

Residential Development In London

Sales Struggle + Construction Scarcity

MOLIOR

End Q1 2026



1,500 Site Visits + 600 Interviews

Greater London Authority Area

Developments Of 20+ Private Homes

All Numbers Refer To C3 Private Homes

Sales Are Up 30%, Buyers Are Companies Not People

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Sales In Q1 2026 Are Up 30% But Still Awful



Q1 2026 sales of 2,850 homes ... beats the 2025 quarterly average of 2,200.

But remember, annual delivery of 88,000 homes requires quarterly sales of 22,000.

Very Few Homes Are Being Sold To UK Individuals

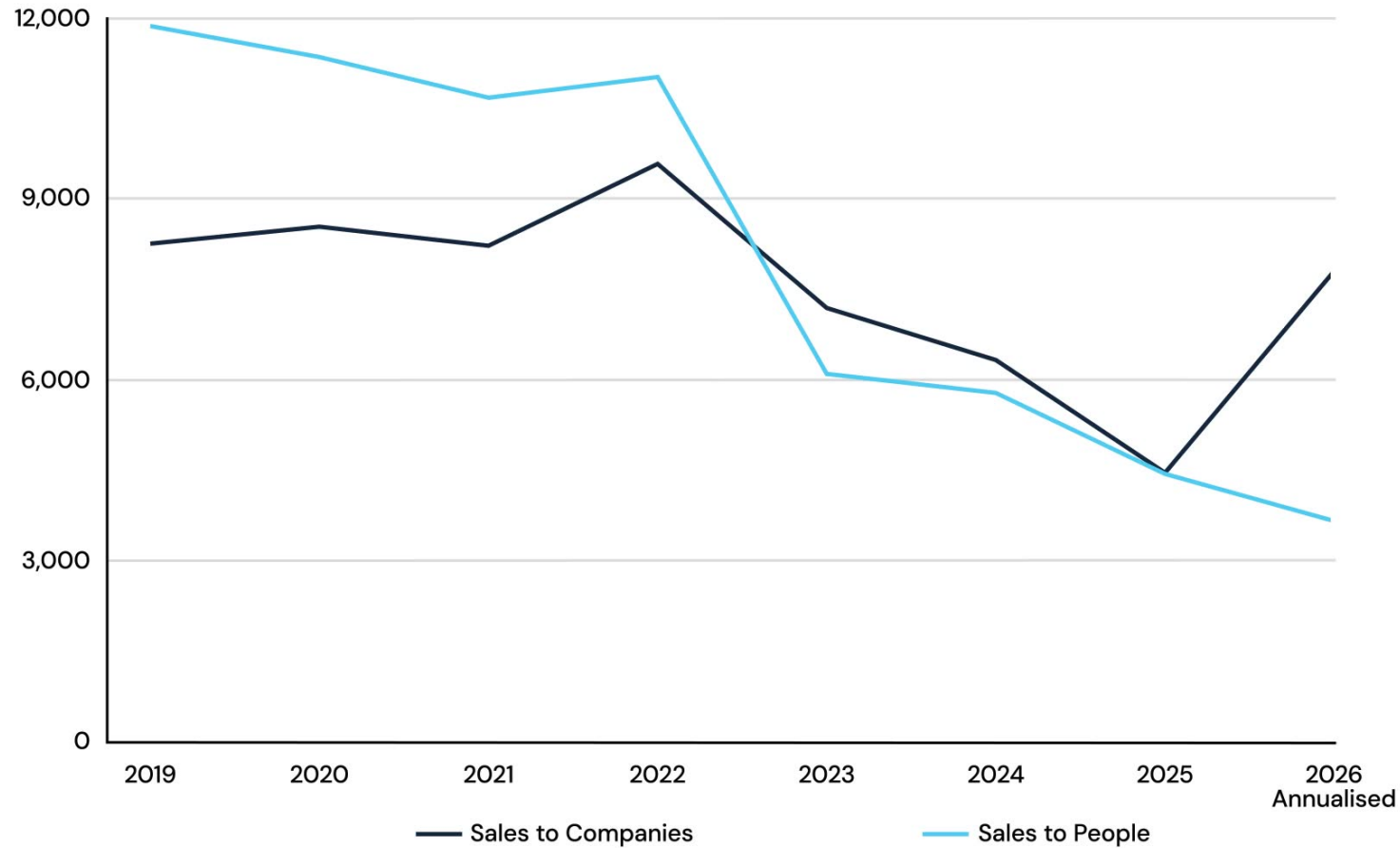
	2024	2024	2024	2024	2025	2025	2025	2025	2026
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Build to Rent + Block Sales	815	969	635	1,987	531	97	672	1,351	1,254
Other Bulk Deals	118	56	210	117	50	88	33	111	439
Switched to Affordable	623	509	107	120	337	278	479	391	238
Sales to Companies	1,556	1,534	952	2,224	918	463	1,184	1,853	1,931
Overseas Sales	547	379	310	409	373	385	202	295	293
Help to Buy	0	0	0	0	0	0	0	0	0
Normal UK Sales	977	959	1,172	974	965	817	655	708	614
Sales to People	1,524	1,338	1,482	1,383	1,338	1,202	857	1,003	907
Total	3,080	2,872	2,434	3,607	2,256	1,665	2,041	2,856	2,838

The top three rows show 1,931 homes were sold to companies in Q1 2026,

The bottom three rows show 907 homes were bought by people in Q1 2026.

UK individuals bought just 600 homes across all of London in three whole months.

In Fact, Sales To People Have Fallen 67% Since 2022



In the Help to Buy era, developers sold more homes to people than to companies.

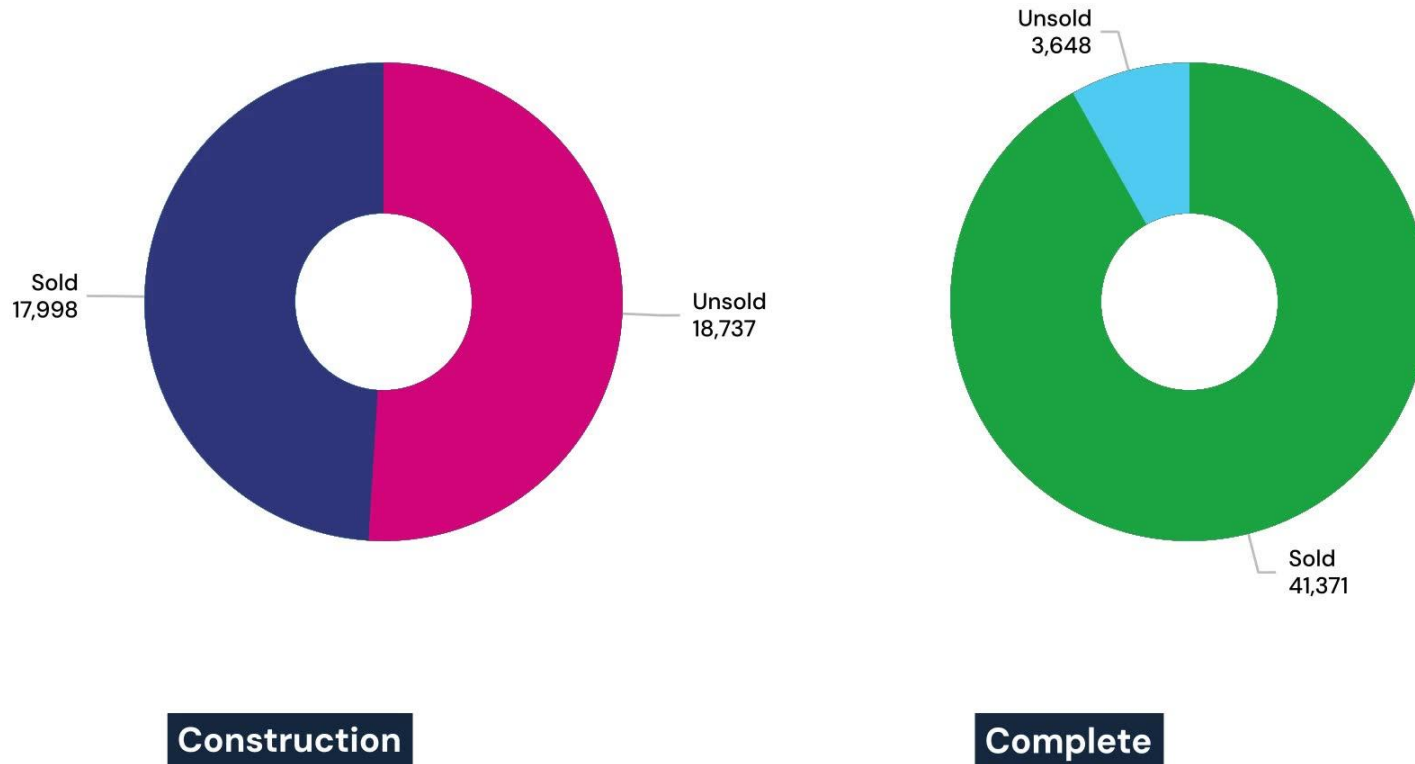
Back then, developers also 'set out' to deliver homes for Build to Rent operators.

Today, with few marketing options, selling to rental operators can be either a forced or expedient exit.

The Sold v Unsold Numbers Are Surprisingly Good

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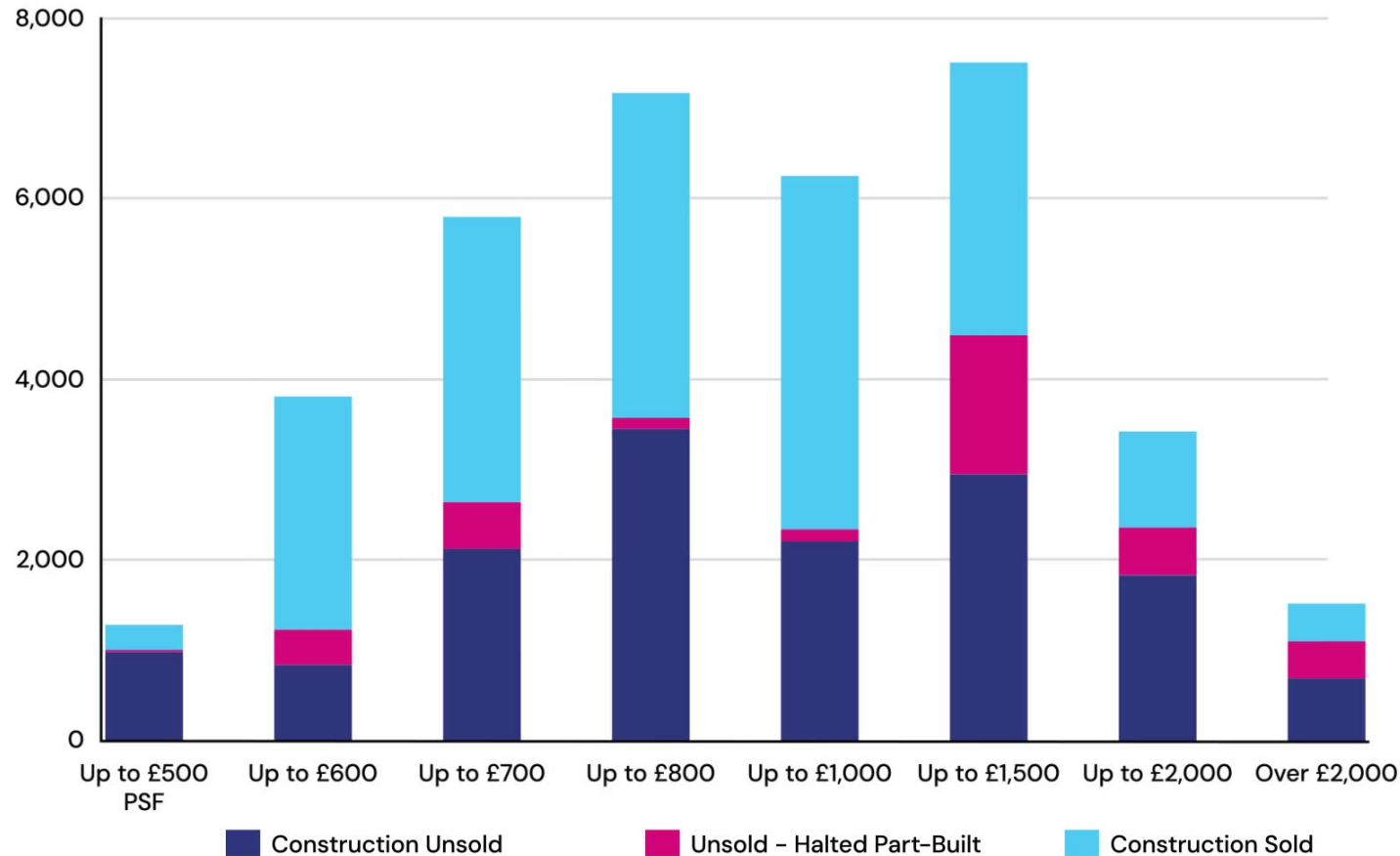
There Are 22,400 Unsold Homes, That Is An 'OK' Number



About 50% of 36,750 homes under construction have already sold – that is a comforting percentage.

Also, 92% of 45,000 homes completed during the last three years have now sold, that's not bad either.

Only 15,100 Homes Under Construction Need Buyers



Of 36,750 homes under construction, 18,000 have already sold.

On top of those, 3,650 homes are unsold (and 950 are sold) in stalled developments that have halted part-built.

This leaves just 15,100 homes under construction needing buyers.

Starts Are Up 50%, They Display A Range Of Delivery Stories

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Starts In Q1 2026 Are Up 50% But Still Awful

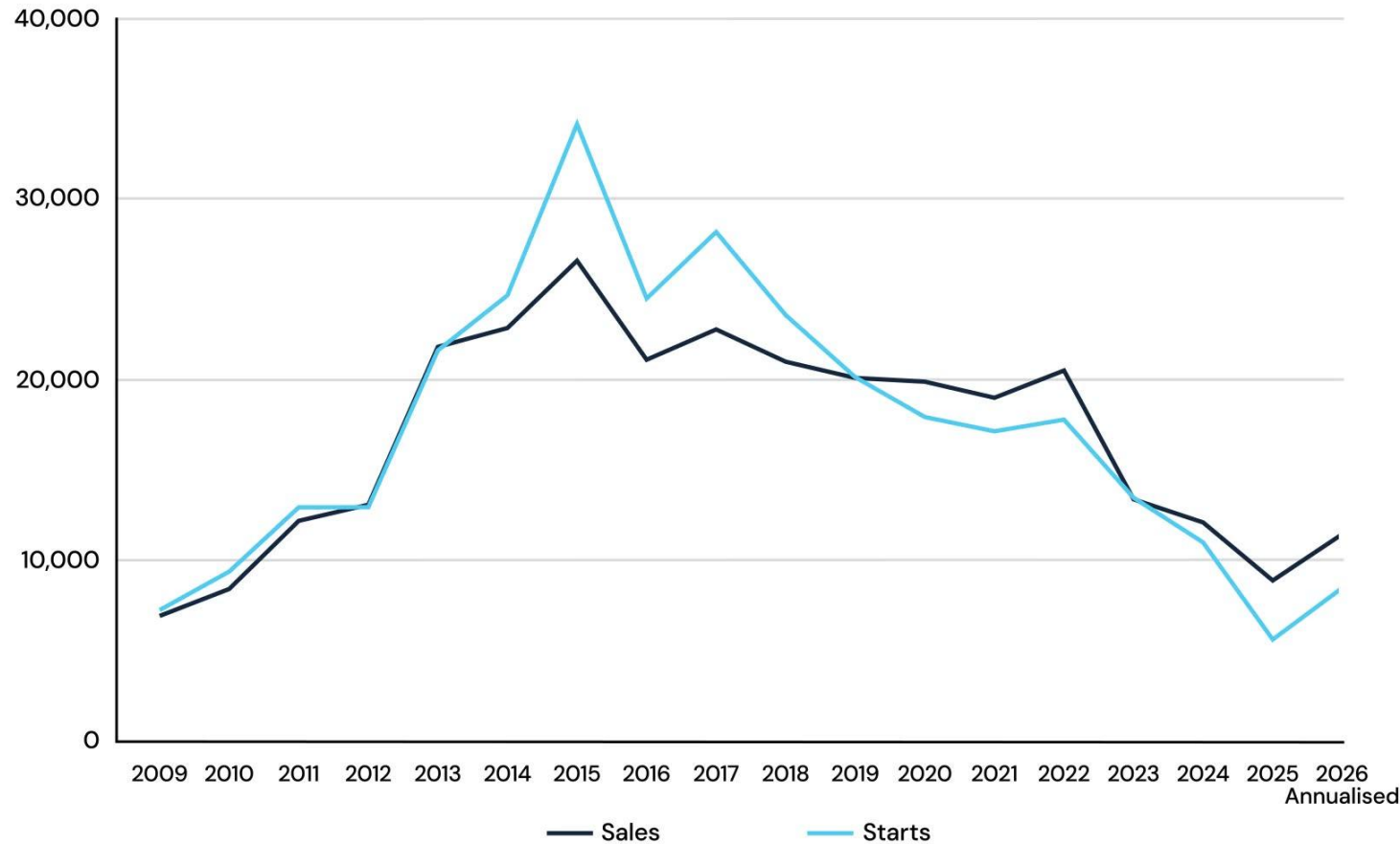


Q1 2026 starts of 2,100 homes ... beats the 2025 quarterly average of 1,400

London Square has arrived in force, commencing five developments in Q1.

But remember, annual delivery of 88,000 homes requires quarterly starts of 22,000.

Improved Sales Rates = Improved Construction Starts



The Q1 2026 uptick is encouraging ... but mostly happened before the war in Iran.

A sustained uplift in starts demands a sustained uplift in sales.

This means starts will only rise if off-plan investors and first-time buyers return to the market.

Q1 Starts Are Diverse

Developer	Site name	Local Authority	Q1 Private Starts	Storeys	Marketing	£Price Band
Berkeley Homes	Trillium	Westminster	187	40	Some sales comfort	High
Chase New Homes	Brent Cross - 3B - Claremont Quarter	Barnet	158	8	Some sales comfort	Mid
Hyde Group	Heath Clark Playing Fields - North	Croydon	137	5	Switched to Affordable	Low
London Square	London Square Woolwich	Greenwich	110	15	Some sales comfort	Mid
London Square	Stratford Cross - S1/10/11	Newham	272	35	Build to Rent	Mid
London Square	London Square Crayford	Bexley	135	8	-	Low
Meadow Partners	Barnet House	Barnet	228	13	-	Mid
Populo Living	Ferndale Park (Cyprus Site B)	Newham	148	9	Build to Rent	Low
Sheen Lane	200 Hammersmith Road	Hammersmith ar	118	5	Build to Rent	Mid
Vistry / L&Q	Acton Gardens - 8.1 + 8.2 - Lina	Ealing	161	10	Some sales comfort	Mid

Funding: Most Developers have large balance sheets.

Geography: The projects cover all parts London.

Quantity: Just one start is more than 250 homes.

Height: Eight developments are above six storeys.

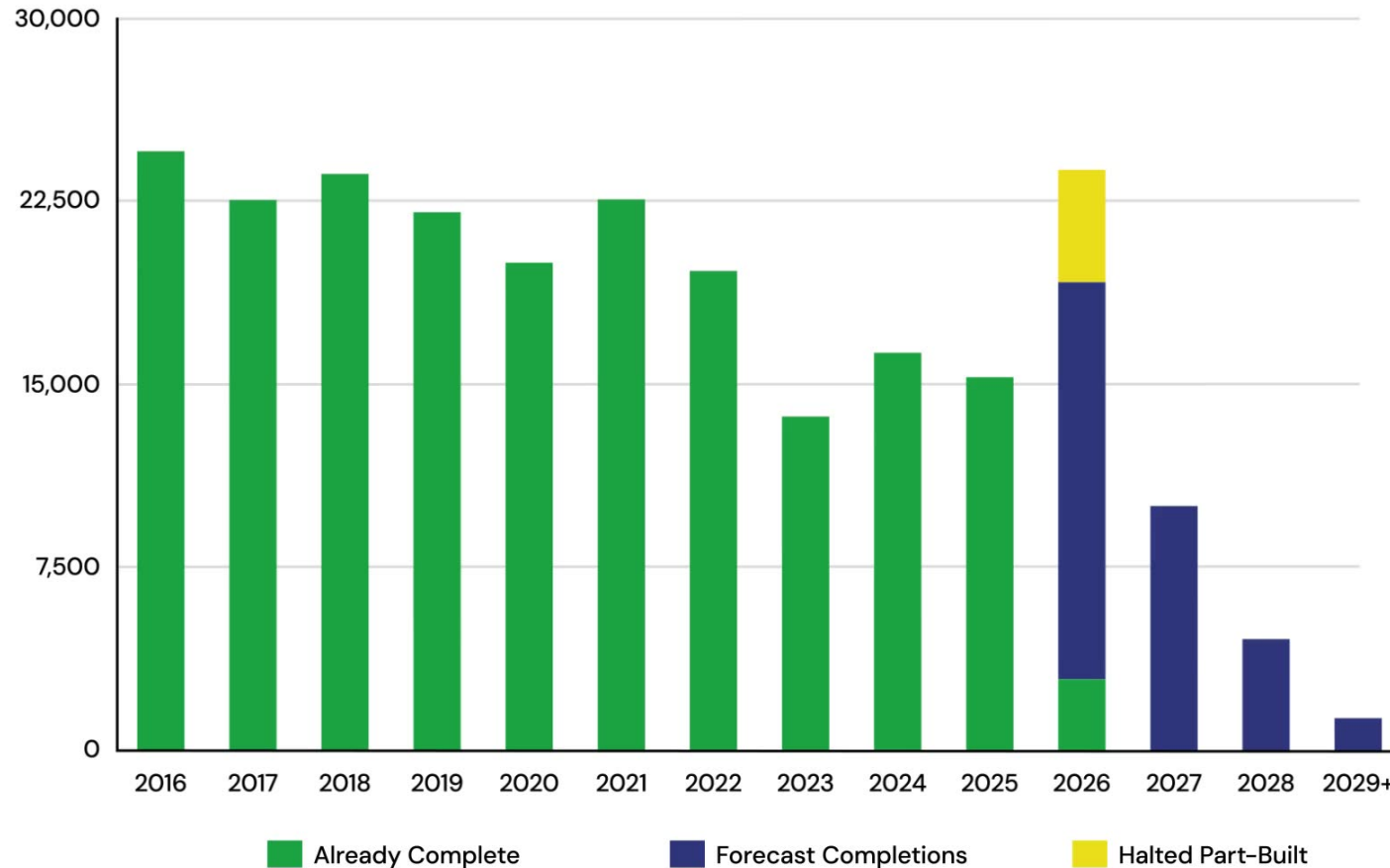
Risk: Eight projects have part-mitigated sales risk.

Value: Six locations are in the £800-£1,000 psf range.

Many Projects Complete Soon, This Means Scarcity Is Imminent

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Most Private Construction Completes In 2026 + 2027

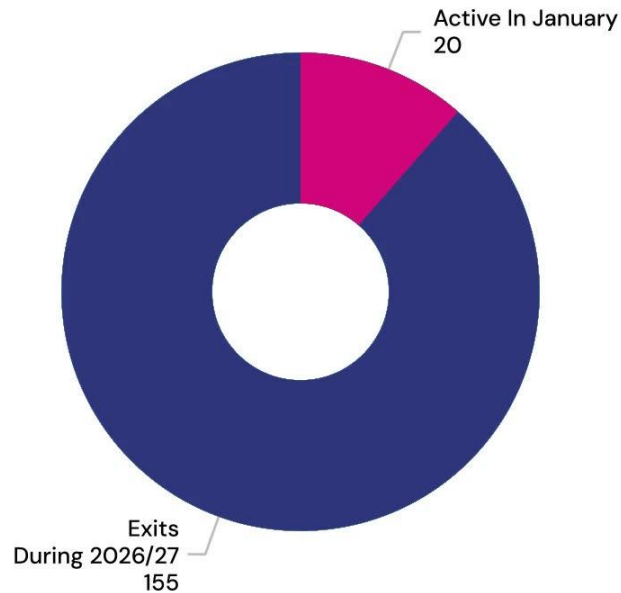


16,250 homes complete construction in 2026, followed by 10,000 in 2027.

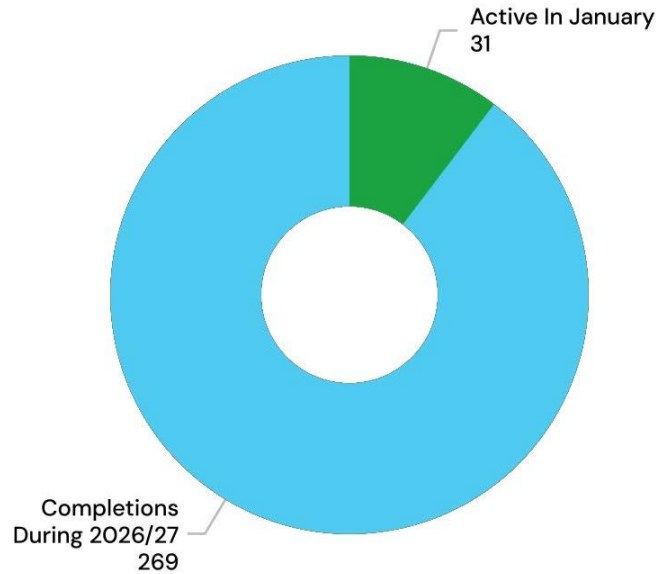
4,600 homes are currently halted part-built with the gates padlocked.

That leaves just 5,900 homes forecast to be on site in January 2028 ... plus any additional starts during 2026 and 2027.

London Residential Developers Exit The Market Imminently



Developers



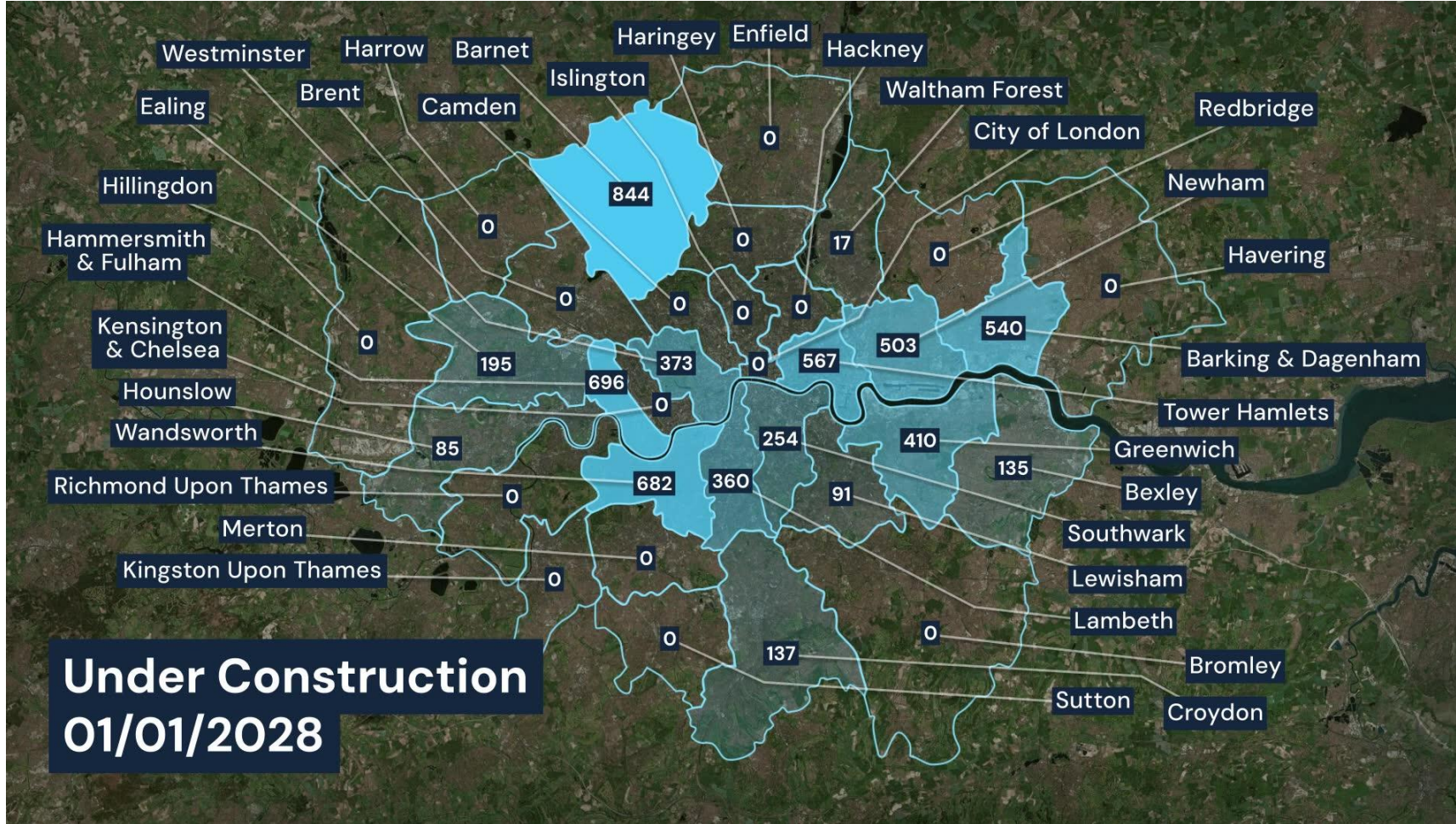
Projects

269 of 300 development sites will complete current phases by the end of 2027.

And 155 of 175 developers are delivering those phases.

Of course, some of those developers will start new projects ... but the conflict in Iran is likely to make development funding harder.

Only 5,900 Homes Are Heading For Delivery After 2027



Whilst it is scary how quickly the London residential development industry could wind down; there is an upside.

Developments starting construction today could face limited sales and rental competition at completion in 2028 and beyond.

Molior's Conclusion ...

Things Were Looking Up Until Donald Started Dropping Bombs

Without A Demand Stimulus, The Industry Could Shut Down

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Displaying 100 Properties.

Centre on

Type in an address or postcode

Government

- Boroughs
- Old Oak and Park Royal DC
- London Legacy DC
- HMLR Freehold Titles

Developments

- Both
- Dots Only
- Boundaries Only

Pricing

- Asking 2023 Onwards
- Achieved 2022 Onwards
- Resales 2022 Onwards
- Ballpark BTR Rent
- Rent Capitalised @ 6%

Second-Hand £PSF

None

Second-Hand Transactions

- 1-Bed Flat
- 2-Bed Flat
- 3-Bed Flat
- 3-Bed House

Clusters

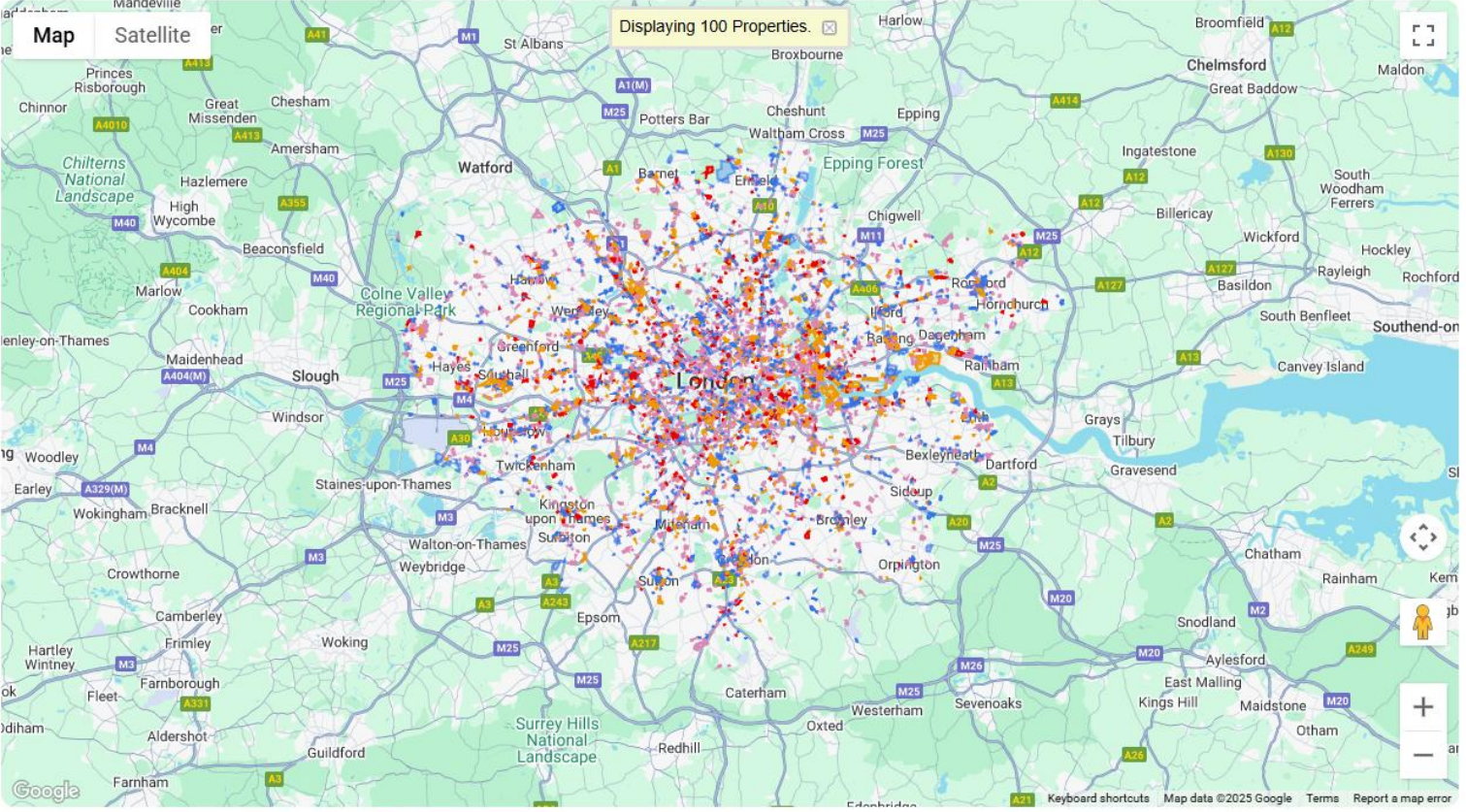
Schemes of 20+ private units only

Nothing chosen

Market Values Transport Lifestyle Planning

7173 results. Exclude entries

- ☆ St George Wharf - L - The Tower
- ☆ Battersea Reach - Ensign + Acensis
- ☆ The Sanctuary (Wimbledon Football Club)
- ☆ Parkwest (Former RAF West Drayton)
- ☆ Queen Mary's Gate



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