

The UK rental market two years since Covid-19

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Rightmove

rightmove 

The UK rental market two years since Covid-19

1. What has changed in the property market?
2. Have renters changed the features they are looking for?
3. Are renters looking for Build-To-Rent (BTR) specifically?
4. Have renters changed where they are looking?
5. What does this mean for price, pricing and presentation?

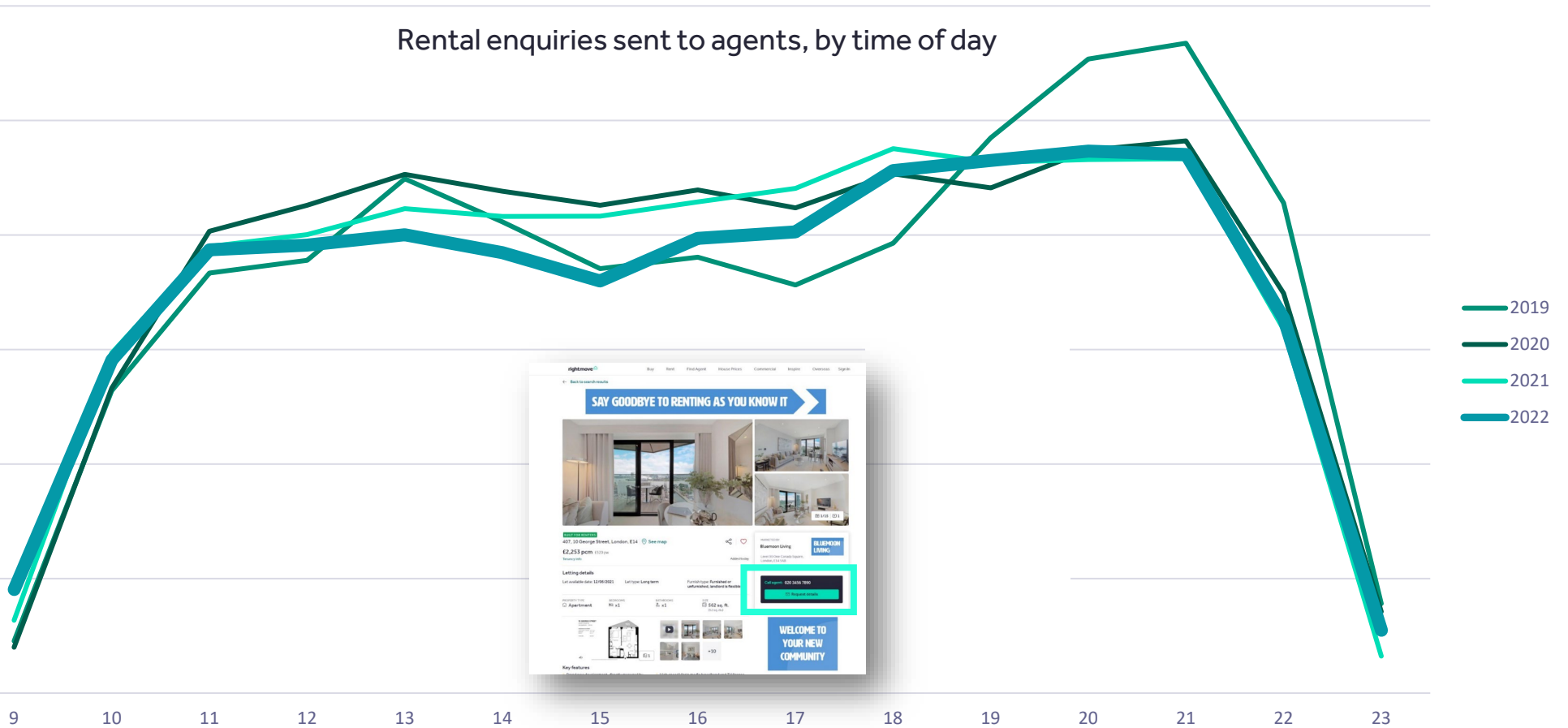


A quick warm up...

rightmove 

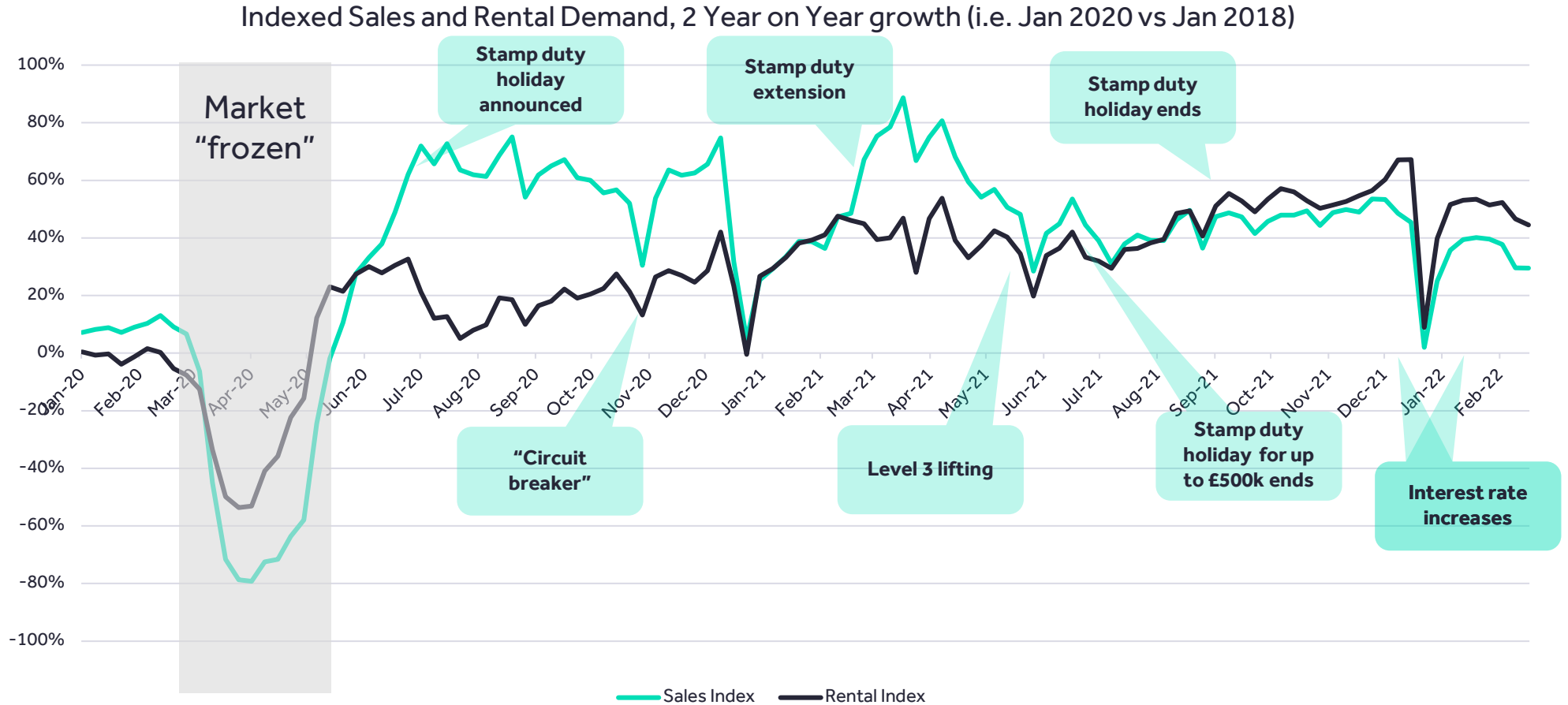
What does this chart show?

Rental enquiries sent to agents, by time of day



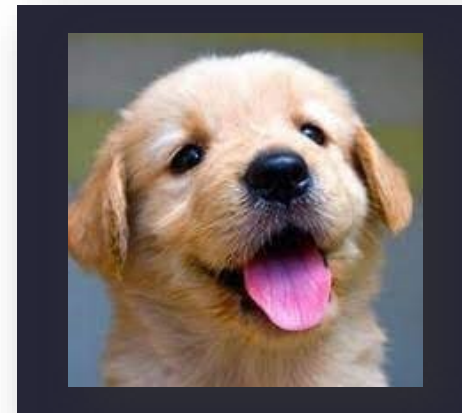
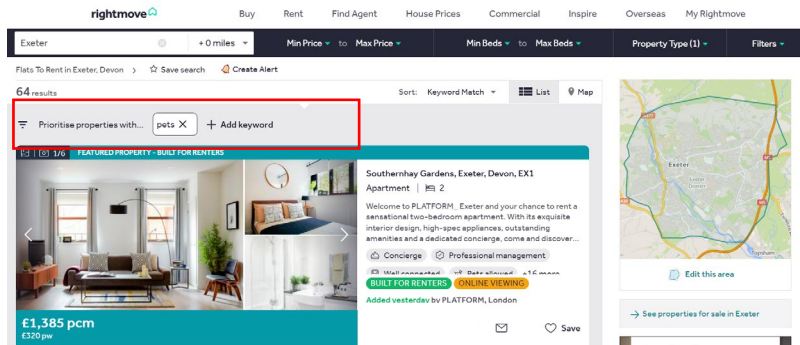
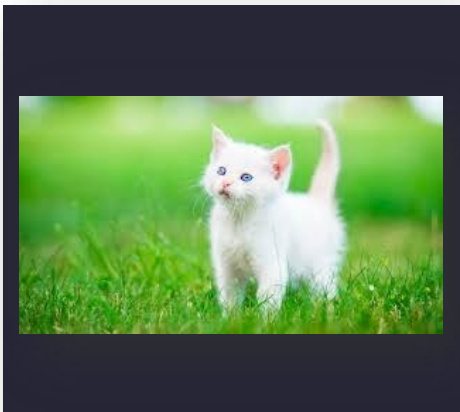
What has changed in the property market?

As our relationship with our homes have changed, we have wanted to change them



**Have renters changed
the features they are
looking for?**

Our checklists of the specific features we want from our homes has been changing...



Top "Keyword Sort" features searched

Mar 2020

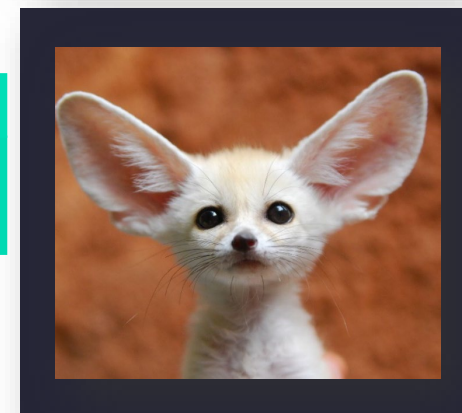
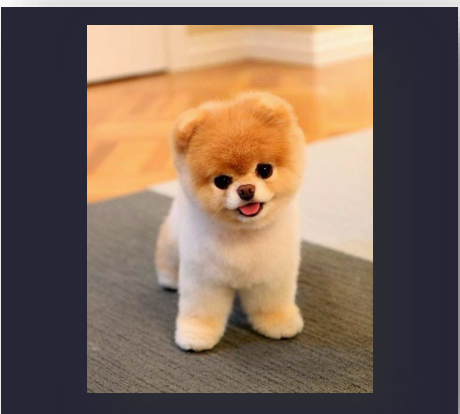
1. Furnished
2. Pets
3. Balcony
4. Garage
5. Bills inc

Jan 2021

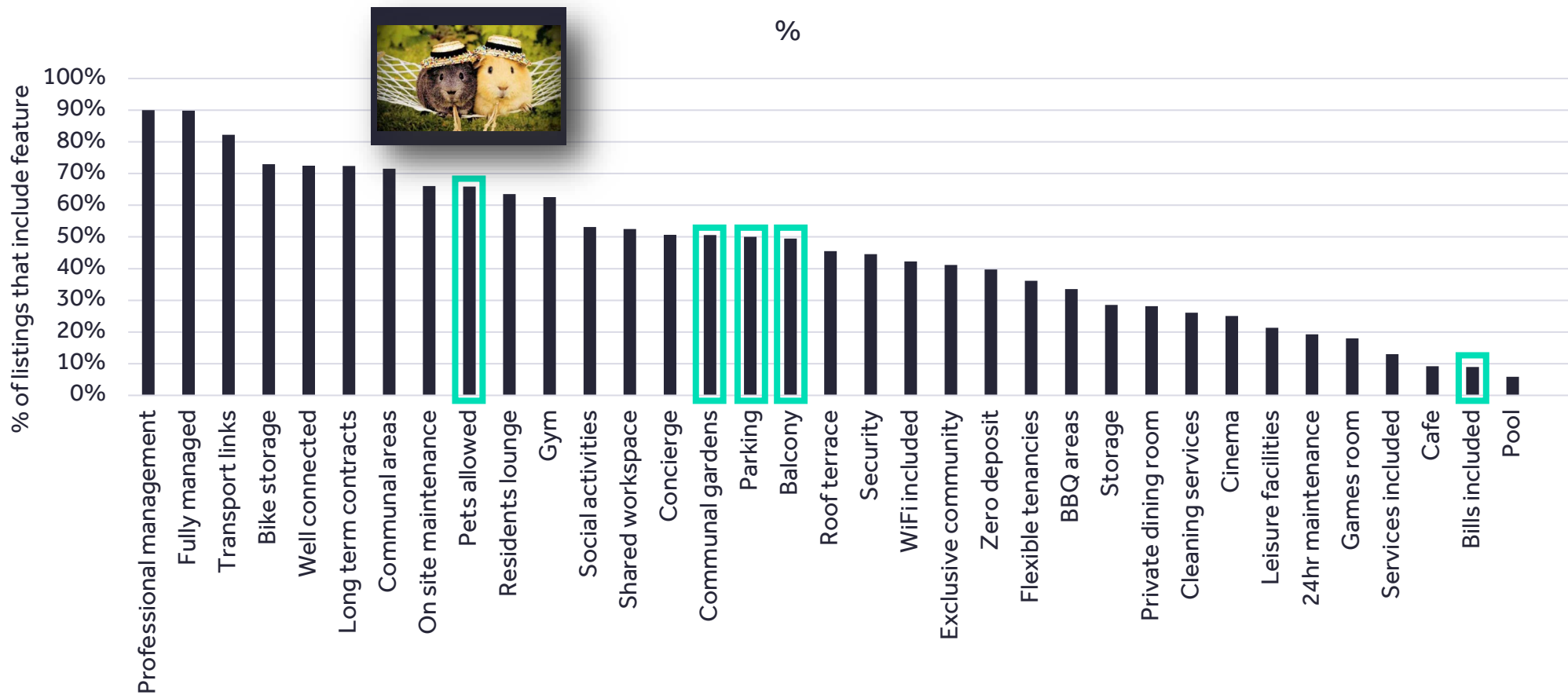
1. Pets
2. Balcony
3. Garage
4. Garden
5. Parking

Mar 2022

1. Pets
2. Furnished
3. Bills inc
4. Balcony
5. Parking

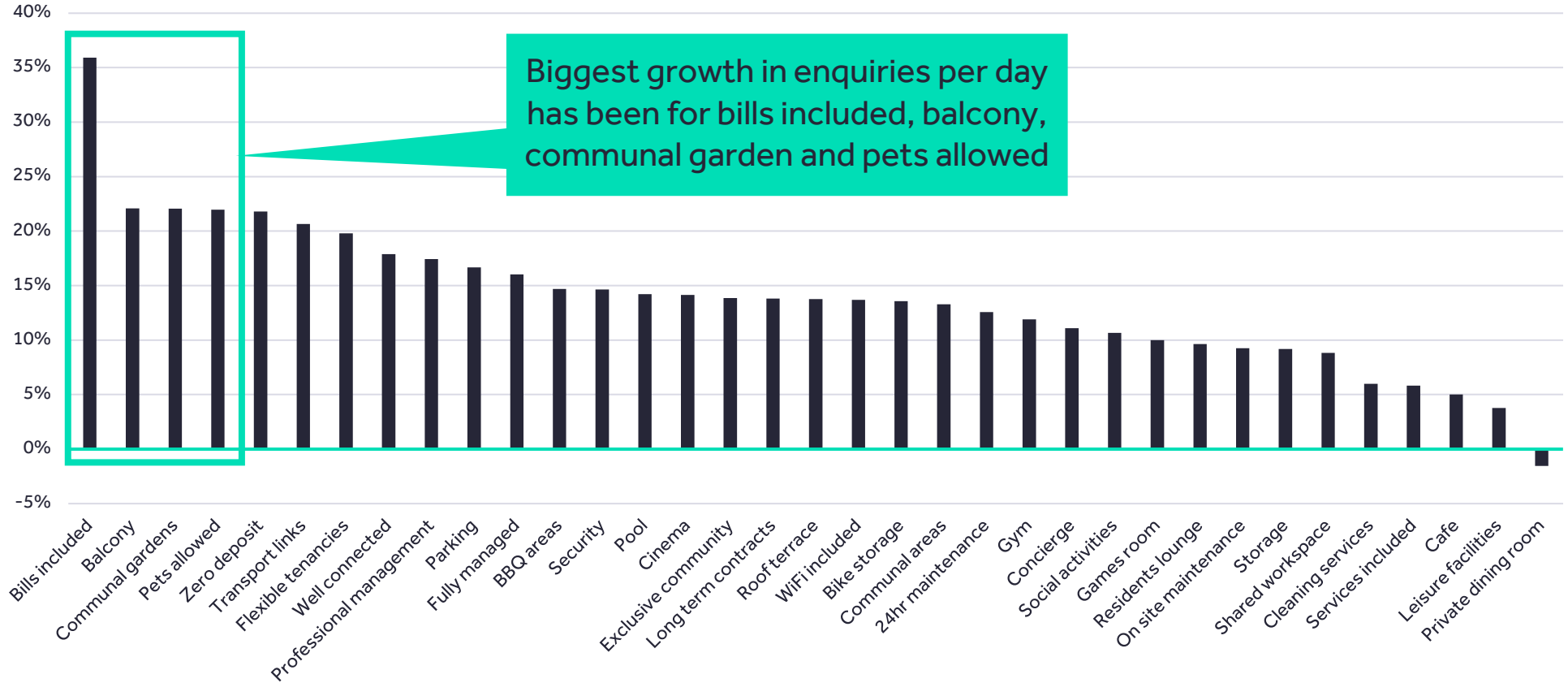


The range of BTR features/benefits in listings matches what people are looking for



Renters are showing us what is most important to them

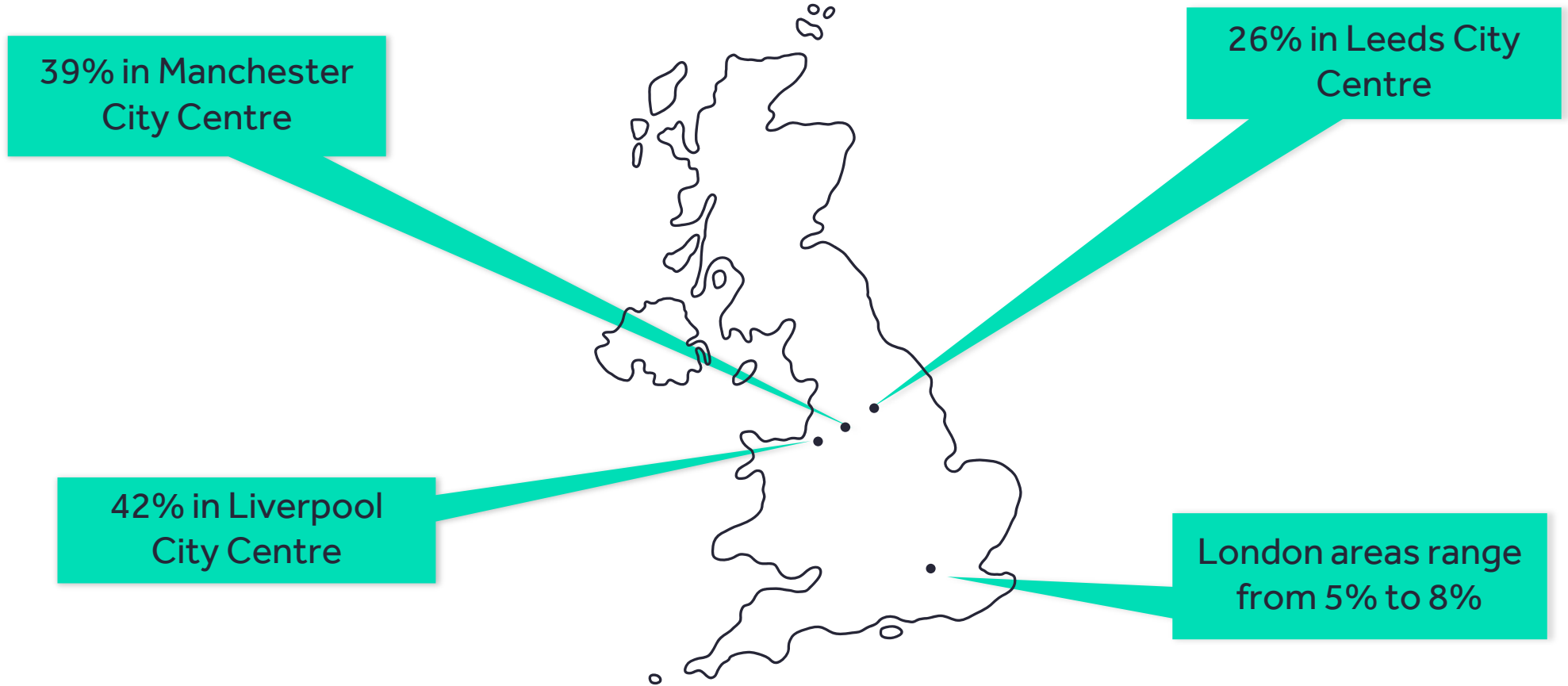
Growth in emails per day 2022vs2021



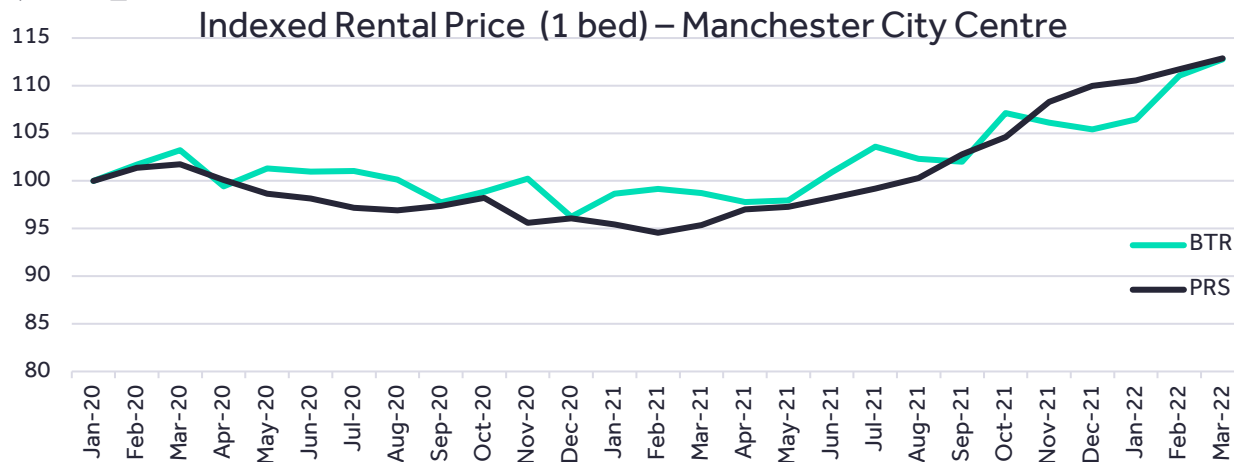
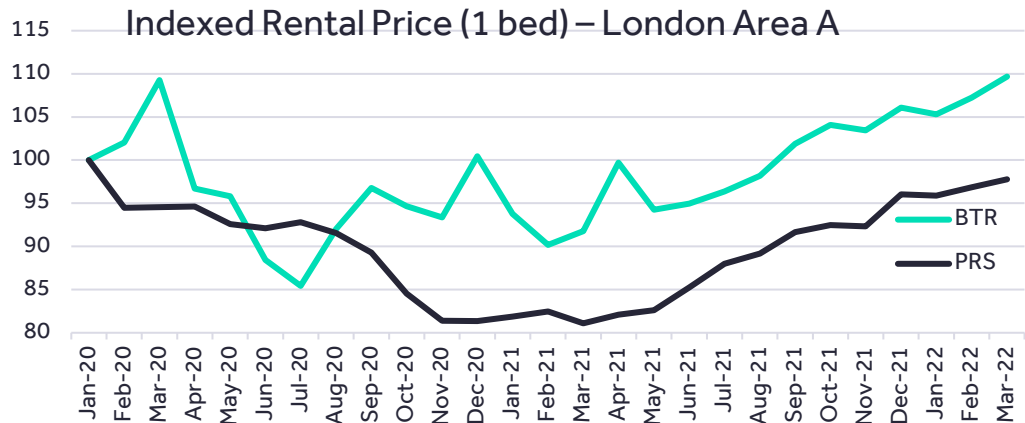
Biggest growth in enquiries per day has been for bills included, balcony, communal garden and pets allowed

**Are renters looking for
BTR specifically?**

Many renters enquire to both BTR and PRS properties

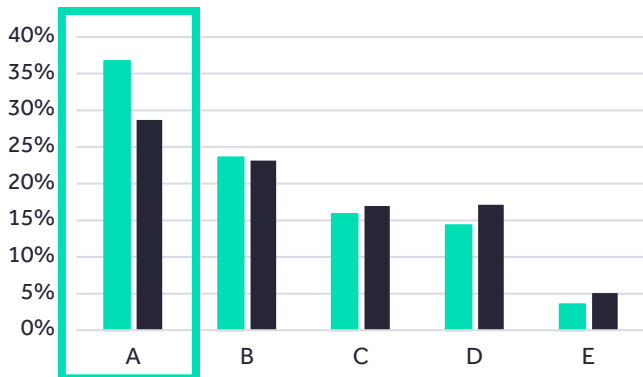


Where BTR and PRS are more differentiated from an enquirer perspective, price behaviour differs too

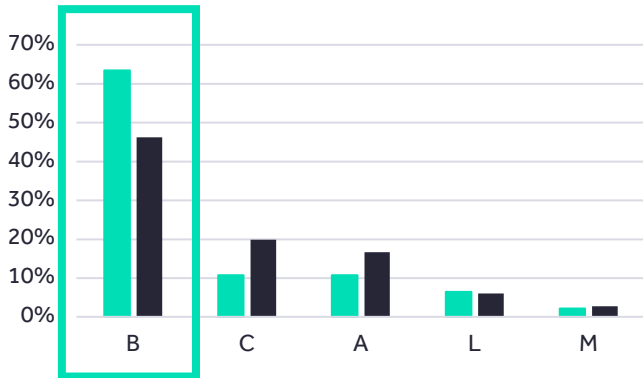


The BTR / PRS relationship differs across the country in terms of enquirer location types

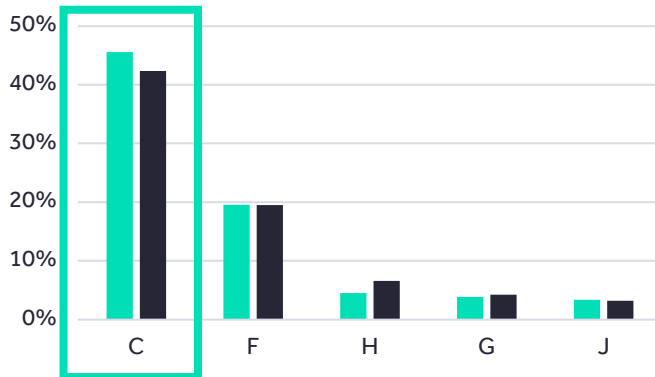
London Area A



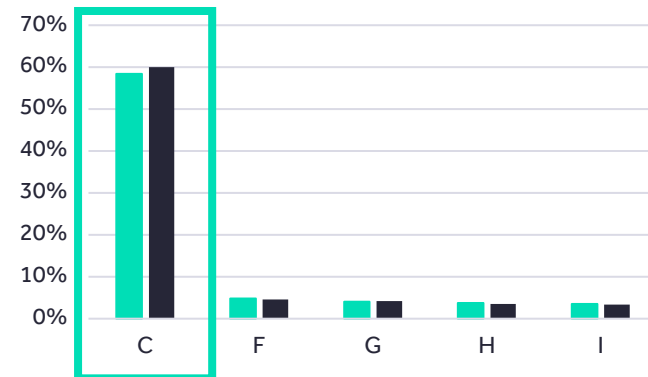
London Area B



Leeds City Centre



Manchester City Centre



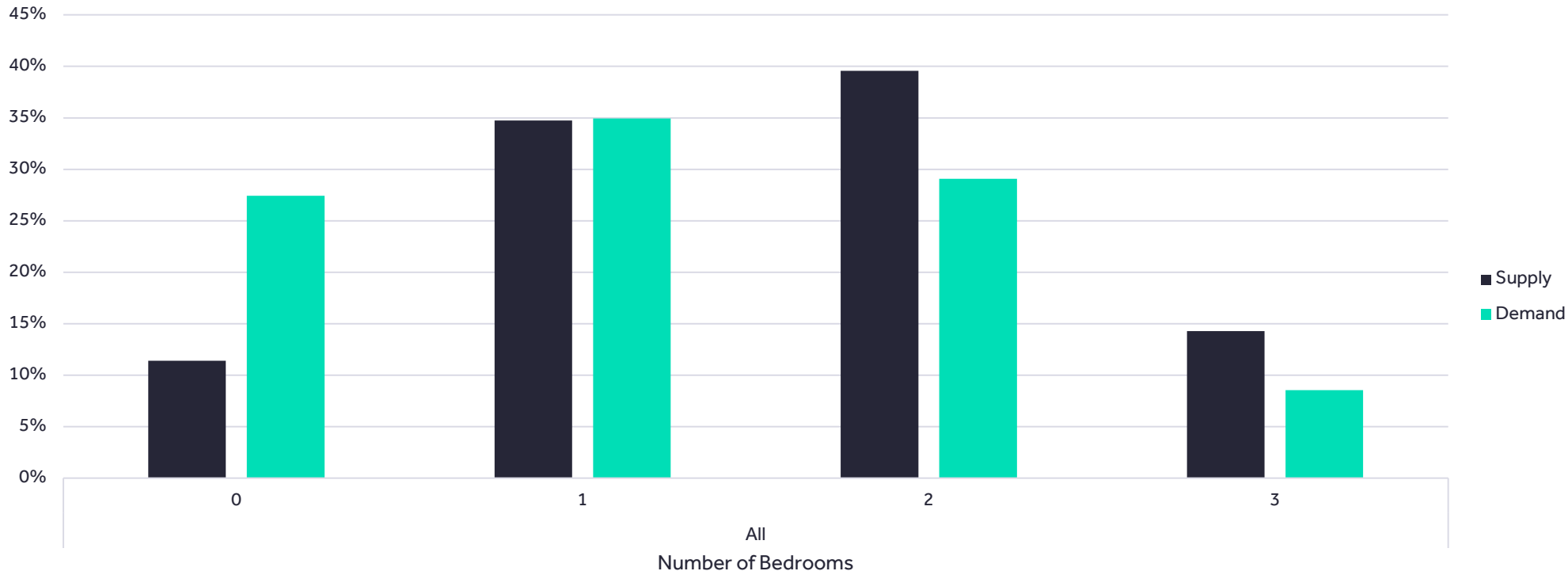
Liverpool City Centre



■ BTR ■ PRS

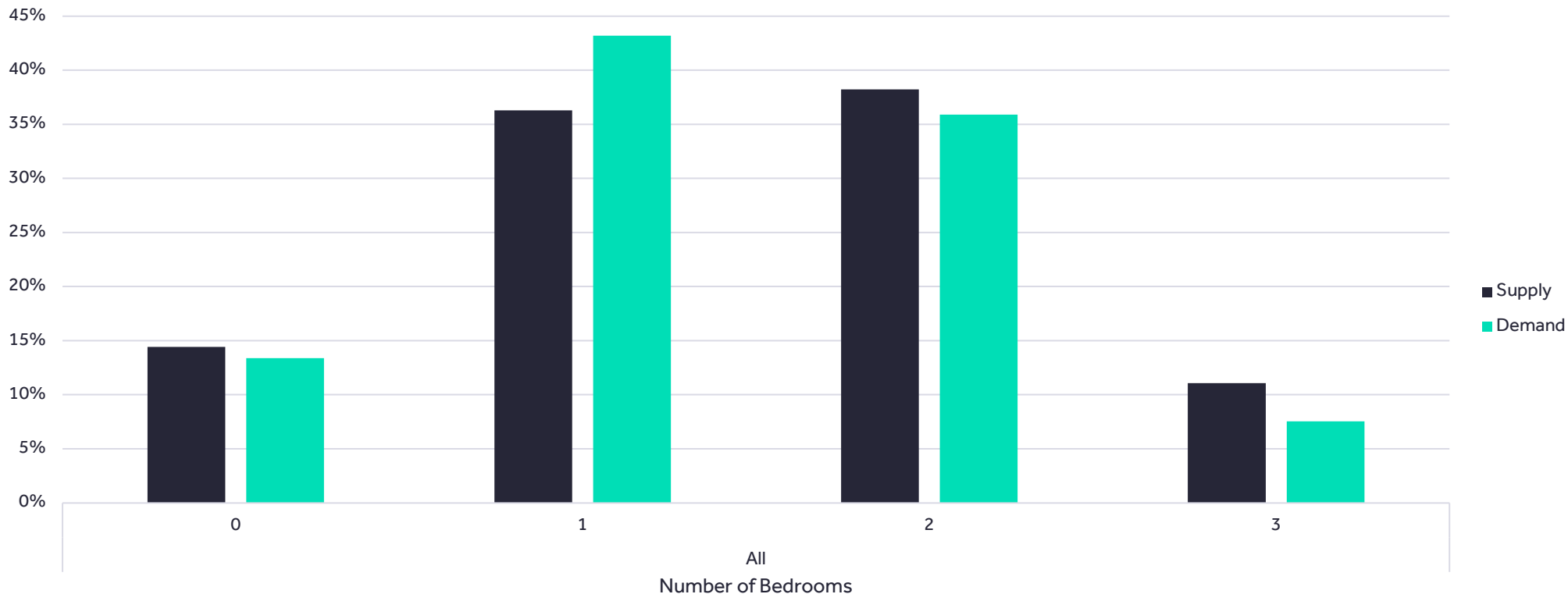
We looked at the rental demand / supply balance for BTR in 2019; it showed a mismatch

Supply and Demand Distribution (March 2019) – UK BTR



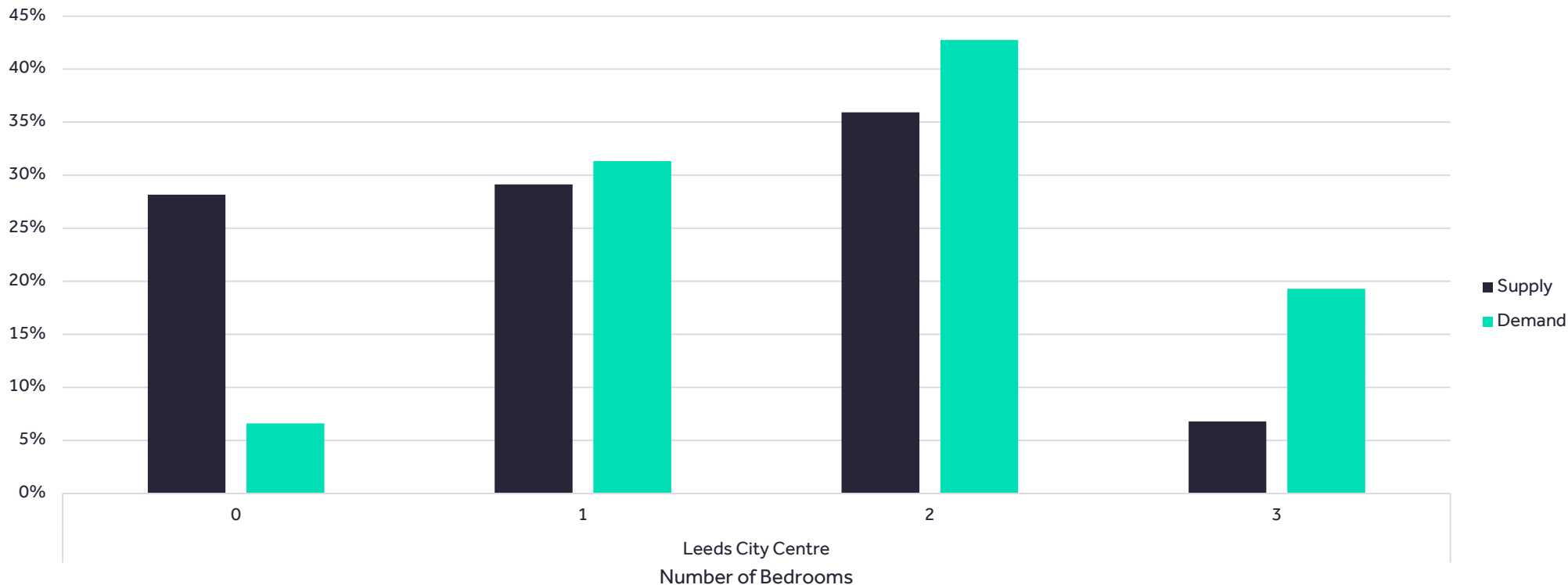
...the distribution has become more evenly matched as renters have favoured one bedroom properties over studios...

Supply and Demand Distribution (March 2022) – UK BTR



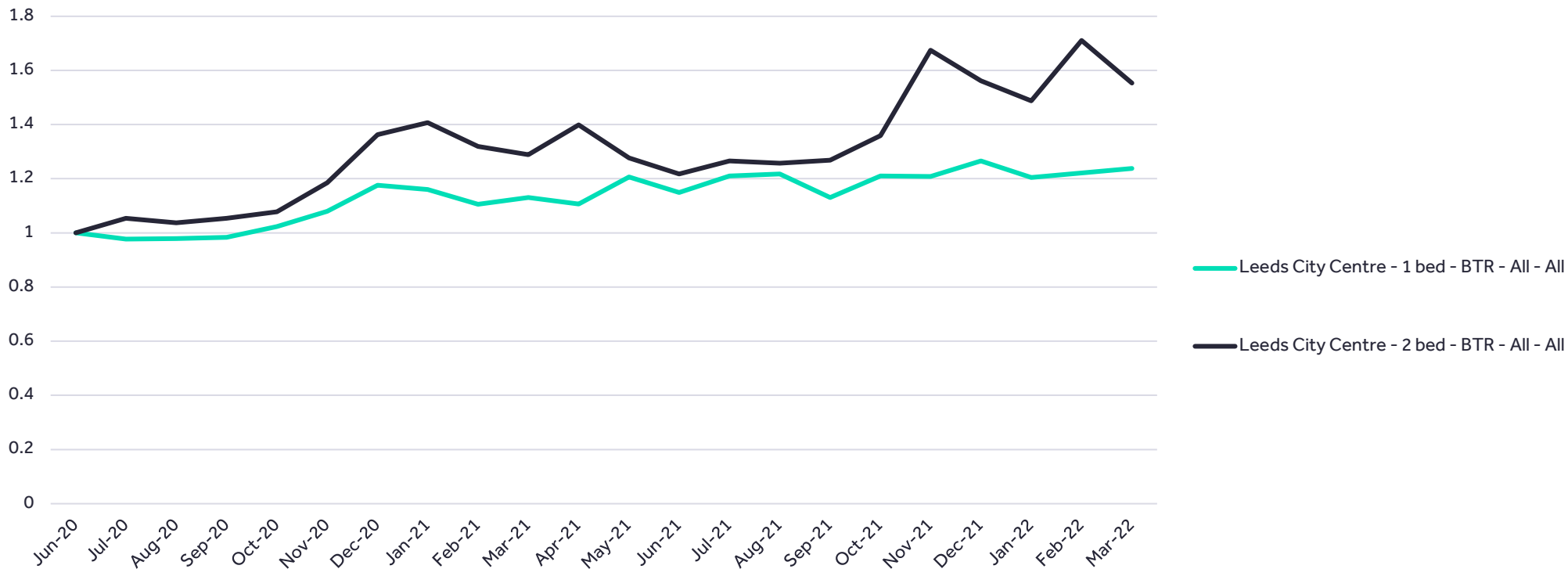
...it does differ by city though; Leeds renters, for example, favour two bed properties

Supply and Demand Distribution (March 2022) – Leeds City Centre BTR



And we also see the effect of the supply and demand imbalance on price

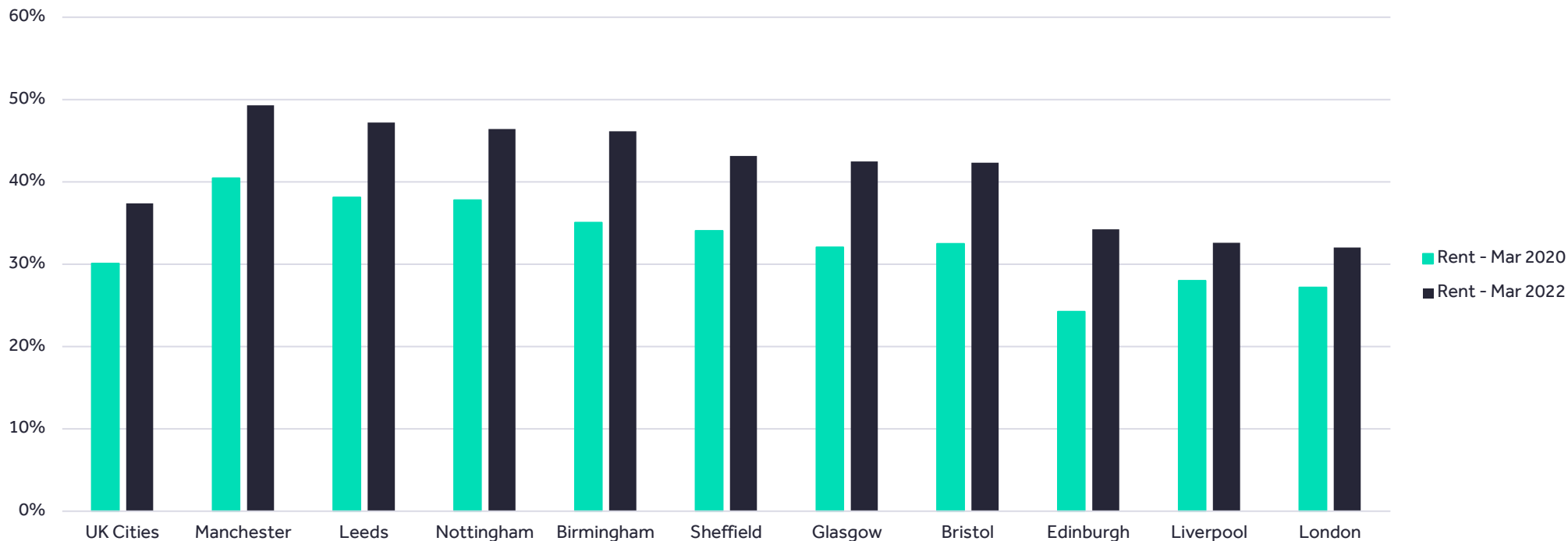
Indexed Rental Price – Leeds City Centre – 1 bed vs 2 bed



**Have renters changed
where they are
looking?**

There has been an increase in the proportion of enquirers looking to leave the city...

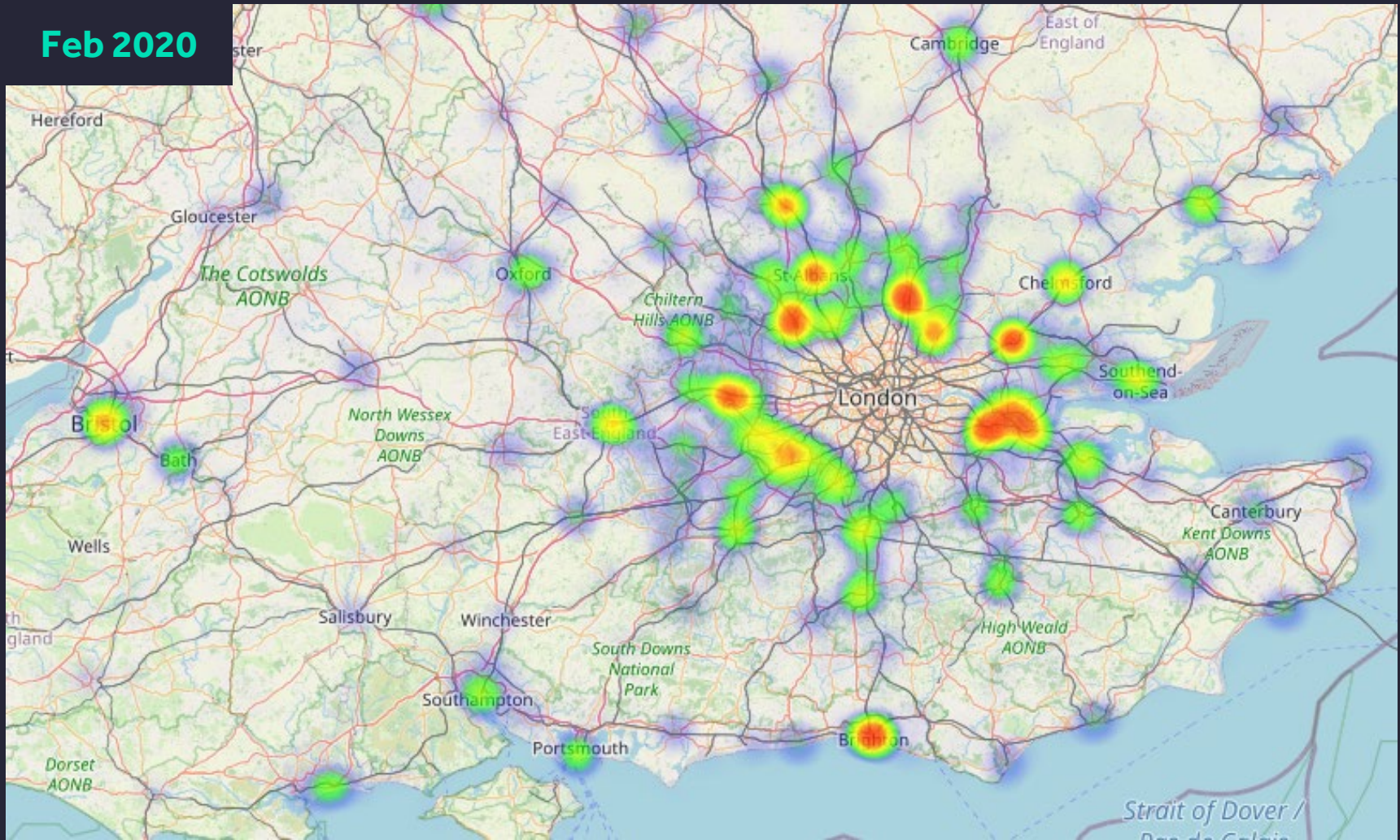
Proportion of rental enquiries leaving the city (March 2020 vs March 2022)



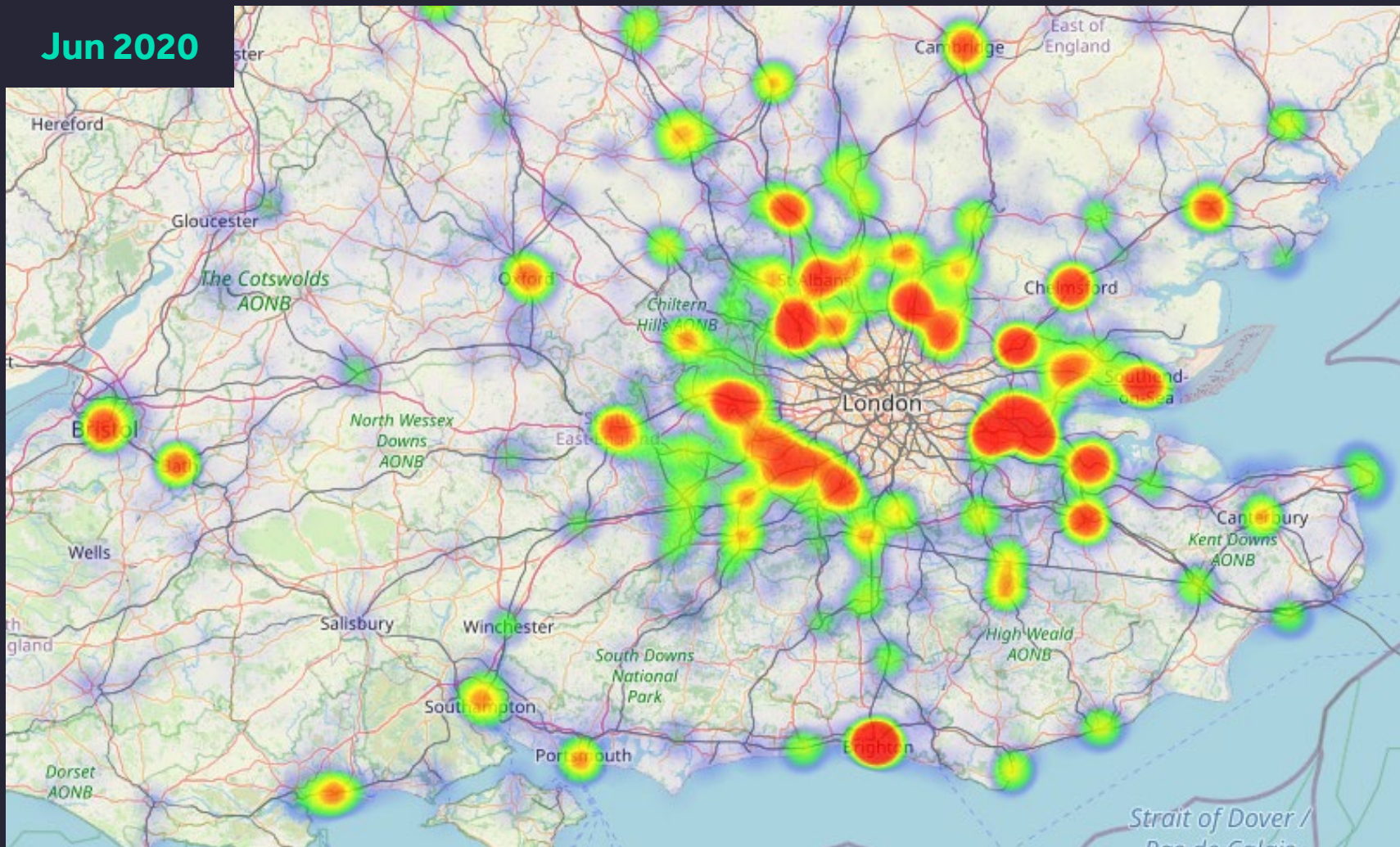
The total demand for city properties has increased by **81%** for rental over this period

London rent

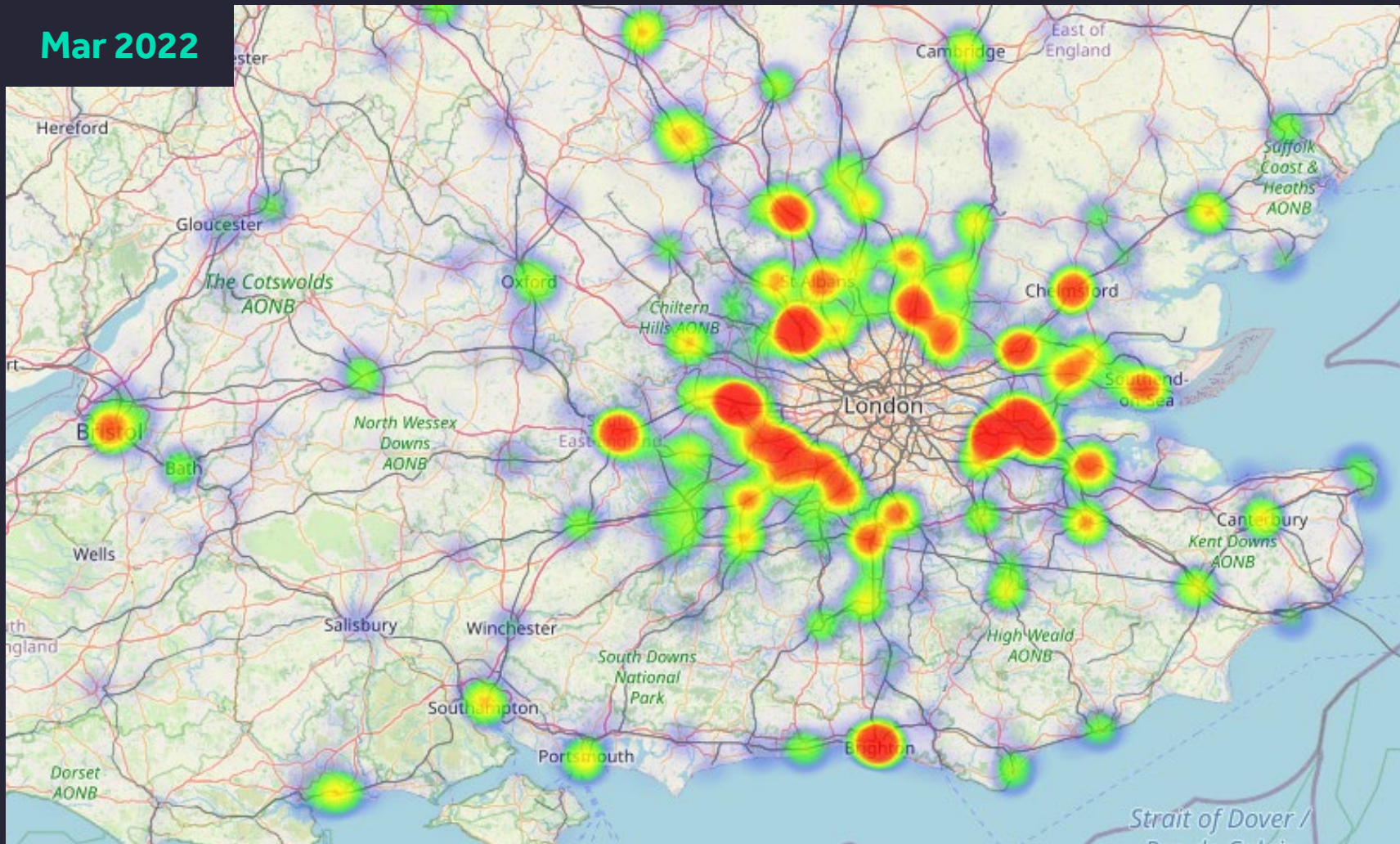
Feb 2020



Jun 2020

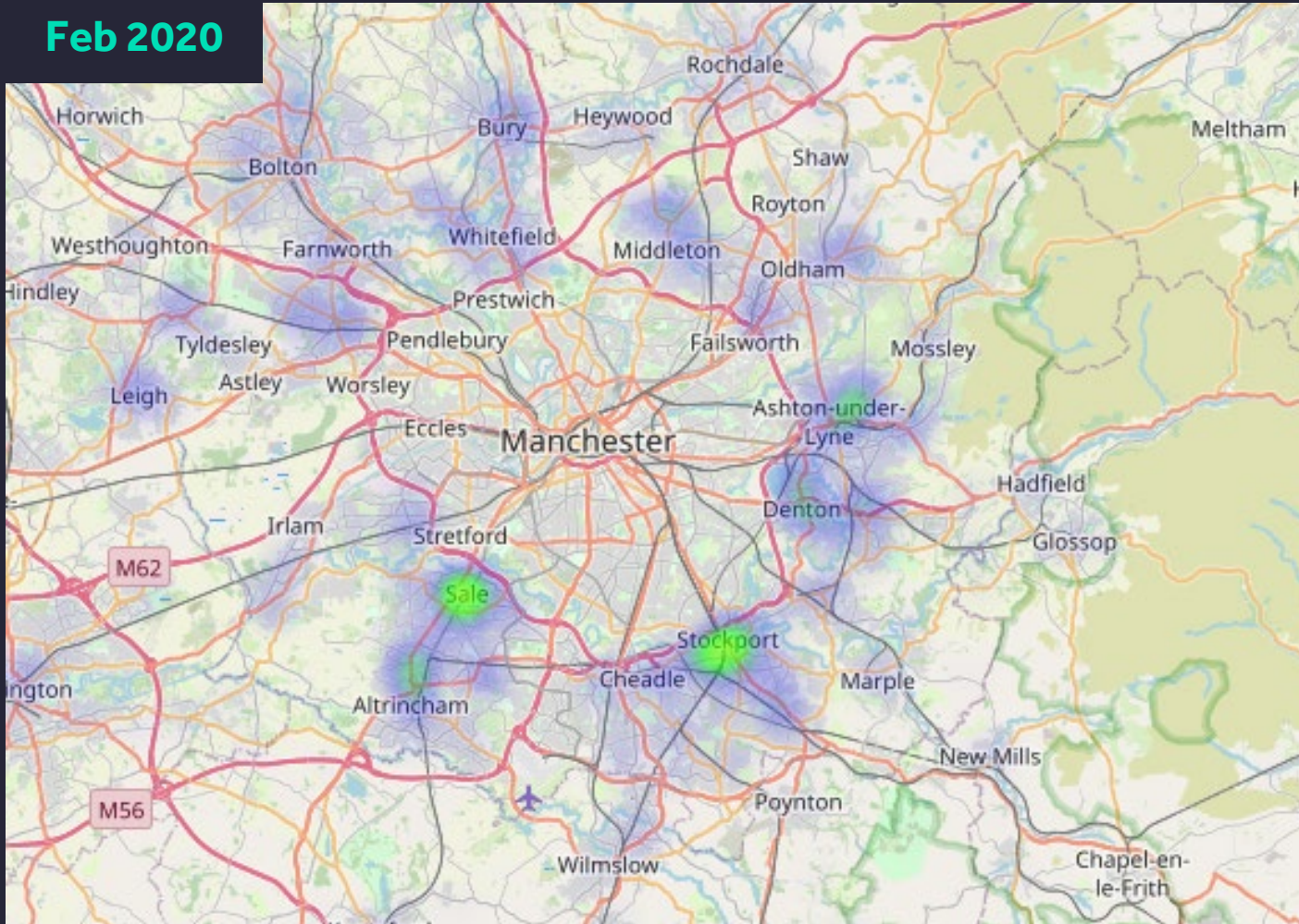


Mar 2022

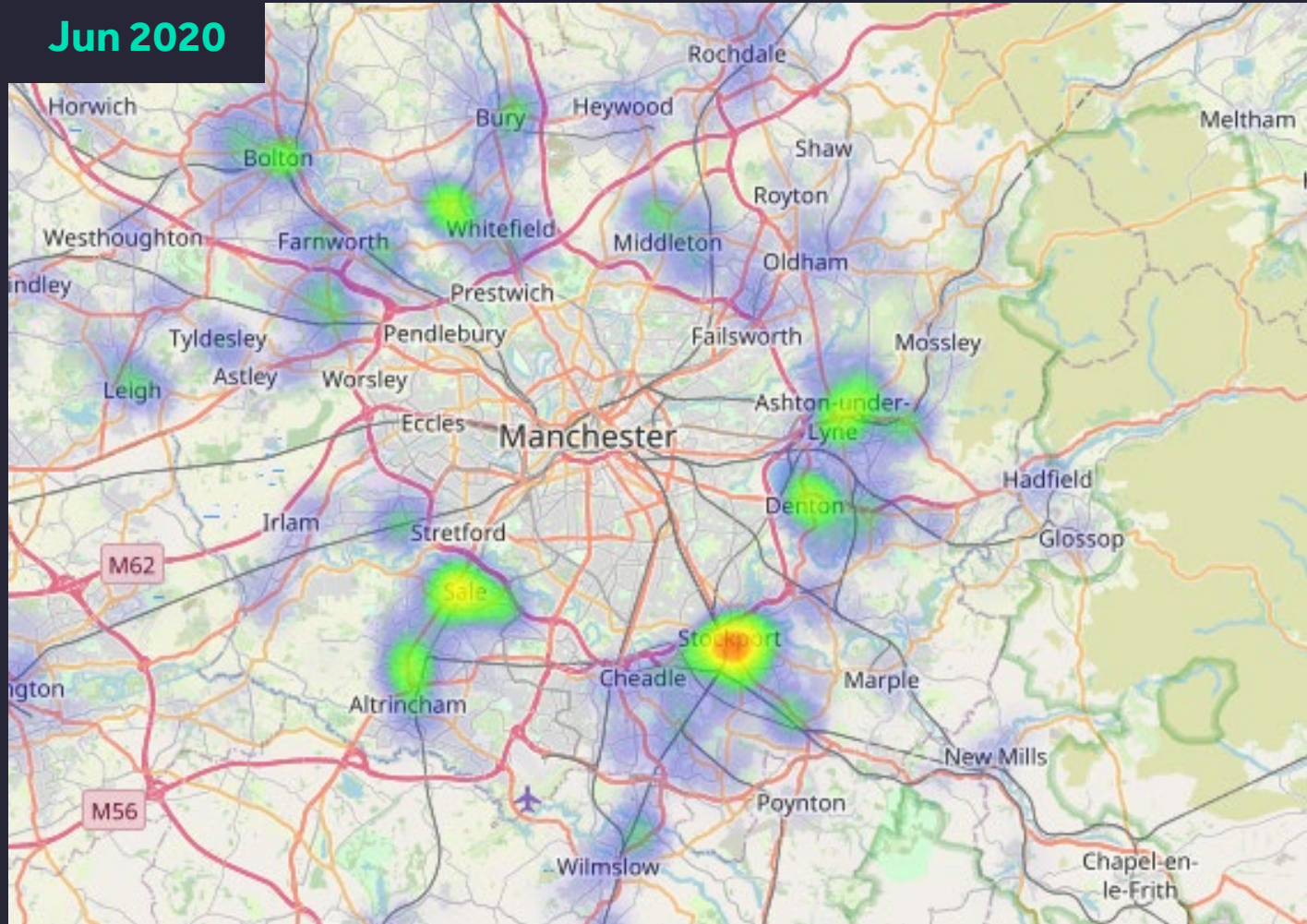


Manchester rent

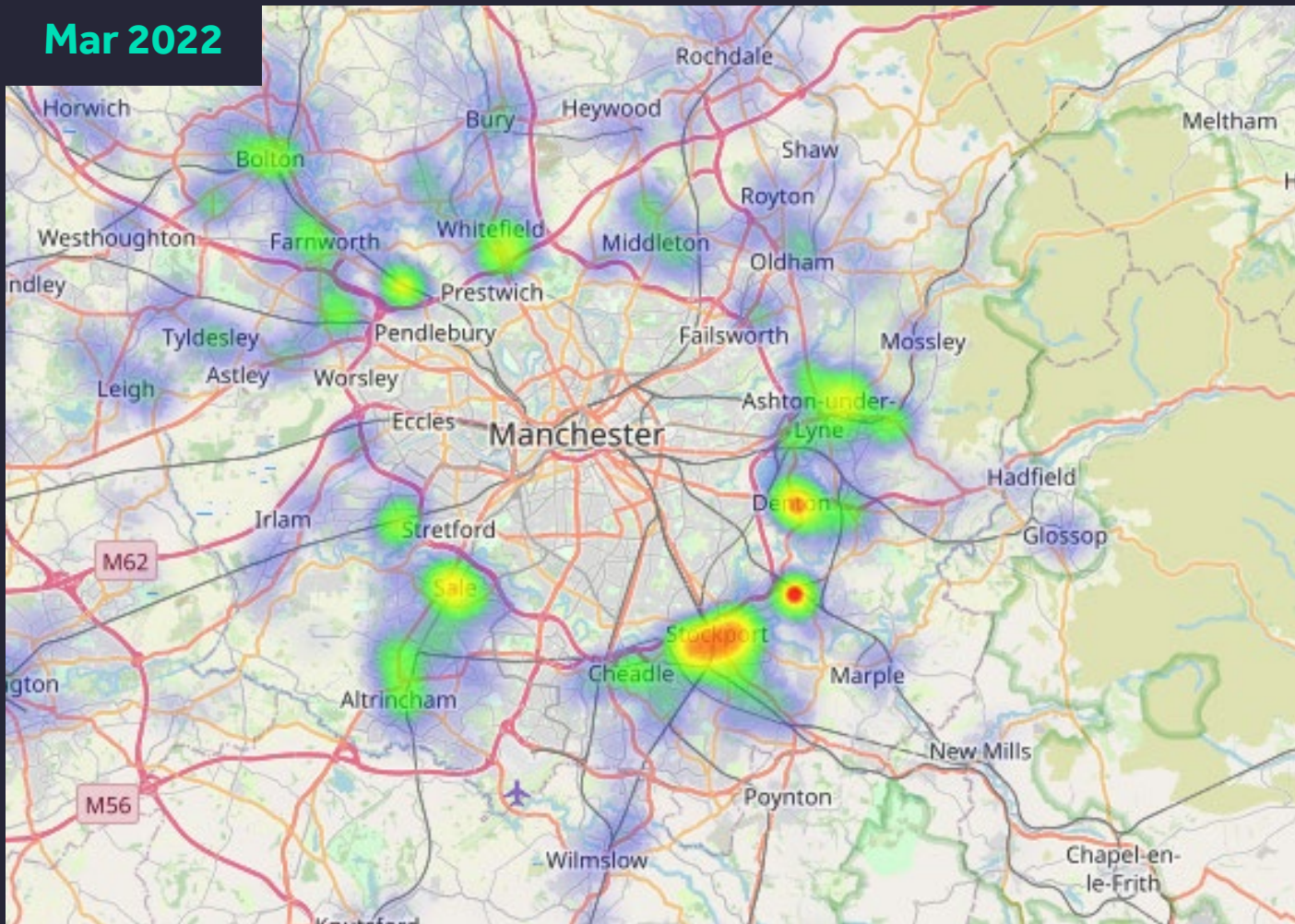
Feb 2020



Jun 2020

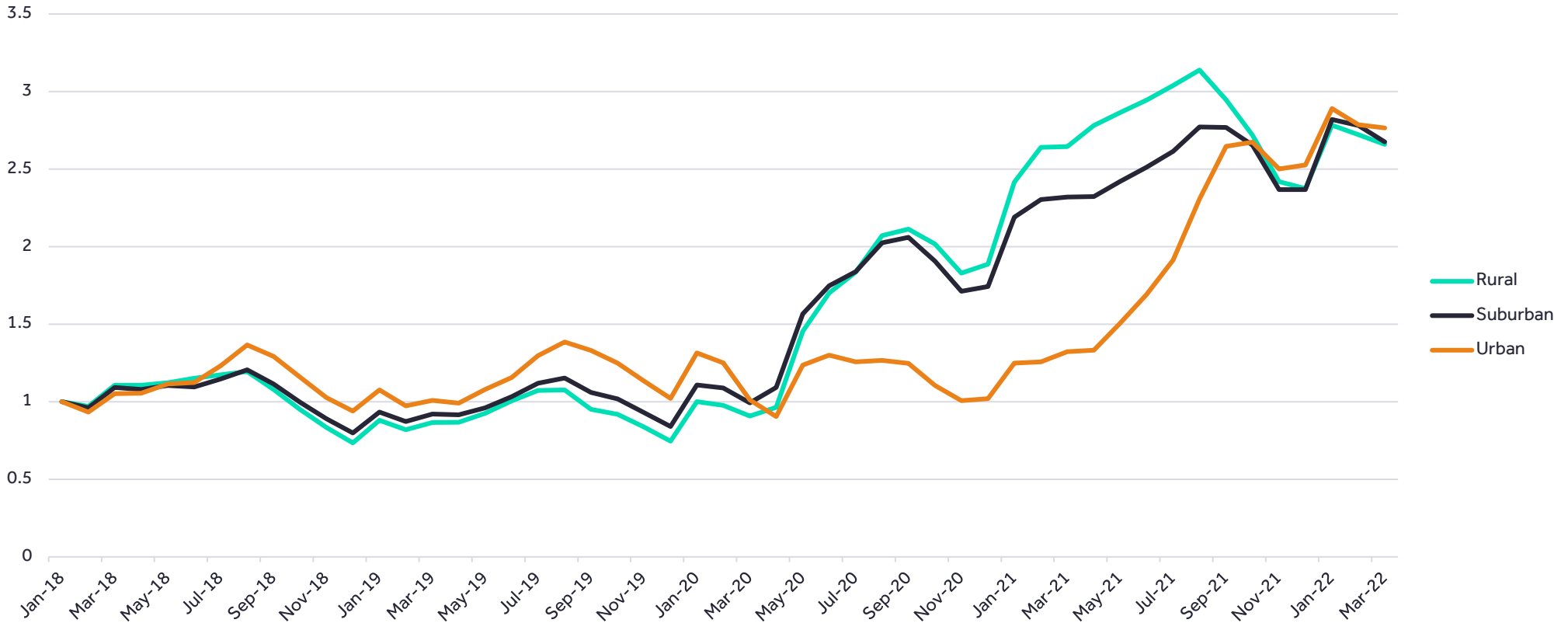


Mar 2022

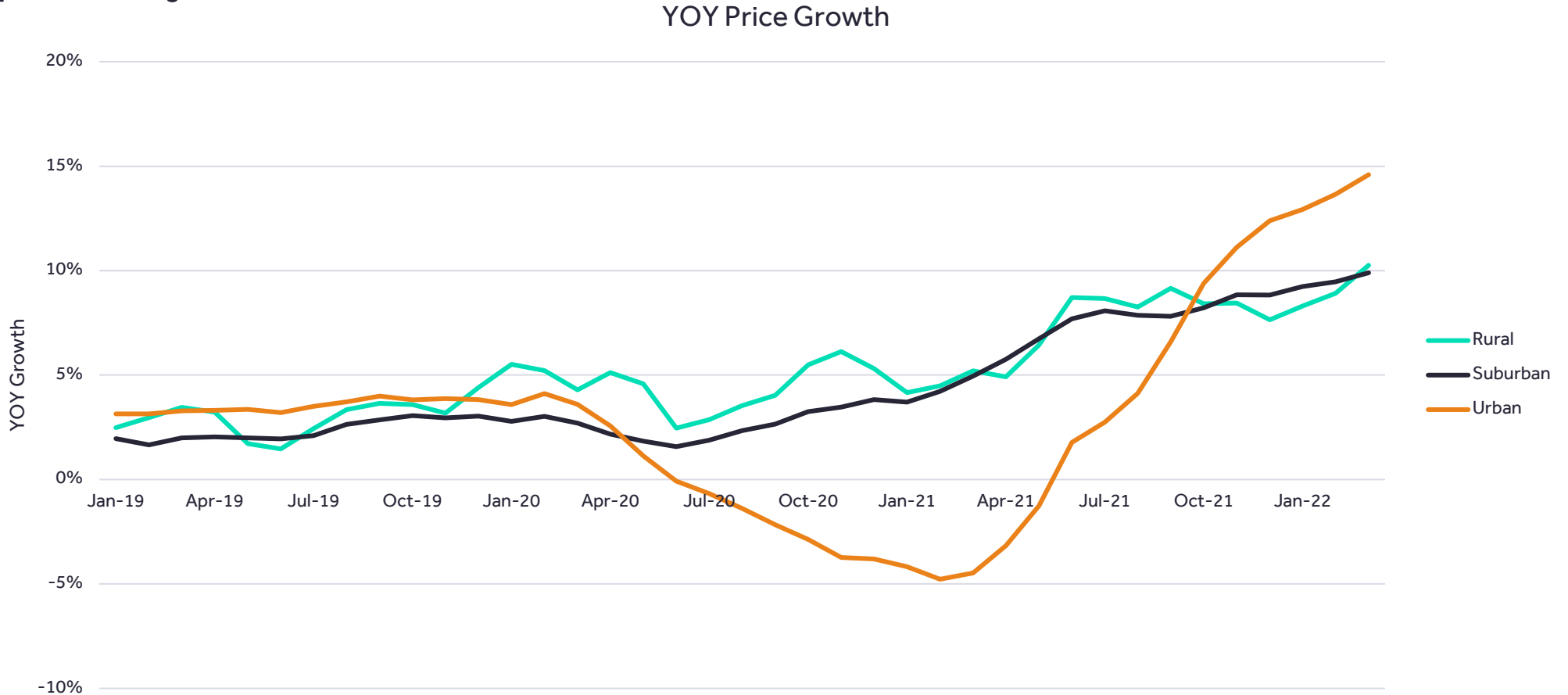


We can see this behaviour reflected at the headline level for Urban, Suburban and Rural areas

Indexed Enquirers per Available Property



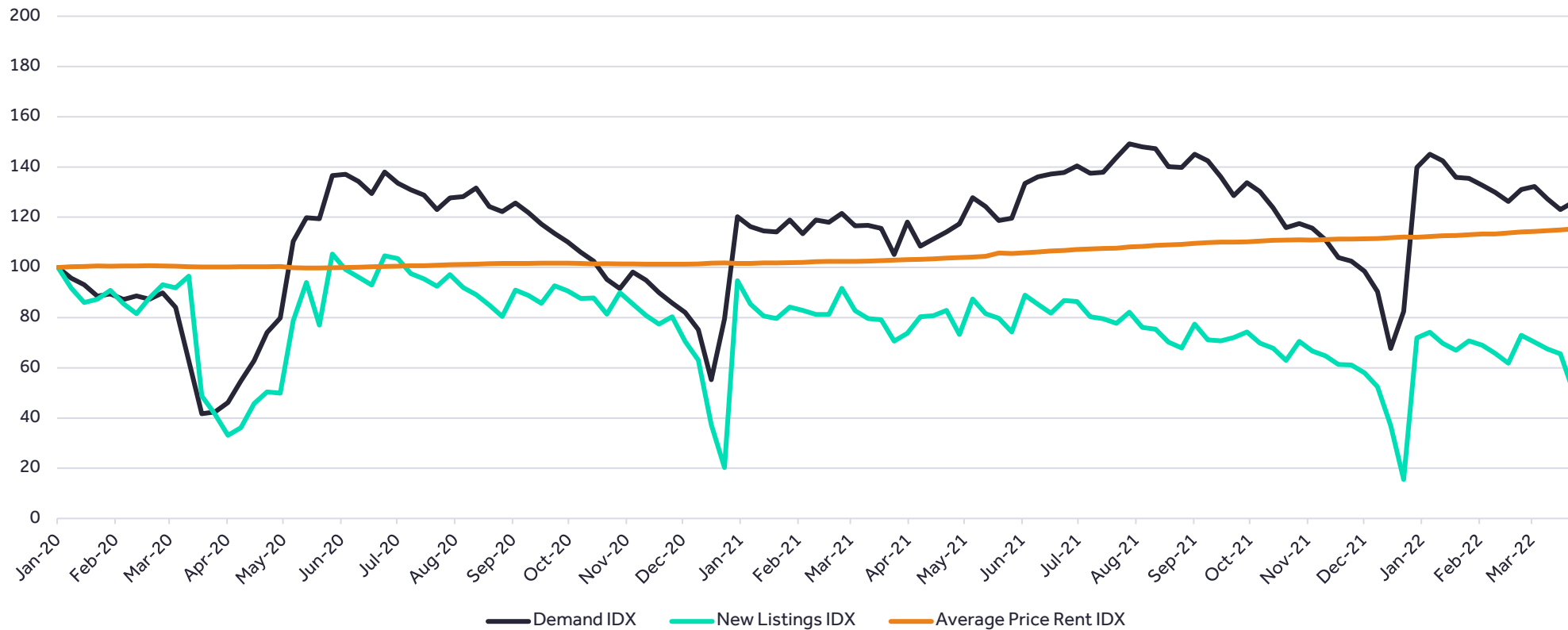
The demand per property dynamics have fed through in to price changes over the past two years



**What does this mean
for price, pricing and
presentation?**

Rental demand has outstripped supply and driven prices...

Rental Demand, New Listings and Price



Market demand, supply and price dynamics differ greatly by location

M3 postcode district



Build-to-rent listings



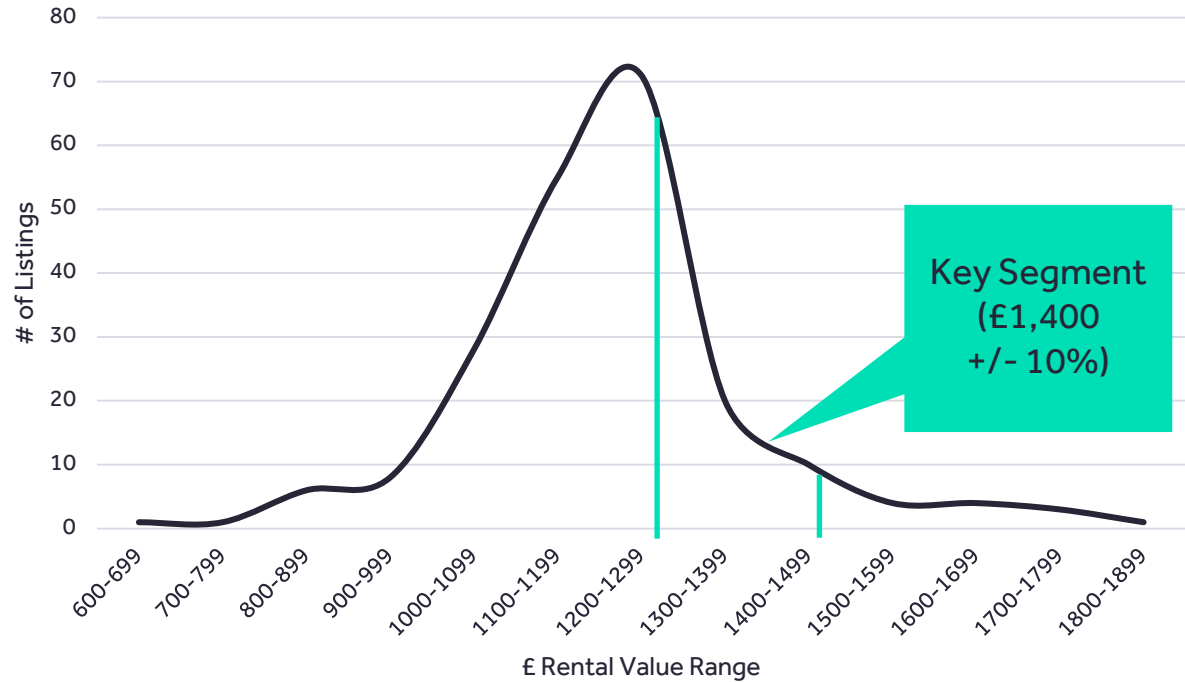
As a result, we look to look at price at a highly granular level

Build-to-rent listings



Dummy data

Distribution of BTR Market – 2 bed flats, M3



We can compare the granular price segments to the wider Build-to-Rent market and PRS market

Metric	Whole Market	Private Rental Sector	Build to Rent	Build to Rent Segment (£1,400 +/- 10%)
Demand	784	509	275	40
Supply	160	131	29	14
Demand / Supply	4.9	3.9	9.5	2.9

Dummy data

Using all this data, we can quickly and deeply analyse the size of the market at each price point

Rent	%-ile	Demand	Supply	Demand / Supply	# of days to achieve 5 enquiries	Expected void period (days)
£1,100	32	8	1	8	1	0
£1,200	61	52	16	3.2	5	0
£1,300	73	49	18	2.8	6	0
£1,400	86	40	14	2.9	15	5
£1,500	92	41	10	4.1	30	15

Dummy data

You have two seconds to grab attention in the search results; make sure every listing encourages renters to click and find out more...

Upload at least 5 high quality photos, a floorplan and video or virtual tour to entice more renters into your listing

Use your photography to showcase unique aspects of your property and development

You only have a couple of sentences in your summary description, so make every word count and capitalise key words

1 bedroom apartment
407, 10 George Street, London E14

State of the art amenities including onsite GYM with indoor SWIMMING POOL and secure underground parking. Enjoy regular residents events in the BAR and GARDENS.

No deposit Wifi included Pet friendly
Concierge Private balcony +6 more

BUILT FOR RENTERS
Added on 10/05/2021 by Bluemoon Living

BLUEMOON LIVING Local call rate Email agent

£1,575 pcm
£363 pw

BUILT FOR RENTERS

Upload a hi-res logo to build brand awareness and associate your brand with the property and development

Use the exclusive amenities reel to differentiate your property from the standard rental market

Keeping the renter engaged is key to enquiry conversion

Upload at least 5 high quality **photos**, a **floorplan** and **video or virtual tour** to make best use of the gallery and media thumbnails throughout your listing

Include the **property type**, **size**, **lease length** and **furnish options** so renters can quickly understand if the property is suitable for them

Use your **full description** and **10 key features** to help renters understand what sets your property and development apart

Showcase the unique benefits of choosing your development in the **exclusive amenities panel**

Ensure each property listing at your development has a **unique lead image** as they'll appear side-by-side in your **property carousel**

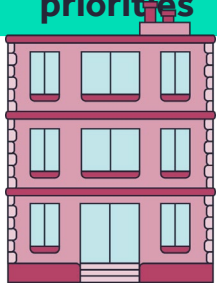
The screenshot shows a detailed property listing on the Rightmove website. At the top, there's a navigation bar with 'rightmove' logo and links for 'Buy', 'Rent', 'Find Agent', 'House Prices', 'Commercial', 'Inspire', 'Countries', and 'Sign In'. Below the navigation, a blue banner reads 'SAY GOODBYE TO RENTING AS YOU KNOW IT'. The main listing is for '407, 10 George Street, London, E14' with a price of '£2,253 pcm'. It includes a 'Letting details' section with 'Let available date: 12/06/2022', 'Let type: Long term', and 'Furnished: Fully furnished, unfurnished or flexible'. There's a table for 'PROPERTY TYPE', 'BEDROOMS', 'BATHROOMS', and 'SIZES'. The 'Key Features' section lists various amenities like 'Brand new development', '24/7 Concierge', and 'High speed Virgin media broadband'. Below that is a 'Description' section. The 'Amenities' section lists 'Balcony', 'Pet-friendly', 'Communal gardens', 'Concierge', 'Parking', 'Bike parking', and 'Control'. The 'Other properties available at 10 George Street' section shows three other apartment listings. At the bottom, there's a map and a 'WELCOME TO YOUR NEW COMMUNITY' banner.

Summary

Summary

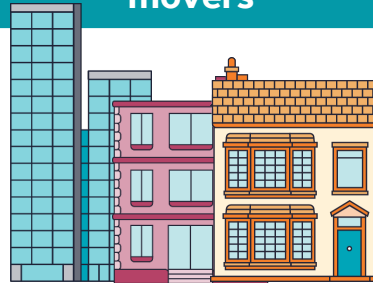
1

There is an enduring desire amongst many to move home – with new “must have” priorities



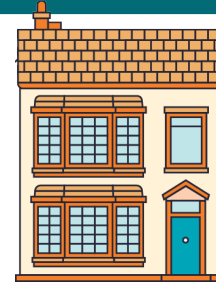
2

Homes “Built For Renters” are well placed to match the new requirements of home movers



3

Understanding changing local dynamics is key to pricing and marketing



Thank you!