RESEARCH

BRIEFING NOTE

# UK Build to Rent Market Update

Residential Investment - UK Build to Rent – Q1 2026

# Operational stock is driving investment

### UK Build to Rent Investment

There has been a strong start to the year in Q1 2026, with £795 million deployed, the highest first quarter of investment since 2022.

Activity has been driven primarily by investors acquiring operational stock, which has accounted for 68% of investment. Over three fifths of that was in London.

Beyond London, Pension Insurance Corporation purchased Ebb & Flow in Reading from Lincoln MGT, which was the largest acquisition of an operational asset outside of central London on record.

Following a bumper end to 2025, Single Family Housing investment volumes had a slower start to 2026. But with several large transactions currently progressing through legals, we expect to see strong Q2 numbers.

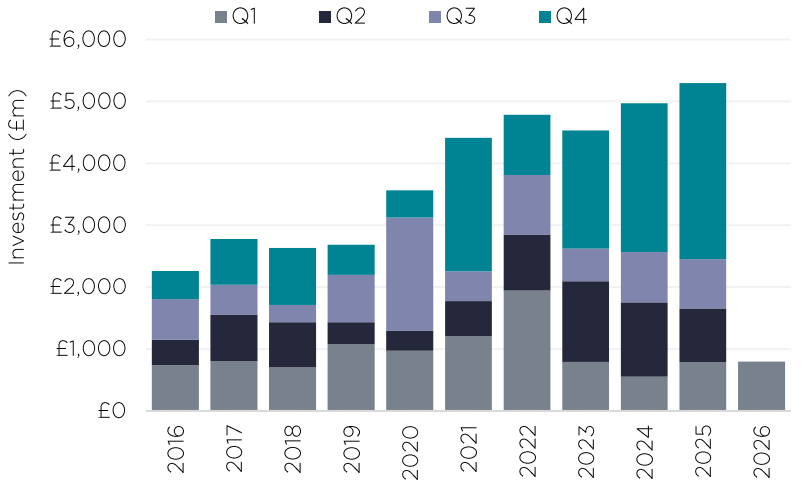
### UK Build to Rent Development

Across the UK's 12 Core Cities, the total number of Build to Rent units in the pipeline rose to c.108,000 at the end of Q1 2026 - up 3% compared with a year earlier.

However, the challenges facing urban high-rise development have continued to weigh on construction activity. The number of units under construction across the Core Cities fell by 11% between Q1 2025 and Q1 2026, due to completions outstripping new starts.

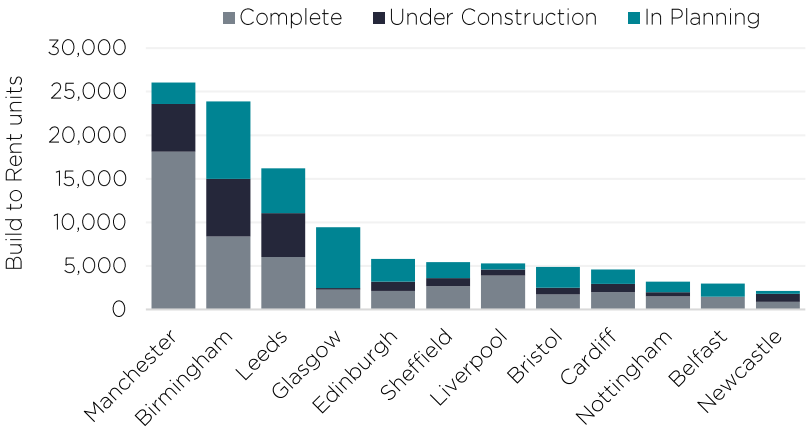
This trend is likely to continue, with urban multifamily funding transactions remaining muted, as deals take longer to progress given headwinds from planning, building safety and construction cost inflation. While geopolitical uncertainty is pushing the cost of finance, which will impact all development.

**Figure 1:** Operational stock accounted for 68% of investment in Q1 2026




*Source: Savills*

**Figure 2:** The number of units under construction across Core Cities continues to fall




*Source: Savills, British Property Federation, Molior*

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