



OCTOBER 2025

RESEARCH

# Autumn 2025 UK Residential Investor Sentiment Survey

COMMISSIONED BY THE IPF RESEARCH PROGRAMME

## UK Residential Investor Sentiment Survey

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This research was funded and commissioned through an extension to the IPF Research Programme 2022-2025.

This Programme supports the IPF's wider goals of enhancing the understanding and efficiency of property as an investment. The initiative provides the UK property investment market with the ability to deliver substantial, objective and high-quality analysis on a structured basis. It encourages the whole industry to engage with other financial markets, the wider business community and government on a range of complementary issues.

The Programme is funded by a cross-section of businesses, representing key market participants. The IPF gratefully acknowledges the support of these contributing organisations:



## EXECUTIVE SUMMARY

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The Residential Investor Sentiment Survey covers two main segments of the UK residential market, build-to-rent (BtR) multifamily apartment blocks and build-to-rent single family housing. The Autumn publication is based on data received from 25 organisations, whose views were generated between the end of July and mid-October.

### Key points

#### Performance Expectations: rental value growth

- For new **BtR multifamily** lettings, views on achievable rental value growth are similar to the last survey. While no respondents anticipate rental growth of over 5% in the next 12 months, there are small increases in the percentage of contributors predicting growth of 3-5% and 1-3%. The most prevalent forecast (57% of respondents) is for 3-5% rental value growth; this mirrors the Summer survey. Only 4% of contributors expect rents to stagnate (-1% to 1%) and no contributor expects significant falls in rental value growth.
- For rent reviews and lease renewals, just under 50% of respondents expect rental value growth to be of a similar level to those achieved on new lettings, compared to 70% in the last quarter. Underperformance is anticipated by 35% of contributors this quarter, compared to 22% in the previous survey.
- At a regional level, the dichotomy of views on the London market remains. Southern is viewed most positively, although this outlook has weakened since the previous quarter. Over 70% of contributors anticipate Midlands/ Wales rental growth will match the national average, while a third forecast Scotland rental growth to underperform the national average.
- For **BtR single family**, expectations are again comparable to those of the last survey. Over half (55%) of contributors anticipate rental growth on new lettings of 3-5% over the next year while 40% expect 1-3% growth; this compares to 60% and 35% respectively in the previous quarter. The remaining contributors (5%) anticipate rents of over 5%, in line with the last quarter. No contributors foresee falling rents.
- Expectations of rental value growth achievable on rent reviews and lease renewals compared to new lettings are almost equally divided between the three outcomes. In the last quarter, 65% expected growth to be in line, with 20% expecting outperformance and 15% forecasting underperformance compared to new lettings.
- Regionally, Southern is again viewed most positively with 63% of contributors predicting outperformance compared to the national average. A third of respondents predict that London will also outperform. Scotland is expected to underperform the national average by 28% of respondents, in line with the last quarter.

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### Performance Expectations: capital value growth

- Nearly 40% of respondents expect 1-3% capital value growth over the next 12 month for **BtR multifamily**; this is in line with the previous survey. However, there are some signs of a slight weakening in views. Twenty-six percent of correspondents expect stagnated growth (-1% to 1%), up from 17% last time, while 22% anticipate an increase in growth of 3-5%, down from 30% and one investor expects a decline in growth of 1-3%. On a positive note, nearly 10% of contributors envisage capital value growth of over 5%, a level consistent with the last three quarters.
- Similar to views on BtR multifamily rental growth, Southern is viewed most favourably while there is a split in expectations regarding the London market. A large majority of respondents predict Midlands/Wales and Northern capital value growth to be in line with the national average. Expectations for the Scottish market have improved, with 27% of respondents anticipating underperformance compared to nearly 50% in the last quarter.
- Half of all contributors expect **BtR single family** capital values to grow by 1-3% over the next 12 months, compared to 40% of respondents in the previous survey. Correspondingly, 30% anticipate growth of 3-5%, reflecting a decline from 40% in the last quarter. Ten per cent of respondents predict values will be relatively stagnant, while one contributor anticipates a capital value decline of 1-3%.
- At a regional level, 55% of respondents predicts Southern to outperform the national average, while no one expects the region to underperform. Nearly a third of respondents anticipate London will outperform while just over a quarter predict Scotland will underperform.

### Occupancy

- The majority of contributors believe that the current occupancy conditions of both existing BtR multifamily and single family assets will remain similar to those of the last quarter.
- Compared to last quarter, there are fewer contributors expecting a positive improvement in occupancy levels. The most positive outlook is for the London multifamily market; approximately a quarter expect levels to improve. There is also a slight uptick in the number of contributors anticipating occupancy conditions to weaken.

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### Investment

- With the exception of London, the majority of respondents expect their allocation to **BtR multifamily** in all other regions to remain unchanged over the next 12 months. London is the most likely to receive additional investment, followed by the Southern region. Minor selling of assets is expected in Midlands/Wales, Northern and Scotland. A small number of contributors do not have a mandate to invest in BtR multifamily, with a quarter unable to invest in Scotland.
- A more substantial proportion of contributors do not have a mandate to invest in **BtR single family**, particularly in Scotland (40%). Of those that have the ability to invest, the majority expect their exposure to remain unchanged over next 12 months, with the exception of Southern where over half of contributors expect to augment their exposure and Midlands/Wales where 40% anticipate an increased allocation. Minor disinvestment is expecting in Scotland over the coming year although this should be offset by further investment into the region.
- The current sought after investment locations for **BtR multifamily** are Bristol, Cambridge, London: Outer and Manchester, while Aberdeen and Belfast are the least desirable by some margin.
- For **BtR single family** investment, the most popular markets are the South East, South West and West Midlands. Wales and Scotland are the least attractive.

**Survey contributors:** For the final sentiment survey of 2025, 25 organisations provided their views for some or most of the market indicators covered by this research. Opinions were provided ahead of the survey deadline of 15 October. Named contributors appear on the final page of this report.

**Sector definitions:** The following definitions have been used:

- **BtR multifamily:** a block of apartments purpose built for the rental market
- **BtR single family:** individual houses (detached/semi-detached/terraced) designed for single occupancy, purpose built for the rental market

**Regional definitions:** For simplicity, some results are presented for broad regions.

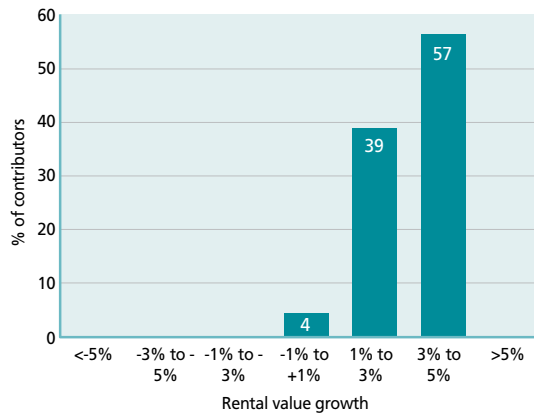
These are defined as follows:

- **Southern:** South East, East of England, South West
- **Midlands/Wales:** East Midlands, West Midlands, Wales
- **Northern:** North West, Yorkshire and the Humber, North East

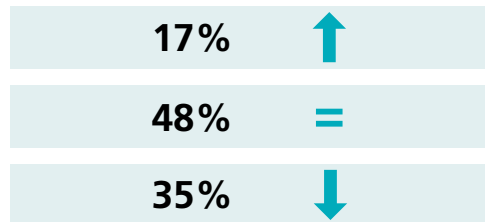
## PERFORMANCE EXPECTATIONS: RENTAL VALUE GROWTH

### BUILD-TO-RENT MULTIFAMILY

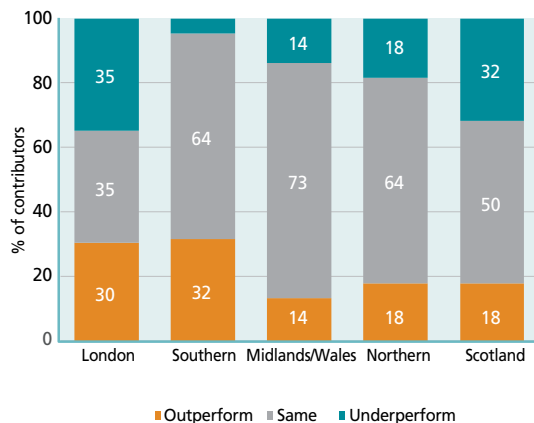
Expected rental growth on new lettings in next 12 months



Expected rental growth on rent reviews/ lease renewals compared to new lettings

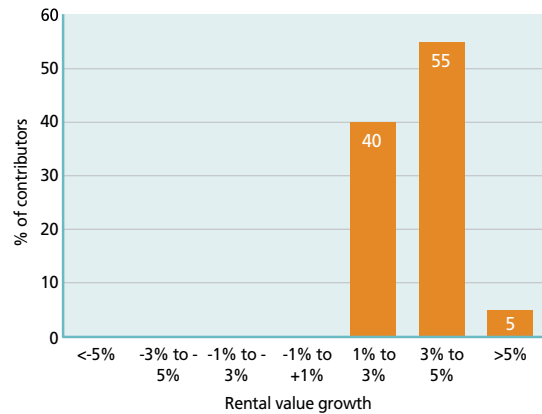


Rental growth expectations compared with national average

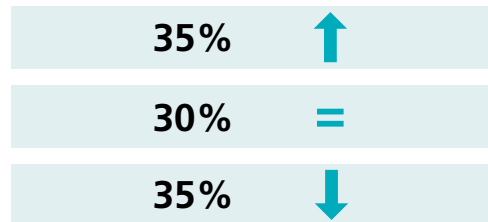


### BUILD-TO-RENT SINGLE FAMILY

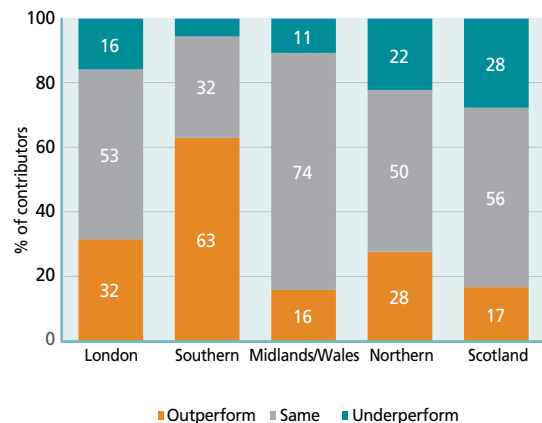
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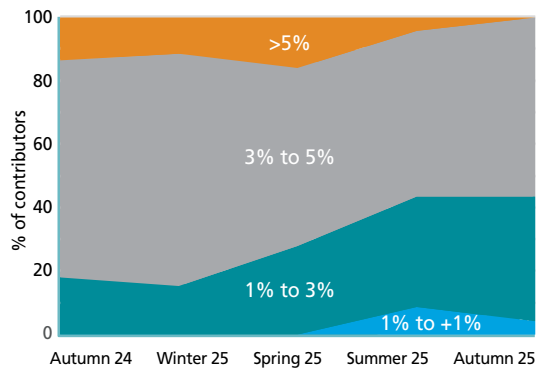
Rental growth expectations compared with national average



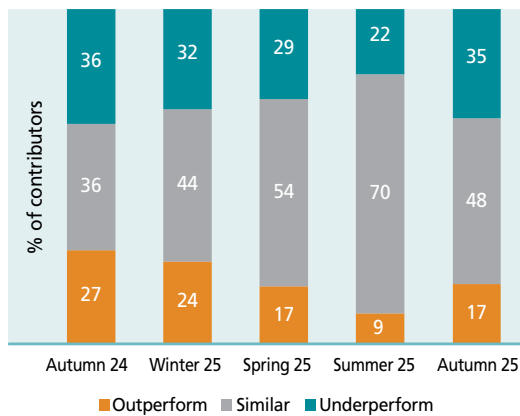
## PERFORMANCE EXPECTATIONS: EVOLUTION OF RENTAL VALUE GROWTH

### BUILD-TO-RENT MULTIFAMILY

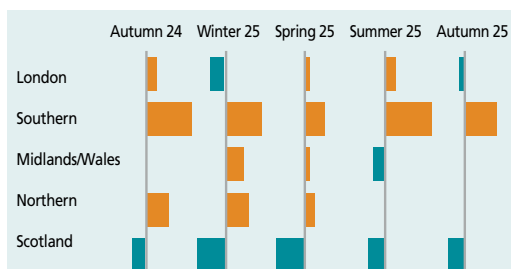
Evolution of expected rental growth on new lettings in next 12 months



Evolution of expected rental growth on rent reviews/lease renewals compared to new lettings

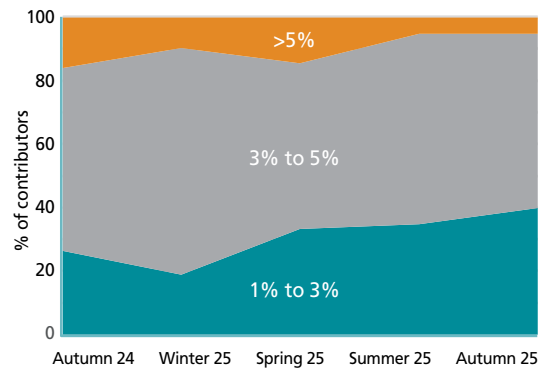


Composite rental growth outperformance/underperformance of regions compared with national average<sup>1</sup>

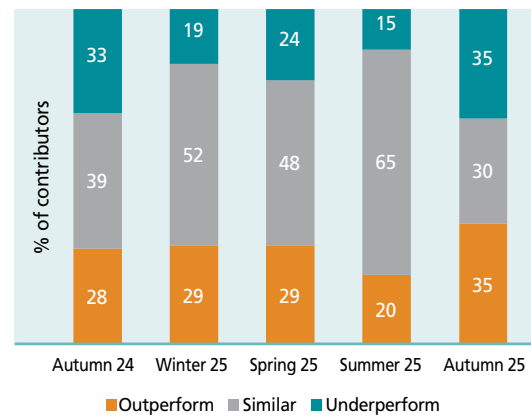


### BUILD-TO-RENT SINGLE FAMILY

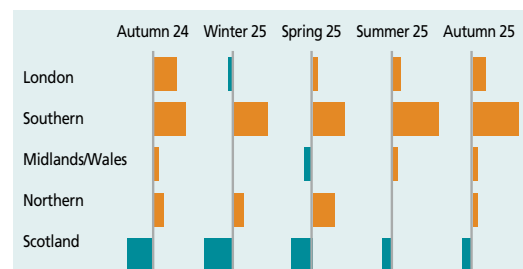
Evolution of expected rental growth on new lettings in next 12 months



Evolution of expected rental growth on rent reviews/lease renewals compared to new lettings



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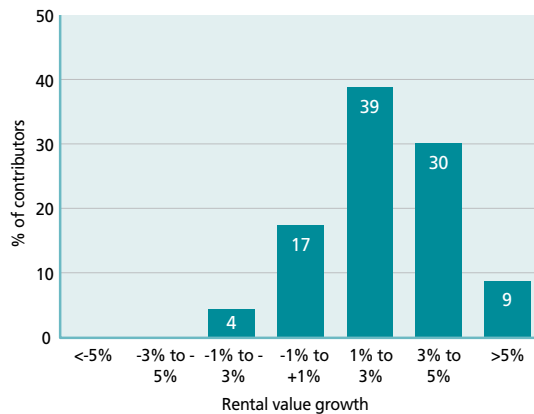


<sup>1</sup> Orange denotes outperformance; teal denotes underperformance

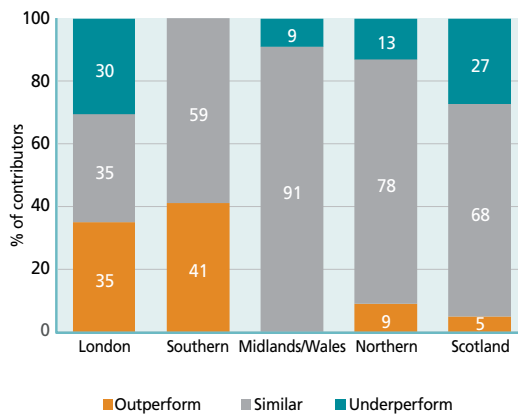
## PERFORMANCE EXPECTATIONS: CAPITAL VALUE GROWTH

### BUILD-TO-RENT MULTIFAMILY

Expected capital growth in next 12 months

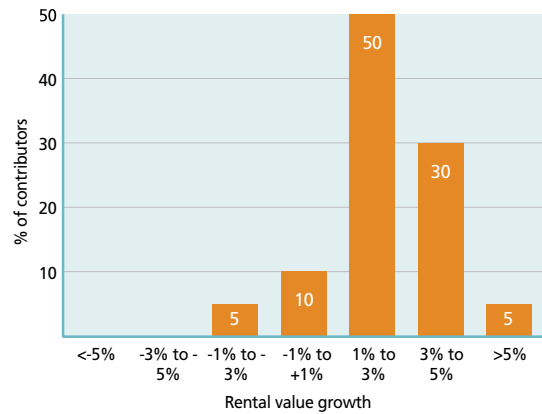


Capital growth expectations compared with national average

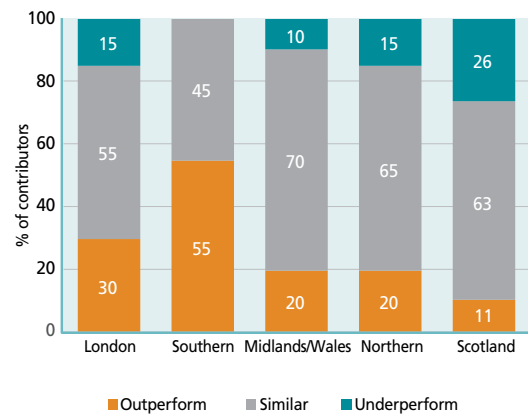


### BUILD-TO-RENT SINGLE FAMILY

Expected capital growth in next 12 months



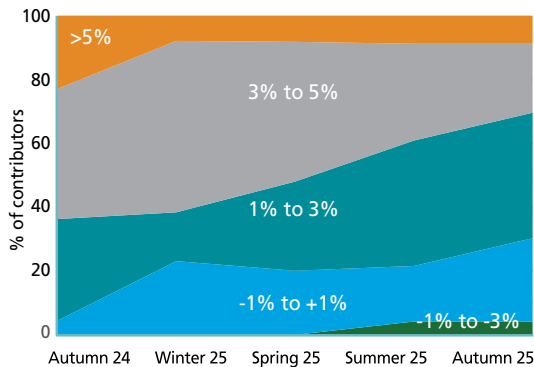
Capital growth expectations compared with national average



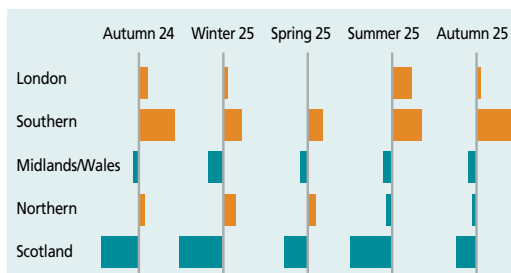
## PERFORMANCE EXPECTATIONS: EVOLUTION OF CAPITAL VALUE GROWTH

### BUILD-TO-RENT MULTIFAMILY

Evolution of expected capital growth on new lettings in next 12 months by quarter

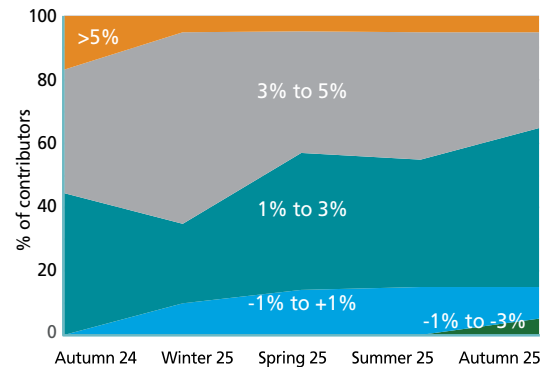


Composite capital growth outperformance/underperformance of regions compared with national average<sup>2</sup>

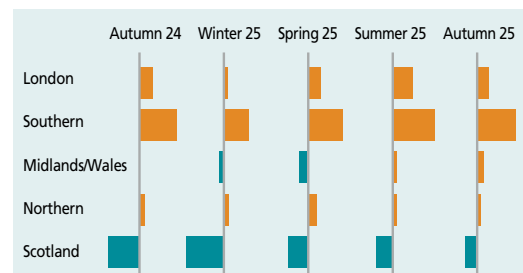


### BUILD-TO-RENT SINGLE FAMILY

Evolution of expected capital growth on new lettings in next 12 months by quarter



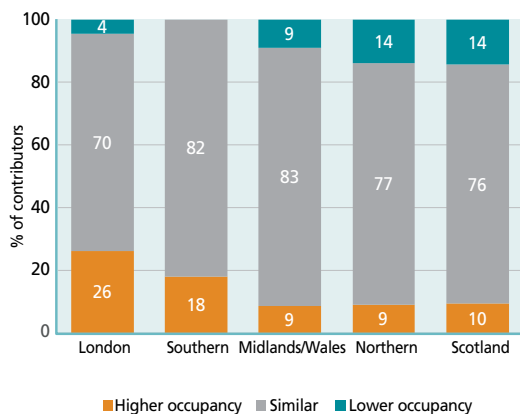
Composite capital growth outperformance/underperformance of regions compared with national average<sup>2</sup>



## OCCUPANCY

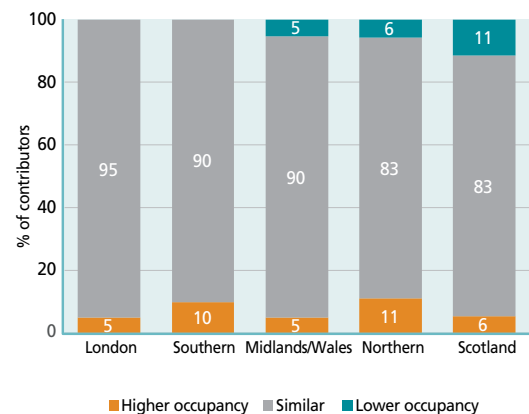
### BUILD-TO-RENT MULTIFAMILY

Current occupancy conditions of existing operational assets compared to previous quarter



### BUILD-TO-RENT SINGLE FAMILY

Current occupancy conditions of existing operational assets compared to previous quarter

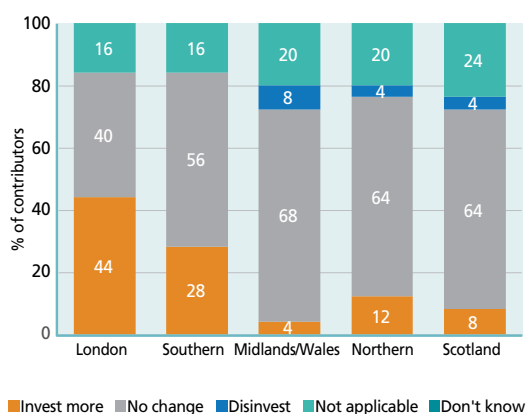
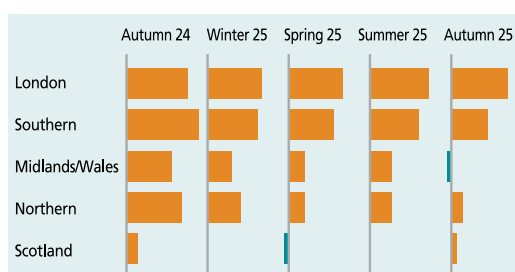


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## INVESTMENT INTENTIONS

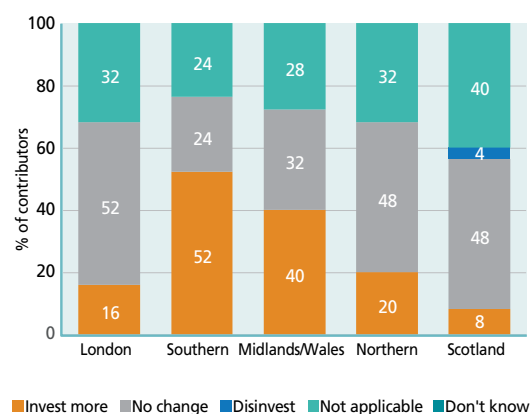
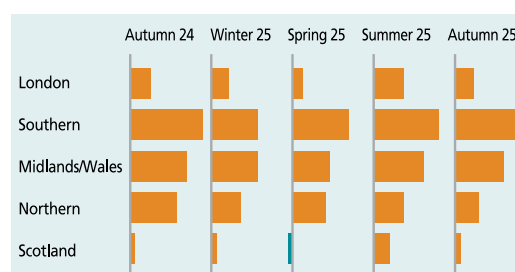
## BUILD-TO-RENT MULTIFAMILY

Investment intentions over the next 12 months by region

Evolution of investment intentions over next 12 months by region<sup>3</sup>

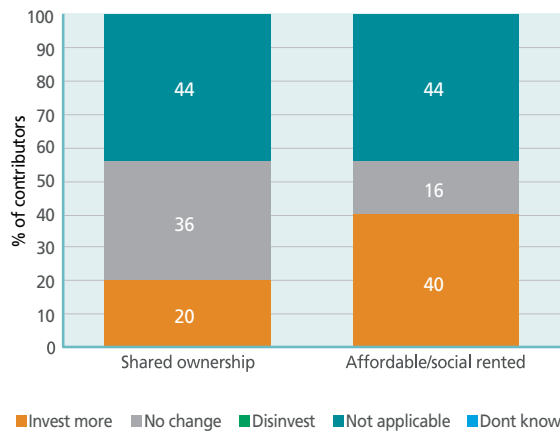
## BUILD-TO-RENT SINGLE FAMILY

Investment intentions over the next 12 months by region

Evolution of investment intentions over next 12 months by region<sup>3</sup><sup>3</sup> Orange denotes outperformance; teal denotes underperformance

## INVESTMENT: AFFORDABLE HOUSING SUBMARKETS

Investment intentions for affordable housing submarkets over the next 12 months (if funding available)



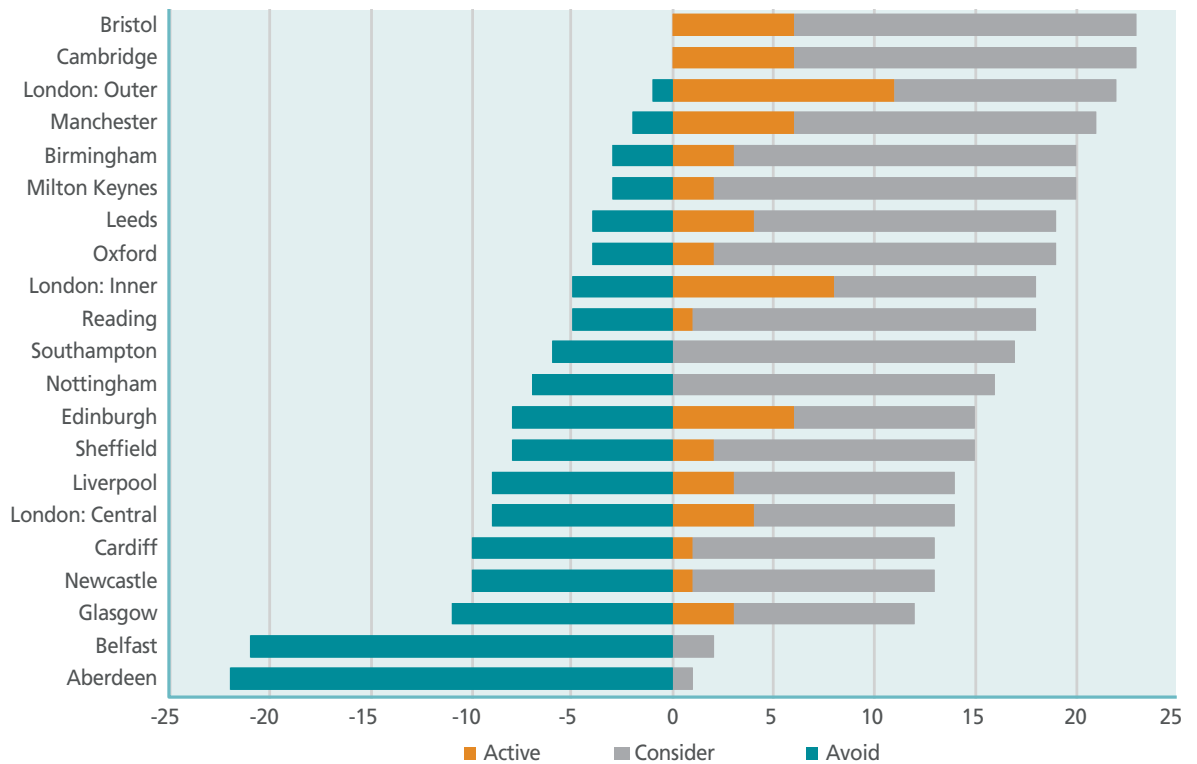
In terms of **Shared Ownership**, close to half of the contributors do not have a mandate to invest. Of the remaining contributors, a fifth expect to increase their investment, compared to only 13% in the previous quarter.

For **Affordable/social rented**, again under 50% of contributors do not have a mandate to invest, while 40% are planning to increase their exposure (compared to 29% in the last survey).

No contributor expects to disinvest from either submarket.

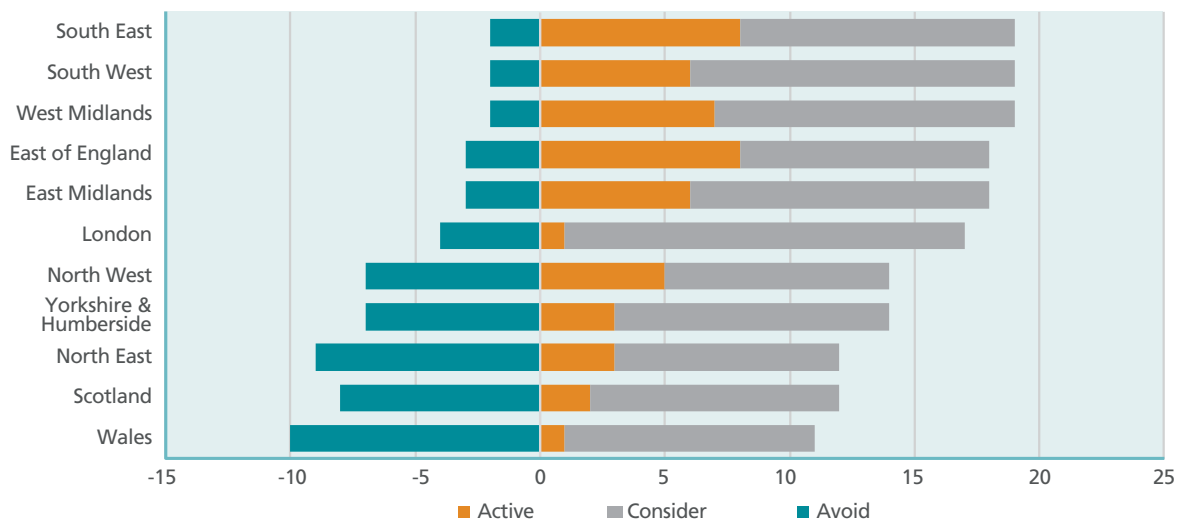
## INVESTMENT INTENTIONS

### BtR multifamily: Investment intentions in next 12 months (if funding available)



Note: Scale denotes number of contributors. 'Active' and 'Consider' responses are shown as positive numbers. 'Avoid' responses are counted as negative numbers.

### BTR single family: Investment intentions in next 12 months (if funding available)



Note: Scale denotes number of contributors. 'Active' and 'Consider' responses are shown as positive numbers. 'Avoid' responses are counted as negative numbers.

## ACKNOWLEDGEMENTS

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The Investment Property Forum (IPF) thanks all those organisations that contributed to the **IPF Autumn 2025 Residential Investor Sentiment Survey** including:

Aberdeen, Apache Capital, Aviva Investors, Barings, CBRE Investment Management, Columbia Threadneedle Investments, DTZ Investors, Edmond de Rothschild, Federated Hermes, Grainger plc, Hearthstone Investments, Legal & General Affordable Homes, Legal & General Private Markets, M&G Real Estate, Mitheridge Capital Management, Montagu Evans, Nuveen Real Estate, PLATFORM\_, Quintain, Savills Investment Management, Sigma Capital Group, Thriving Investments and UBS Asset Management.

### Note

This sentiment survey furthers the objective of the IPF to enhance the efficiency of the real estate investment market by encouraging transparency. The IPF is extremely grateful for the support of contributors, some of whom are noted above. This publication is only possible thanks to the provision of these individual views.

If your organisation wishes to contribute to future surveys, please contact IPF CEO, Sue Forster at [sforster@ipf.org.uk](mailto:sforster@ipf.org.uk).

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**Investment Property Forum**  
R+ Building, 2 Blagrove Street,  
Reading, Berkshire  
RG1 1AZ

**Email:** [ipfoffice@ipf.org.uk](mailto:ipfoffice@ipf.org.uk)  
**Web:** [www.ipf.org.uk](http://www.ipf.org.uk)