

# Build-to-Rent (BTR) Market Snapshot

Q4 2022, BIRMINGHAM

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January 2023

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**Cortland Consult in  
collaboration with the UKAA**



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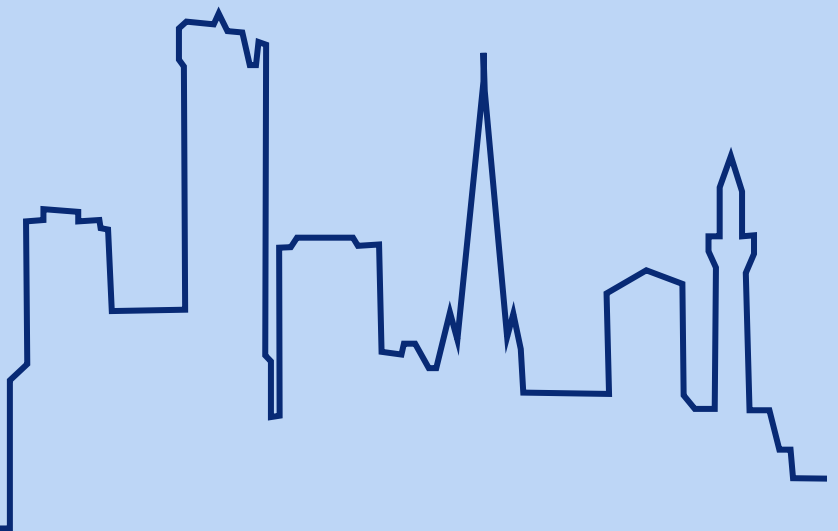
**UKAA**  
NAA Global Alliance Partner  
Shaping the Future of Build-to-Rent

# Summary

Positioned at the heart of England, Birmingham is experiencing a wave of investment spurred on by the 2022 Commonwealth Games and the scheduled arrival of HS2 in less than 10 years, which will bring the city within 52 minutes of Central London. Major businesses such as Goldman Sachs and HSBC have already taken the opportunity to 'north-shore' from London – with more due to follow, bringing thousands of well-paid jobs to the city.

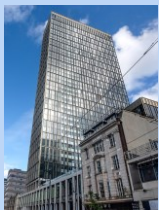
Upper quartile asking rents in central Birmingham ranged between £1,139 pcm for studio apartments (on average), to £2,832 pcm for 3 beds. BTR rents are between 18 and 32% higher than the market average.

Birmingham's BTR pipeline is the strongest outside London, with 17,485 BTR homes in the pipeline, across 29 communities. This adds to Birmingham's already impressive BTR inventory, which boasts 2,862 homes across 10 schemes – the third-largest in the country after London and Manchester. BTR rents range between £865 pcm for a studio at Allegro, and £2,684 pcm for a 3 bed at The Mercian.



## Key Birmingham BTR

The Mercian



Landrow Place



The Whitmore Collection



The Lansdowne



The Forum



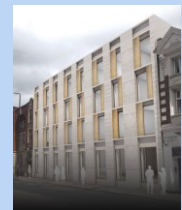
Allegro



Aston Place



Gilders Yard



# Birmingham Dashboard

## Latest rents – Q4 2022

### Studio apartments

Average: £864 pcm

Upper quartile: £1,139 pcm

Build to Rent: £1,068 pcm



### 1 bed apartments

Average: £943 pcm

Upper quartile: £1,220 pcm

Build to Rent: £1,091 pcm



### 2 bed apartments

Average: £1,287 pcm

Upper quartile: £1,699 pcm

Build to Rent: £1,674 pcm



### 3 bed apartments

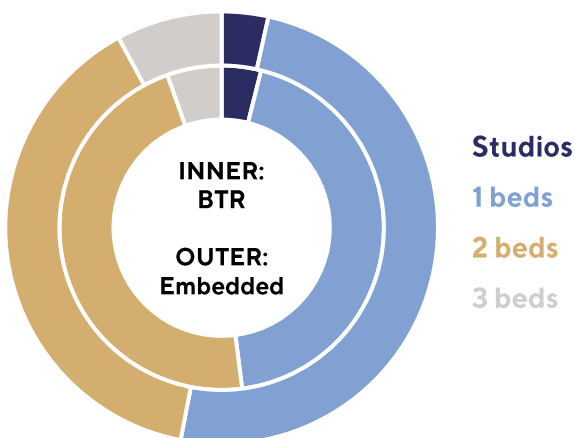
Average: £1,923 pcm

Upper quartile: £2,832 pcm

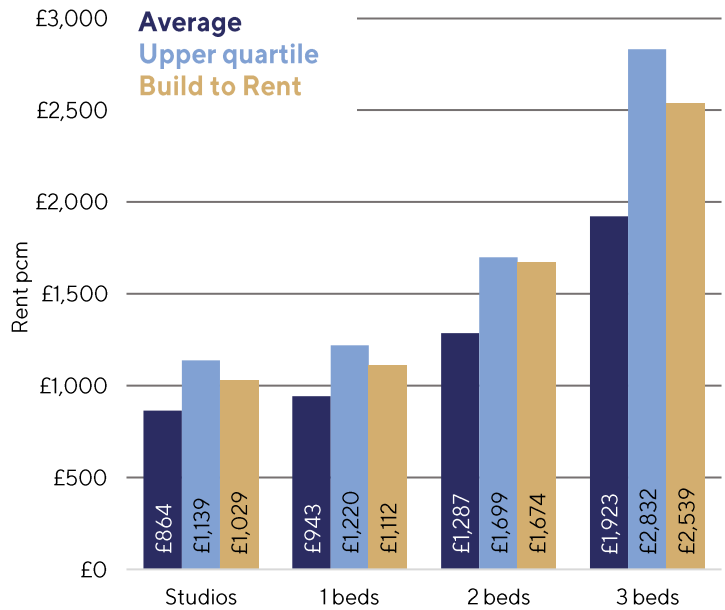
Build to Rent: £2,539 pcm



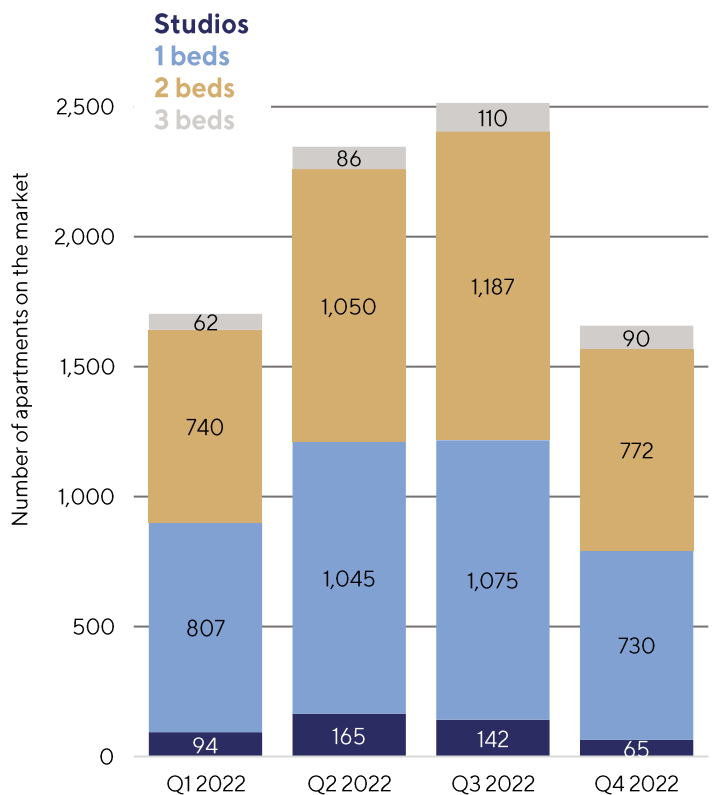
▼ | Embedded vs BTR unit mix in Birmingham City Centre



▼ | Average and upper quartile embedded vs BTR rents during Q4 2022, Birmingham City Centre



▼ | Number of apartments on the market per quarter during 2022



# BTR Market

## Latest average rents – Q4 2022

Most expensive/cheapest

Q4 2022	Studios	1 beds	2 beds	3 beds
Landrow Place	NA	£1,014	£1,465	£1,750
The Mercian	£1,260	£1,351	£1,956	£2,770
The Whitmore Collection	NA	£1,175	£1,834	NA
The Lansdowne	NA	£1,078	£1,537	£2,581
The Forum	NA	£945	£1,323	NA
Allegro	NA	£1,103	£1,457	£1,836
Aston Place	£875	£1,032	£1,300	NA
Sherborne Place	NA	£1,026	£1,249	NA
Embankment	NA	NA	£1,167	NA

## BTR Pipeline



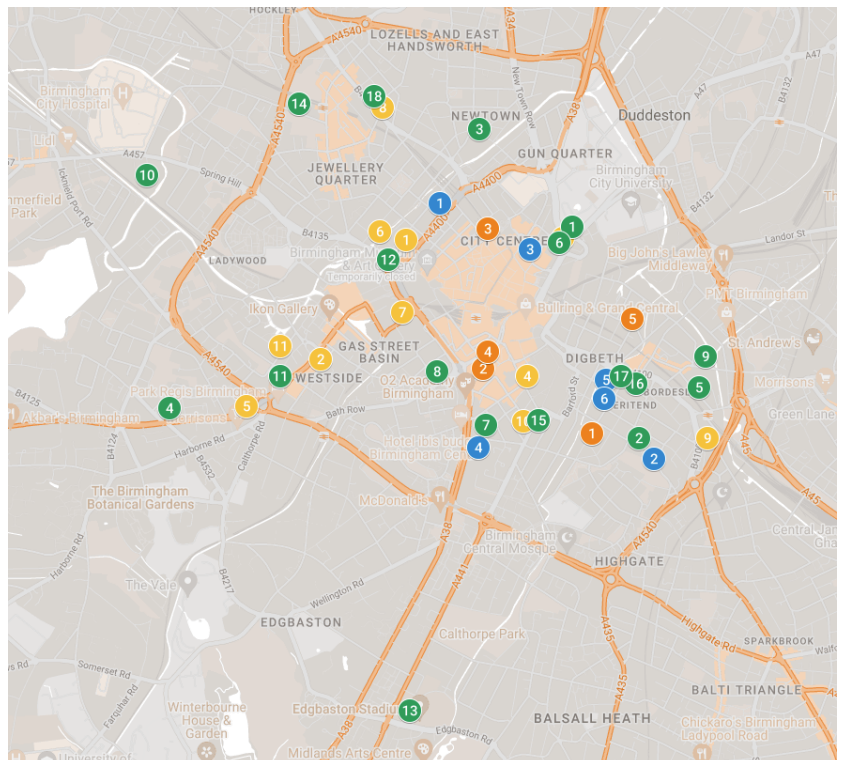
Map of operational and pipeline BTR communities in Birmingham

- Operational**
- 1 Landrow Place
  - 2 The Mercian Broad Street
  - 3 Allegro Living, Exchange Squ...
  - 4 The Forum
  - 5 The Lansdowne
  - 6 The Whitmore Collection
  - 7 Aston Place, Arena Central
  - 8 Gilders Yard
  - 9 Camp Hill Gardens
  - 10 Lower Essex Square
  - 11 Sherborne Place

- Granted**
- 1 Great Charles Street
  - 2 Moseley Street, Digbeth
  - 3 Martineau Galleries
  - 4 New Monaco
  - 5 Connaught Square
  - 6 S&K Digbeth

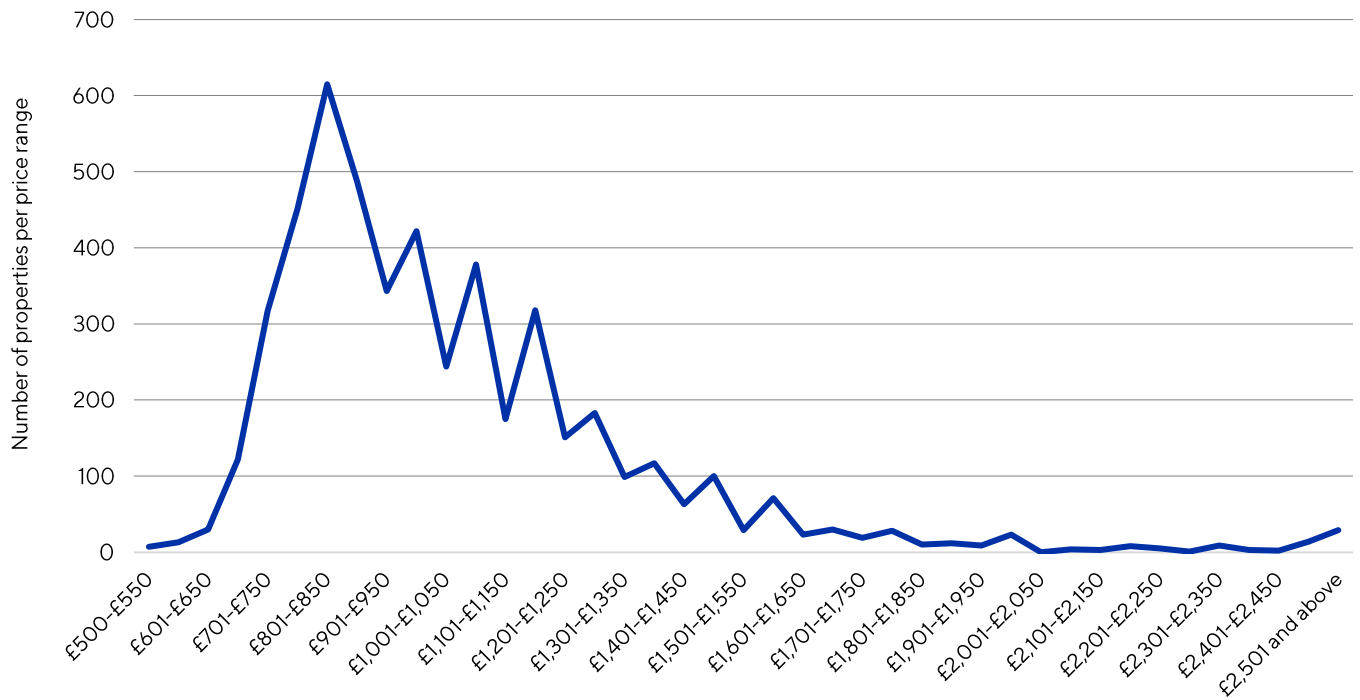
- Under Construction**
- 1 One Eastside
  - 2 Westminster Works, Moseley...
  - 3 The Crown Works, Hanley Str...
  - 4 New Garden Square
  - 5 Upper Trinity Street
  - 6 Exchange Square 2
  - 7 Kent Street Baths
  - 8 Holloway Head
  - 9 Metalworks, Bordesley Junct...
  - 10 Soho Wharf
  - 11 Cortland Broad Street
  - 12 The Octagon
  - 13 Corkfield
  - 14 Hockley Mills
  - 15 Maker's Yard
  - 16 Stone Yard, Bull Ring Trading...
  - 17 Tower Leaf, Digbeth High Str...
  - 18 The Lamp Works

- Progress**
- 1 Warners Fields Phase 1
  - 2 Chung Ying Plaza
  - 3 Snow Hill Plaza
  - 4 Smallbrook Queensway
  - 5 Typhoon Wharf



# Market Scale

## ▼ | Birmingham rental Market Scale



Cortland Consult's Market Scale chart shows how many apartments were let between a scale of price points over the last year in Birmingham City Centre. It portrays the size and scale of a city's rental market. We have surveyed nearly 5,000 let agreed data points from Rightmove to produce this data, using let agreed price data for a more accurate market position.

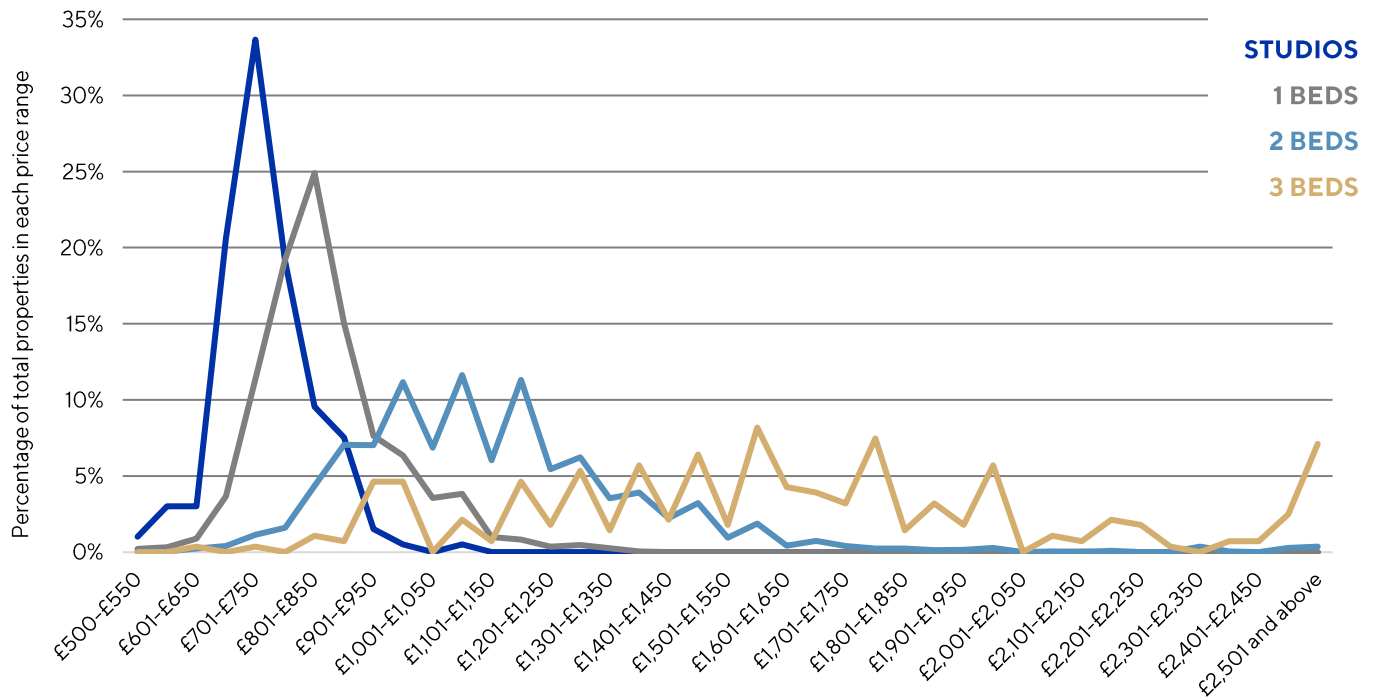
The bulk of the market sits between £751 and £1,200 pcm. This price range accounted for over 69% of Birmingham's total during the 12 months to December 2022 (or 3,434 properties).

21% of apartments in Birmingham City Centre last year secured lets over £1,201 pcm last year. 6.9% of lets agreed were over £1,500 pcm; while 1.57% were over £2,000 pcm.

A unit type breakdown of the chart above is shown on the next page.

# Market Scale

▼ | Birmingham rental Market Scale, arranged by % of total studios, 1, 2, and 3 bed apartments



This chart splits the data on the previous page by unit mix – studios, 1 beds, 2 beds, and 3 beds.

In the year to the end of December, 199 studios were let in Birmingham City Centre; as well as 1,936 one bed apartments; 2,552 two bed apartments; and 281 three bed apartments (4,968 lets in total). Due to the different quantities of each unit type, the chart shows what percentage of studios, 1 beds, 2 beds, and 3 beds fall between certain price points. For instance, 67 out of 199 studio apartments in Birmingham let between £701 and £750 pcm – equating to 34%, which is shown on the chart.

As is commonly the case with our Market Scale charts, studios and 1 beds in Birmingham have a small market range, with 90% of studios and 78% of 1 beds sitting within a small £250 pcm range. Meanwhile, the market for 2 and 3 beds is much more spread out, and 17% of 3 bed apartments in Birmingham let for more than £2,000 pcm during 2022.

# Contact

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In this market analysis, we have looked at asking rents for apartments listed during the Q4 2022 period on leading property search portals and operator websites. The analysis shows a comparison of the advertised rents for BTR operators alongside the wider embedded market (Upper Quartile). It excludes all short term, holiday, student and lettings with all-inclusive bills. The analysis covers postcodes within the central postcode districts of B1 1, B1 2, B1 3, B2 4, B2 5, B3 1, B3 2, B3 3, B4 6, B4 7, B5 4, B5 5, B5 6, B15 1, B16 8, B18 6, B19 3 which are areas that contain the city's purpose-built BTR schemes, high-quality traditional PRS schemes, major employment hubs and are key growth areas.