023, and 12% of students in the country have experienced homelessness during their studies.

With the student-age demographic (18-22) in Scotland's university local authority areas projected to be more than 180,100 in 2040, the already-strained student housing market in these areas can therefore benefit significantly from the development of purpose-built student accommodation.

Purpose-built student accommodation guarantees security and higher-quality living space for students, which presents a reliable source of rental income for investors and landlords, removing the pressure from developers to manage or sell individual units once a scheme has completed.

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