

# Build to Rent Q3 2022

Prepared by Savills for the British Property Federation



## Key points

- The UK Build to Rent (BtR) sector grew by 15% between Q3 2021 and Q3 2022. The number of BtR homes either completed, under construction, or in planning now stands at over 240,000. Regional BtR grew at almost triple the pace of London BtR (20% vs 7%) between Q3 2021 and Q3 2022.
- The annual rolling number of starts and completions is decreasing, driven by a drop in both starts and completions in the Regions and just completions in London. London starts remain at a relatively steady rate of c.5,000 per annum since Q1 2019.

### Starts

- Nationally, the number of annual BtR starts dropped from c.18,500 starts in Q3 2021 to c.15,800, starts in Q3 2022.
- Between Q2 2022 and Q3 2022, annual BtR starts in the Regions dropped by -13% from c.13,000 to c.11,200. That said, they remain elevated (+13%) compared to the 2017-19 average.
- At the same time, annual starts in London remained broadly stable quarter on quarter (-3%) but remain -29% below the 2017-19 average.

### Completions

- The number of completed BtR homes has increased by over 3,000 homes since Q3 2021, taking the total to 76,829.
- Year on year completions in the Regions are down -25% while London completions are down by -36%. This continues the trend of decreasing completion numbers nationally throughout 2022.
- Despite the slowing of starts and completions nationally this quarter, there remains a healthy construction pipeline both in London (17,450 homes) and the Regions (32,400 homes).

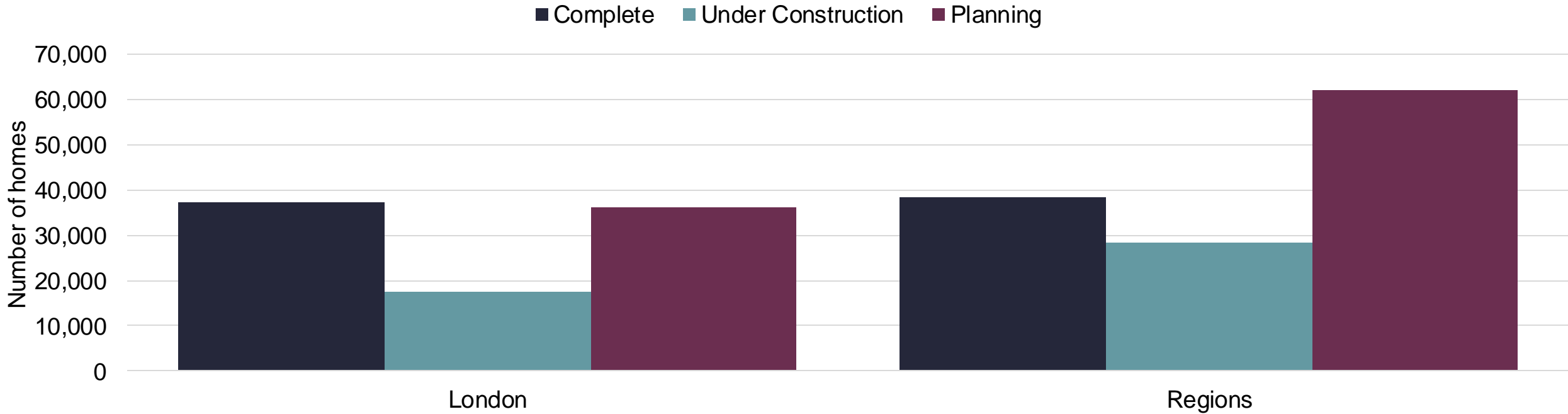
### Planning

- The total number of BtR homes in planning has increased by 15% between Q3 2021 and Q3 2022. The planning pipeline for BtR is much stronger in the Regions, which increased by 8% quarter on quarter and 22% year on year to 77,282 homes planned.
- This is a much faster pace than in London, where the number of BtR homes increased by a mere 3% year on year.
- The number of homes in planning outside of England continues to grow at pace, albeit from a lower starting point. In Scotland, Wales and Northern Ireland the number of homes planned increased by 39%, 36% and 163% year on year, respectively.
- There are now 15,000 Single Family Rental (SFR) homes currently in the planning pipeline—more than doubling in 12 months. Operational SFR schemes have grown to an average of 77 homes, with sites under construction and in planning set to deliver an average of 94 and 103 homes, respectively. This clearly shows the direction of travel, with investors seeking larger SFR schemes where economies of scale can be driven. There has been a clear change in the last 12 months alone, with the average site under construction growing by a third in size, and the average site in planning growing by 52%.
- The number of local authorities with Build to Rent planned has risen to 177, 47% of all UK local authorities. This is an additional 37 local authorities in the past 12 months.

Status	Q3 2022 Totals	Q3 2021 Totals	Increase
Complete	76,829	67,275	14%
Under Construction	49,837	43,591	14%
In Planning	113,536	98,447	15%
Totals	240,202	209,313	15%

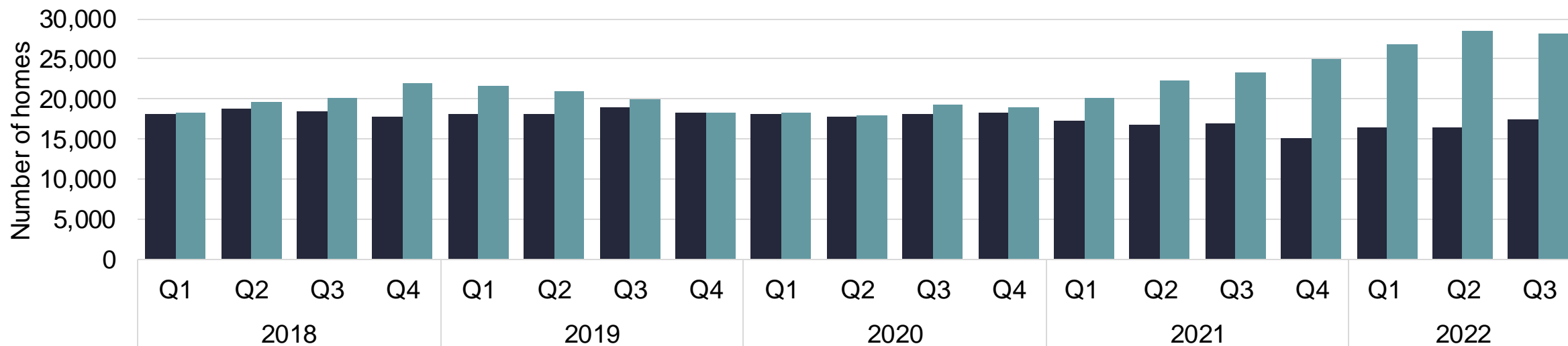
		Complete	Under construction	Planning	Total
London	Q3 2021	33,153	16,948	35,227	85,328
	Q3 2022	37,261	17,450	36,254	90,965
	% increase	12%	3%	3%	7%
Region	Q3 2021	34,122	26,643	63,220	123,985
	Q3 2022	39,568	32,387	77,282	149,237
	% increase	16%	22%	22%	20%
Total	Q3 2021	67,275	43,591	98,447	209,313
	Q3 2022	76,829	49,837	113,536	240,202
	% increase	14%	14%	15%	15%

Status	Complete	Under Construction	Planning	Totals	% of total
London	37,261	17,450	36,254	90,965	37.9%
Regions	39,568	32,387	77,282	149,237	62.1%
Total	76,829	49,837	113,536	240,202	

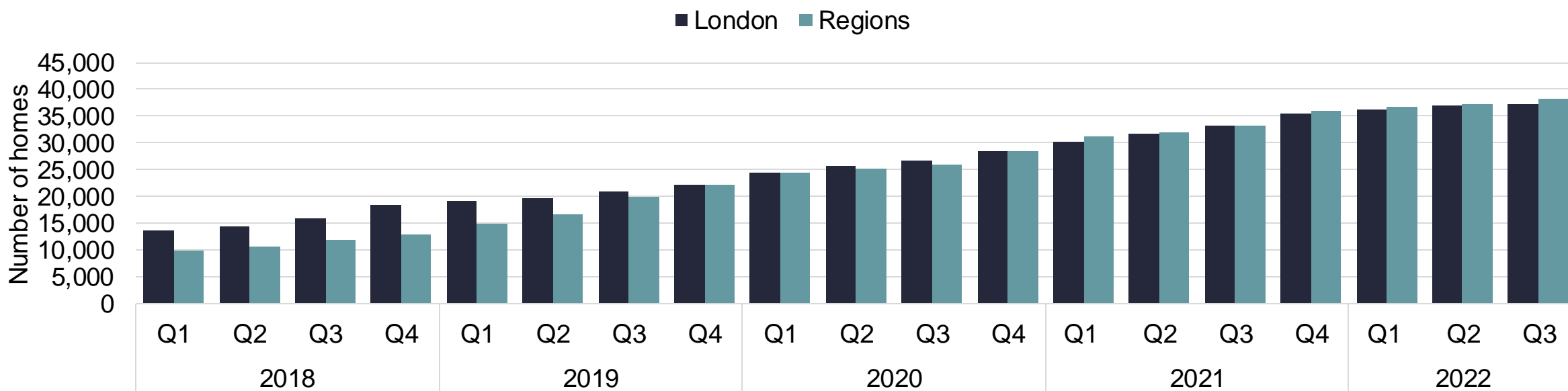


	2018				2019				2020				2021				2022		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
London	18,072	18,749	18,502	17,833	18,144	18,102	19,036	18,262	18,072	17,730	18,061	18,283	17,361	16,832	16,948	15,128	16,468	16,385	17,450
Regions	18,660	19,924	20,565	22,308	22,017	21,370	19,974	19,193	19,787	19,561	20,746	20,462	22,702	25,273	26,643	28,602	30,384	32,697	32,387

■ London ■ Regions

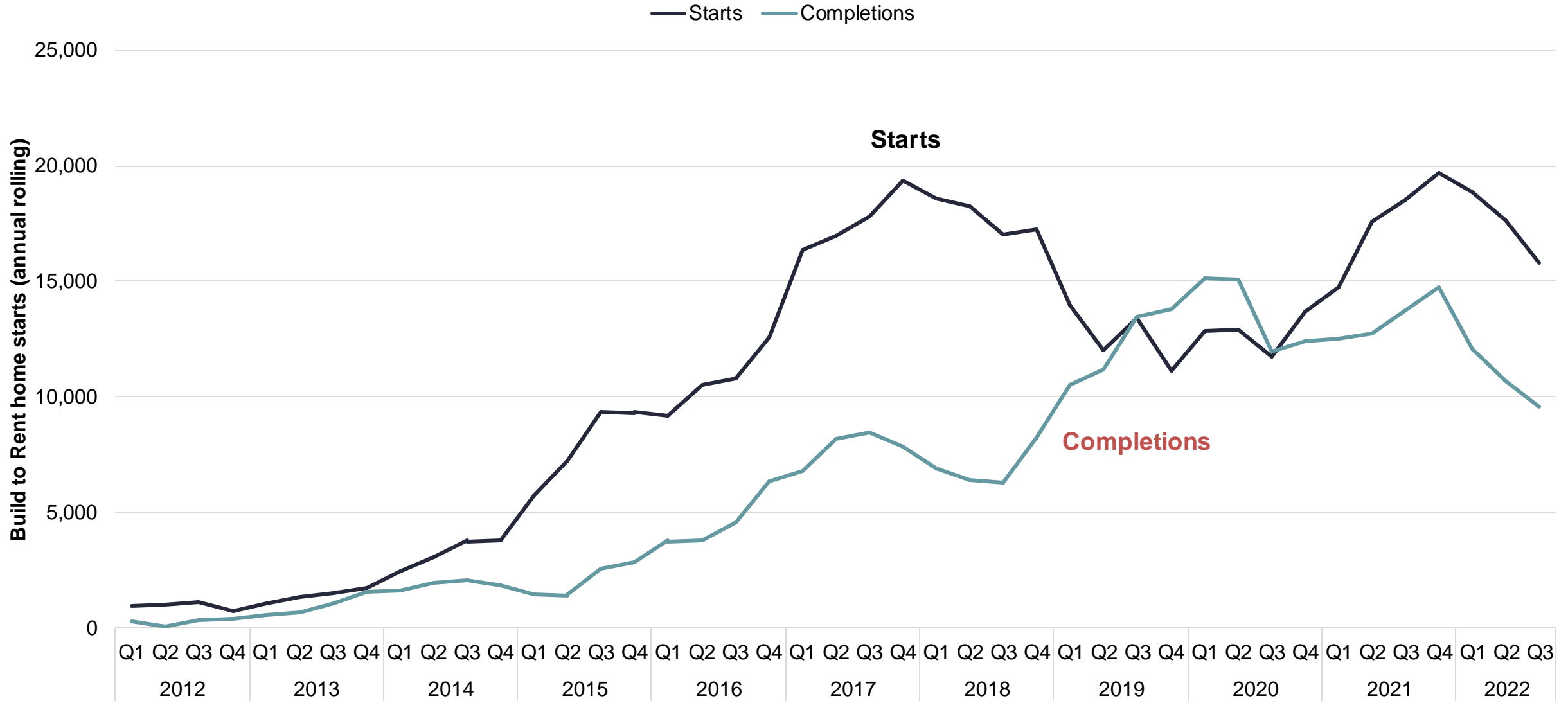


	2018				2019				2020				2021				2022		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
London	13,641	14,385	15,877	18,274	19,035	19,749	20,855	22,267	24,323	25,724	26,684	28,424	30,090	31,709	33,153	35,443	36,292	36,911	37,261
Regions	10,213	11,172	12,241	13,249	15,359	17,007	20,742	23,044	25,227	26,121	26,855	29,286	31,989	32,890	34,122	37,000	37,841	38,378	39,568

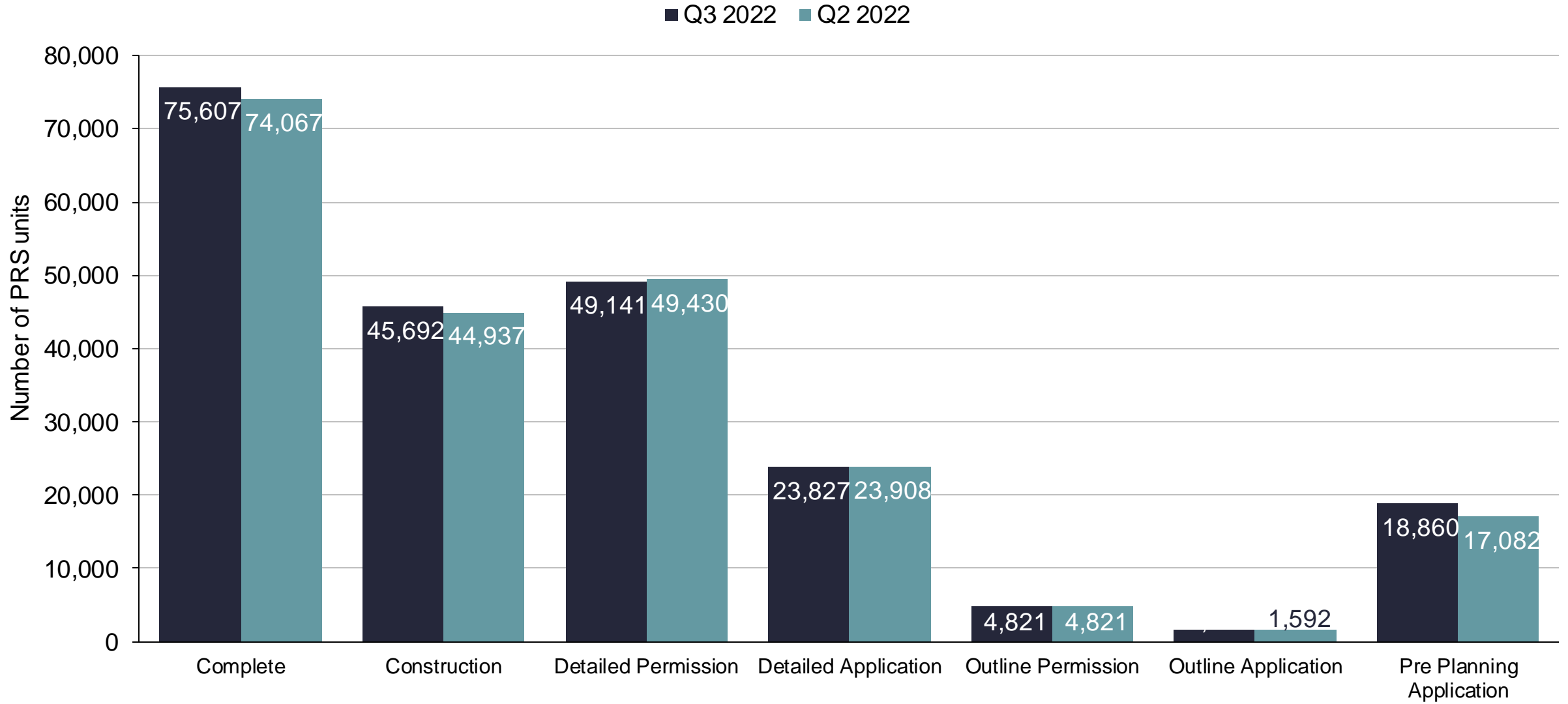


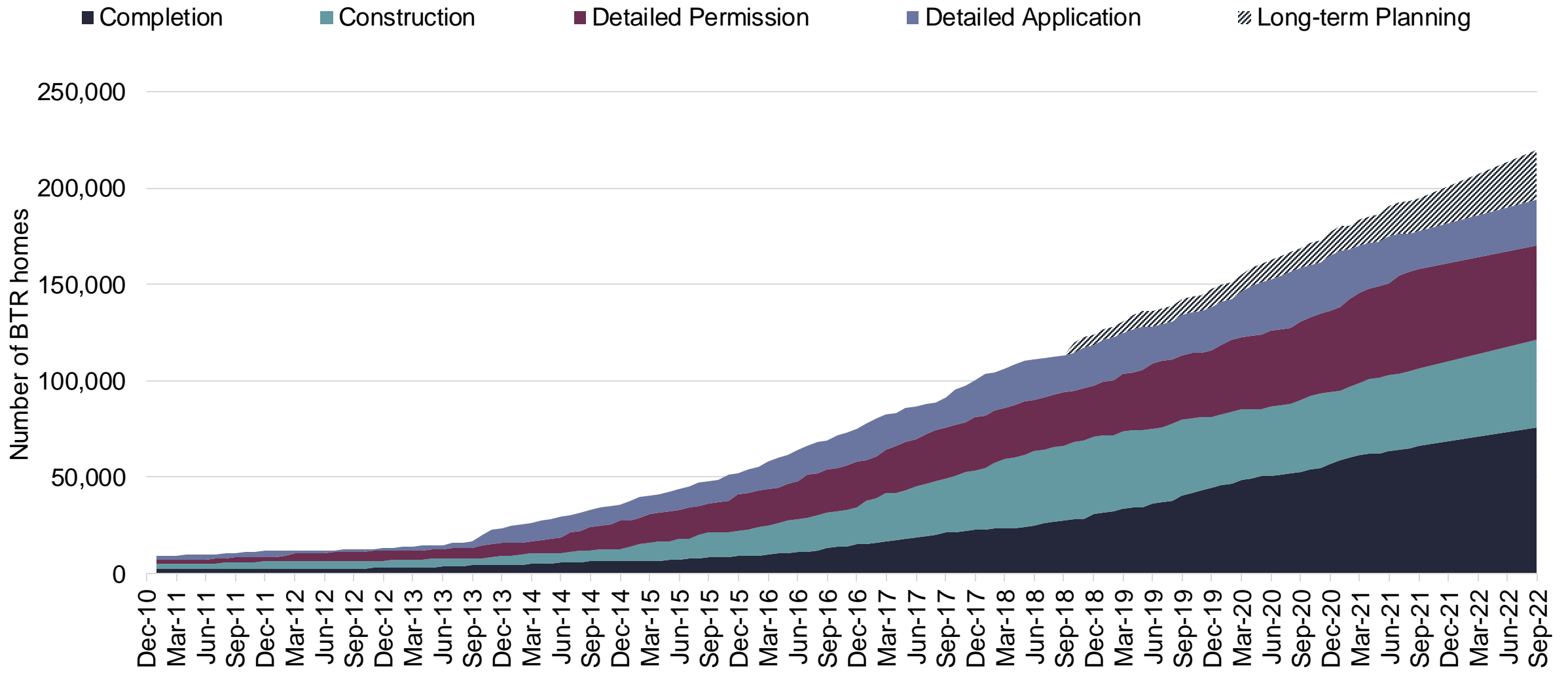
		2018				2019				2020				2021				2022		
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
London	Starts	2,528	1,421	1,245	1,728	1,072	672	2,040	638	1,866	1,059	1,291	1,962	744	1,090	1,560	470	2,189	536	1,415
	Completions	470	744	1,492	2,397	761	714	1,106	1,412	2,056	1,401	960	1,740	1,666	1,619	1,444	2,290	849	619	350
Regions	Starts	3,672	2,223	1,710	2,751	1,819	1,001	2,339	1,521	2,777	668	1,919	2,147	4,942	3,472	2,602	4,837	2,623	2,850	880
	Completions	120	959	1,069	1,008	2,110	1,648	3,735	2,302	2,183	894	734	2,431	2,703	901	1,232	2,878	841	537	1,190
UK	Starts	6,200	3,644	2,955	4,479	2,891	1,673	4,379	2,159	4,643	1,727	3,210	4,109	5,686	4,562	4,162	5,307	4,812	3,386	2,295
	Completions	590	1,703	2,561	3,405	2,871	2,362	4,841	3,714	4,239	2,295	1,694	4,171	4,369	2,520	2,676	5,168	1,690	1,156	1,540

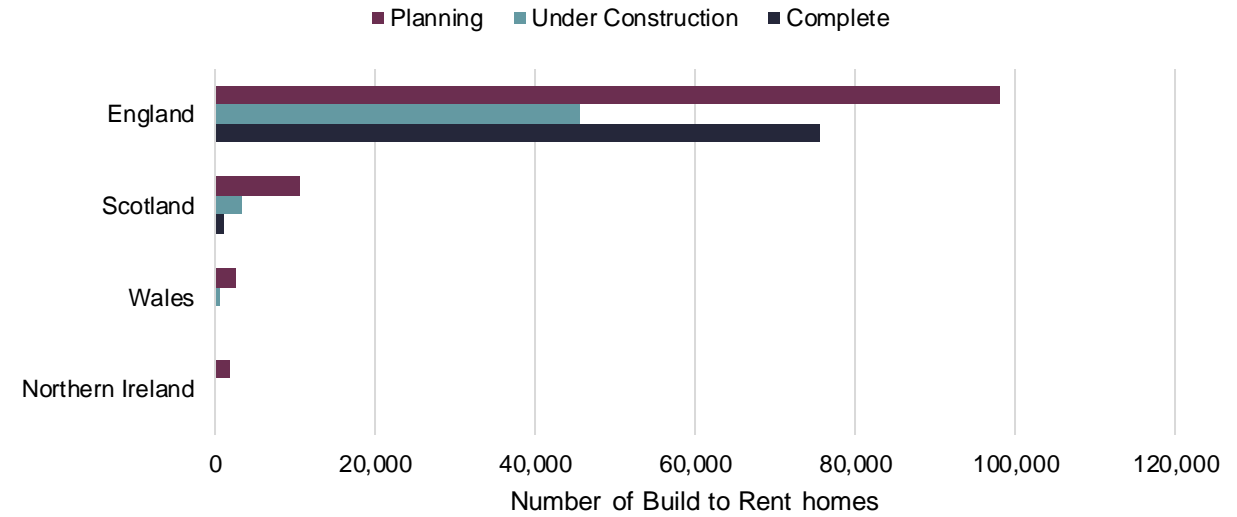
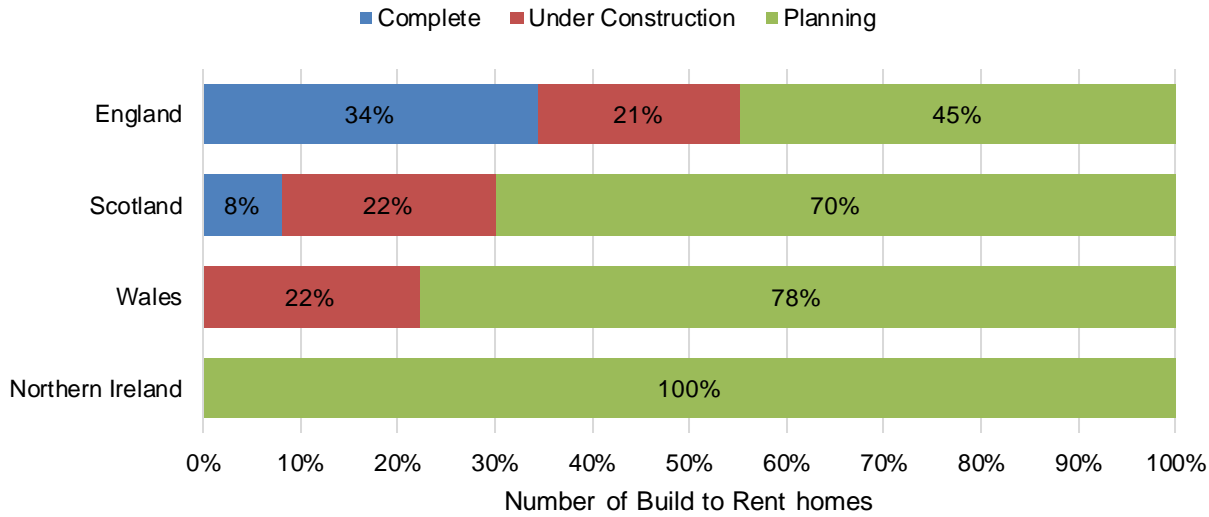












### England

Status	Q3 2022 Totals	Q3 2021 Totals	Increase
Complete	75,607	66,398	14%
Under Construction	45,692	40,215	14%
In Planning	98,266	88,109	12%
Totals	219,565	194,722	13%

### Scotland

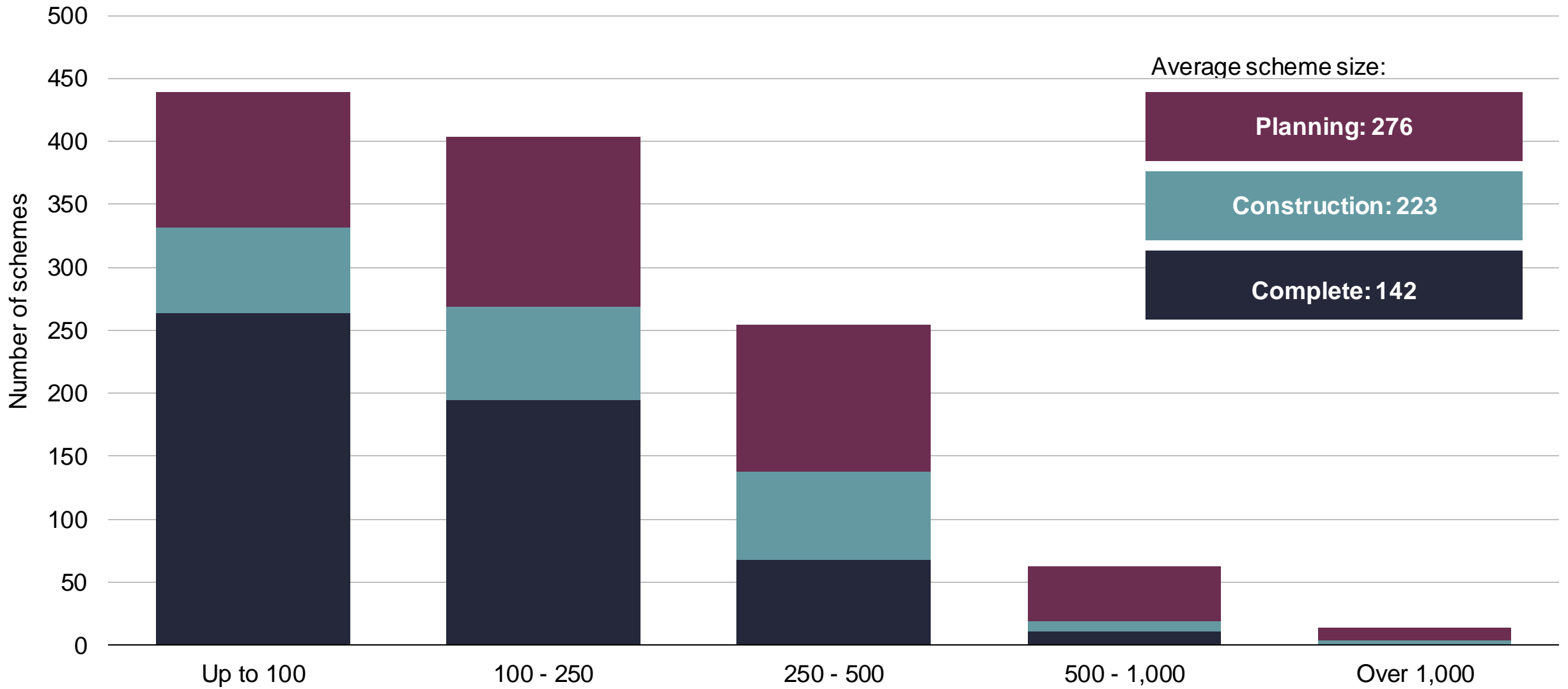
Status	Q3 2022 Totals	Q3 2021 Totals	Increase
Complete	1,222	877	39%
Under Construction	3,381	2,612	29%
In Planning	10,643	7,633	39%
Totals	15,246	11,122	37%

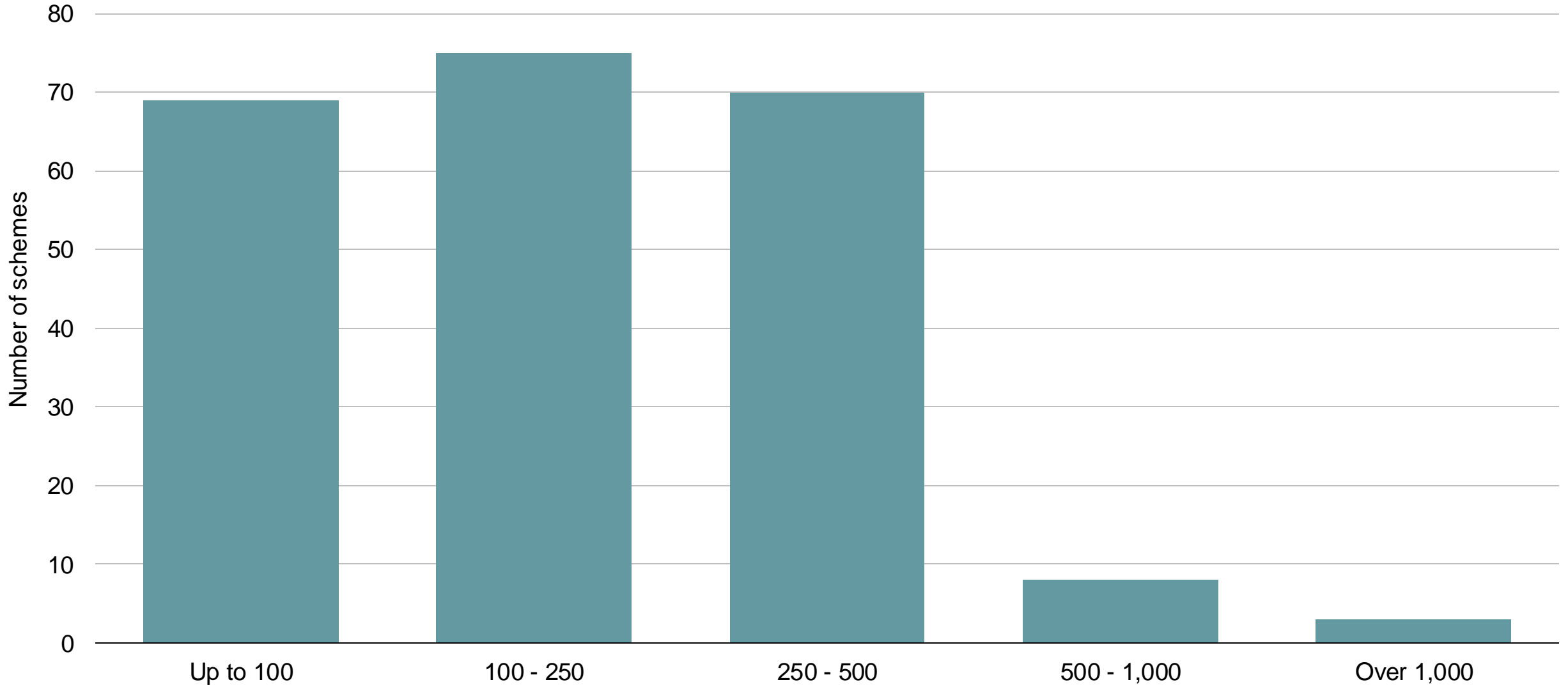
### Wales

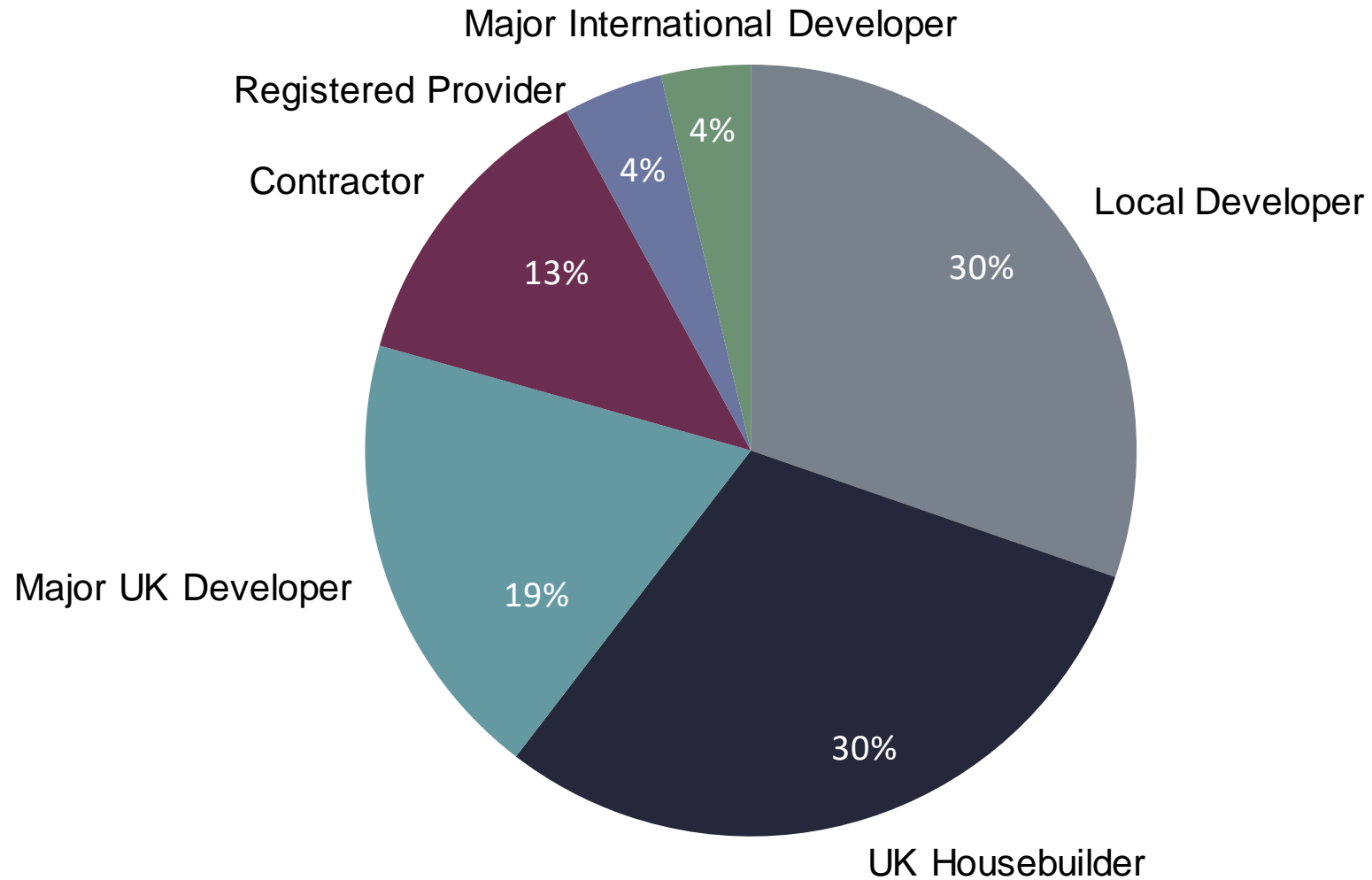
Status	Q3 2022 Totals	Q3 2021 Totals	Increase
Complete	0	0	-
Under Construction	764	764	0%
In Planning	2,677	1,963	36%
Totals	3,441	2,727	26%

### Northern Ireland

Status	Q3 2022 Totals	Q3 2021 Totals	Increase
Complete	0	0	-
Under Construction	0	0	-
In Planning	1,950	742	163%
Totals	1,950	742	163%

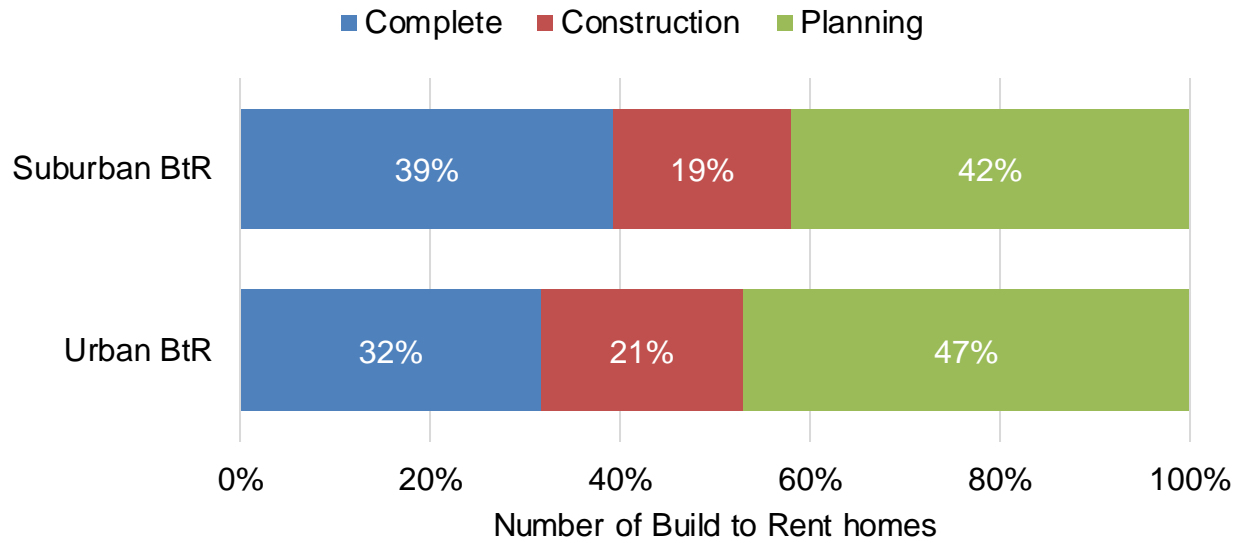




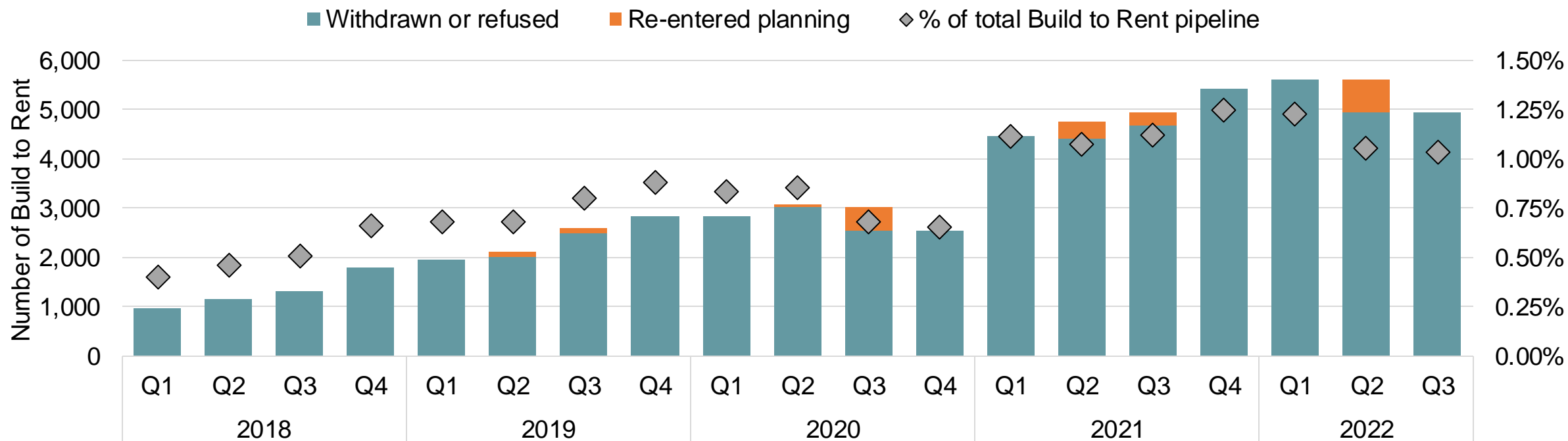




	Urban BtR homes	Suburban BtR homes
Complete	67,792	8,910
Construction	45,554	4,250
Planning	100,812	9,536
Total	214,158	22,696



	2018				2019				2020				2021				2022		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	
Withdrawn / refused	963	1158	1306	1802	1949	2004	2483	2826	2826	3030	2540	2540	4464	4417	4683	5428	5610	4952	4592
Re-entered planning	0	0	0	0	0	124	110	0	0	50	490	0	0	350	254	0	0	658	0
% of total pipeline that is withdrawn / refused	0.4%	0.4%	0.5%	0.6%	0.7%	0.7%	0.8%	0.9%	0.8%	0.8%	0.7%	0.6%	1.1%	1.0%	1.1%	1.2%	1.2%	1.1%	1.0%



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# Important Note

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