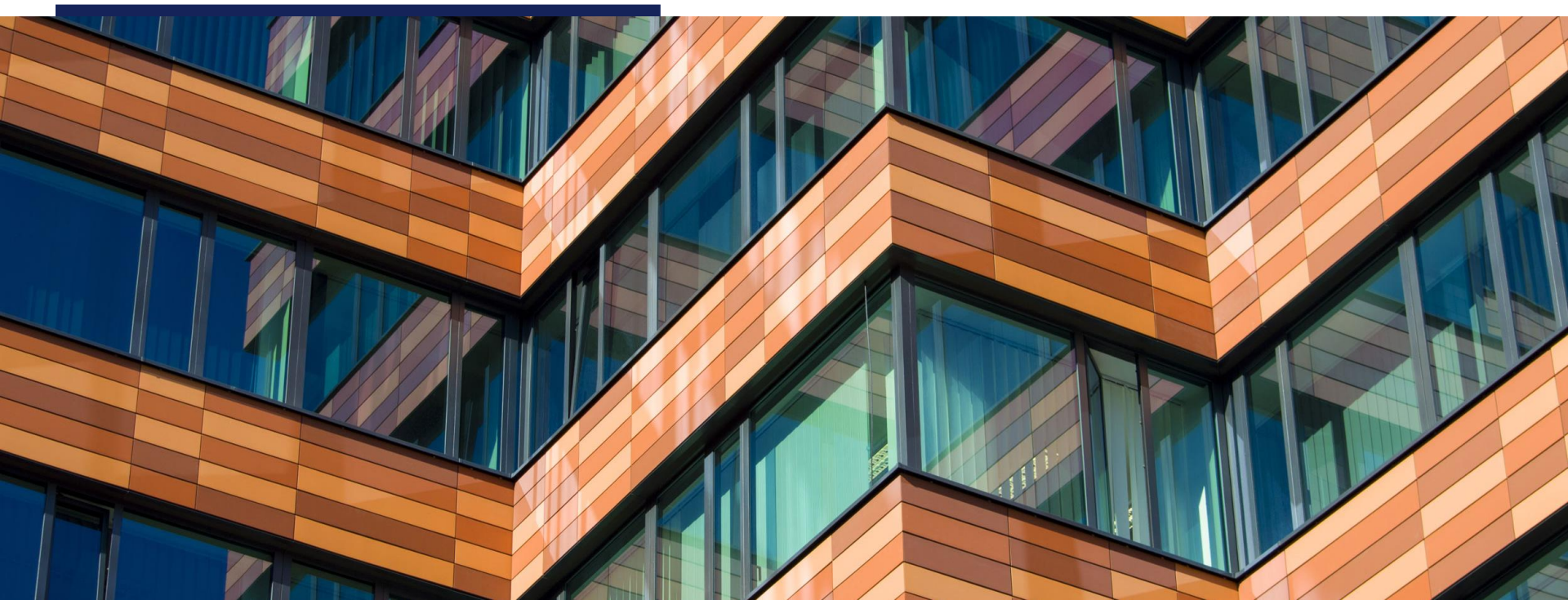


BUILD-TO-RENT (BTR) MARKET SNAPSHOT

SOUTHAMPTON



SUMMARY

Southampton, Hampshire's largest city, is one of the UK's most famous port cities, alongside nearby Portsmouth. In the ten years to 2023, Southampton's population grew 7% to 256,110 - an increase of over 16,000 people. Whilst average full-time earnings in Southampton are slightly below the national average (£37,000), they've increased 49% in the last 10 years, much higher than the 25.5% rate of inflation over the same time.

Currently, there are three operational BTR schemes in the city totalling 576 homes. Market Quarter is the city's first BTR scheme consisting of 279 BTR units and is operated by Compass Rock. Grainger entered the Southampton market in 2021 with their Gatehouse Apartments scheme, consisting of 132 BTR units.

The most-recent BTR scheme to become operational in Southampton is Vantage Tower (165 BTR units), which opened in 2022, also operated by Compass Rock.

There are currently 2,502 pipeline BTR units in Southampton, the biggest pipeline in south-east England, just ahead of Reading.

The past 12 months has seen some significant movement in Southampton's BTR pipeline. In June 2024, Southampton City Council granted planning permission for 384 BTR units at Britannia Road.

This follows Southampton City Council's granting of planning permission for 397 Co-Living units at Royal Crescent Road in March 2024, which, if constructed, will become the city's first Co-Living scheme. As of February 2025, the site is for sale. The next BTR scheme scheduled to complete in Southampton is L&G's Bargate Quarter, which restarted construction in Spring 2024. Consisting of 519 BTR units, it is scheduled to complete in early 2026.




1. **Gatehouse Apartments**
2. **Market Quarter**
3. **Vantage Tower**
4. **Bargate Quarter**

STATS


604

Rental listings on Rightmove in
Q1 2025 so far (to end of Feb)




32%

Average BTR rental uplift across all
unit sizes compared to average
embedded market rent



£1,353

Average PCM for a 1 bed BTR
apartment in 2024



576

Operational BTR units



2,502

Pipeline BTR units



BTR MARKET

Latest average BTR rents in
Southampton
Source: Rightmove, Realyse, Bidwells

	1 beds	2 beds
Gatehouse Apartments	£1,333	£1,519
Market Quarter	£1,340	£1,623
Vantage Tower	£1,386	£1,927

Southampton BTR
Operational & Pipeline
Source: Bidwells



Breakdown of 2,502 homes in
Southampton BTR Pipeline
Source: Bidwells



BTR PIPELINE

Southampton BTR Pipeline
Source: Bidwells

Development Name	Developer	Postcode	Status	BTR Units
Bargate Quarter	L&G Investment Management	SO14 1HF	Under Construction	519
Britannia Road	Hawkstone Properties	SO14 5AX	Granted	384
Houndwell Place	Regional Property Group	SO14 1NH	Under Construction	599
Maritime Gateway	Fiera Real Estate	SO15 1QJ	Granted	603
Royal Crescent Road	Chapel Ward Development	SO14 3TT	Granted	397

LATEST SOUTHAMPTON RENTS

Studio Apartments Average rent (PCM)

Average £793

Upper Quartile £895

1 Bed Apartments Average rent (PCM)

Average £975

Upper Quartile £1,000

Build to Rent £1,353

2 Bed Apartments Average rent (PCM)

Average £1,367

Upper Quartile £1,500

Build to Rent £1,690

3 Bed Apartments Average rent (PCM)

Average £1,762

Upper Quartile £2,000

BTR Uplift:

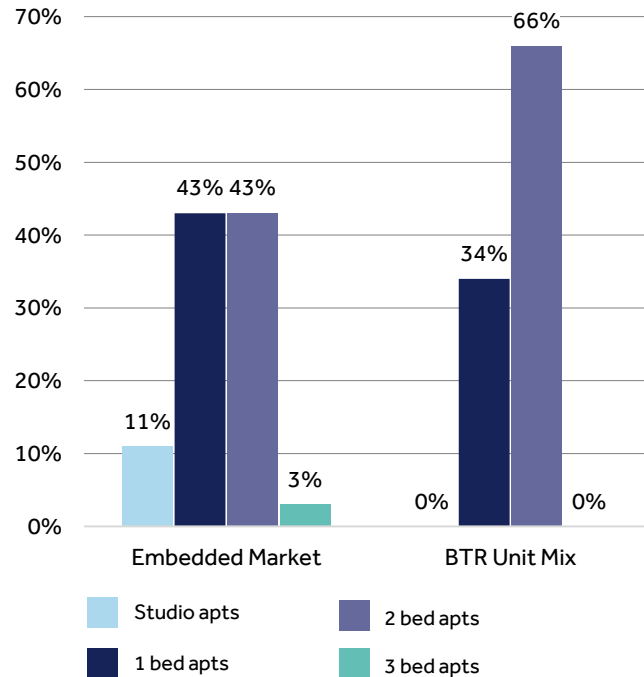
+39%

1 beds

+24%

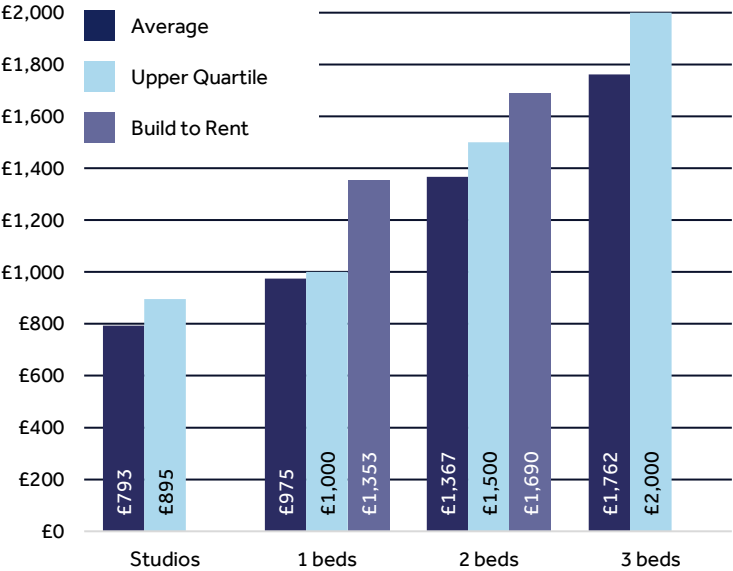
2 beds

Unit mix of Embedded market and Southampton BTR
Source: Bidwells

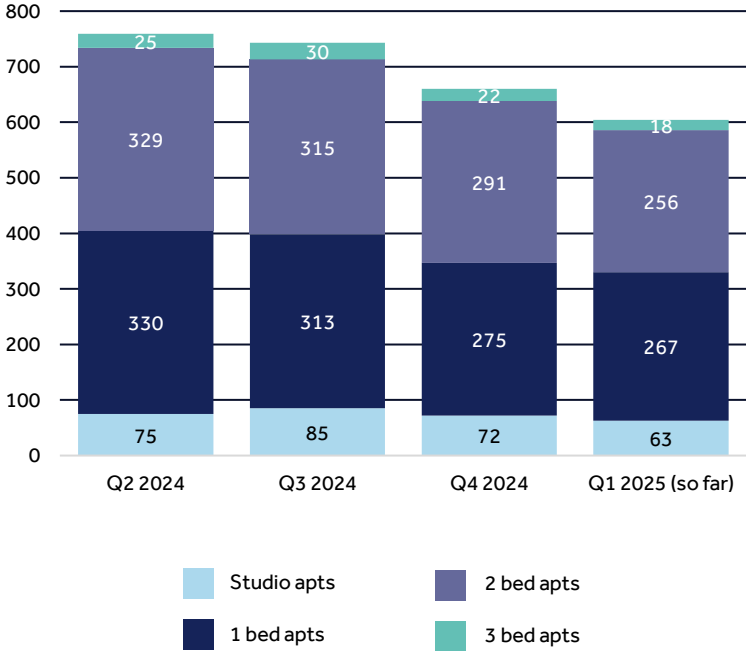


RENT GRAPHS

Current average and UQ Embedded vs BTR rents in Southampton
Source: Rightmove, Realyse, Bidwells

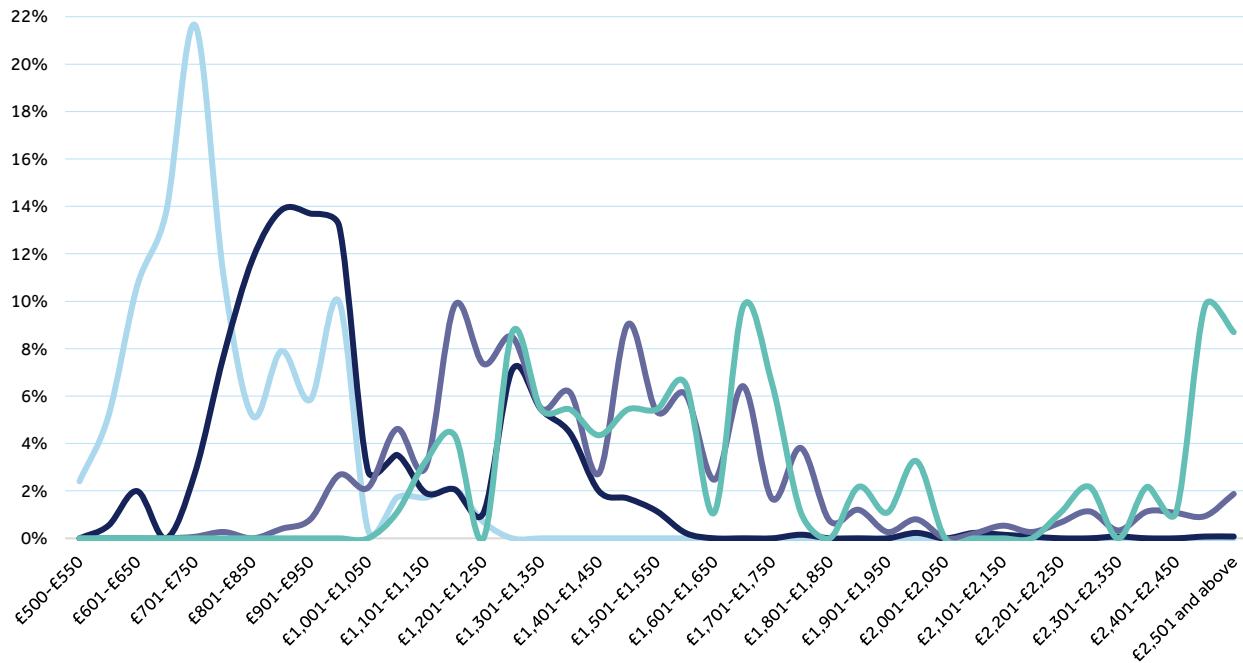


Number of apartments on the market in the last four quarters
Source: Rightmove, Realyse, Bidwells



MARKET SCALE

Graph showing number of apartments let between different price points, YT February 2025
Source: Bidwells

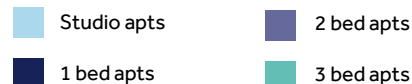


Our Market Scale chart shows how many studio to 3 bed apartments were let between a scale of price points in Southampton in the past 12 months.

In this time frame, 40% of properties on the market were between £801 and £1,200 pcm.

20% of properties on the Southampton market are now priced above £1,500 pcm which includes lettings from Southampton's three BTR schemes, Gatehouse Apartments Market Quarter and Vantage Tower.

The growth of BTR in Southampton is likely to further develop this area of the market bolstered by the city's strong pipeline of granted and under construction BTR schemes.





Sam Richardson
Monthly Rental Update Lead

Senior Analyst, Operational Living
sam.richardson@bidwells.co.uk

Bidwells
Bidwell House
Trumpington Road
Cambridge CB2 9LD

01223 841 841
info@bidwells.co.uk
www.bidwells.co.uk

Bidwells is a trading name of Bidwells LLP, a limited liability partnership, registered in England and Wales with number OC344553. Registered office: Bidwell House Trumpington Road Cambridge CB2 9L



Iain Murray
Partner, Head of Operational Living
iain.murray@bidwells.co.uk



Kate Brennan
Partner, Operational Living
kate.brennan@bidwells.co.uk



Ed Howe
Head of Operational Living Research
ed.howe@bidwells.co.uk