

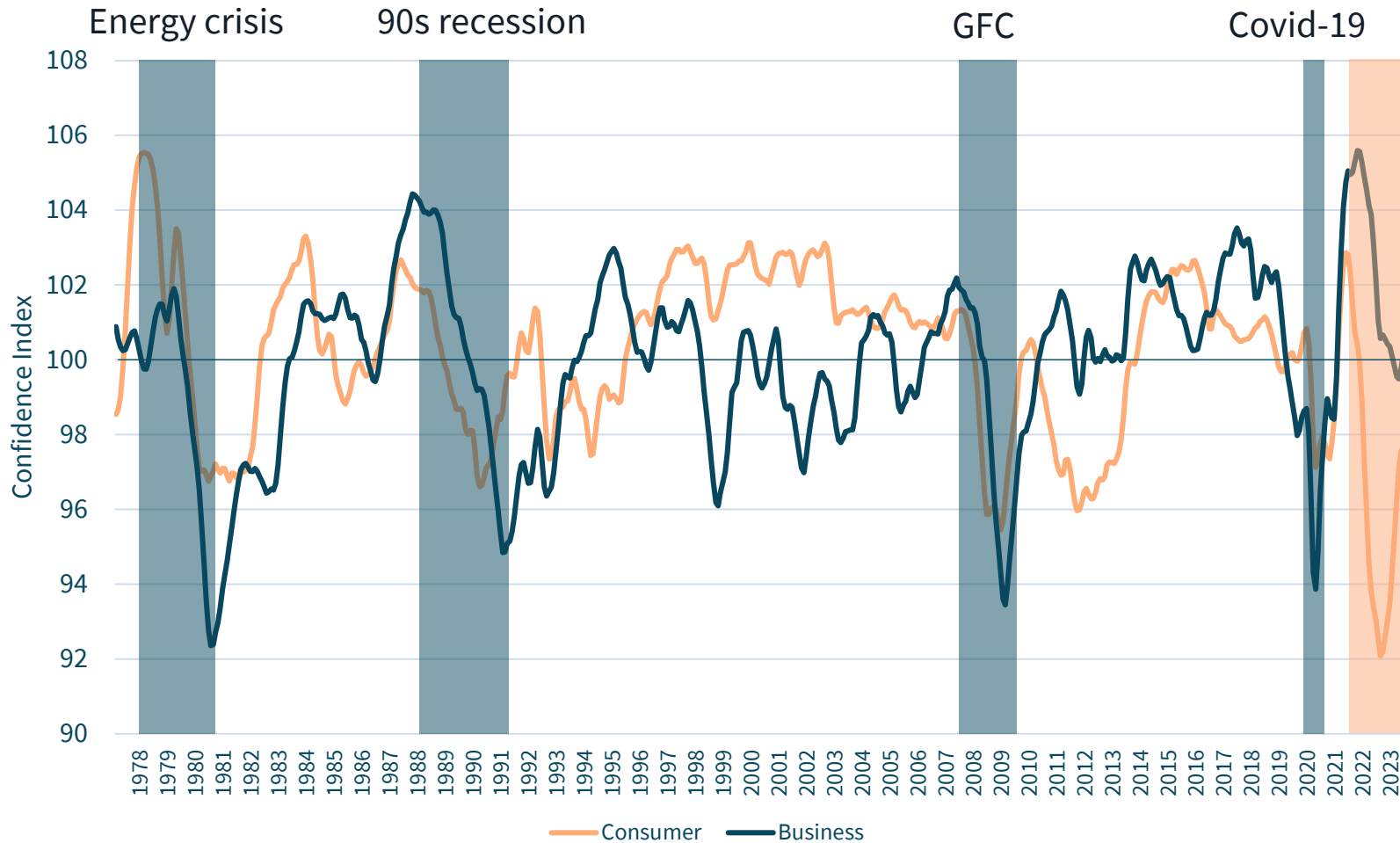
# The BTR Landscape: Where are the gaps? Where are the opportunities?

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October 2023

# Cost of living crisis hits consumers



*Crisis like no other:*  
inflation and interest  
rates V employment  
and rising earnings



Last year, confidence  
plummeted to the  
lowest since 1970s

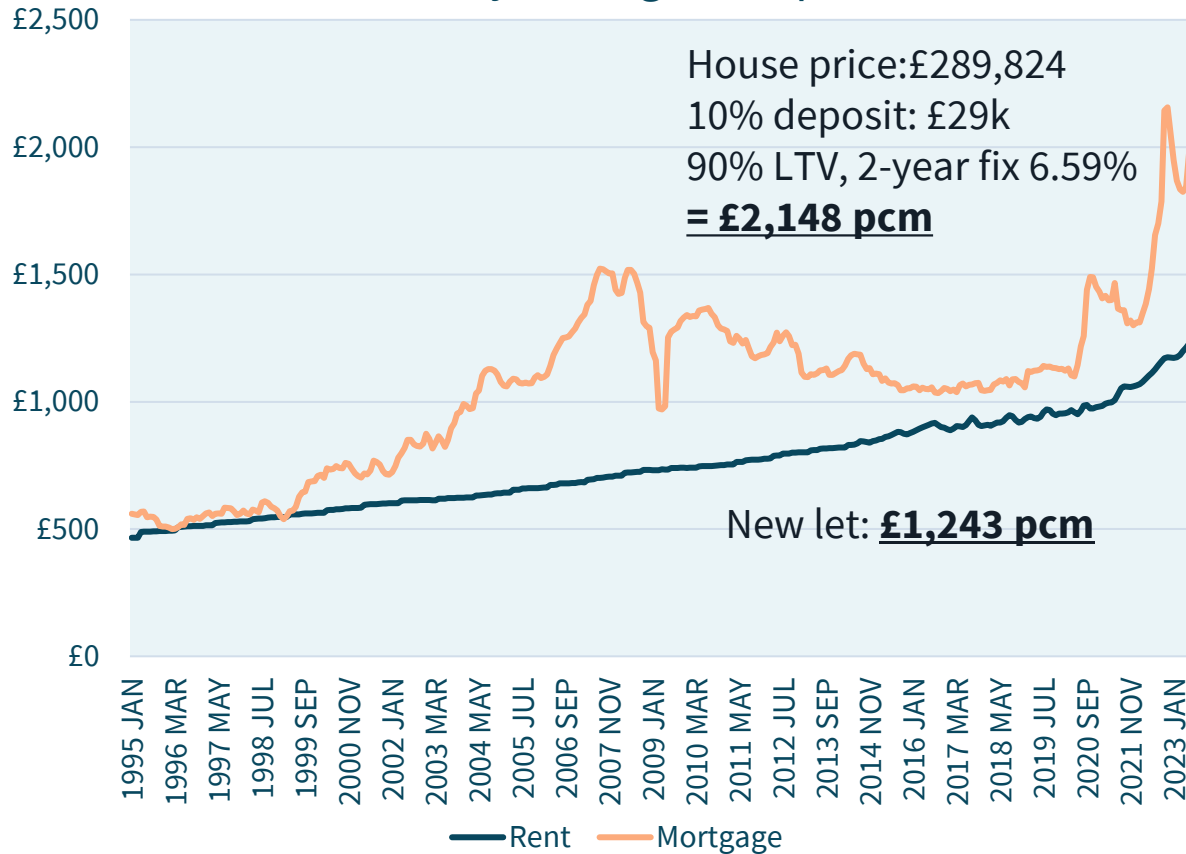


Two are connected:  
both now in recovery

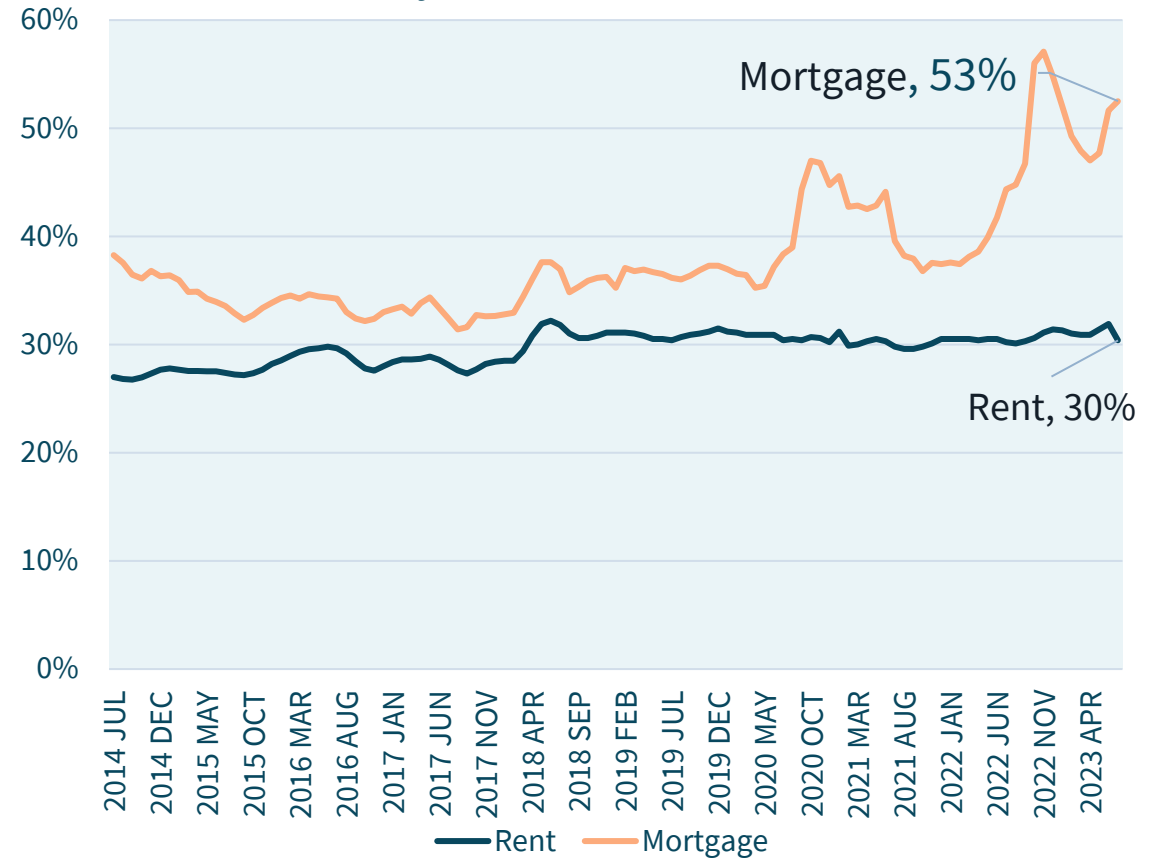
Source: JLL Research, OECD sentiment surveys

# Longer-term impact: buying v renting gap

Monthly average cost pcm



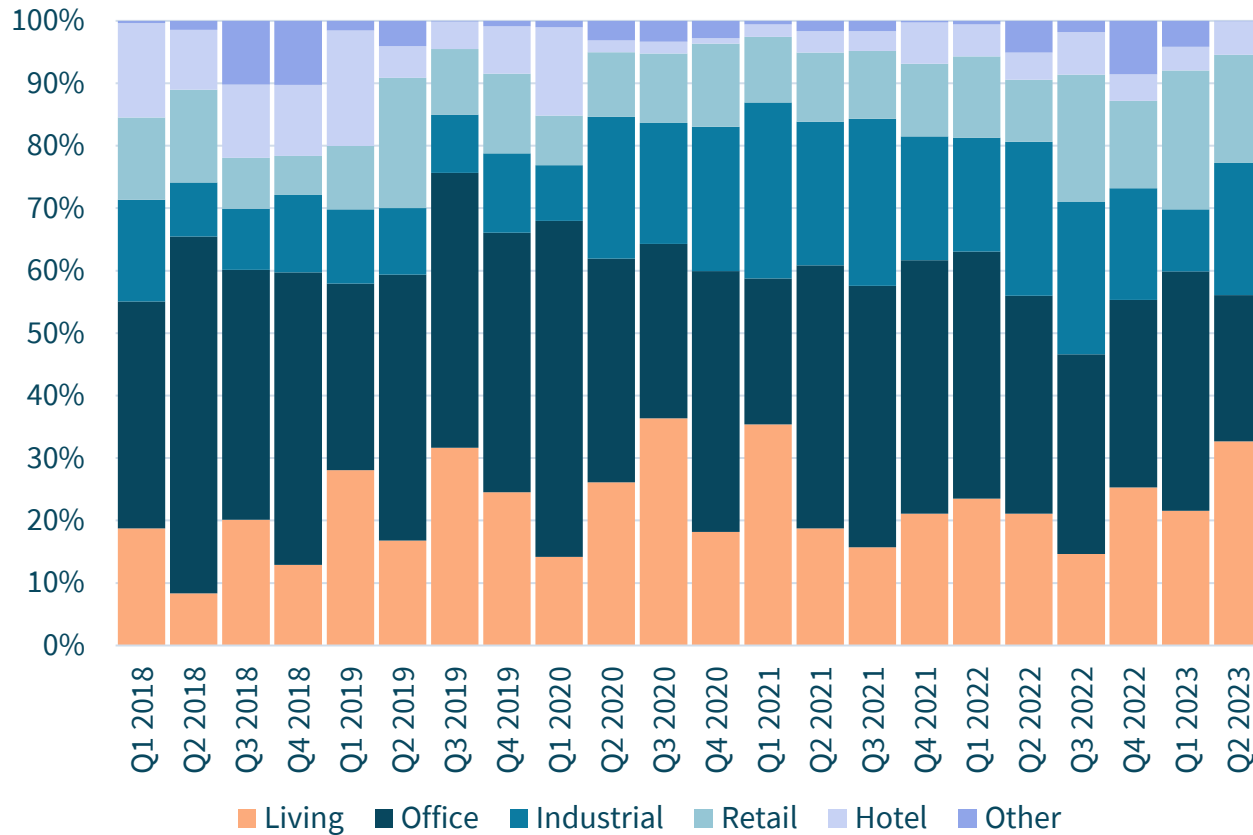
Payment as % of income



Source: JLL Research, Homelet new lets 2014-23 <2014, ONS rental growth, Bank of England, Land Registry

# Living remains favourite for investors

Quarterly share of UK direct CRE investment



Source: JLL Research, direct investment excludes development and entity/M&A deals

Which sector will be **the most resilient** over the next 12 months?

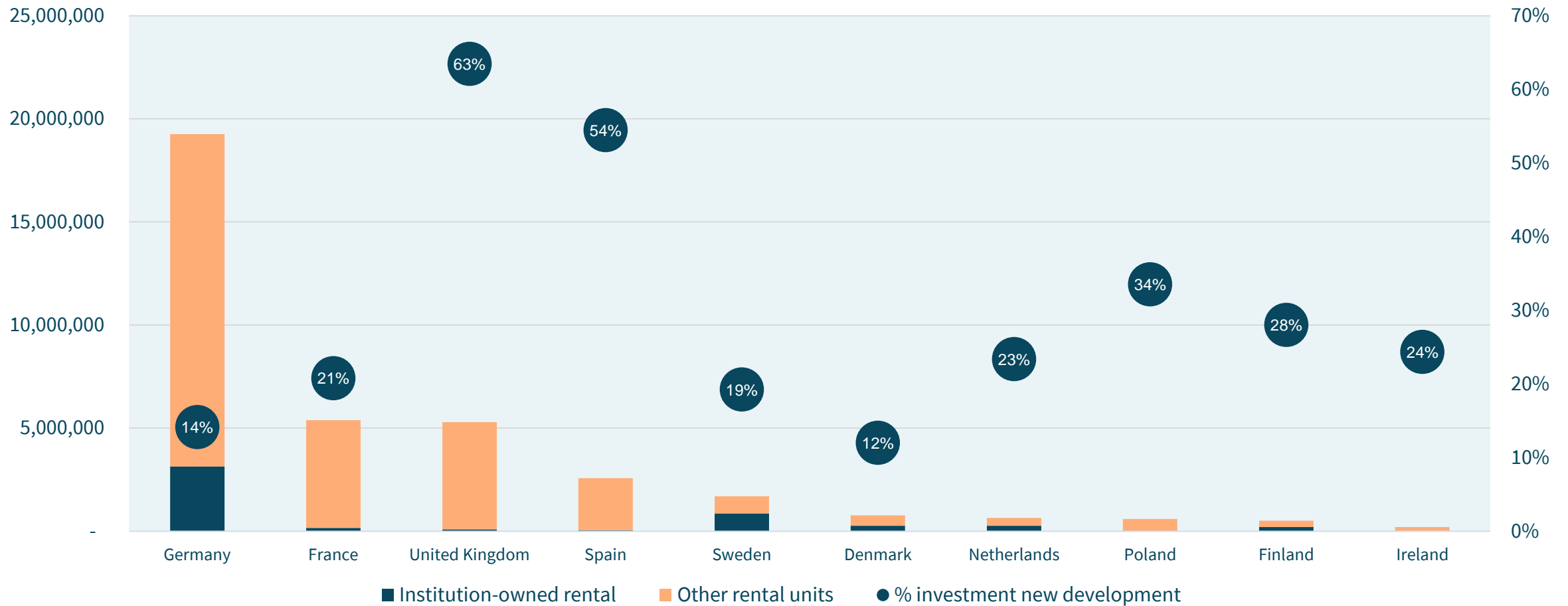
**41%**  
said student housing, making it the #1 pick

Which sectors will provide **the greatest opportunity** over the next five years?

**3/5**  
Living sectors in the top 5 responses

Source: JLL Research, H2 2023 UK Capital Markets Outlook. 107 responses. Investors to pick up to 2 of 13 sectors.

# UK stands out with lack of investor stock



Source: JLL Research, investment between 2019-2023.

# BTR set to rise to a fifth of new supply



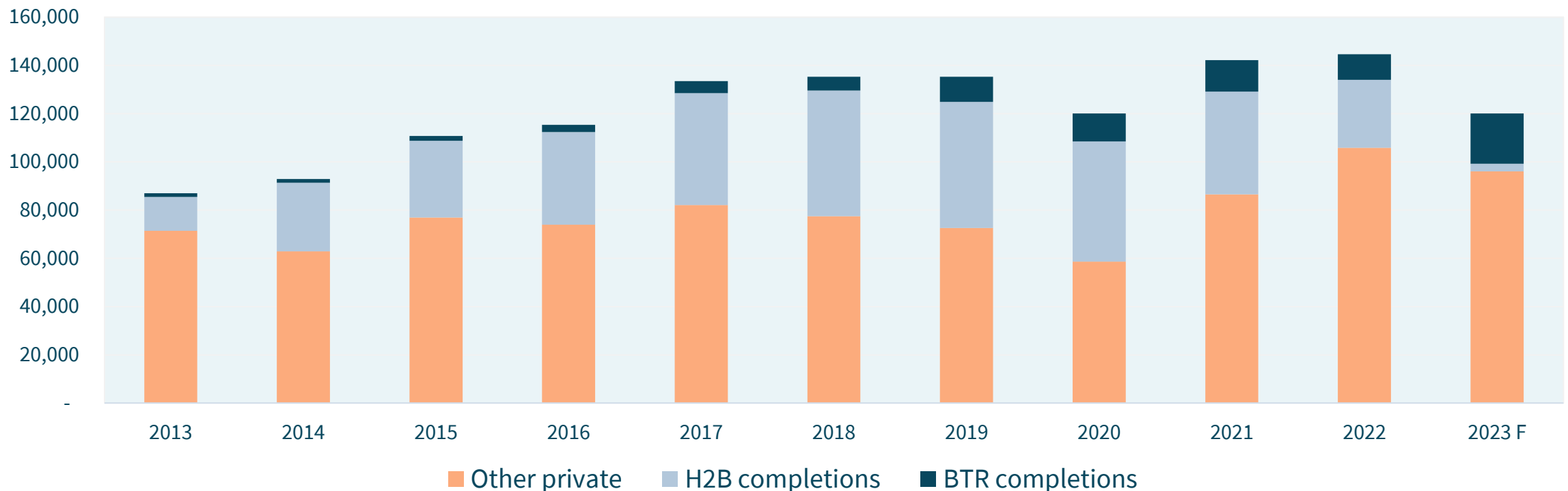
Sector makes up 9%\* of new private housing supply



In London jumps to 33% of new homes were BTR



New homes to fall by 10%-20%, as new home sales stall and costs rise

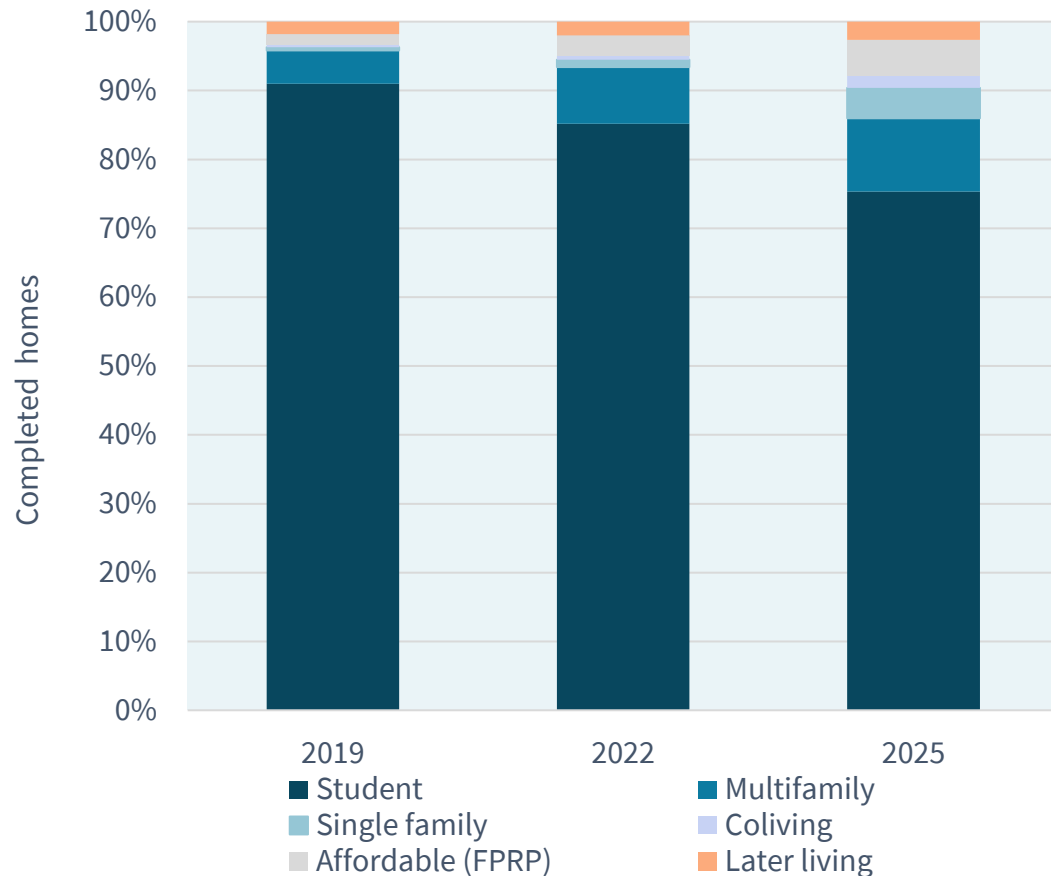


\* 2020-22. Source: JLL Research, ONS, DLUHC England only

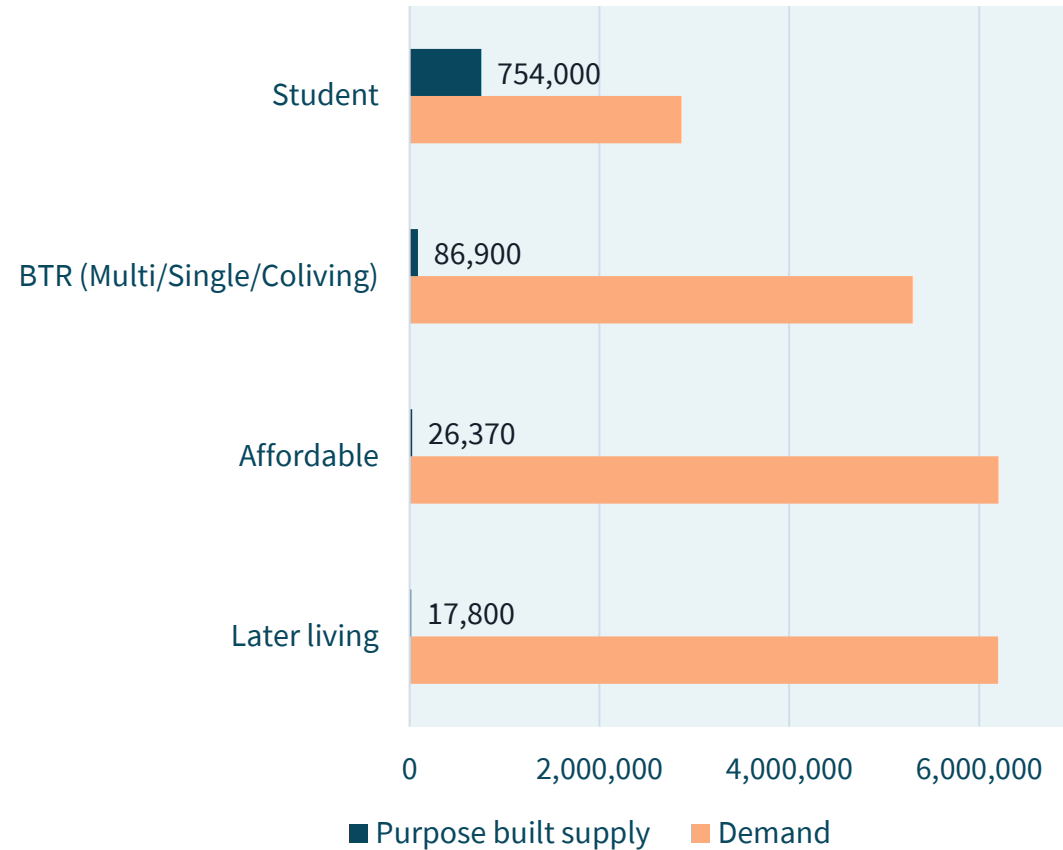
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# Diversification as living universe expands

## UK institutions to exceed 1m homes in 2025



## Just 0% of the full sector potential



Source: JLL Research

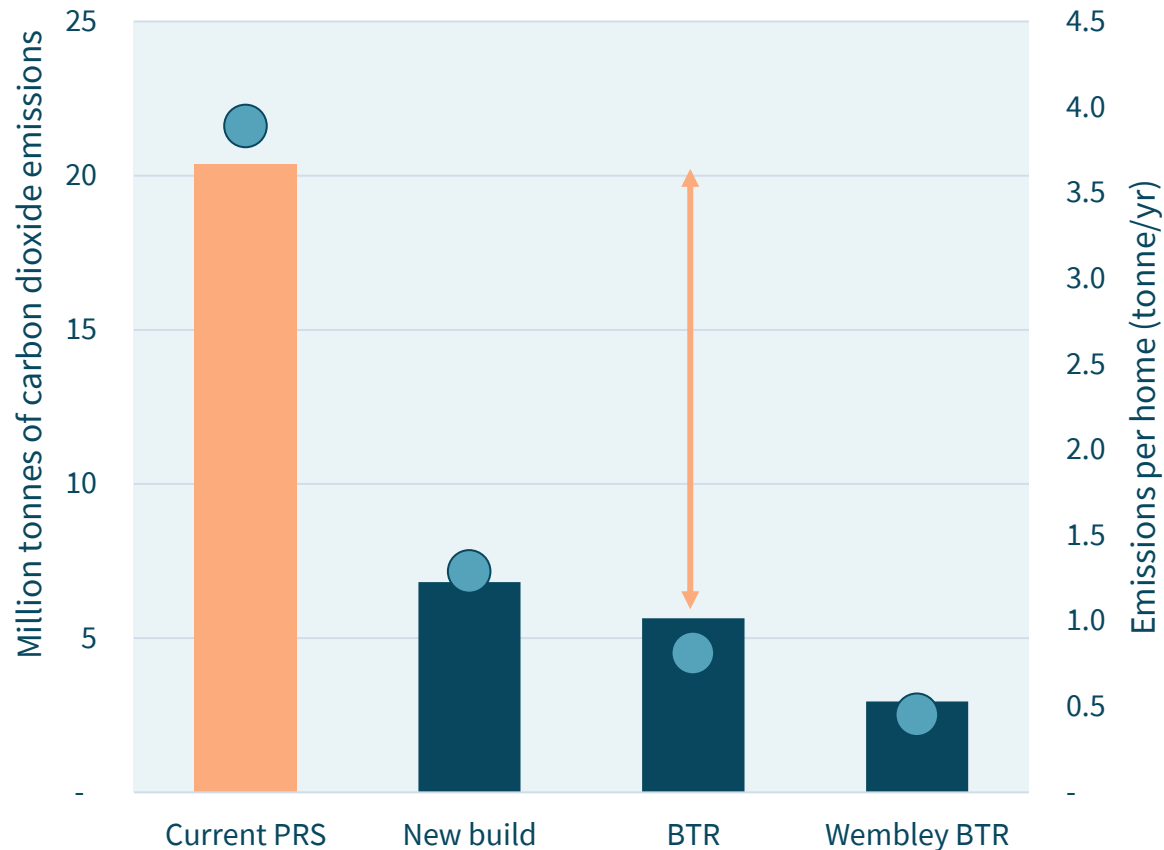
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Source: JLL Research, HESA, ONS housing surveys, DLUHC, population projections



# BTR saves 16m tonnes of CO<sub>2</sub> a year

## Impact if those 5.2m PRS were replaced with BTR



Source: JLL Research, 2023, EPC, sample 38,980 BTR homes



**3.6 billion** Big Macs = six year supply



**5 years** of flights between London Heathrow and New York JFK



**5% of the UK's total annual CO<sub>2</sub> emissions**

Source: JLL Research, European Commission, EDGAR



Thank you