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WHO LIVES IN BUILD- TO-RENT? LONDON EDITION

Supported by



Build-to-Rent in London

First published in 2020, this is the fifth edition of our report raising awareness of what Build-to-Rent is and how it helps to meet the housing needs of many Londoners. Over that period, the context has changed significantly. Build-to-Rent – high-quality, professionally managed homes, typically backed by long-term institutional capital – continues to establish its place as a key housing tenure in London.

Sitting alongside the traditional private rented sector, Build-to-Rent offers Londoners greater choice over the types of homes they can rent both at market rent and discounted market rent (DMR), something which this report examines in further detail on page 6, and all of which have access to a range of amenities and shared community spaces. Build-to-Rent's business model has helped ensure its resilience in London; a single ownership structure prioritising long-term institutional investment, professional management, and high-quality, amenity-rich housing that meets rental demand.

However, Build-to-Rent has not been immune to the wider challenges impacting housing development in London such as high construction costs and complex and lengthy regulatory processes including the delays caused by the Building Safety Regulator's (BSR) Gateway process, particularly Gateway 2 which requires full building control approval from the BSR before construction can begin. Recently published figures show that whilst the number of Build-to-Rent developments in planning has increased by 6% (41,968 homes for Q1 2026 compared with 39,559 homes for Q1 2025) and 11% completed (62,313 homes for Q1 2026 from 56,261 homes for Q1 2025), there is a marked decline in the number of new developments in construction which is currently -29%¹ (12,134 homes for Q1 2026 compared with 17,138 homes for Q1 2025).

Working with our partners Real Estate UK (formerly the British Property Federation) and the Association for Rental Living, this report draws on data compiled by research consultancy PriceHubble. Covering 21,094 residents living in 12,897 homes across 40 schemes in London, the data provides a snapshot in time of residents living in Build-to-Rent schemes in London, examining resident demographics including age, profession and average income, benchmarked against residents living in the private rented sector.

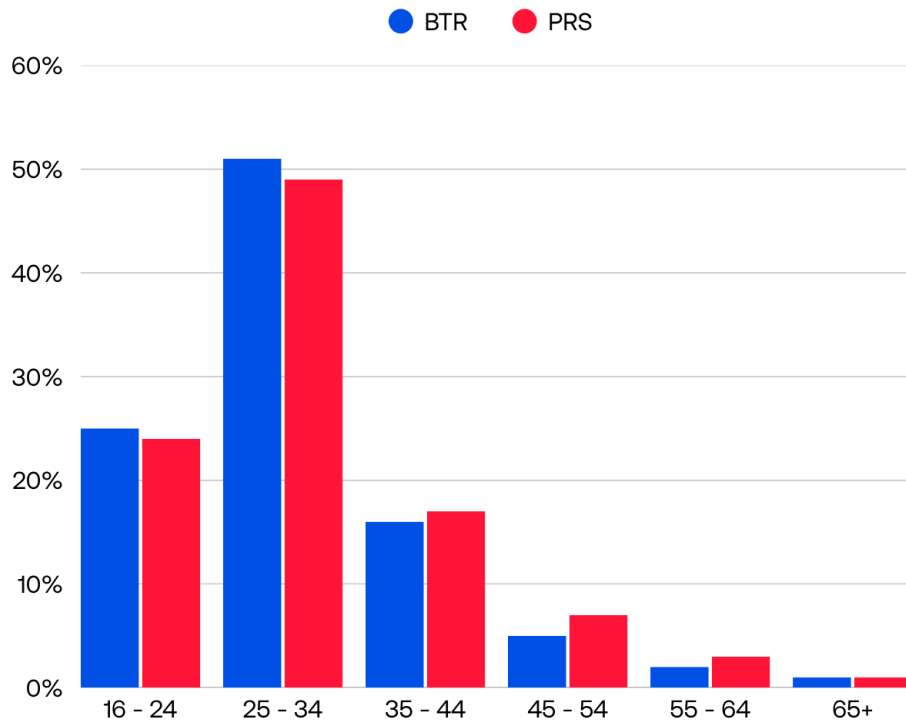
This report aims to dispel the myth that, rather than being an expensive, luxury product only afforded by a few, Build-to-Rent is in fact accessible to all types of Londoners. However, whilst current delivery is steady, future supply is tightening. Build-to-Rent must therefore be supported alongside other tenures to ensure that London can attract and retain the people that businesses need to grow the economy, provide the homes that Londoners need and secure the capital's long-term prosperity.

¹ Build-to-Rent Q1 Report, April 2026, Savills and BPF.

Build-to-Rent and the Private Rented Sector

Build-to-Rent offers homes for all Londoners across a variety of age ranges with 25–34 years being the most common age band for both Build-to-Rent and private rented sector residents (figure 1).

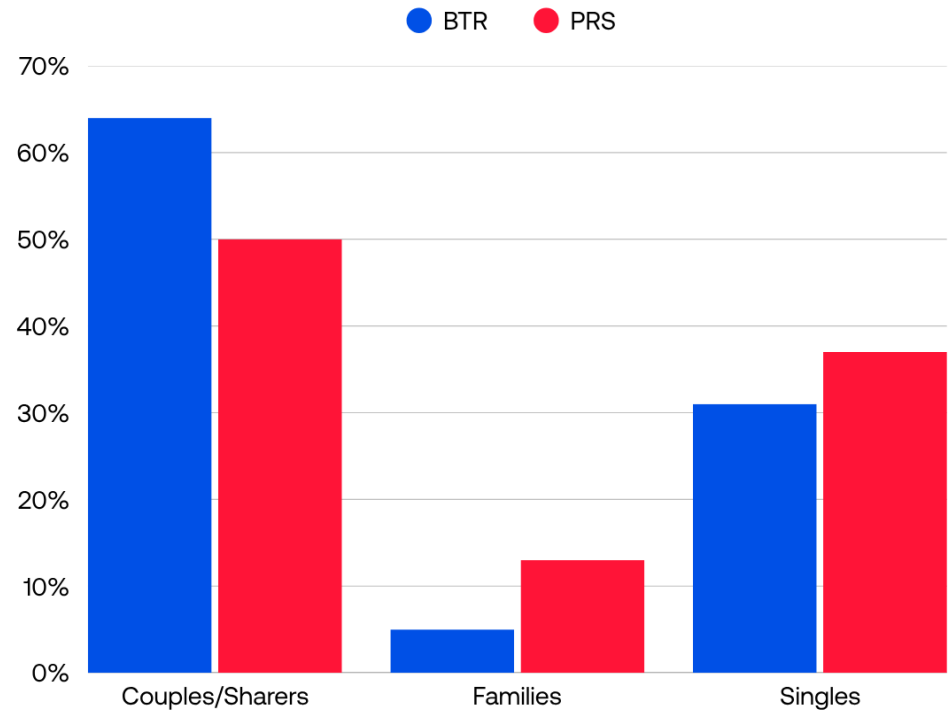
Figure 1: Residents age



Source: Dataloft (PriceHubble), WLIBTR, DRMA

Whilst Build-to-Rent tends to house a higher proportion of couples and sharers than the private rented sector, figure 2 shows us that Build-to-Rent developments are suitable for a range of residents including families and single households.

Figure 2: Household type

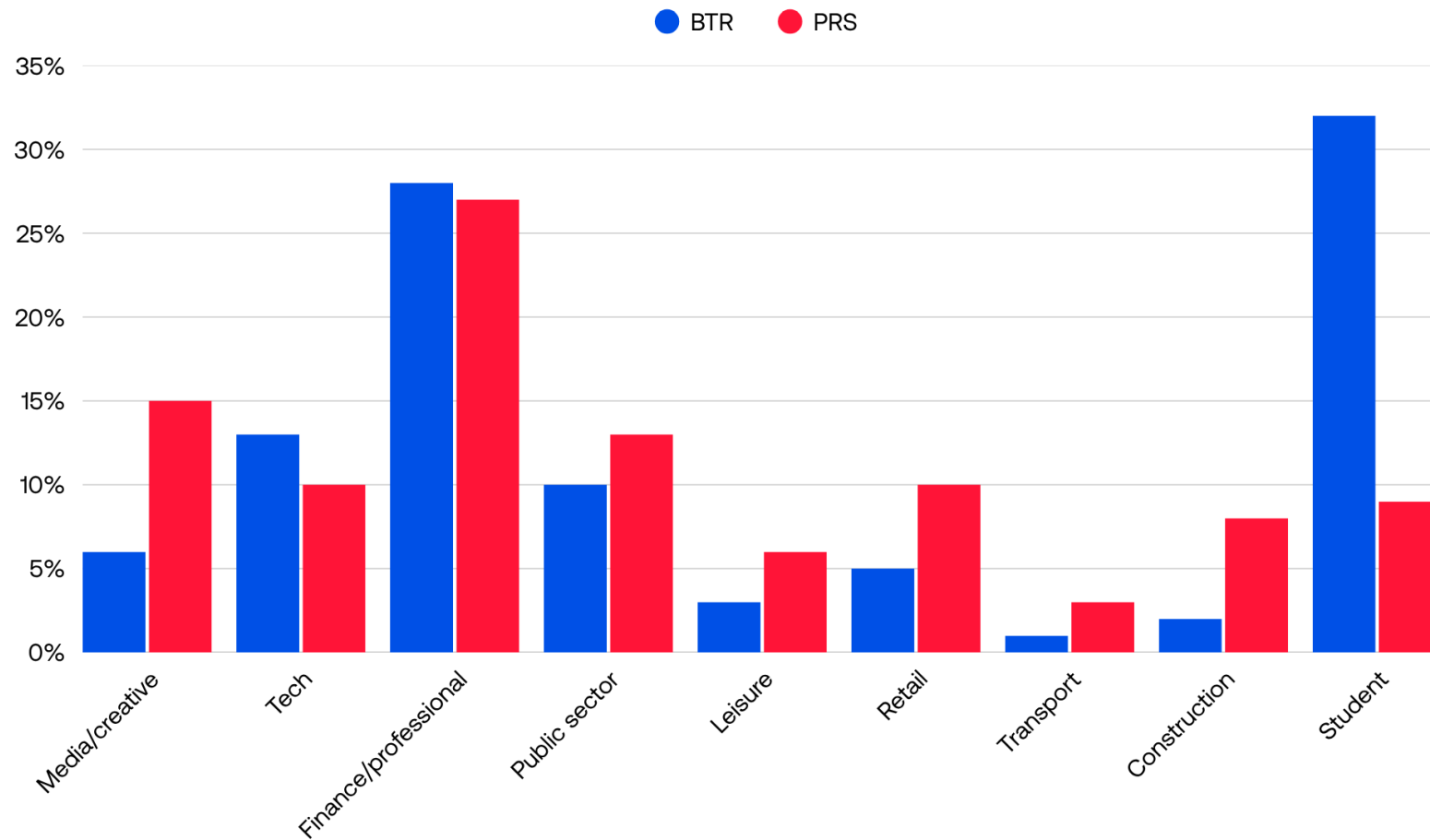


Source: Dataloft (PriceHubble), WLIBTR, DRMA

Finance and professional services remain the most common employment sectors for residents in both Build-to-Rent (28%) and the private rented sector (27%) whilst levels of public sector employees are broadly comparable, accounting for 10% of Build-to-Rent residents and 13% of private rented sector residents (figure 3).

Build-to-Rent developments continue to be attractive to students, especially international students, which could reflect both a lack of purpose-built student accommodation in London and the appeal of amenities in Build-to-Rent developments. Figure 3 shows us that as in previous years, a far higher proportion of students live in the Build-to-Rent homes than in the private rented sector.

Figure 3: Residents employment sectors



Source: Dataloft (PriceHubble), WLIBTR, DRMA

Discounted Market Rent Homes in London

What are discounted market rent homes?

Discounted Market Rent, (DMR), a form of affordable housing delivered in Build-to-Rent developments, are homes with rents set at least 35% below local market levels and are designed to provide high-quality, professionally managed rental homes for middle-income workers. Eligibility criteria for DMR homes includes a gross household income of between £67,000 and £90,000 a year or key worker status and supports residents unable to afford market rents but who are not eligible for social housing.

Crucially, DMR homes are 'tenure blind'. They are indistinguishable from open market rent homes and are integrated into the Build-to-Rent development. Unlike other forms of affordable housing which are owned and managed by a registered provider, they do not leave the ownership of the Build-to-Rent landlord meaning that residents benefit from the same level of service and access to amenities as those renting at open market rent.

In the case of our data, figure 4 shows that a third of all developments include DMR homes, accounting for 9.3% of all homes across the sample. The average discount to market rent is 34%, consistent with previous years. Residents living in DMR homes spend an average of 28% of their income on rent, demonstrating improved affordability.

Figure 4: DMR in London

	London – Discount Market Rent	London – London Living Rent
% of schemes	32.5%	6.3%
% of units	9.3%	0.6%
Average discount	34%	34%
Average affordability - (% of gross household earnings on rent)	28%	33%

Figure 4 also shows that some developments offer London Living Rent (LLR), an affordable housing product specifically designed to help residents save towards homeownership. Targeted at middle-income renters, LLR is set at roughly one-third of local incomes and is intended as a stepping stone to buying a home, enabling residents to rent while saving for a deposit over a period of up to 10 years.

Current policy and the future of DMR

Policy H11 of the current London Plan (2021), the Mayor's spatial development strategy for London, relates specifically to Build-to-Rent and sets out the criteria schemes must meet to qualify as Build-to-Rent. In doing so, such schemes are allowed to develop DMR as their specific affordable housing model.

The policy requires schemes to deliver at least 35% affordable housing to be eligible for the Fast Track Planning Route. However, it also allows boroughs to set their own thresholds for the proportion of DMR homes in a development resulting in a lack of consistency in applying the policy across borough boundaries.

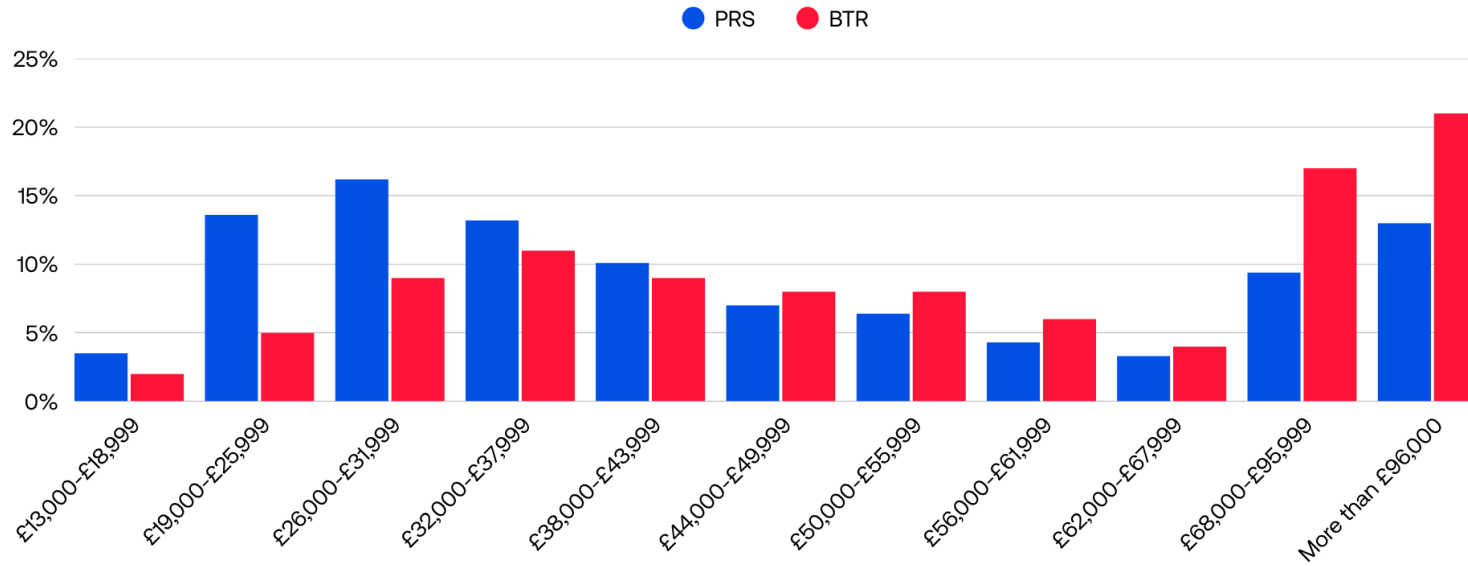
In a bid to step up housing delivery in London, the Government and GLA's emergency measures proposals introduced in March 2026 have, subject to various qualifying criteria, reduced the affordable housing threshold to 20% for schemes validated by 31 March 2028. For Build-to-Rent developments, this affordable housing must be provided as intermediate rent, with 30% at or below London Living Rent levels or as a Key Worker Living Rent, and the remaining 70% at a range of genuinely affordable rents – DMR.

Flexibility and affordability in London

Figure 5 shows that the proportion of residents earning £32,000-£37,000 are broadly similar across both Build-to-Rent and private rented sector residents.

There are, however, notable differences at both ends of the spectrum with the most common income bands for the private rented sector ranging from £19,000-£31,000 compared to £68,000-£96,000 for Build-to-Rent residents which could be reflective of a higher number of amenity-rich developments in this year's data set which are often favored by those on higher incomes.

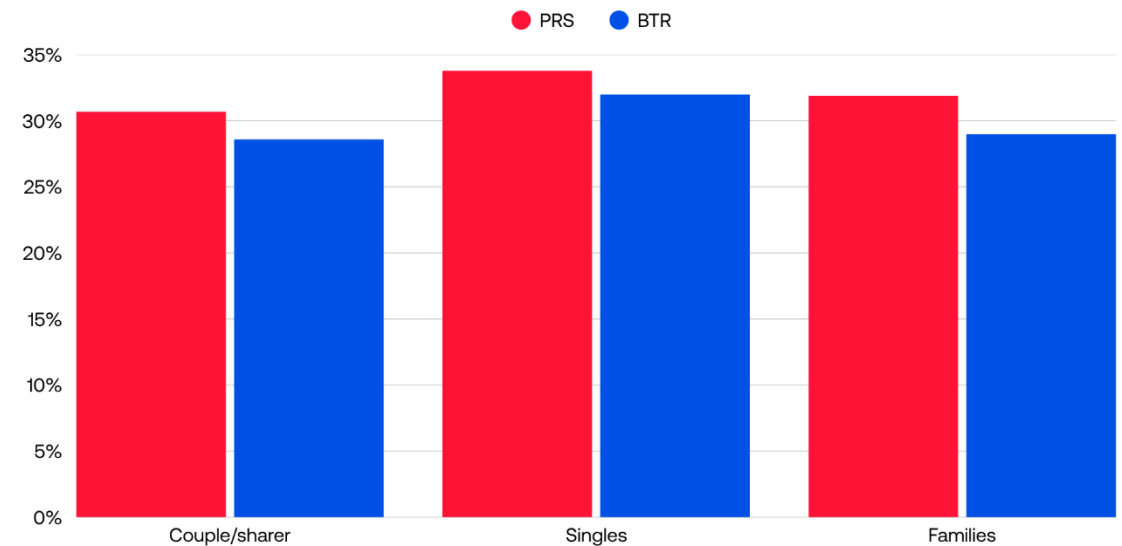
Figure 5: Residents' income



Source: Dataloft (PriceHubble), WLIBTR, DRMA

Looking at affordability more broadly, the ratio of earnings to rent is marginally lower across Build-to-Rent households than the private rented sector with figure 6 showing that single households in both, are spending a higher proportion of their gross household income on rent.

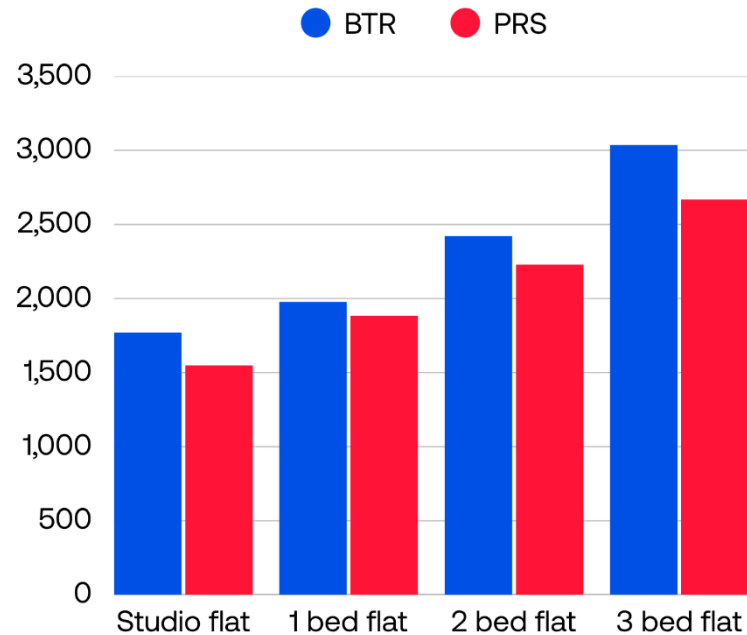
Figure 6: Residents affordability



Source: Dataloft (PriceHubble), WLIBTR, DRMA

Build-to-Rent homes are generally perceived to be more expensive than those in the private rented sector and though figure 7 shows that rents are higher in Build-to-Rent homes, it should be noted that these developments typically offer inclusive services and amenities such as broadband, social events and community spaces (figure 8). Therefore, Build-to-Rent may offer better value for money than the private rented sector when all expenses are considered.

Figure 7: Average monthly rent



Source: Dataloft (PriceHubble), WLIBTR

Figure 8: Amenities

Amenities	Included in rent	For a fee
Shared Garden and/or Roof Terrace	81%	0%
Social Calendar/Events	70%	3%
Parcel Storage/Acceptance	65%	0%
Co-working and/or meeting space	59%	3%
Residents Lounge	59%	0%
24-hour security	54%	0%
Concierge	49%	0%
Gym/wellbeing centre	41%	0%
Event Space	38%	8%
Fitness studios	27%	0%

Pets allowed

Across London, 78% of Build-to-Rent schemes now allow pets in all homes. This marks a significant increase from 53% in 2022 and reflects a shift in landlord policy towards a consistent, scheme-wide approach – either allowing pets throughout or not at all. This proportion is expected to rise further following the introduction of the Renters’ Rights Act 2026, which requires landlords not to unreasonably refuse a resident’s request to have a pet.

We would like to thank our partners for their contribution to this data:



PriceHubble is a global data and analytics business that builds innovative digital solutions for the residential real estate and banking industries, based on market insights. Its products and services help bring transparency and accuracy to residential markets in 11 countries across Europe and in Japan. Following its acquisition of Dataloft in 2023, it holds the UK's most comprehensive source of achieved rents and renter demographics utilising the Dataloft Rental Market Analytics (DRMA) database. DRMA is the UK's largest and most comprehensive single source of achieved rents and renter demographics.

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We harness the power of our members, from sectors that span the economy, to shape the future of the capital so Londoners thrive and businesses prosper. We support business to succeed – locally, nationally, globally. We link up with other cities around the UK, to ensure the capital supports a thriving country.

We campaigned for the creation of the office of London Mayor and Transport for London, for the Elizabeth Line, for congestion charging, and we incubated Teach First.

Contact us

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