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Who lives in Build-to-Rent?

NOVEMBER 2022

An analysis of Build-to-Rent occupancy
across England



Credit: Touchstone Residential



Contributors

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The British Property Federation, DataLoft, BusinessLDN, and the UK Apartment Association would like to thank our partners for this study:

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We would also like to thank HomeViews for providing certified reviews of additional Build-to-Rent developments and Savills for their collaboration on the BPF/Savills Quarterly Build-to-Rent statistics.

savills

Welcome

The British Property Federation (BPF), Dataloft, the UK Apartment Association (UKAA), and BusinessLDN are pleased to release our fourth ‘Who Lives in Build-to-Rent?’ report. This publication is quickly becoming the benchmark for the sector, showcasing that the Build-to-Rent product provides homes for all, with representation across incomes, professions, and ages.

This report updates on our previous three ([all of which can be found here](#)) and our data sample has grown significantly, now representing more than thirty per cent of total completed Build-to-Rent homes in the UK. The scope is England-wide and our dataset has also widened this time to include tenancy renewals. Similarly to our last nationwide study, published in November 2021, there is a spotlight on single family Build-to-Rent, the growth of which as a product has gone from strength to strength.

The data, as summarised under ‘**Key findings**’ on page 4, highlights the comparability between Build-to-Rent and the wider private rented sector – a similarity that is often overlooked. Through this research programme, we are building an understanding of who this sector is really housing and we hope that this latest report will further confirm that Build-to-Rent is an important housing option and has a vital role to play in addressing the housing crisis.

We would like to give thanks to the Build-to-Rent providers who contributed their data and time to this study. Publications like this are at their most valuable when representing the sector as fully as possible, so all contributions are greatly appreciated.

Context: Build-toRent in the UK

The UK’s Build-to-Rent sector was effectively born ten years ago with the publication of the Montague Review, and has fast become an established part of the UK housing market, meeting demand for high-quality, well-managed rental housing.

In partnership with Savills, the BPF releases quarterly statistics on the Build-to-Rent sector in the UK. At the end of Q3 2022, we estimated that the sector had grown by 15% compared to one year earlier, with a total of over 240,000 homes either in planning, under construction, or completed.

76,829
Completed

49,837
Under Construction

113,536
In Planning

Source: Savills/BPF Build-to-Rent Statistics

The most recent statistics also showed that a record number (47%) of local authorities had Build-to-Rent in their planning pipeline, while growth in the regions is significantly stronger than in London, showing how versatile and widespread the product is becoming. This is partly due to the growth of suburban single family Build-to-Rent, which we spotlight later on in the report.

Table 1: BtR Pipeline

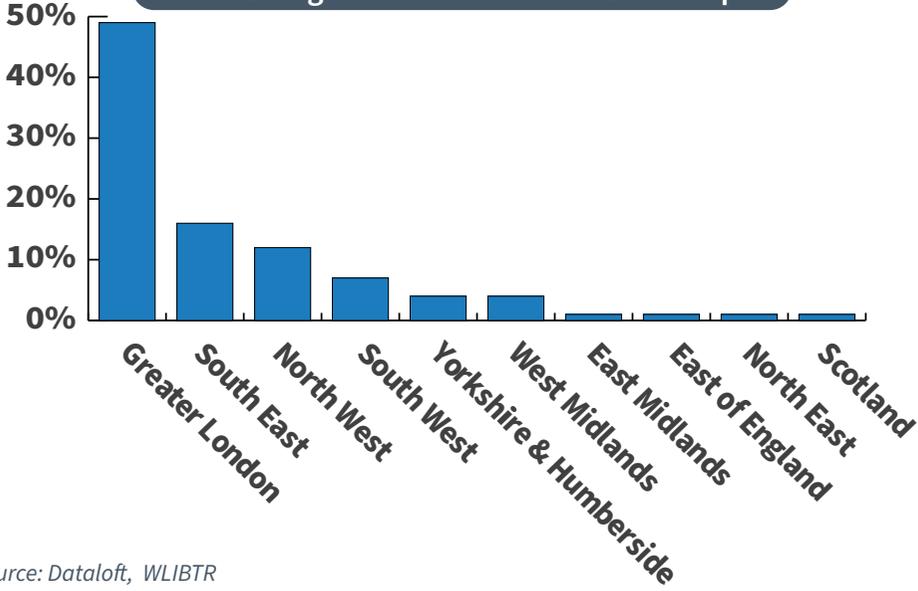
	Urban BtR Homes	Suburban BtR Homes
Complete	67,792	8,910
Construction	45,554	4,250
Planning	100,812	9,536
Total	214,158	22,696

Profile of our Findings

The data in this publication represents a higher proportion of England's Build-to-Rent sector than any of our previous studies, covering **over 40,000 residents**, living in **more than 19,000 homes** across **122 schemes**. This represents more than 25% of completed BTR homes in the UK – the largest ever UK resident study for the sector.

As in our last nationwide study, the data is separated into two samples – the first being a 'BTR sample', representing typical urban BTR usually found in cities and town centres, and which makes up the majority of this report. This data is benchmarked against the wider private rented sector (PRS) using data provided by Dataloft from their DRMA dataset.

Chart 1: Regional distribution of BTR sample



Source: Dataloft, WLIBTR

BTR SAMPLE

67 Schemes

15,274 Homes

32,716 Residents

The second sample – our 'SFH sample' is a spotlight on single family, suburban Build-to-Rent, using data provided by Sigma Capital's Simple Life Homes. This is benchmarked against the 'BTR sample' outlined above to demonstrate the spectrum of housing options that the purpose-built rental sector provides.

SFH SAMPLE

55 Schemes

4,579 Homes

7,895 Residents

Disclaimer: The data presented throughout this report is the average for each category, and in some instances, due to rounding not everything will add up to 100%. Data was taken over a three-year period to July 2022. Due to data collection and reporting differences between participants, some datasets do not constitute the full scheme, unit and resident totals outlined above but are instead a portion of the total sample size. For the purposes of this work, the number of residents are defined as those whose names are registered on the tenancy agreement and not the total number of residents living in the home.

Key Findings: Who Lives in Build-to-Rent?

Affordability

Build-to-Rent has comparable levels of affordability to the wider PRS for all types of residents. Our BTR sample spends an average of 28-33% of their income on rent across England.

Leases

92% of Build-to-Rent schemes offer one and three-year lease lengths, and 25% offer leases of longer than three years. 53% of tenancies were renewed over the last year.

Age

The most common age band for residents in both Build-to-Rent and the wider PRS is 25 to 34 years old (both over 40%). Our BTR sample houses broadly similar numbers in each age band to the wider PRS although it has a higher proportion of 16-24 year olds (31% v 30%).

Income

Build-to-Rent residents' incomes are comparable to the wider PRS - in our BTR sample, 18% of residents earn between £26-32k per year, while in the wider PRS this income band constitutes 22%. In BTR 23% of renters earn £32-44k, compared to 19% in the PRS.

Employment

Build-to-Rent residents are professionally diverse and employed in many different industries. In our BTR sample 17% of residents are public sector workers, very similar to the wider PRS figure of 19%. This suggests that Build-to-Rent is suitable for key workers.

Resident Experience

The amenities most commonly included in the monthly rent in our BTR sample are social events (88%), concierge (85%), shared garden/roof terrace (81%), parcel acceptance (79%) and lounge (78%) and co-working (73%) spaces. In addition, 82% of schemes in our BTR sample allow pets in some or all homes.



High-Quality Living

Service Quality is fundamental to the Build-to-Rent model and reflects the strong focus on tenant retention and community building. It promotes community by providing public spaces and semi-private areas – such as communal gardens, parks, roof terraces, playgrounds, and allotments – which create social gathering points and ways for residents to connect with their neighbours. Equally popular are event or co-working spaces which also provide settings for community activities and support the growing work-from-home culture.

A feeling of security is provided by on-site management and often 24/7 concierge services, but also by long-term tenures on offer. Developments may include gym memberships, co-working spaces or bike storage within the rent - costs that would often be incurred separately by those living in the wider private rented sector.

We collected data on the amenities available in our BTR sample. The ten most commonly included in rent are listed below:

88% PUT ON A SOCIAL CALENDAR OF EVENTS	85% HAVE A CONCIERGE	81% HAVE A SHARED GARDEN AND/OR ROOF TERRACE	79% OFFER PARCEL ACCEPTANCE AND/ OR STORAGE
78% HAVE A RESIDENTS' LOUNGE	73% HAVE CO-WORKING AND/ OR MEETING SPACES	69% HAVE 24-HOUR SECURITY	
63% HAVE EVENT SPACES	58% HAVE A GYM OR WELLBEING CENTRE	30% HAVE ON-SITE FOOD AND BEVERAGE PROVISION	

Compared to 2021, the percentage for every amenity has increased, particularly social calendar which has risen by 15%, residents' lounge with a growth of 17%, and co-working spaces up 12%, highlighting the importance of amenity in this space.

Many other amenities are provided for an additional fee (rather than included in rent) – including a car parking space in 69% of schemes, on-site food and beverage provision in 31%, and a cleaning service in 15%.

Of schemes with amenity space it makes up an average of 11% of the floorspace, rising to 12% when London is excluded.



Affordable Living

Our BTR Sample demonstrates that Build-to-Rent is an affordable option for all residents. The average affordability ratio – percentage of household income spent on rent – is around 30%, the accepted national affordability benchmark. Couples and sharers living in BTR tend to have lower affordability ratios than in the wider PRS, with an average of 28% of income spent on rent compared to 29%, as do families, who spend 27% of their income on rent compared to 32% in the wider PRS.

As the cost-of-living crisis continues, renters are likely to seek ways of reducing their costs which might include: money-saving amenities, zero deposit schemes, and inclusive utility bills. With an affordability ratio very comparable to the PRS, for some renters the Build to Rent offer represents value.



69% of BTR schemes include internet provision in rent

BTR schemes are typically quite recently built and therefore designed with energy efficiency in mind, saving residents money on their bills



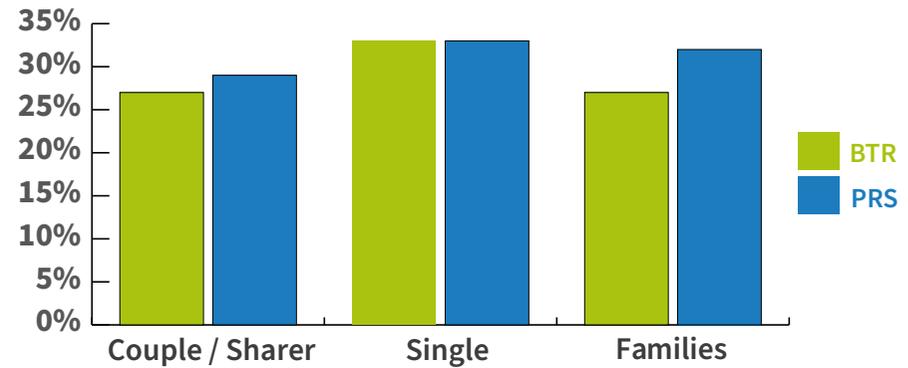
BTR homes often offer zero deposit options so there are no barriers to new people moving in

58% of schemes have a gym on-site with access included in rent



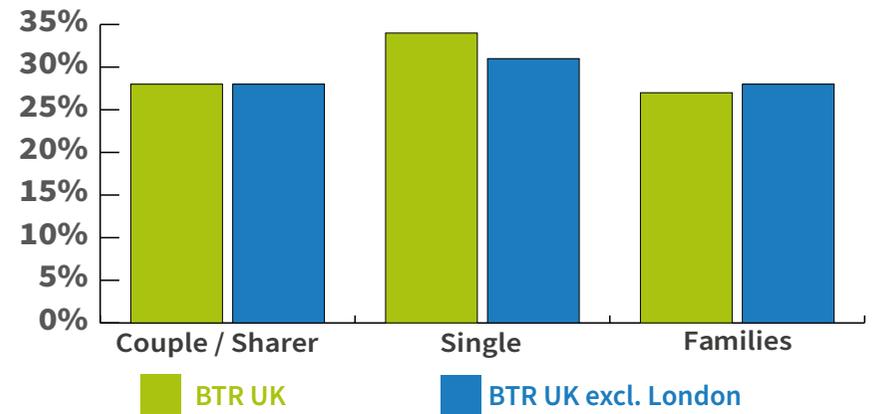
73% of schemes have on-site co-working space available to residents at no extra cost

Chart 2: Renters affordability BTR vs PRS
Average % of gross household income spent on rent



Source: DataLoft, WLIBTR, DRMA

Chart 3: BTR affordability – UK vs UK excl. London
Average % of gross household income spent on rent



Source: DataLoft, WLIBTR

Comfortable Living

Renters are looking for a safe, secure and long-term place to call home. Increasingly the government too is looking to ensure a fairer private rented sector. Build-to-Rent communities are already looking to provide lasting, stable homes with over a quarter of schemes planning to offer long term leases of over three years, far beyond the typical 12 month lease in the wider PRS.

Lease length	Average proportion of schemes offering lease length	Proportion of units with lease length active
1-year	92%	66%
2-year	80%	8%
3-year	92%	23%
More than 3 years	25%	3%



53% of tenancies which came up for renewal in the past year renewed



23% of renters in BTR moved from within the same local authority

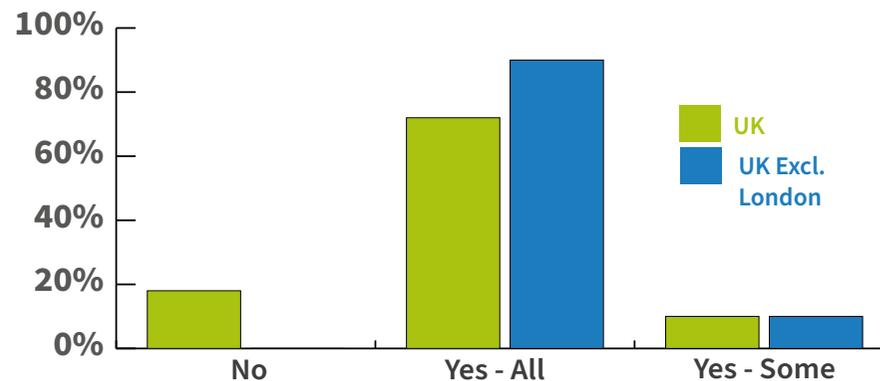


Of the people whose tenancy ended in the last year, 6% moved within the same BTR scheme, and 13% moved to another BTR scheme – this goes up to 23% when London is excluded

For many people, cats and dogs are part of the family, but historically private landlords have been reluctant to accept pets. However, the BTR sector has taken the lead in creating pet-centric accommodation. In BTR, 73% of schemes allow pets in all their units. This increases to 90% when London is excluded. Some schemes even have pet-specific amenities such as doggy daycare or walking areas on-site.



Chart 4: BTR schemes – pets allowed
Proportion of schemes with pets allowed



Source: Dataloft, WLIBTR

Placemaking

Quintain Living Halloween Pet Parade 2022

Community is at the heart of Quintain Living with resident events a key part of the offering. On 22nd October 2022 residents and their pets came together for the inaugural Quintain Living Halloween Pet Parade at Wembley Park.

The event took place in the Festival Gardens at **The Robinson**, one of Quintain Living's nine developments at Wembley Park, known for its colourful design and quirky shared social spaces. A total of 40 dogs and over 70 human residents attended the paw-some event. Strictly's Neil Jones, a Quintain Living resident and proud dog owner, and Danielle Bayless, Quintain Living COO, fellow resident and dog owner, joined the Halloween Pet Parade judging panel.

The Halloween Pet Parade inspired by New York's famous annual Tompkins Square Dog Run Parade, featured a range of exciting, bespoke costumes with prizes for the best dressed. In addition to the parade, human residents enjoyed food and drink supplied by local independent coffee house, Out of Office. Non-pet owners were also welcomed to the friendly Quintain Living resident event, with community members taking the chance to get to know the team from new retail outlet, The Cuddle Club at Wembley Park.



“ It was so much fun to see our residents and their pets come together at the Halloween Pet Parade. It was great to see so many pets and their owners making new friends and creating happy memories together.

*Danielle Bayless, Chief Operating Officer,
Quintain Living*

”

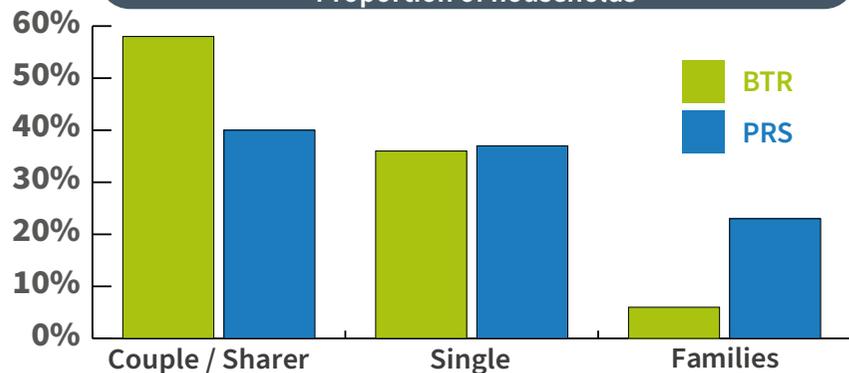


Credit: Quintain

Lifetime Living

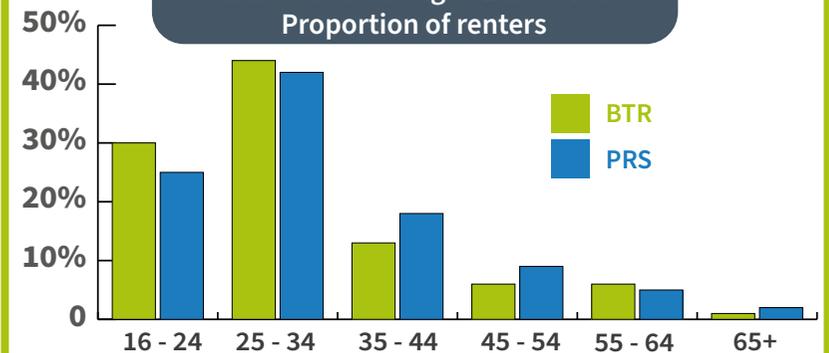
Build-to-Rent is an important tenure type for all ages and has very similar age profiles to the wider private rented sector. The most common age band for residents in both our BTR sample and the wider PRS is 25 to 34 years. The biggest difference between our BTR sample and the PRS is that our BTR sample has more 16-24 year olds (30%) than the PRS (24%), this is probably due to the percentage of students choosing to live in Build-to-Rent.

Chart 7: Household type - BTR vs PRS
Proportion of households



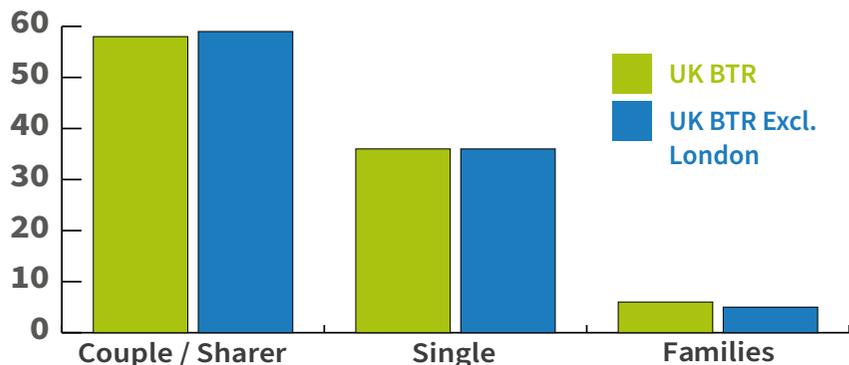
Source: Dataloft, WLIBTR, DRMA

Chart 5: Renters age - BTR vs PRS
Proportion of renters



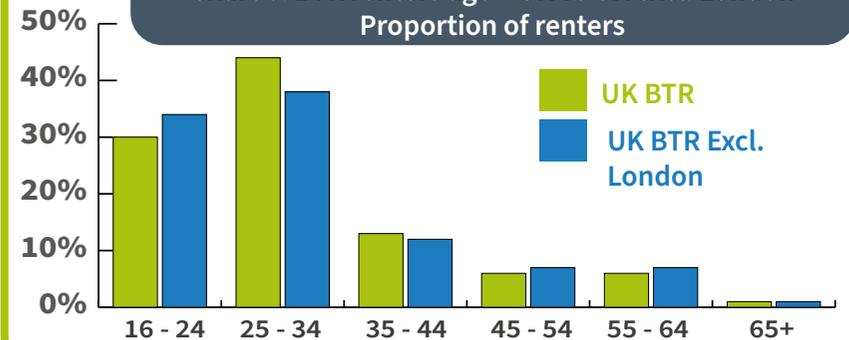
Source: Dataloft, WLIBTR, DRMA

Chart 8: BTR household type- UK vs UK excl. London
Proportion of households



Source: Dataloft, WLIBTR

Chart 6: BTR renters age - UK vs UK excl. London
Proportion of renters



Source: Dataloft, WLIBTR

Build-to-Rent has a much higher proportion of couples and sharers (60%) than the wider private rented sector at 40%. The percentage of families in our BTR sample is significantly lower than in the wider PRS but that is likely because the sample is comprised of 99% flats rather than houses, and the vast majority of those are one or two-beds. As shown in our single family BTR spotlight, the sector is providing for families, with 47% of houses in that sample being home to a family.

Residents' Stories

Ayse and Deniz Karakaya with family

Gilders Yard Grainger

“It has just been a month since we have moved to Gilders Yard and it is already feeling like home.

After searching for so many properties and feeling frustrated we knew that Gilders was the right home for us right when we stepped in the building. It has the historical architecture with beautiful exposed brick walls along with an industrial clean design. Since we are used to living in old buildings with high ceilings the property feels very spacious.

“ It also has the best management team with their lovely smiles and quick responses... Thank you Gilders Yard!

”

Also, as a family with 2 kids and a baby on the way we feel safe here as security is regarded highly. It has real benefits for us since we are a newbie in Birmingham with no relations yet and my husband travels often for work and I stay home with the children.

It also has the best management team with their lovely smiles and quick responses. We are especially forever grateful for our lovely reception team dealing with every matter.

Although it is a new experience for us, ‘built to rent’ with its purpose-built homes, professional management, high security and providing a community with likeminded people is the right choice for us.

Thank you, Gilders Yard!”



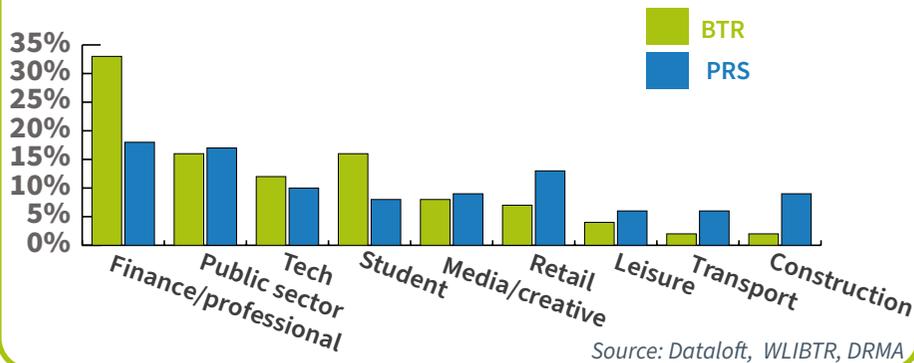
Productive Living

The most common employment sector for renters in both BTR and the wider PRS is the finance and professional sector, which is a fairly broad category. When London is removed from the BTR analysis, this proportion drops from 29% to 19%, correlating with London's wider statistics on employment and similarly in the tech sector it drops from 10% to 7%.

The public sector employs 17% of people living in Build-to-Rent, compared to a similar proportion of 19% in the wider PRS.

16% of our BTR sample's residents are students, compared to 8% in the PRS – it should be noted that there were substantial variations between locations in the BTR sample. It is likely that the average was skewed by blocks with high student populations in areas with an under-supply of student accommodation.

Chart 9: Renters employment sector - BTR vs PRS
Proportion of renters



The Build-to-Rent sector caters for a wide array of incomes and price points for residents and provides vital housing for lower-to-middle income groups. The most common income band for renters in BTR is £26,000 to £31,999, whilst 30% of people earn between £19,000 and £25,999. This is based on individual incomes rather than household.

Overall, incomes in our BTR sample and the PRS are fairly comparable.

Chart 10: BTR employment sector – UK vs UK excl. London
Proportion of renters

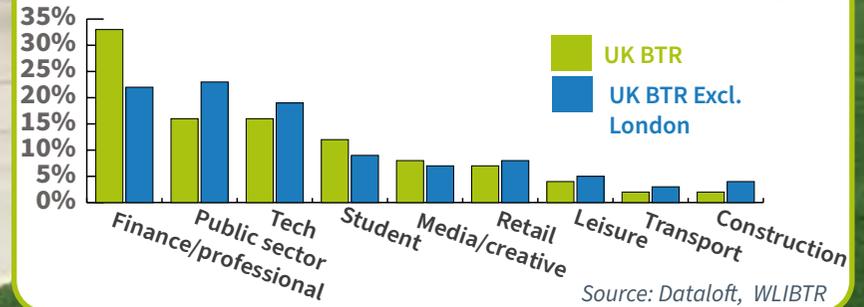


Chart 11: Renters income band- BTR vs PRS - proportion of renters

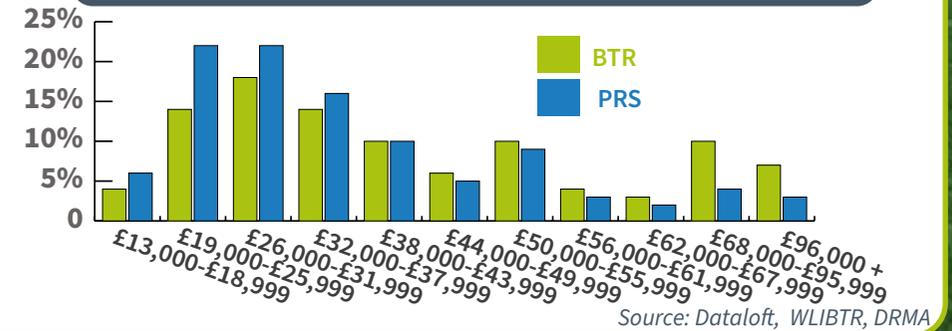
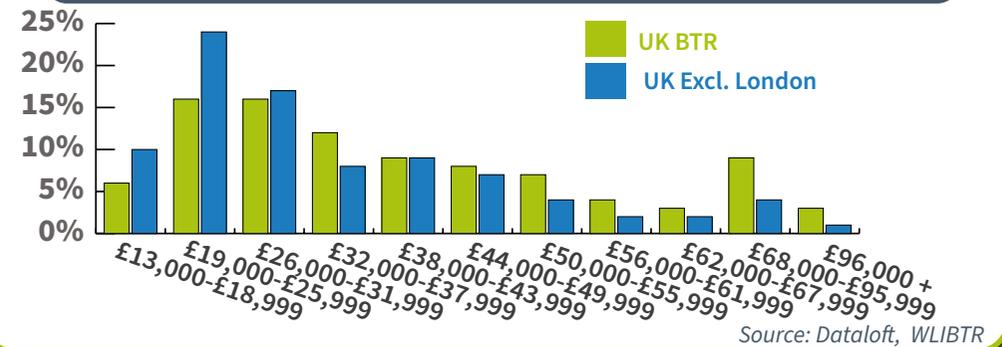


Chart 12: BTR renters income – UK vs UK excl. London - proportion of renters



Residents' Stories

The Walls

Wembley Park Quintain Living

Over the past few years, Wembley Park has transformed from an event-day destination to a vibrant, family-centric neighbourhood. For avid football fan and family man Rob Wall, the area now offers the best of both worlds for him and his family.

The Walls live at Beton, the retro, minimalist apartment building from Quintain Living, distinguished by its clean lines, exposed concrete and distinctive palette. The furnished apartments are complemented by a range of social spaces, including a pool room that Rob and his wife enjoy using in their downtime.

“ My wife and I enjoy living at Quintain Living with our young children. Our nursery is less than 100 metres from our home, the kids love the park, and the roof terrace! We enjoy living so central to everything. As an avid football fan, we are members of Club Wembley, and also enjoy that the Jubilee Line takes me to my office in less than 15 minutes. ”

Rob Wall

The ease of renting and desire to live in the buzzing Wembley Park neighbourhood drew The Walls to Quintain Living. They moved first into Landsby in March 2019 and later into Beton, taking advantage of how easy Quintain Living makes it for residents to switch between their nine super stylish Wembley Park developments.

Rob and his family have been enjoying all that Beton has to offer. Rob uses the shared social areas to relax and for work. A certified John Maxwell Communication and Leadership Coach whose clients include Apple and the UN, he takes conference calls from around the world, using Beton's dedicated work-from-home mezzanine.

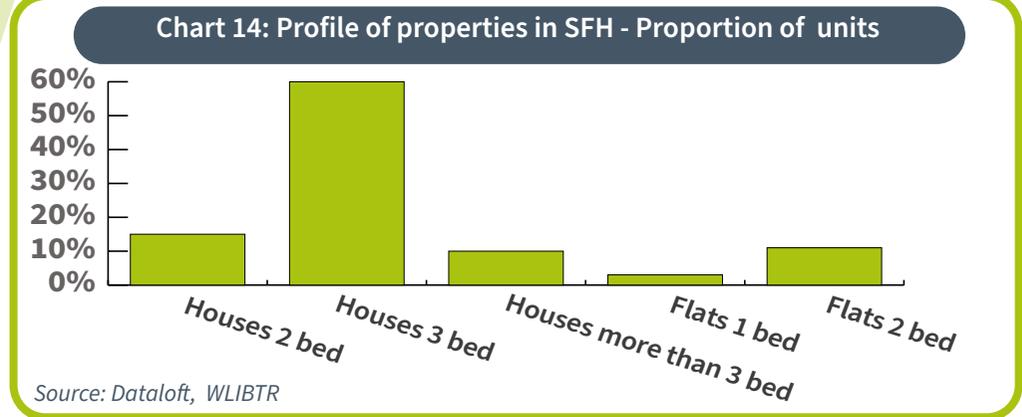
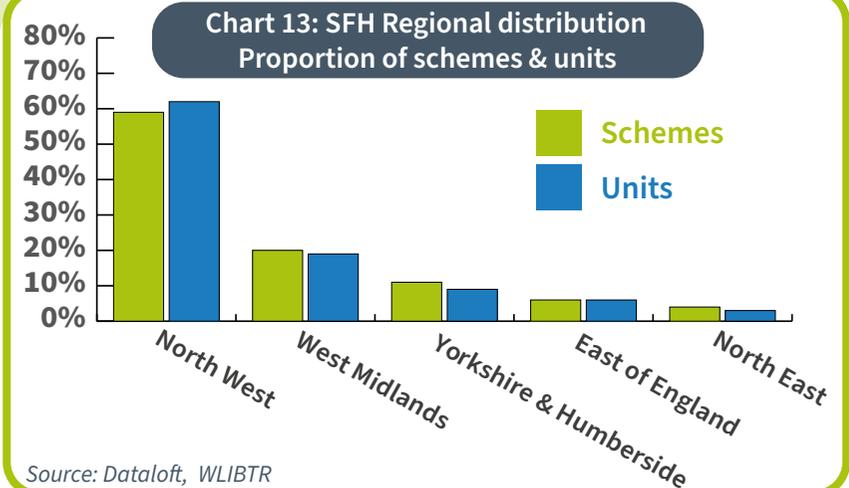
Fully embracing the local community, Rob has also worked with Quintain Living to run free-to-attend seminars to mark World Mental Health Day and also delivered a number of coaching sessions for Quintain Living residents.





Spotlight: Single Family Build-to-Rent

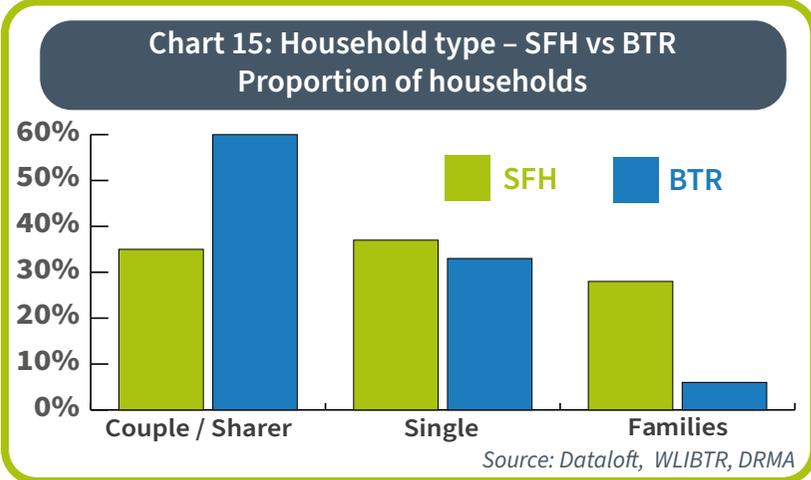
Single Family Housing (SFH) is a growing part of the sector providing purpose-built rental homes, typically in suburban areas and often, but not exclusively, in the form of houses rather than flats.



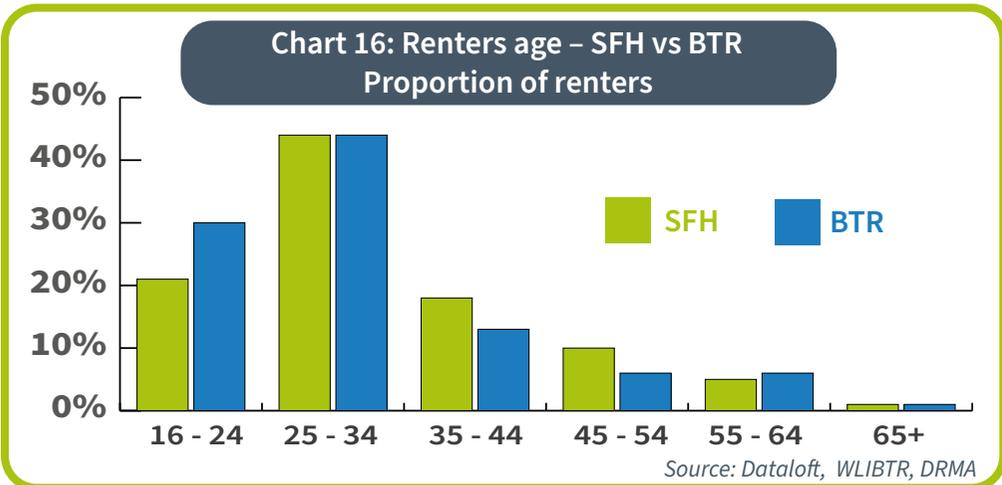
Our SFH sample has been provided by Sigma Capital's Simple Life and covers 55 schemes with over 4,500 homes and more than 8000 residents. We have benchmarked their data against the BTR sample discussed in the rest of this report to show the range of housing provided by the sector, for all types of people.

Spotlight: Single Family Build-to-Rent *Continued*

As explained earlier in the report, while our BTR sample houses fewer families than the wider PRS, they account for 28% of households living in our SFH sample. This proportion rises to 47% when looking specifically at houses.

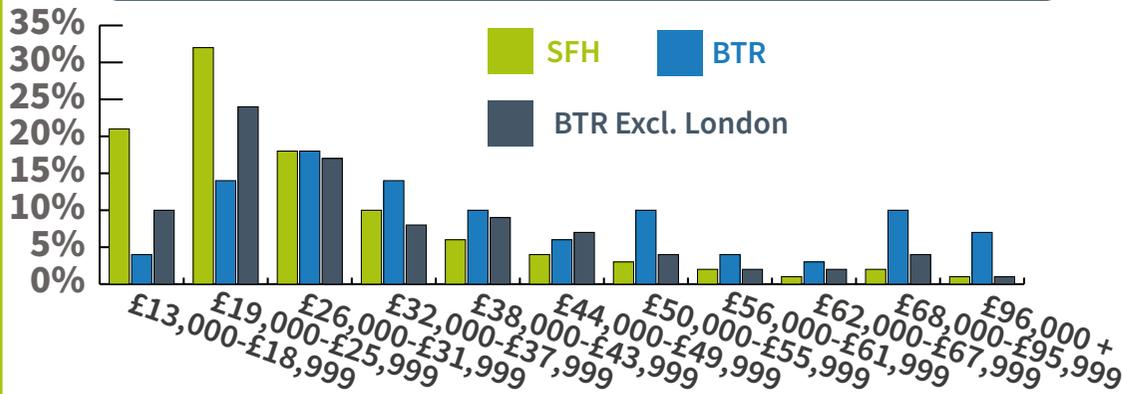


The most common age band in both BTR and SFH is 25-34 years. There are however, fewer 16-24 year olds in the SFH sample, and a higher proportion of most of the older age groups.



- 100%** OF THE SFH SAMPLE ALLOWS PETS
- 78%** OF TENANCIES IN SFH WERE RENEWED IN THE LAST YEAR
- 43%** OF PEOPLE MOVING INTO SFH MOVE FROM WITHIN THE SAME LOCAL AUTHORITY

Chart 17: Renters income band- SFH vs BTR vs BTR excl. London
Proportion of renters

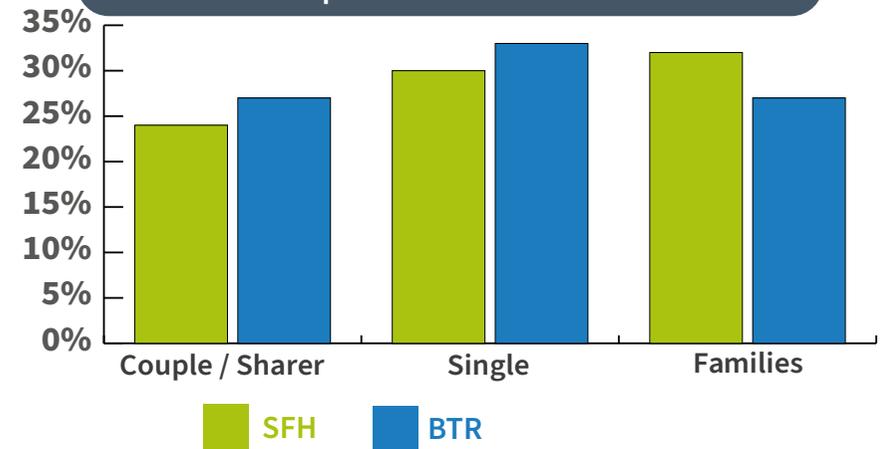


Source: Dataloft, WLIBTR, DRMA

Spotlight: Single Family Build-to-Rent *Continued*

The most common income band for renters in single family housing is £19,000 - £25,999 – the band below the average for Build-to-Rent, and significantly more renters in SFH earn between £13,000 and £18,999. Only 9% of renters earn over £50,000, compared to 32% of BTR. This difference can largely be explained by the disproportionate impact of London on our BTR sample, which is evident in Chart 17. The higher income bands in SFH and BTR are more closely aligned when London is excluded.

Chart 18: Renters affordability SFH vs BTR
Proportion of households



Source: Dataloft, WLIBTR, DRMA

Single family housing is comparatively affordable. Couples and sharers spend only 24% of their household income on rent, compared to 27% in BTR. The affordability ratio for singles is also lower, at 30% compared to 33%. Families in SFH pay slightly more of their income on rent, probably because they are more likely to live in larger houses designed for families - which are not typical for BTR stock.

BTR Stories

The Lab E20

The Olympic Park in East London is fast becoming a powerhouse for creativity, innovation and learning. Get Living felt it was essential that the East Village placemaking strategy reflected its position at the epicentre of London's emerging cultural district, whilst also serving the local community. One of the most impactful elements of that strategy has been transformation of a prime commercial unit in the heart of East Village into The Lab E20; a community space for experiential retail, culture and creativity with a focus on positive fashion and sustainable living.

Co-launched and co-created by Christopher Raeburn, The Lab E20 has been designed to engage with a wide range of local stakeholders, placing an innovative space at the heart of East Village that brings together our residents alongside creatives, collaborators and the wider local community to work towards a more sustainable neighbourhood.

“ While The Lab E20 is the hub, placemaking activities frequently spill out onto the public realm and across the Village with initiatives such as the summer fete and a neighbourhood arts trail, sitting alongside Get Living's role in maintaining the unique protected wildlife zone known as the Wetlands. ”

Almost 18 months on since the launch of The Lab E20, we have had thousands of visitors engage in a programme of events which have ranged from a pop-up swap shop hosted by fashion rental platform LOANHOOD, to workshops led by ReGo, which showcased fashion pieces repurposed from knives taken from the street.

Activity in The Lab E20 will continue to evolve to serve our residents and visitors to East Village from near and far, facilitating creativity and community action towards sustainable living. While The Lab E20 is the hub, placemaking activities frequently spill out onto the public realm and across the Village with initiatives such as the summer fete and a neighbourhood arts trail, sitting alongside Get Living's role in maintaining the unique protected wildlife zone known as the Wetlands.



The Forum – Partnering for Mutual Benefits

The Forum in Birmingham is a uniquely placed building within the growing and exciting Build to Rent Sector of the Residential Development Market.

Apart from simply catering to the day-to-day needs of its residents it also partners with local businesses/venues to enhance not just the living experience but also to assist the wider community.

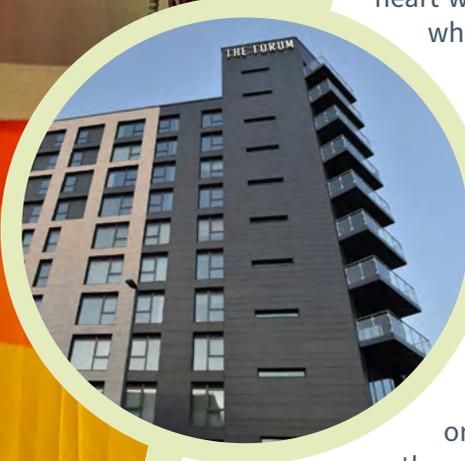
Two such interactions are with Pride House, Birmingham and The Hippodrome, Birmingham.

Pride House’s mission: to create a safe and inclusive space for LGBTIQ+ spectators, athletes, staff, volunteers, organisations and allies was at its heart when they were involved with the recent Commonwealth Games which was a phenomenal global success.

As for The Hippodrome, this renowned venue champions volunteering so that theatre goers who face physical and mental challenges in their everyday life are catered for. Facilities such as sensory rooms, captioned boards bean bags, community coaches, sign language interpreters, audio describers, Special Schools etc., are provided by volunteers so those less able are given the opportunity to enjoy staged performances.

It is vital that The Forum engages with and advocates such organisations as it is important to partner key service providers in the entertainment and sports realms as this can only mean that work is being done for the greater good and for the inclusion of all.

Exposure of what these organisations can and do provide has meant that they have caught the eyes of the wider community, if not nationally and globally and The Forum is proud to have been able to assist with this through its partnering/sponsorship arrangements.



Conclusions

This study builds on the conclusions of our previous three reports and consolidates our findings.

- Build-to-Rent provides necessary homes for a range of different people across the country
- The sector houses a range of ages, incomes, and household types and as such, is comparable to the PRS – everyone is welcome in BTR
- This study, like its predecessors, contradicts the view that Build-to-Rent homes are a purely high-end product. It finds evidence of well-designed and managed homes that are affordable to a cross section of the population and provide additional benefits such as amenities, inclusive utility bills, energy efficiency by design, and security of tenure
- Quality is a guiding principle for Build-to-Rent providers. An average of 11% of floorspace is given over to amenities for residents and the evidence suggests that satisfaction is high, with 53% tenancies renewed in BTR and 43% in SFH
- Single family housing is growing as a subset of BTR and provides a different type of home for a different range of renters, meaning the sector as a whole is diversifying its offer and meeting the needs of a wide demographic
- Build-to-Rent has a critical role to play in tackling the UK's housing crisis. For too long Government has focused solely on home-ownership. The authors of this report believe that people should have a choice about where they live and be able to decide between a range of housing options and tenures.

What's next for Who Lives in Build-to-Rent?

We will continue to use this study to grow understanding of the Build-to-Rent sector with Government, the media, and the public.

We have two further studies coming up in early 2023, using our data samples to focus on Build-to-Rent in London and Manchester. The London publication will build on our two previous reports and will focus on affordability, whilst the Manchester report will be the first of its kind for the regions looking at a city where BTR is growing fast.

Looking further to the future, we will continue to conduct this research as a collaborative data-sharing exercise within the industry and we hope to expand the datasets to capture more useful information about BTR.



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