

UK Build to Rent Market Update

Residential Investment – UK Build to Rent – Q3 2026



Momentum continues in second half of 2026

UK Build to Rent Investment

More than £900 million was invested in Q3 2026, taking year-to-date volumes to c.£4.2 billion: more than any previous year at this point and 14% of UK Real Estate investment (up from 8% by Q3 in 2025). Q4 has accounted for the largest share of annual investment in each of the past three years, meaning 2026 is on track to deliver a new annual record by year-end.

We continue to see strong appetite for operational assets. Border to Coast acquired a c.£400 million portfolio of 866 stabilised single-family homes (SFH) across the South East, marking the largest SFH transaction of the year.

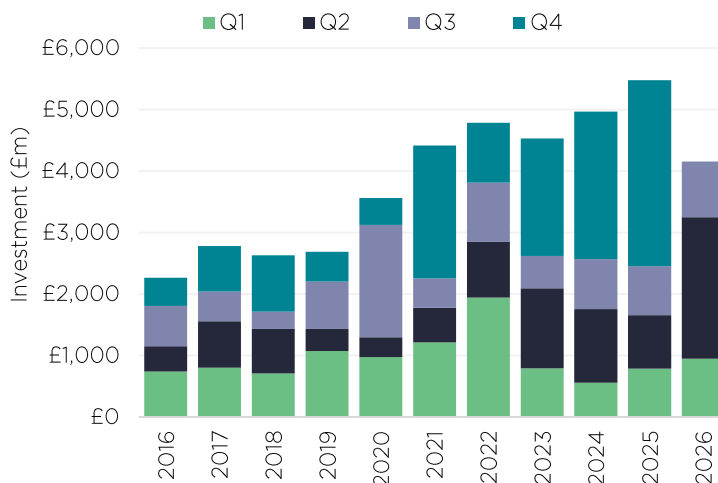
Development funding has accounted for 36% of investment, due to a range of headwinds. RLAM agreed to forward fund 173 Multifamily apartments in Newton Heath, Manchester, but city-centre development funding is challenging. SFH has seen more investment: in Q3 c.£300 million was committed, across five English regions, showing its expanding geographic reach.

Bumper summer of rental growth

The Renters' Rights Act came into force in May and has led to a rise in rents across England, where the largest cities recorded stronger rental growth in the three months to August 2026 than their historical averages. The exception was Birmingham, where high levels of rental supply constrained rent increases.

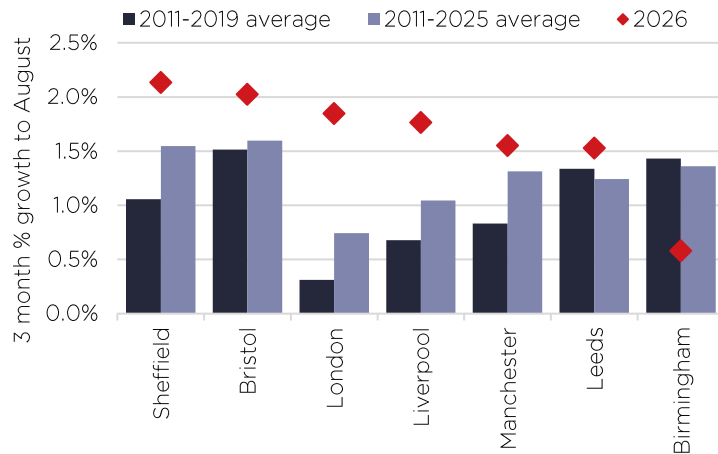
This pattern extended across much of the country, as 72% of English local authorities recorded stronger-than-average rental growth this summer. We expect this acceleration to be a one-off adjustment in rents, rather than a substantial shift in underlying supply and demand. Landlords can no longer accept offers above the asking rent, so some took the opportunity to rebase rents and ensure they are capturing full market value. For more, look out for our 2027-2031 mainstream rental forecasts next month.

Figure 1: More than £4 billion deployed in 2026 by the end of Q3



Source: Savills

Figure 2: Most major English cities have seen acceleration in rental growth



Source: Savills



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