Real Estate:UK

Build-to-Rent Q2 2026

Prepared by Savills for Real Estate:UK

Summary

- The total sector pipeline has grown to 310,310 homes, comprising completed schemes, homes under construction and those progressing through the planning system. This includes 268,701 apartments (87%) and 41,609 houses (13%).
- Annual completions have exceeded starts for ten consecutive quarters, resulting in a sharp decline in the number of homes under construction.
- In the 12 months to Q2 2026, there were 3,455 starts, down 79% from the 16,634 starts recorded in Q2 2025 and 80% below the 2017–19 Q2 average of 17,643 starts.
- There were 1,279 starts in London in the 12 months to Q2 2026, down from 2,741 at the same point last year. However, this represents a modest recovery from the 1,178 starts recorded in Q1 2026 and 794 in Q4 2025.
- The regions recorded 2,176 starts in the 12 months to Q2 2026, down 84% from 13,893 in the 12 months to Q2 2025.
- The number of local authorities with Build-to-Rent (BTR) schemes in their residential development pipelines has increased to 236, with BTR houses continuing to drive the sector's geographic expansion across the UK.

Completions

- There are now over 156,600 completed BTR homes, an uplift of 12% nationally, year on year.
- The number of completions grew by 10% in London to 64,724 and 13% in regional BTR markets to almost 92,000 homes.
- Annual completions to Q2 2026 (16,827) were 9% lower than Q2 2025 (17,866).

Under construction

- Nationally, the number of units under construction fell by 21% in Q2 2026 (50,362) compared to Q2 2025 (63,734).
- The contraction has been proportionally more substantial in London (-27%) than the regions (-19%).
- There are 12,643 homes under construction in London and 37,719 outside the capital.

Planning

- The number of BTR homes in planning increased by 4% in the 12 months to Q2 2026, to over 103,000 homes; 41,204 in London and 62,056 in the regions.
- While consented units have increased, the number of schemes at detailed application stage has fallen by 3% since last quarter which may constrain longer-term supply.

Summary – Q2 2026

RE:UK

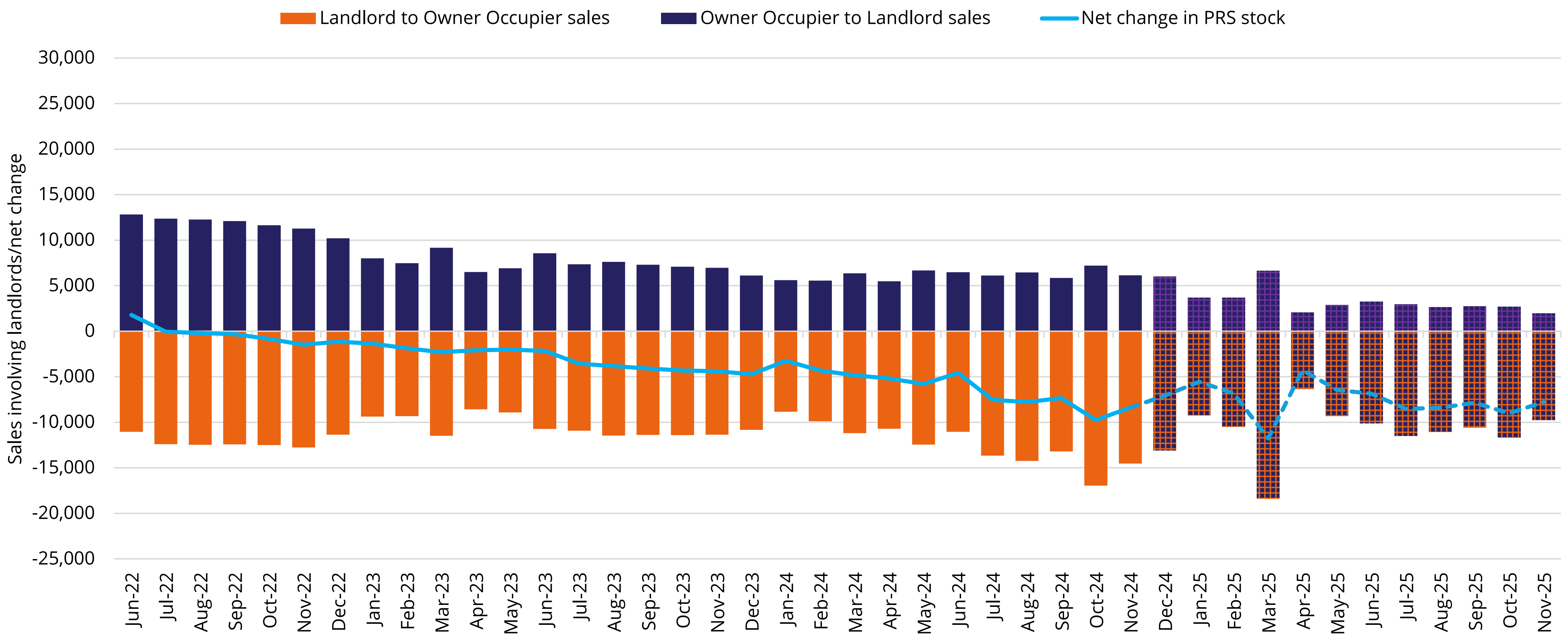
c.310,000
BTR units are complete and in the development pipeline

£580m
Invested in BTR in Q2 2026

236
Local authorities have a BTR pipeline

Spotlight on PRS supply

The size of England's private rented sector (PRS) has fallen by 4.2%, equivalent to around 200,000 homes, since October 2022. While the delivery of BTR has helped meet growing rental demand, a much greater increase in new rental supply will be needed to offset the reduction in buy-to-let investment.



Source: Savills Research, Savills analysis of listings data

Spotlight on Manchester and Salford

Manchester and Salford have delivered more BTR homes than any other market in the UK outside London. The sector has successfully attracted capital from both international institutions and local authority pension funds. Its growth was underpinned by relatively low land values and the availability of Multiple Dwellings Relief. Additionally, the retention of business rates receipts gave the authorities more autonomy over flexible affordable housing and developer contributions. Strong rental demand and the ability to grow rents during the development period have further supported the delivery of both apartment-led and housing-led BTR schemes.

28,310
homes delivered across all tenures (2021-2025)

18,700
Total BTR homes delivered

4,200
BTR under construction (Q2 2026)

3,000
BTR planning pipeline (Q2 2026)

£5bn
BTR development funding deployed

ex. industrial land values & MDR

55%
10-year growth in rents

Affordable housing requirements have been low

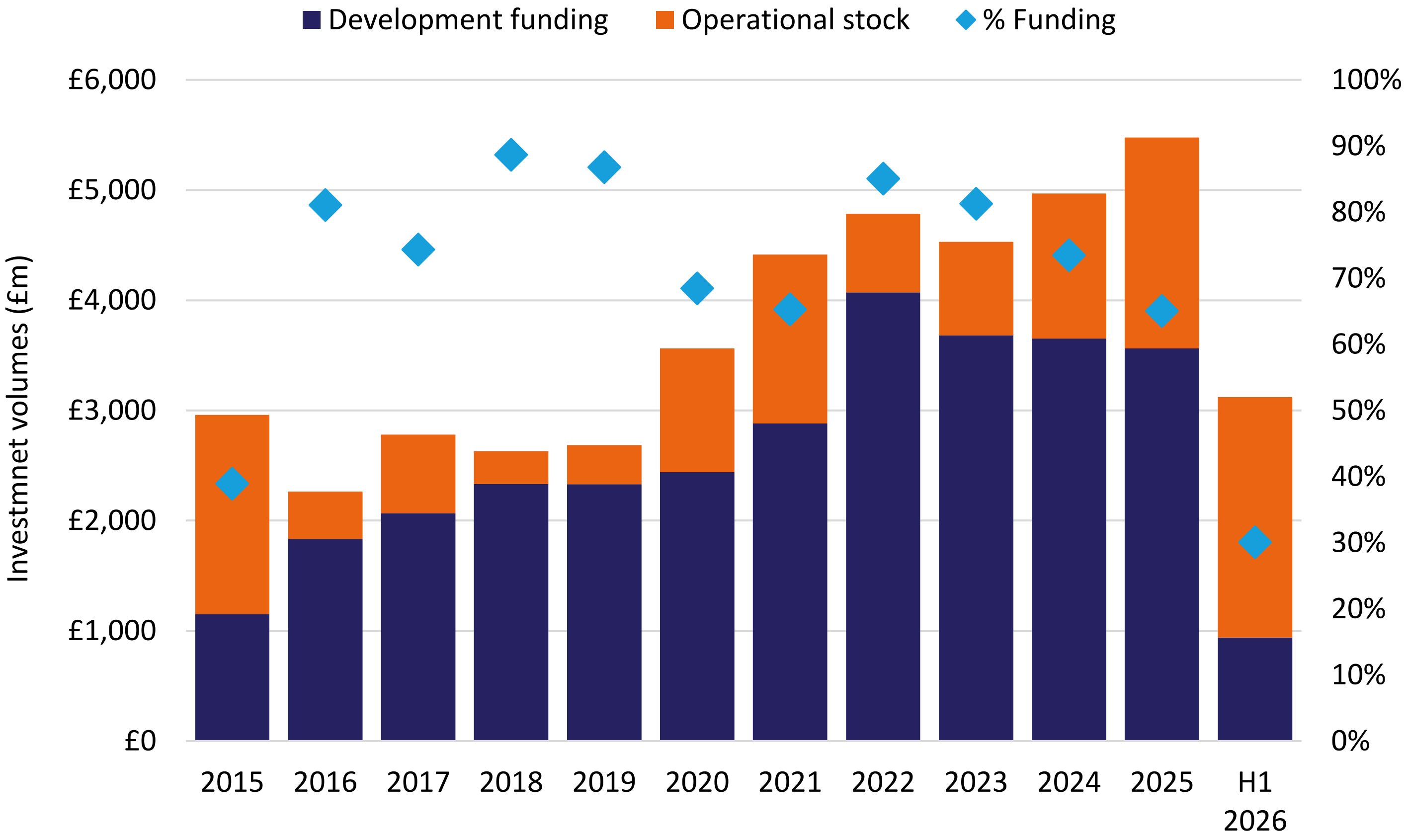
100%
retention of business rates receipts

Source: Savills Research, Real Estate:UK using Molior and Glenigan.

Spotlight on investor sentiment

RE:UK

Investment in BTR has remained resilient. However, capital is increasingly being directed towards the acquisition of existing assets rather than the funding of new development. Investor sentiment remains fragile, with a RE:UK member survey indicating that stricter rent controls could lead to a rapid contraction in BTR development, given the need for rental growth to offset build cost inflation during the development period.



£1.6bn
in operational BTR deals

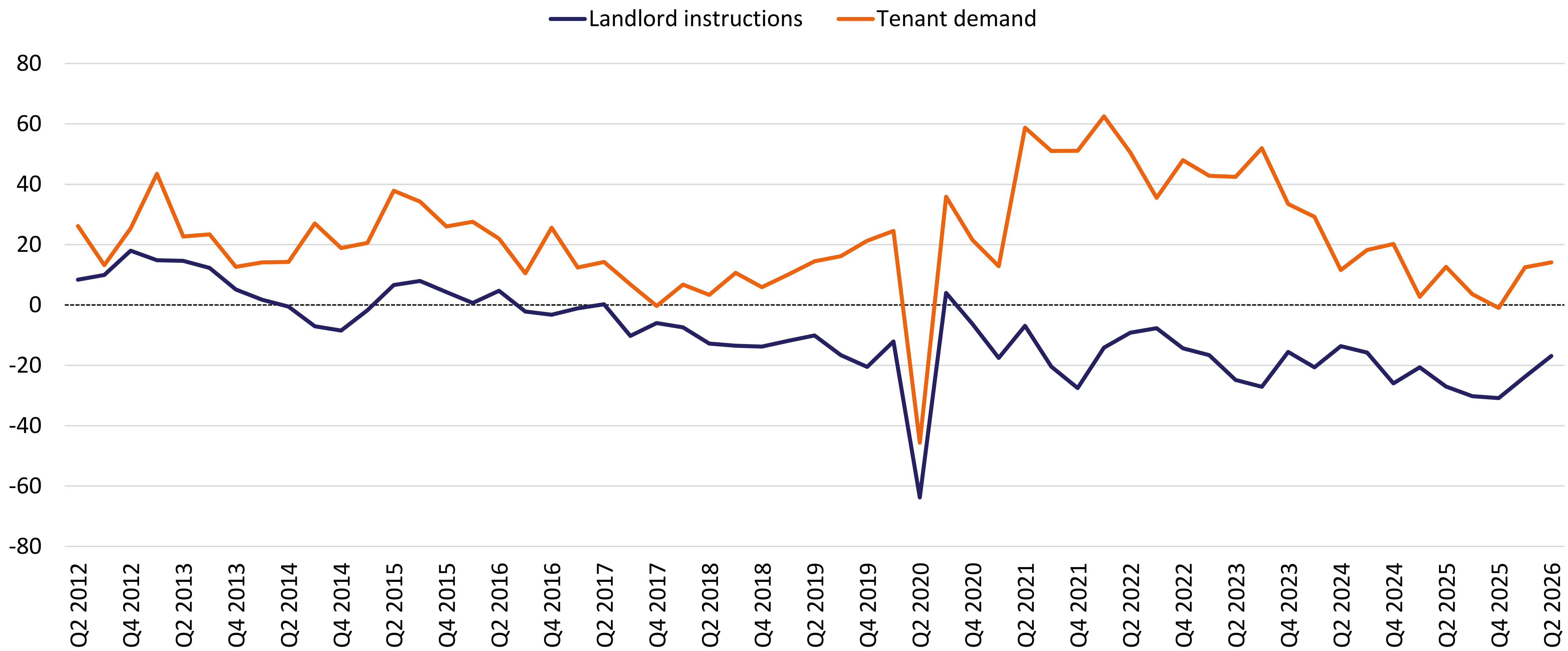
£320m
in BTR apartment development in Q2 2026

£260m
in BTR houses development in Q2 2026

Source: Savills Research, RCA

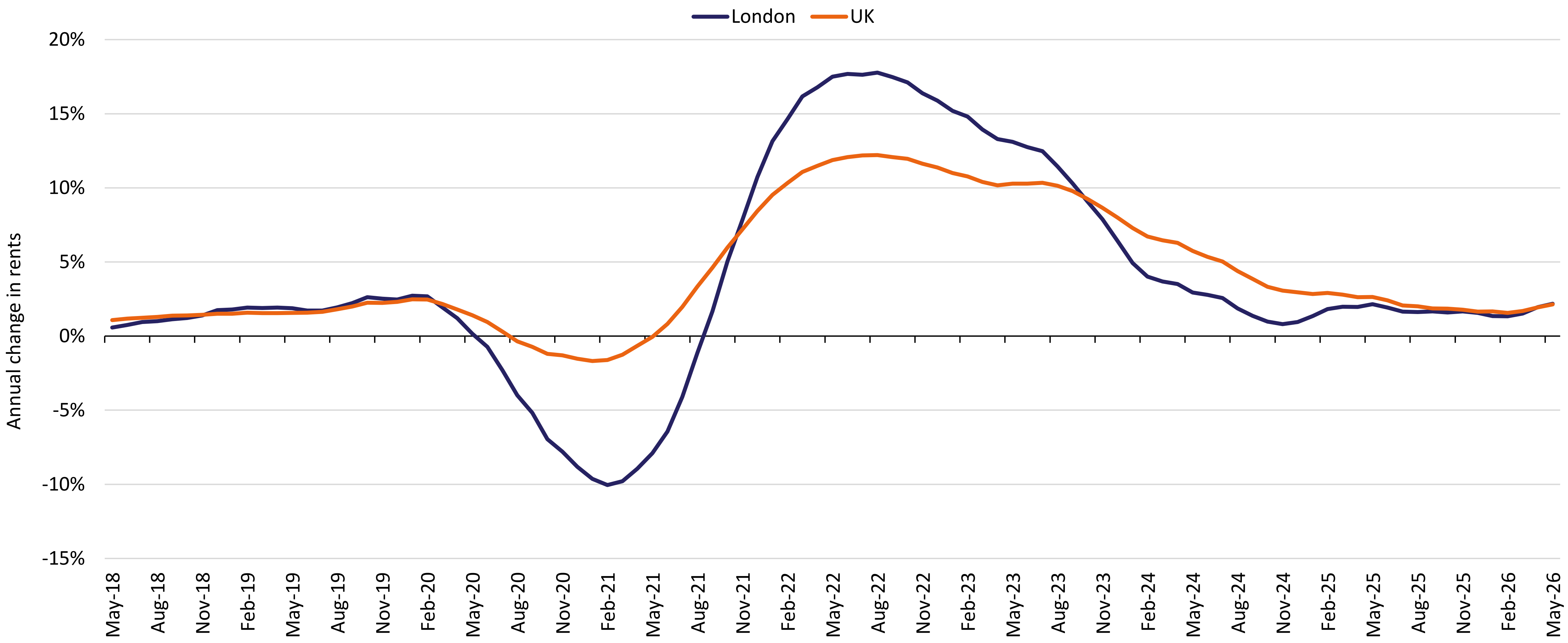
Market Trends

Rental demand continues to outstrip supply



Source: RICS (seasonally adjusted)

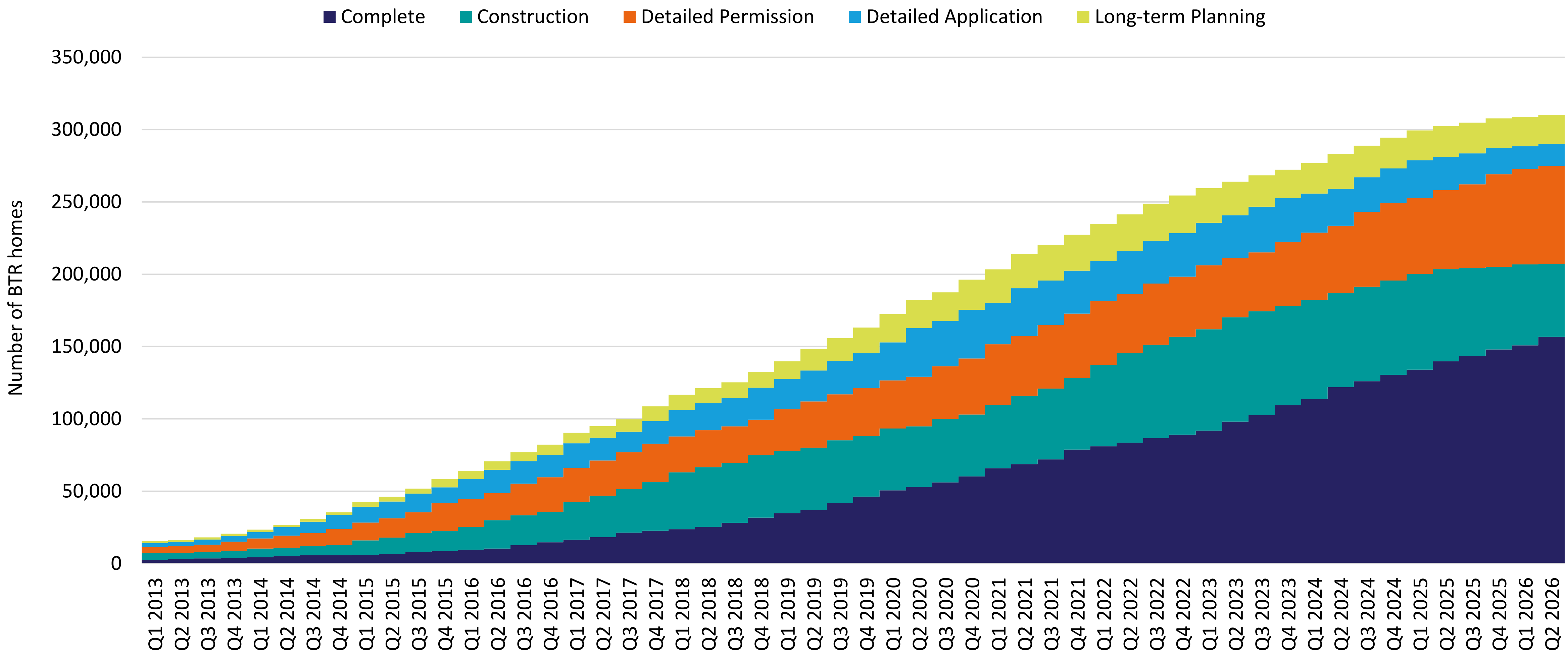
Rental growth returns to long term trend



Source: Zoopla – powered by Hometrack

National Statistics

Growth of BTR



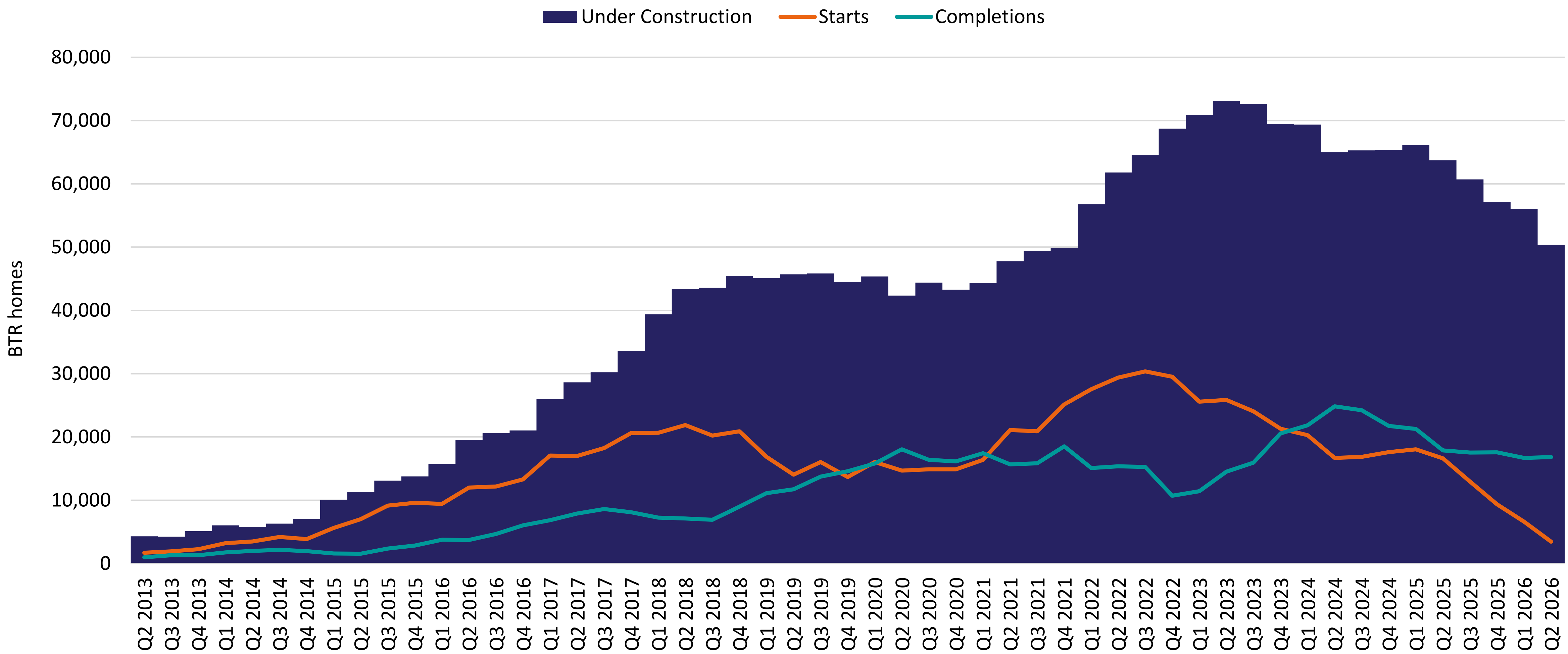
Source: Savills Research, Real Estate:UK using Molior and Glenigan.

Pipeline nationally is c.310,000

	Complete	Under construction	Planning	Total
London	64,724	12,643	41,204	118,571
Regions	91,964	37,719	62,056	191,739
UK	156,688	50,362	103,260	310,310

Source: Savills Research, Real Estate:UK using Molior and Glenigan.

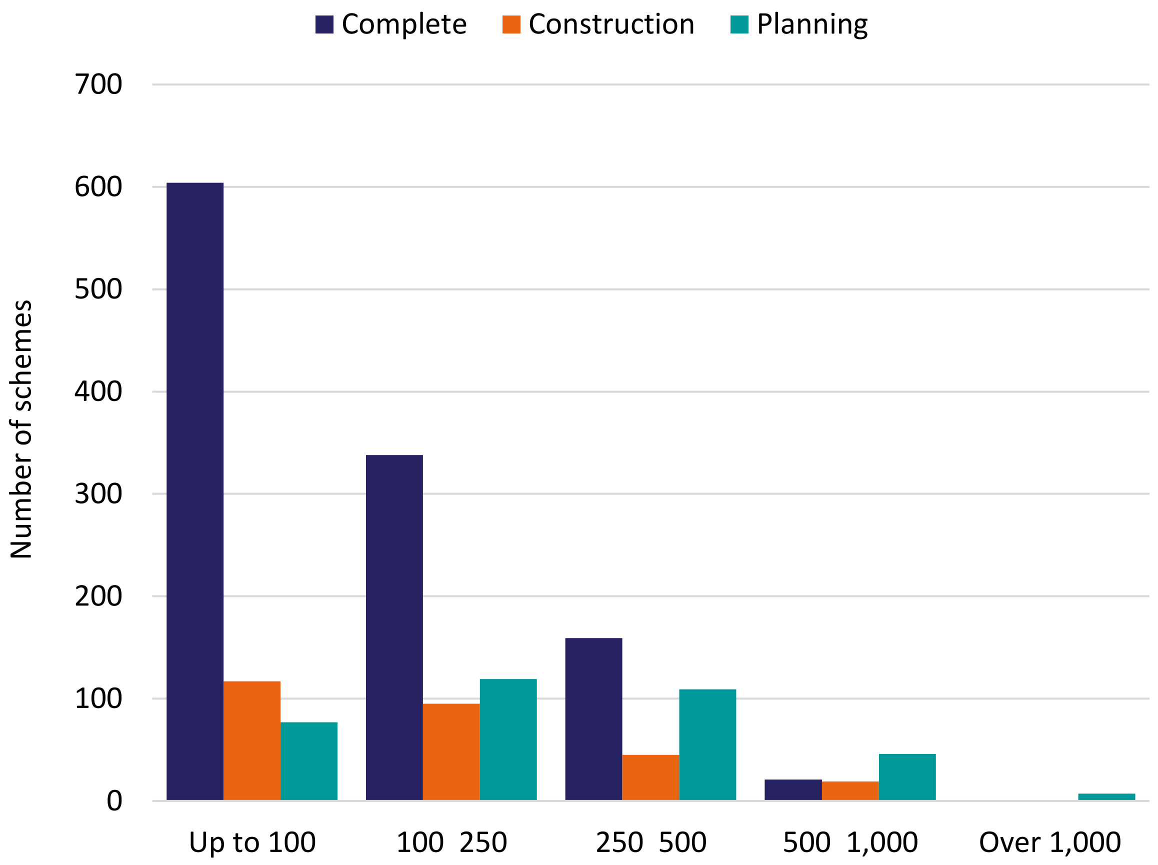
Starts, completions and under construction



Source: Savills Research, Real Estate:UK using Molior and Glenigan.

The pipeline includes more larger schemes than delivered to-date

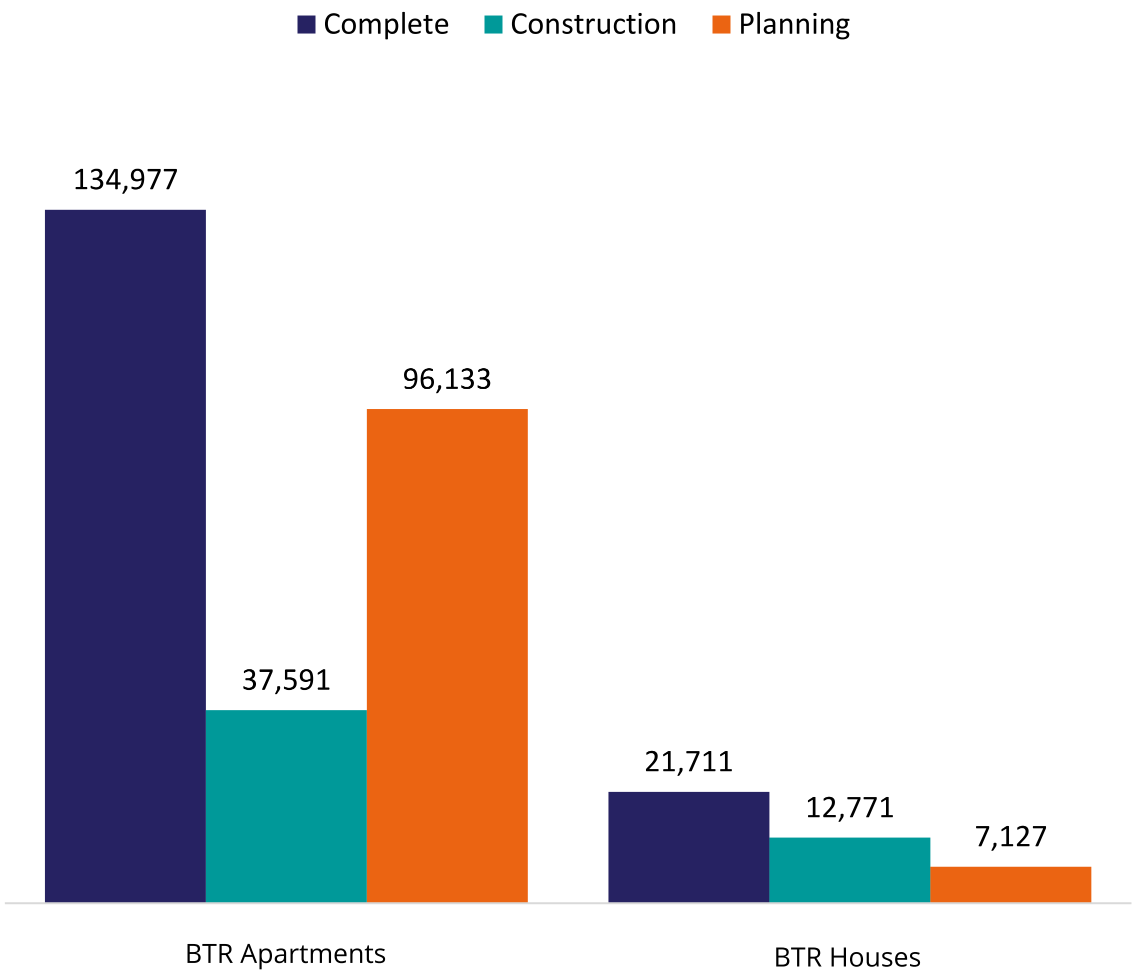
	Complete	Construction	Planning
Up to 100	604	117	77
100 - 250	338	95	119
250 - 500	159	45	109
500 - 1,000	21	19	46
Over 1,000	1	0	7
Total	1,123	276	358
Average size	144	280	292



Source: Savills Research, Real Estate:UK using Molior and Glenigan.

BTR subsectors

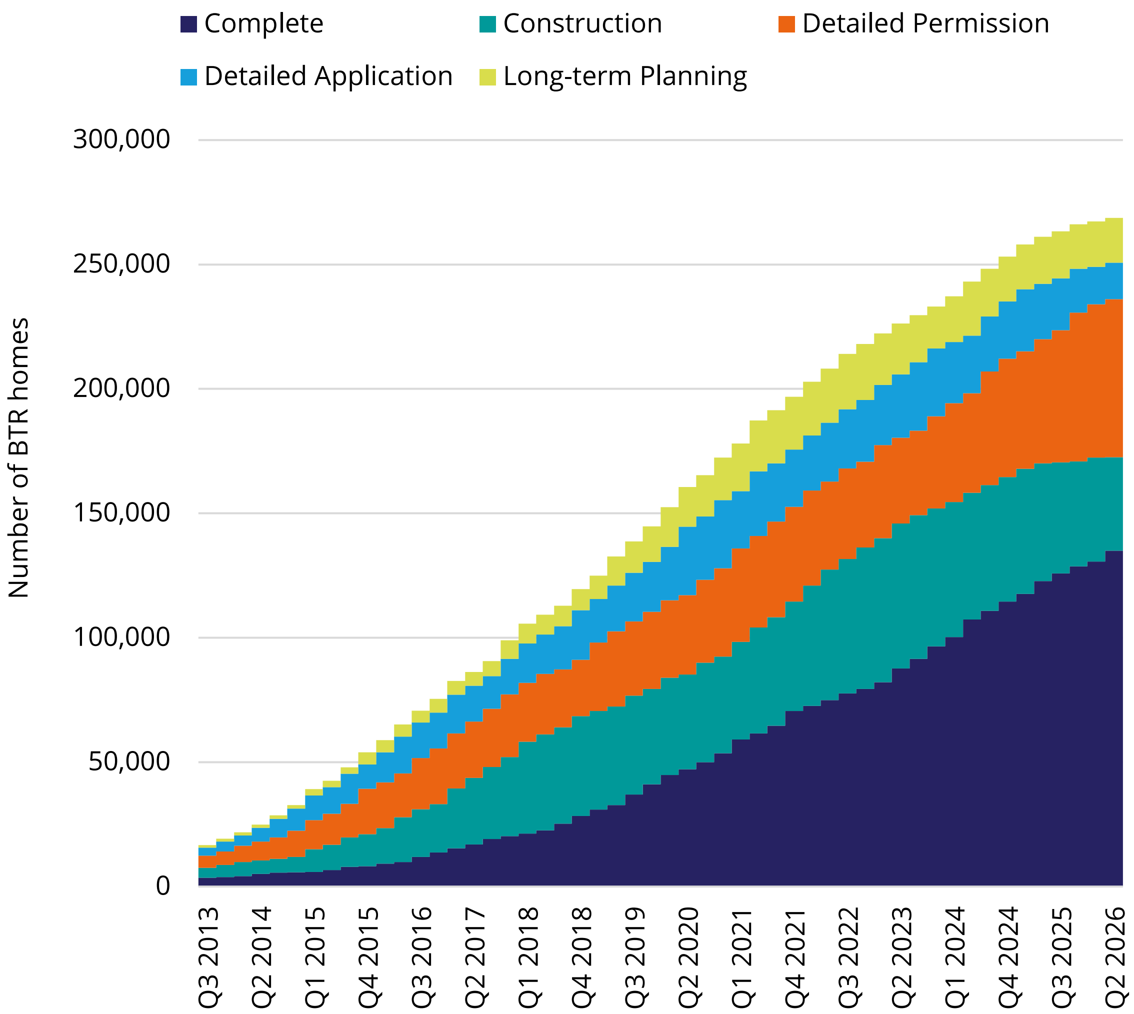
	BTR Apartments	BTR Houses
Complete	134,977	21,711
Construction	37,591	12,771
Planning	96,133	7,127
Total	268,701	41,609



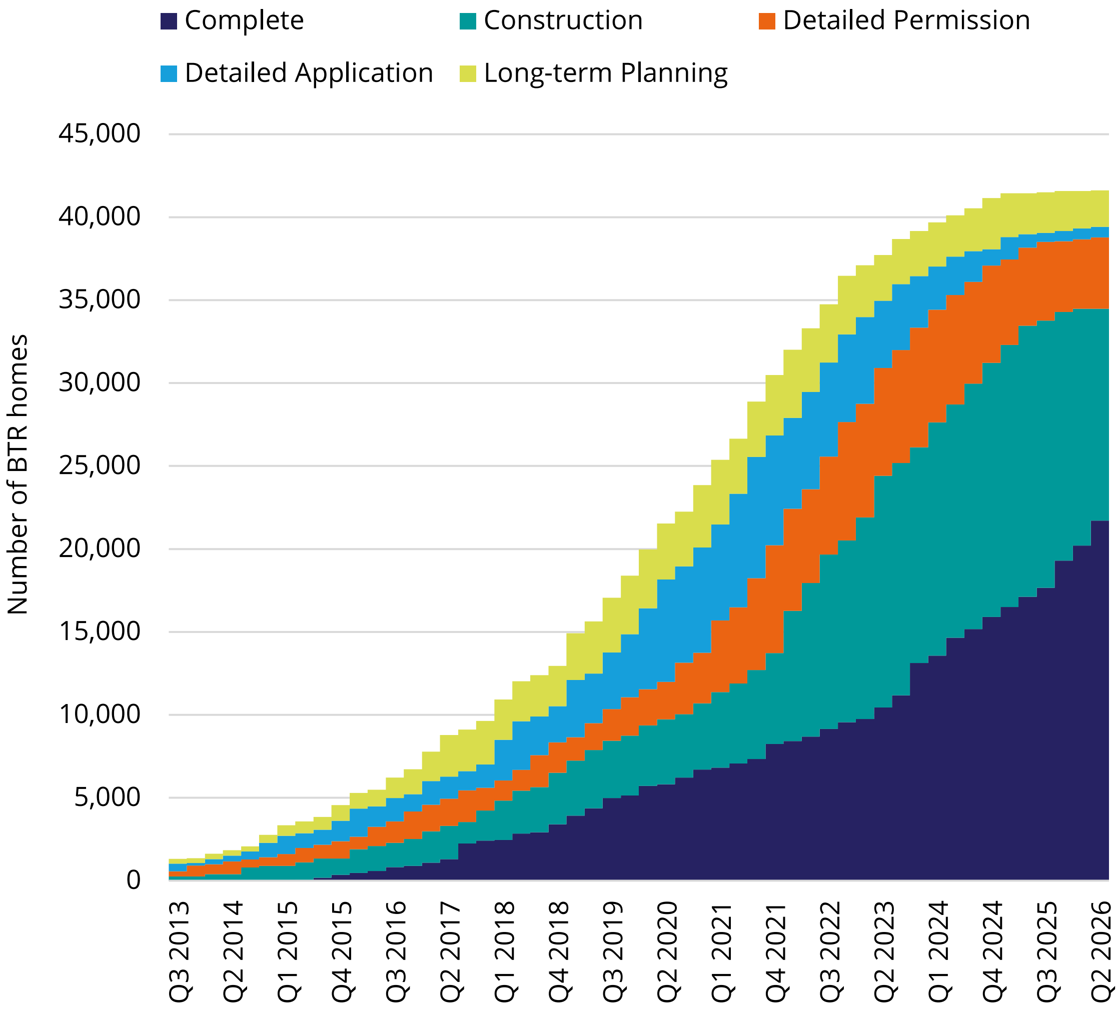
Source: Savills Research, Real Estate:UK using Molior and Glenigan.

BTR subsectors

BTR Apartments



BTR Houses



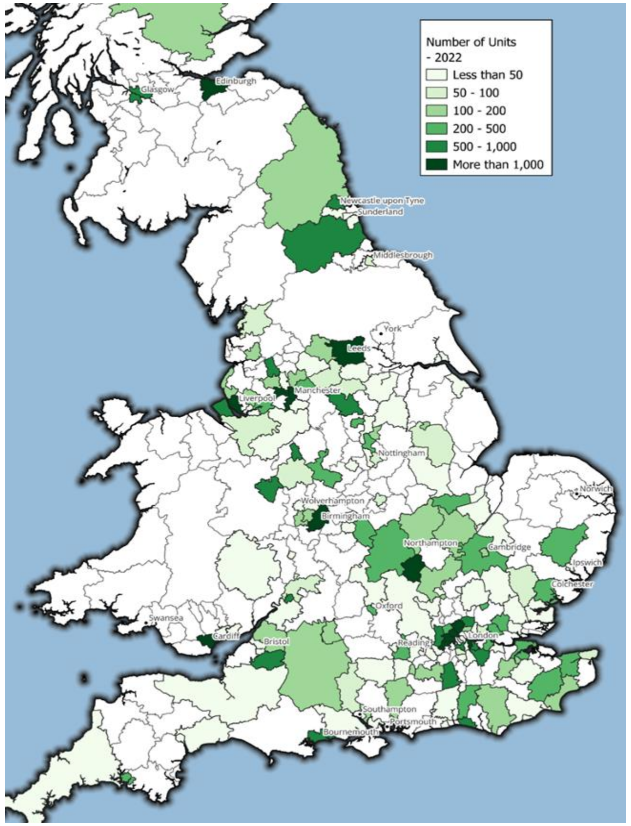
Source: Savills Research, Real Estate:UK using Molior and Glenigan.

Regional Markets

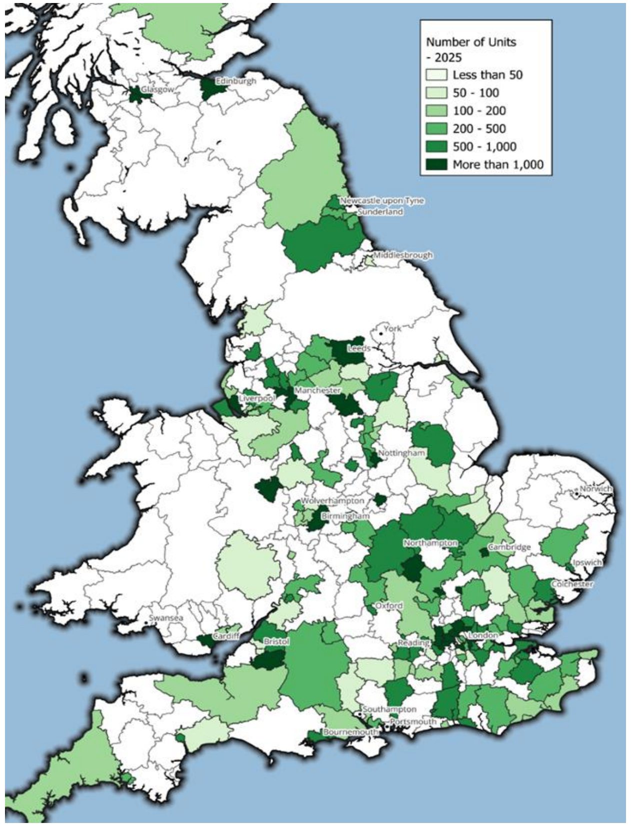
236 Local authorities have BTR pipelines

RE:UK

2022

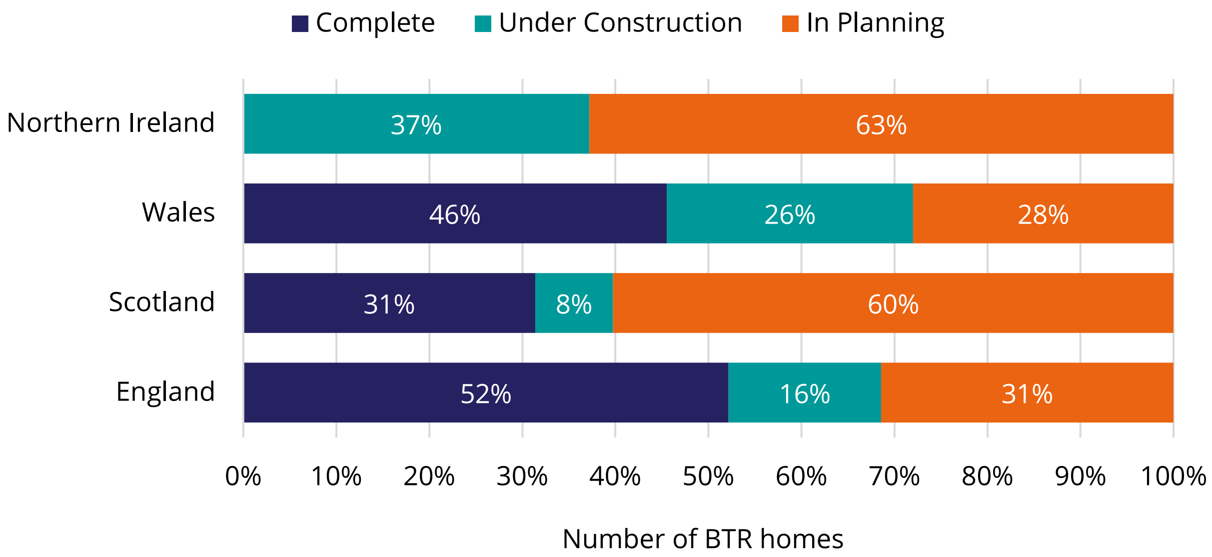


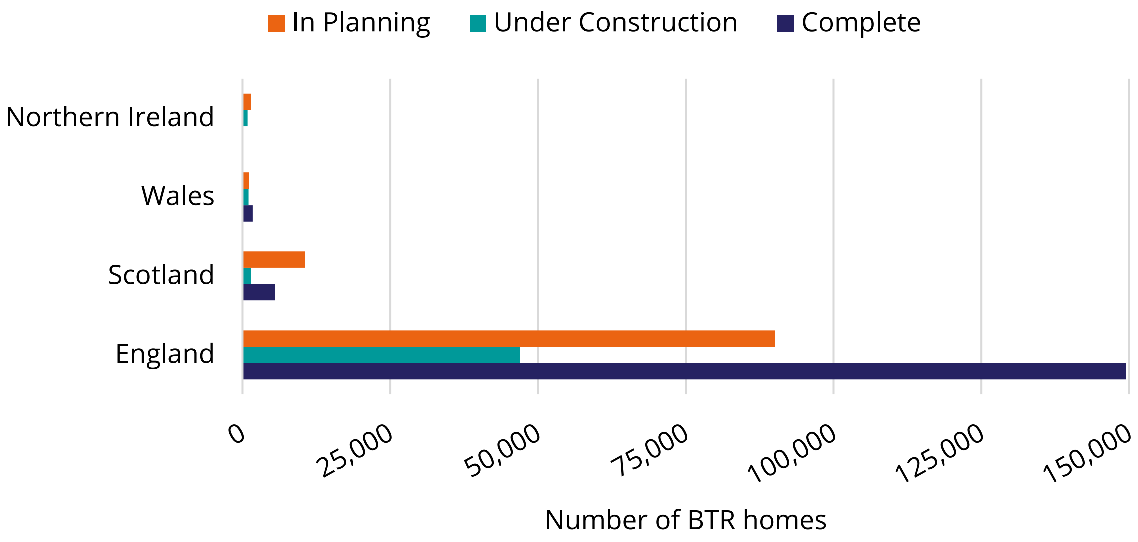
2025



Source: Savills Research, Real Estate:UK using Molior and Glenigan.

BTR by country





England

Status	Q2 2026 Total	Q2 2025 Total	Increase
Complete	149,440	133,243	12%
Under Construction	47,002	59,744	-21%
In Planning	90,110	86,728	4%
Total	286,552	279,715	2%

Scotland

Status	Q2 2026 Total	Q2 2025 Total	Increase
Complete	5,495	4,966	11%
Under Construction	1,466	1,995	-27%
In Planning	10,552	10,261	3%
Total	17,513	17,222	2%

Wales

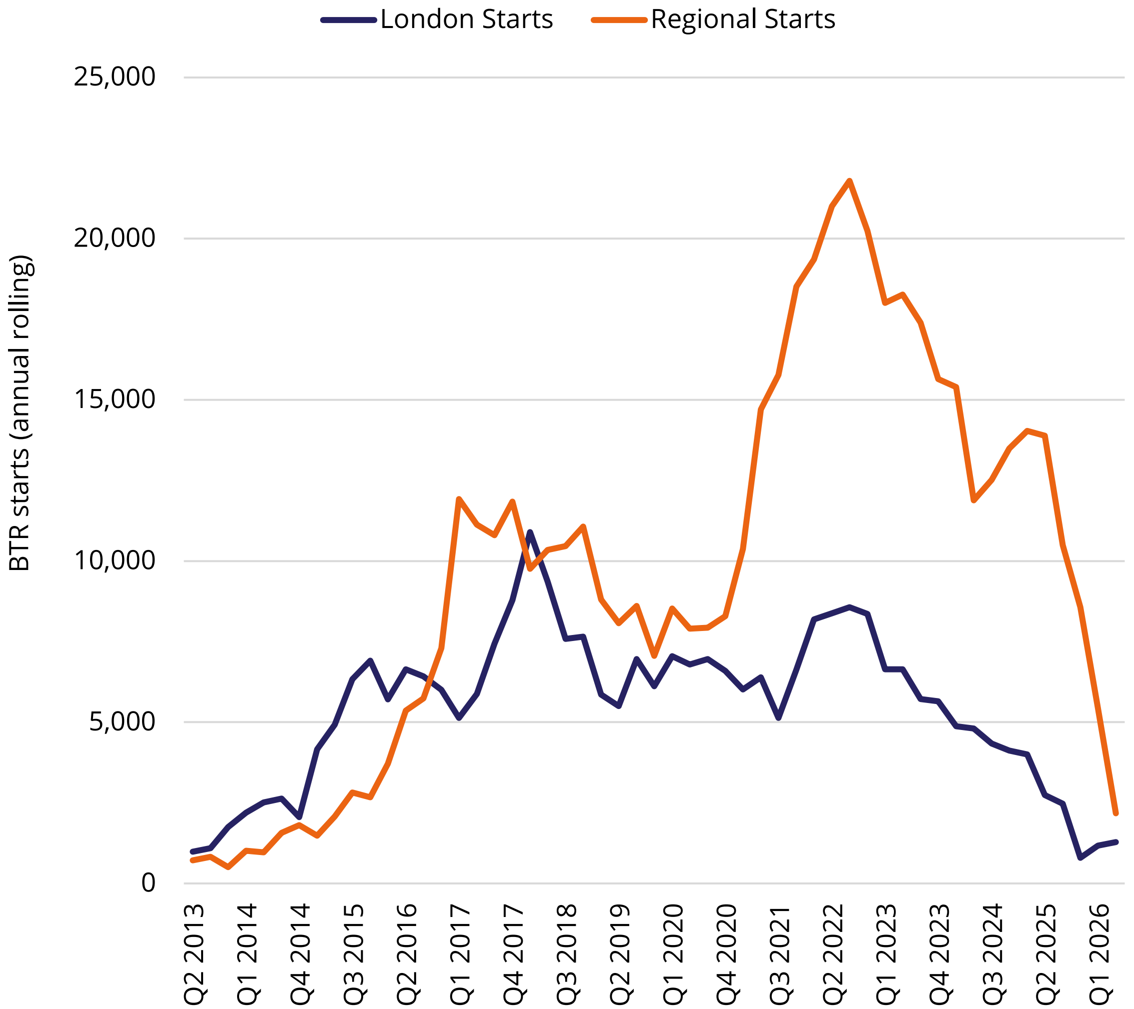
Status	Q2 2026 Total	Q2 2025 Total	Increase
Complete	1,753	1,652	6%
Under Construction	1,020	1,121	-9%
In Planning	1,078	1,078	0%
Total	3,851	3,851	0%

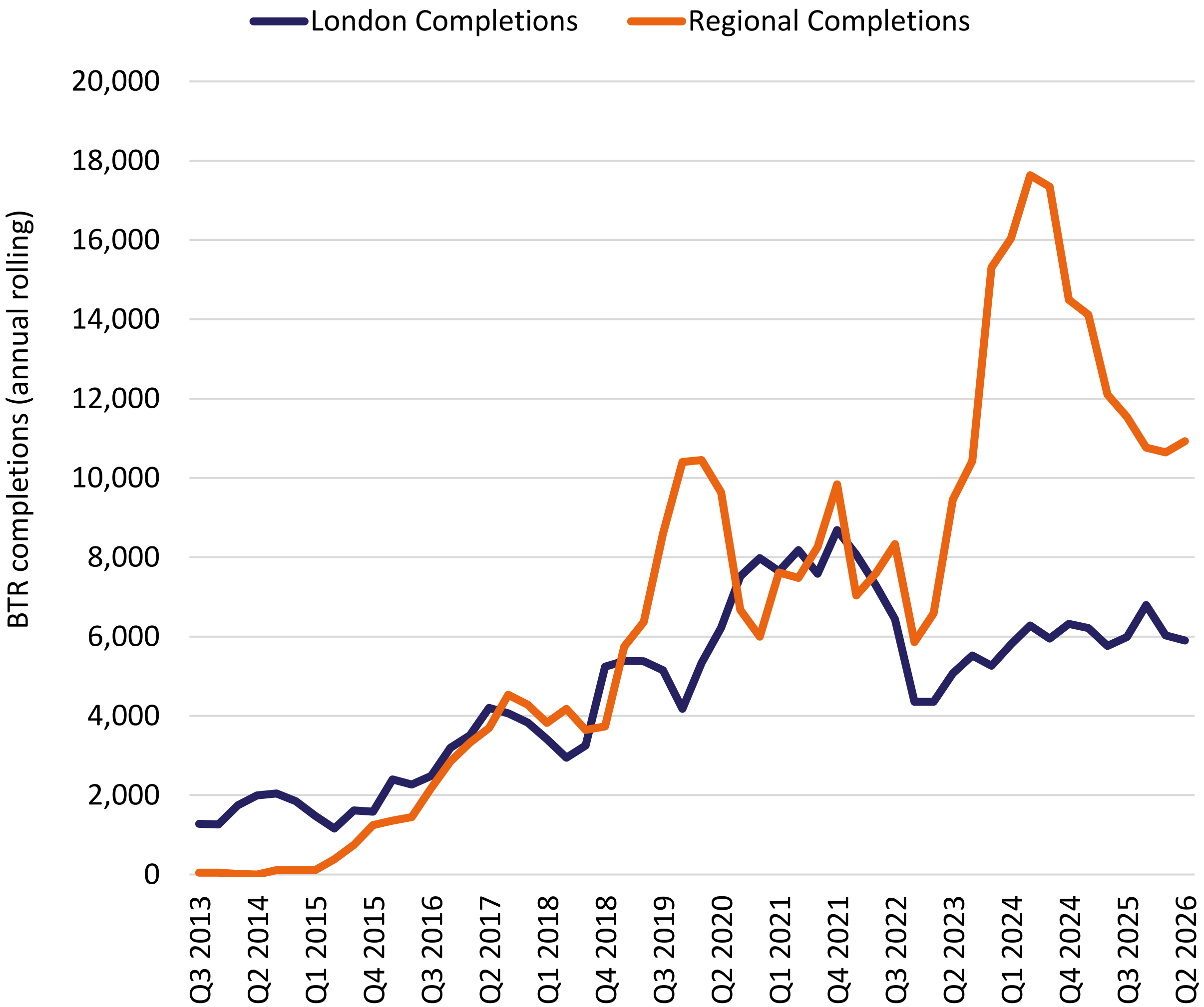
Northern Ireland

Status	Q2 2026 Total	Q2 2025 Total	Increase
Complete	0	0	-
Under Construction	874	874	0%
In Planning	1,476	876	68%
Total	2,350	1,750	34%

Source: Savills Research, Real Estate:UK using Molior and Glenigan.

London supply compared to regional cities





Source: Savills Research, Real Estate:UK using Molior and Glenigan.

Quarterly Change

BTR growth – London and regions

		Complete	Under construction	Planning	**Total**
London	Q1 2026	62,844	14,363	41,317	118,524
	Q2 2026	64,724	12,643	41,204	118,571
	Increase	3%	-12%	0%	0%

Regions	Q1 2026	87,919	41,707	60,712	190,338
	Q2 2026	91,964	37,719	62,056	191,739
	Increase	5%	-10%	2%	1%

UK	Q1 2026	150,763	56,070	102,029	308,862
	Q2 2026	156,688	50,362	103,260	310,310
	Increase	4%	-10%	1%	0%

Source: Savills Research, Real Estate:UK using Molior and Glenigan.

BTR subsectors

BTR Apartments			
	Q2 2026	Q1 2026	Change
Complete	134,977	130,557	3%
Construction	37,591	41,794	-10%
Planning	96,133	94,935	1%
Total	268,701	267,286	1%

BTR Houses			
	Q2 2026	Q1 2026	Change
Complete	21,711	20,206	7%
Construction	12,771	14,276	-11%
Planning	7,127	7,094	0%
Total	41,609	41,576	0%

Source: Savills Research, Real Estate:UK using Molior and Glenigan.

Annual Change

BTR – the past 12 months

Status	Q2 2026	Q2 2025	Increase
Complete	156,688	139,861	12%
Under Construction	50,362	63,734	-21%
In Planning	103,260	98,987	4%
Total	310,310	302,582	3%

Source: Savills Research, Real Estate:UK using Molior and Glenigan.

BTR growth – London and regions

RE:UK

		Complete	Under construction	Planning	**Total**
London	Q2 2025	58,824	17,264	39,833	115,921
	Q2 2026	64,724	12,643	41,204	118,571
	Increase	10%	-27%	3%	2%

Regions	Q2 2025	81,037	46,470	59,154	186,661
	Q2 2026	91,964	37,719	62,056	191,739
	Increase	13%	-19%	5%	3%

UK	Q2 2025	139,861	63,734	98,987	302,582
	Q2 2026	156,688	50,362	103,260	310,310
	Increase	12%	-21%	4%	3%

Source: Savills Research, Real Estate:UK using Molior and Glenigan.

BTR subsectors

BTR Apartments			
	Q2 2026	Q2 2025	Change
Complete	134,977	122,737	10%
Construction	37,591	47,411	-21%
Planning	96,133	90,990	6%
Total	268,701	261,138	3%

BTR Houses			
	Q2 2026	Q2 2025	Change
Complete	21,711	17,124	27%
Construction	12,771	16,323	-22%
Planning	7,127	7,997	-11%
Total	41,609	41,444	0%

Source: Savills Research, Real Estate:UK using Molior and Glenigan.

RESEARCH

Important Note

Finally, in accordance with our normal practice, we would state that this report is for general informative purposes only and does not constitute a formal valuation, appraisal or recommendation. It is only for the use of the persons to whom it is addressed and no responsibility can be accepted to any third party for the whole or any part of its contents. It may not be published, reproduced or quoted in part or in whole, nor may it be used as a basis for any contract, prospectus, agreement or other document without prior consent, which will not be unreasonably withheld.

Our findings are based on the assumptions given. As is customary with market studies, our findings should be regarded as valid for a limited period of time and should be subject to examination at regular intervals.

Whilst every effort has been made to ensure that the data contained in it is correct, no responsibility can be taken for omissions or erroneous data provided by a third party or due to information being unavailable or inaccessible during the research period. The estimates and conclusions contained in this report have been conscientiously prepared in the light of our experience in the property market and information that we were able to collect, but their accuracy is in no way guaranteed.