



Rettie & Co set for BTR investor meeting in London with Scottish Government on rented sector reform proposals

- ***Minister for Housing Paul McLennan meeting with institutional investors with capacity to invest over £3 billion into Scotland's housing sector***
- ***Meeting at Scotland House will address Scotland's housing shortage and the barriers to investment posed by the forthcoming Housing Bill***
- ***Matthew Benson, Director, Rettie & Co: "With applicants sometimes reaching 70 per home, for example at Newhaven in Edinburgh, and rent increases reflecting the acute shortage of housing in key areas, it is welcome that pension funds are looking to support housebuilding***

18 October 2023 - Specialist property firm Rettie & Co has facilitated a meeting in London with key Build to Rent (BTR) investors and the Scottish Government today to discuss the Scottish rental housing market and reform proposals, at the request of Paul McLennan, Minister for Housing. The minister will be meeting with institutional investors who, given the right environment and conditions, could invest over £3 billion into Scotland's housing sector.

The meeting at Scotland House will address Scotland's housing shortage, and any barriers to investment posed by the forthcoming Housing Bill that will be going through the Scottish Parliament.

Matthew Benson, Director, Rettie & Co, said: "With applicants sometimes reaching 70 per home, for example at Newhaven in Edinburgh, and rent increases reflecting the acute shortage of housing in key areas, it is welcome that pension funds are looking to support housebuilding. It is vital that this Housing Bill encourages and hopefully accelerates the allocation of much needed funding to Scotland."

In research commissioned by the British Property Federation earlier this year, Rettie highlighted the strong fundamentals underpinning the residential investment opportunity in Scotland, but also negative sentiment towards Scotland's Private Rental Sector (PRS) from UK and International investors.

In the firm's 'Build to Rent Scotland, Scottish Market Review 2023', Rettie's Director of Strategy and Research John Boyle, outlines how current investor sentiment should be considered as a "major concern" given the scale of the country's housing supply crisis.

Gillian McLees, Director of BTR at Rettie & Co, added: "While it was hoped that institutional investors would step in to fill the shortage of housing in the Private Rental Sector, a number of factors including political intervention in the sector continues to exacerbate the problem of supply."

Also in Rettie's BTR report, the firm says that while the sector continues to grow in Scotland, the speed of development is still significantly below the trajectory elsewhere in the UK. The report indicates that an improved investment environment will help to drive the approximately 14,000 planned BTR and MMR units in Scotland, collectively valued at around £3 billion, which are still to reach the construction phase.

Of the approximately 17,000 BTR units operating or in the pipeline in Scotland, around 8,500 are in Glasgow, 6,500 are in Edinburgh, and in the region of 1,300 are in Aberdeen.

In September, the Scottish Government announced that the new Housing Bill will introduce revised regulations for landlords, rent controls, and new rights for tenants. The Scottish Government also announced investment of £750 million for new affordable homes, 10 per cent of which would be located in rural and island communities. Overall, the Scottish Government aims to build 110,000 affordable homes by 2032.

Rettie & Co was named Associate Member of the Year at the Homes for Scotland Awards in May, which recognised the value of its work in supporting the residential development sector.

Full-service property firm Rettie & Co, founded in 1993, is headquartered in Edinburgh with 180 staff across 11 offices - Edinburgh, Glasgow City, Glasgow West End, Bearsden, Shawlands, Newton Mearns, St Andrews, Melrose, Berwick, Newcastle, and London.