Why Co-living?

July 2025

Building Homes, Supporting Urban Regeneration and Fostering Communities through Co-Living

Executive Summary

This report explores the emerging role of co-living within the UK's housing ecosystem, highlighting its potential to meet urgent demand for high-quality and community-oriented rental housing. Drawing on interviews with over 40 industry leaders and co-living residents, alongside data from CBRE / Experian and sector case studies, the findings reveal that co-living is not a niche product but a growing solution with a potential customer base of circa 3.7 million renters across the UK.

Co-living is mainly suitable for central urban locations, with London accounting for nearly 55% of operational and pipeline beds, though the model is also expanding across regional cities like Manchester, Birmingham, Bristol, Exeter, Sheffield and beyond – where growing numbers of renters are searching for more housing options that offer high quality and affordable rental homes.

As an evolving typology, co-living offers a response to housing pressures and a flexible lifestyle aligned with the needs of modern renters. However, growth is being constrained by planning ambiguity, investor hesitance and persistent misconceptions about the definitions and typologies of co-living.

The report identifies a series of actions and recommendations for the UK co-living industry – such as engaging in proactive engagement and planning processes, encouraging national planning policies for co-living, including co-living in wider masterplans, improving industry data / performance benchmarking, and ensuring long-term operational / investment models – that could help the sector scale responsibly.

The report also highlights standout case studies from pioneering co-living leaders across the UK, showcasing innovation in design, development, planning, operations, community impact and more.

Ultimately, co-living presents a timely opportunity to diversify the UK rental market and contribute to wider regeneration and placemaking goals. With decreasing supply in rental accommodations, and growing demand from renters seeking affordability, convenience, and connection, co-living is well positioned to become an important part of the UK housing landscape.

But to do so, stronger collaboration between local authorities, developers, investors, and operators is needed to ensure delivery meets both market demand and social value outcomes. This report aims to be a resource that helps industry players and policymakers to do just that.

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Core Partners:

This report has been published as part of the 'Why Co-Living (WhyCo)?' campaign. The WhyCo campaign champions the growth of co-living in the UK by bringing together industry leaders and policymakers to secure support, drive investment, and expand quality rental housing. The campaign has been coordinated by Conscious Coliving, a collaborative platform driving research, content and innovation in shared living. The campaign, report and research was led by Conscious Coliving Co-Founders Penny Clark and Matt Lesniak.

The campaign has been funded, supported and endorsed by a group of partners who are involved in moving the UK co-living industry forward in a way that ensures positive social, environmental and economic benefits for residents, locals and the many stakeholders involved in the UK co-living ecosystem.

Assael

Assael is an award-winning practice that provides a cohesive suite of services, including architecture, interior design, urban design, landscape architecture, and design visuals. With over 30 years of experience in the residential and mixed-use sectors, Assael has designed and delivered thousands of successful, award-winning, residentially-led mixed-use developments on constrained urban brownfield sites. These projects span private-for-sale and private-for-rent housing – including Built-to-Rent (BTR) – as well as affordable housing and innovative living models such as co-living. Their first co-living development, Sunday Mills in Wandsworth, has received multiple awards including an RIBA London award and their second scheme, Florence Dock in Battersea, has achieved similar recognition for its innovative offering.

BRIDGES Fund Management

Bridges Fund Management (Bridges) invests in the transition to a more inclusive and sustainable economy. Its specialist property funds invest opportunistically in growth locations and sectors that are well-placed to benefit from changing demographics and societal needs, driving value through physical and operational improvements. Within the living sector, Bridges is on track to deliver over 6,300 highly sustainable homes across the UK, ranging across later living, multi-family BTR, co-living and Purpose Built Student Accommodation (PBSA). Bridges is also a market-leader in implementing sustainability features that reduce costs, improve valuations and future-proof real estate assets.

BPF

The **British Property Federation** (BPF) represents the UK real estate sector, an industry that invests in communities across the UK, providing a wide range of high-quality homes, workplaces, health, education, and warehousing facilities which people and businesses rely on every day. The BPF's 'Co-Living Working Group' is comprised of organisations across the co-living sector, from investors to developers and advisors, all motivated to increase the quality and supply of rental housing, and they drive best practice and policy change to achieve this.

CASCADE

Cascade Communications is a specialist real estate and built environment communications consultancy representing clients both corporately and on projects. A team of individuals, the consultancy covers a breadth of services from reputation management to political and stakeholder engagement. Working across all property sectors, they have significant experience in the co-living space, having been involved in the early Collective projects, where they helped shape the messaging around what co-living is and how it contributes to housing needs. Cascade provides communications and media relations support to Conscious Coliving and continues to advise a number of developers on other co-living projects as well as BTR. Recent and current co-living projects include Sunday Mills, Earlsfield; Florence Dock, Battersea; The Oval, Tower Hamlets; Bridle Path, Watford; St Nicholas House, Sutton; Fife Road, Kingston and Cancell Road, Lambeth.

CBRE

CBRE UK has an experienced team of co-living specialists across its service lines. The Capital Markets team is actively advising on a number of co-living mandates and is engaged with an extensive network of investors seeking to enter the co-living market. CBRE's Land team has advised on a number of co-living land transactions; including Bermondsey Reach (605 units) purchased by Tide Construction, and City Link House (473 units) purchased by Cheyne Capital. CBRE's Planning team has appraised a series of sites for their suitability for co-living use across various London boroughs, and has submitted a planning application for a mixed use BTR and co-living scheme in the London Borough of Sutton, on behalf of Amro Partners. The Valuation and Advisory team have a specialist team providing valuations of co-living assets both for accounts and secured lending purposes together with access to advanced co-living data, informing CBRE's marketing, investor underwriting, and IC reports. Collectively, CBRE's team of co-living specialists provide expert real estate advice across all matters co-living.

HUB is a progressive developer creating living places, ensuring that communities can thrive, now and into the future. Established in 2012, HUB has over 9,000 homes completed or under development across the UK, with a focus on transformative and high-quality BTR and co-living schemes, from urban regeneration to building adaptation and retrofit in city centres. Demonstrated by over a decade of repeat partnerships with funders and operators, and positive post-occupancy surveys, HUB puts people at the centre of design and builds strong relationships with local communities and partners through collaboration, delivering high quality residential and mixed-use schemes that create long-lasting positive impact.

Rund is a specialist surveying and construction consultancy delivering expert services to coliving developers and operators. They provide comprehensive support from pre-construction to handover, offering services covering Technical Due Diligence, Development Monitoring, Project Management, Employer's Agent, Cost Consultancy, and Clerks of Works. Their portfolio includes pioneering coliving schemes like The Rex, Kingston, where they've helped create high-quality, community-focused living spaces that reflect the needs and lifestyles of modern residents. Through deep sector expertise, Rund drives value, compliance, and innovation throughout every project, helping to create thriving communities and exceptional resident experiences.

Shoosmiths is a full-service UK law firm offering comprehensive advisory, corporate, and real estate legal services. With a dedicated real estate practice comprising over 400 legal advisers - including more than 50 partners - it is one of the largest and most experienced teams in the UK market. The national team provides multi-disciplinary support across all aspects of real estate, including transactions, investment, asset management, finance, construction, planning, disputes, environmental law, tax, real estate M&A, and regulatory matters. Shoosmiths is currently advising on some of the UK's most ambitious co-living schemes, supporting clients on planning, delivery strategy, and bringing high-quality developments to market.

The Furniture Practice (TFP) is an international furniture specialist operating across the workplace and living sectors. With over 25 years' experience and a dedicated Living sector team, TFP works with developers and operators across BTR, co-living, PBSA, later living and hospitality – managing every stage of the FF&E journey, from strategy, design and sourcing to installation, aftercare and lifecycle refresh. Trusted by clients including British Land, Legal & General, Long Harbour and Folk, TFP aligns furniture with design ambition, commercial goals, sustainability and resident experience – delivering high-performing, distinctive spaces shaped around people and built for long-term value.

urbanbubble is an award-winning property manager specialising in the leasing and management of Build-to-Rent and residential communities across the UK. With over 18 years of experience and nearly 20,000 homes under management across all tenures, urbanbubble has earned a strong reputation for putting people first – focusing on the needs of clients, landlords, investors and residents alike. More than just a property manager, urbanbubble is committed to building lasting relationships and ensuring every resident feels secure, supported and part of a thriving community. Their mission is to create vibrant, welcoming places where people do not just live – they truly belong. urbanbubble is the appointed operator for Folk, DTZ Investors' co-living brand offering next-generation rental communities in London. Folk gives residents a more social, hassle-free way to rent, with private studio apartments, access to shared spaces such as a gym, co-working areas and roof terraces, a weekly events programme, and one all-inclusive bill.

VervLife is a specialist property operator, managing residential rental assets across the UK. As experts across the Build-to-Rent and Co-Living project journey, they know how to make their clients' investments and assets outperform through intelligent, creative advice from the earliest phases of a project, mobilisation, letting, and into operational management. At VervLife, everything they do is designed to make things consciously simpler for their residents & clients. They're advocates for the rental revolution and help their residents live better, healthier, and more fulfilling lives while they live in a rented home, striving to improve the wellness and health of their residents, as well as their clients' investments. Their team of experts is committed to enhancing residents' wellbeing and maximising client investment value, blending creativity and experience to create thriving communities and successful outcomes.

Key Contributors

Conscious Coliving conducted over 40 research interviews with industry stakeholders, UK co-living residents and on-site co-living staff. We want to thank the following individuals for their contributions to the research. A special thanks to CBRE UK, for providing us with the data and copywriting for the Resident Demographics and Supply & Demand sections of this report.


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Why Co-Living?

The UK is facing an escalating housing crisis marked by a significant imbalance between supply and demand in the private rented sector (PRS). While the PRS now accounts for 18.5% of households (5.3 million), this is projected to grow to 21.2% by 2028 (6.2 million).[1] At the same time, supply is contracting: rental listings have fallen by 15% from 2019-2024,[2] and 31% of landlords intend to sell their properties within the next two years, mainly due to the changes in taxation and the expense of upgrading properties.[3]

The number of houses of multiple occupation (HMOs) has also dropped by 8% since 2018,[4] contributing to overcrowding in the PRS, where 8.5% of homes in England are now overcrowded.[5] This growing shortfall is occurring against a backdrop of population growth, which will require an additional 550,000 homes over the next five years.[6]

All of this is on top of a backlog shortage of 4.3 million homes.[7] These compounding complexities make it so that UK renters need more optionality, in addition to higher quality and more flexible housing options.

The UK has also been losing many of its conventional community spaces over the years – public spaces, third spaces, pubs, music clubs and more have been closing at significant rates since the pandemic and even before. For example, in 2024, more than 34 pubs closed every month in the UK on average, and since the start of 2020, more than 2,000 pubs have closed nationwide.[8] The places where UK citizens have typically gathered for decades are under pressure from changing lifestyles, higher energy and rental costs and other societal shifts.

There has been, however, a rise in newer, more alternative forms of third spaces, which can be defined as "social spaces that are neither home nor work, offering a place for community, connection, and informal socialisation".[9] One can find communal spaces that offer services and experiences focused around wellbeing, dance, music, personal and professional growth, community, connection and more. Spaces that are reflecting the changes in demographics and lifestyles of younger people and the needs of people of all ages.

Spaces and communities like gyms and community centres continue to serve as accessible hubs for connection, activity, and wellbeing, though with the closures of pubs, churches and more traditional forms of community spaces, new formats are emerging to meet evolving social and emotional needs.

These include Community Sauna Baths, which started in Hackney and now have sauna and ice bath centres across London; Sofar Sounds, a global community that connects artists and audiences through unique and intimate music events; Self Space, a mental health and therapy community centre in the heart of Coal Drops Yard, Kings Cross; or even The Sanctuary, an 'experimental social wellness space' run by co-living operator &Soul in Shoreditch.

These spaces respond to several fundamental human needs: the need to feel connected and safe, the need to grow personally and professionally, the need to be well physically and mentally, and the need to stay connected culturally, emotionally and spiritually.

A society in polycrises is undoubtedly experiencing sensations of being overwhelmed, doubt, fear, loneliness and ultimately mental and physical ill health. The demographics experiencing some of the highest levels of loneliness are not those we would typically expect: it is the younger generations between 16-24 that reported feeling lonely "occasionally, sometimes, often or always" the most.[10] Females, single or widowed people, those living with a limiting mental health condition, those that have lower neighbourhood belonging and those that are renting are other demographics that the UK Government's Tackling Loneliness strategy review reported feeling the most lonely.[11]

The costs of loneliness to wider society have been well documented, and the crisis of poor mental health has been calculated to cost £300 billion a year in England alone, which is double the NHS annual budget.[12]

The fact that renters are experiencing such high levels of loneliness and that many lack a sense of neighbourhood belonging reflects a lack of shared amenities and public spaces for neighbours to meet in traditional rental accommodations. The PRS in the UK is also filled with horror stories of absent landlords, mouldy, unhealthy and unsafe apartments, flatmate conflicts and overall dissatisfaction with the sector.[13]

The rise of Built to Rent (BTR) and Purpose Built Student Accommodation (PBSA) in the UK in the last 15 years has helped create a more positive perception of what high quality rental living can look and feel like. Notwithstanding this rise, there are still considerable and acute housing needs across the UK and across housing typologies, leading to a strong demand for accommodation that provides choice and quality to meet varying lifestyle needs and requirements.

Co-living entered the UK market about 10 years ago and has since seen various operators developing and managing spaces that have paved the way for a different kind of renting focused on community, social connection, flexibility, convenience and diversity.

For example, the Folk communities – one of the leading 'Gen Two' co-living operators in London – attract a lot of diversity, in both age ranges and cultural backgrounds. Their communities currently host residents from 70+ nationalities and ages ranging from 18 to 65+, with an average age of around 30 years old.

The UK co-living sector is now experiencing its 'Gen Two, Three and Next Gen' waves, with high quality, professionally managed, generationally diverse, and sustainably and sleekly designed co-living homes.

With high levels of loneliness, environmental concern, geopolitical instability, and traditional community spaces being lost along the way, co-living is a shared living rental model that fills several societal and existential gaps.

Add on top of that flexible lease terms, convenient all-in-one bills and services, and relatively affordable costs for renters – co-living just seems to fit. Co-living will not solve the housing or loneliness crises alone, but it plays a vital role in the broader response.

And a high quality one that responds to many of the shifting needs and desires of young professionals, adults living alone, recent divorcees, single parents, business travellers and many more looking for convenience, flexibility and oftentimes connection.

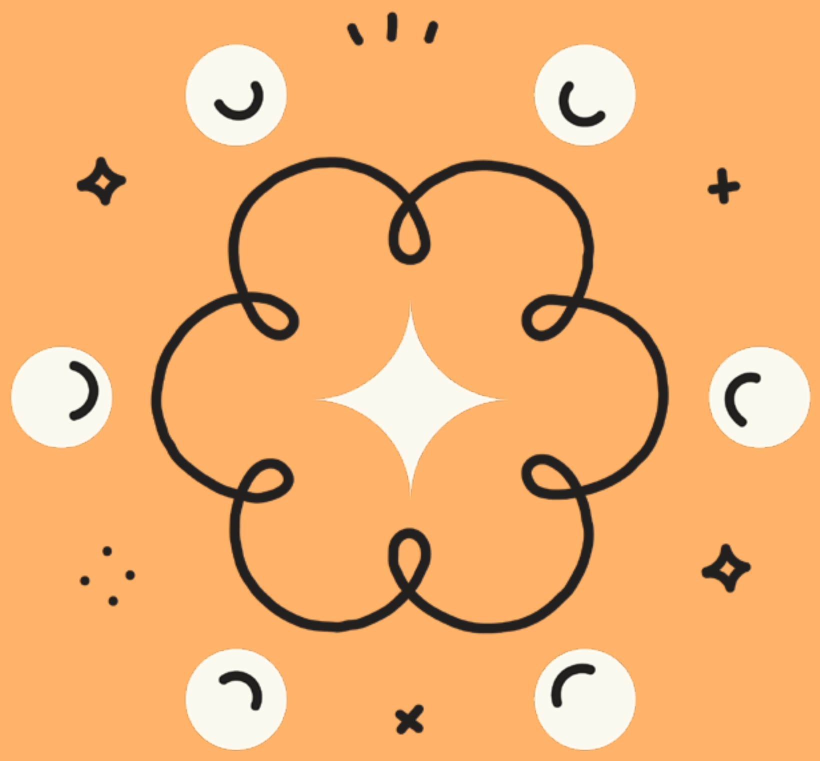
Co-living spaces are first and foremost homes.

Co-living is a flexible rental option that offers the spaces and services that can allow for personal growth, connection and wellbeing. They can also serve as hubs for urban regeneration and local placemaking.

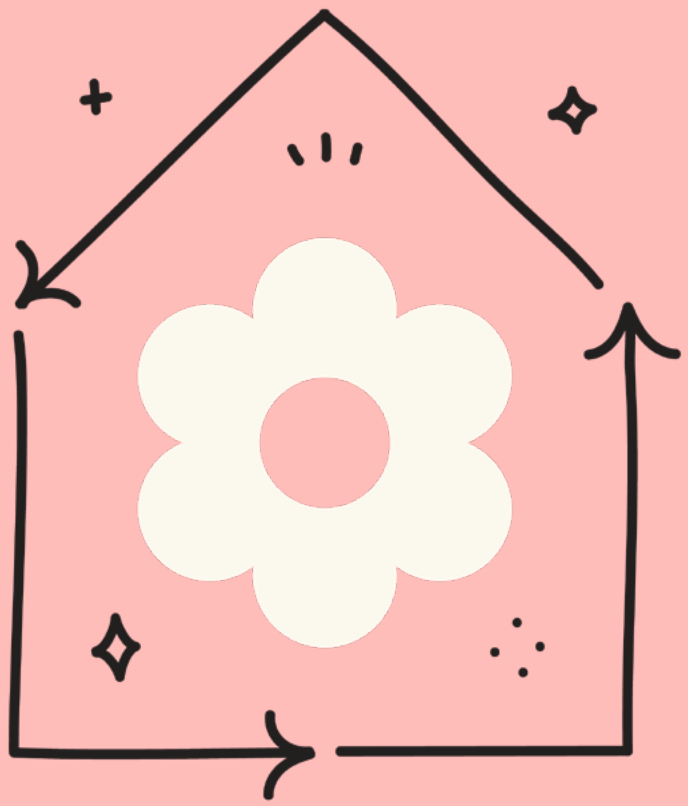
We will share more about the definitions of co-living and best practice case studies paving the way as regenerative community hubs below.

Put simply, co-living can be considered as: community-driven rental homes and hubs that foster social connection, neighborhood investment and environmental sustainability.

Neighbourhood Investment



Social Connection



Environmental Responsibility

1 Experian (2023). PRS market share 2028 %.

2 Savills (2025). Spotlight: UK Co-Living 2025. Available at: https://www.savills.co.uk/research_articles/229130/372282-0/spotlight–uk-co-living-2025

3 Property118.com (2024). Fewer PRS homes in 2025 as BTL lending set to fall. Available at: https://www.property118.com/fewer-prs-homes-in-2025-as-btl-lending-set-to-fall/

4 Ministry of Housing, Communities and Local Government (2024). Local Authority Housing Statistics data returns. Available at: https://www.gov.uk/government/statistical-data-sets/local-authority-housing-statistics-data-returns-for-2023-to-2024

5 Office for National Statistics (2023) Overcrowding and under-occupancy by household characteristics, England and Wales: Census 2021. Available at: https://www.ons.gov.uk/peoplepopulationandcommunity/housing/articles/overcrowdingandunderoccupancybyhouseholdcharacteristicsenglandandwales/census2021

6 Understanding Society (2025). Insights: Transforming Housing. Available at: https://www.understandingsociety.ac.uk/wp-content/uploads/insights/Insights-2025.pdf

7 Ibid.

8 The Guardian (2024). Number of pubs in England and Wales falls below 39,000 for first time. Available at: https://www.theguardian.com/business/2024/dec/30/number-of-pubs-in-england-and-wales-falls-below-39000-for-first-time

9 Oldenburg, R. (1999). The Great Good Place: Cafés, Coffee Shops, Bookstores, Bars, Hair Salons and Other Hangouts at the Heart of a Community. New York: Marlowe & Company.

10 Campaign to End Loneliness. Facts and statistics about loneliness. Available at: https://www.campaigntoendloneliness.org/facts-and-statistics/

11 Ibid.

12 Mind. (2024). The Big Mental Health Report 2024. Available at: https://www.mind.org.uk/media/vbbdclpi/the-big-mental-health-report-2024-mind.pdf

13 Shelter England. (2022) Briefing: Poor Quality Conditions and Disrepair in Private Rented Sector Housing. Available at: https://england.shelter.org.uk/professional_resources/policy_and_research/policy_library/briefing_poor_quality_conditions_and_disrepair_in_private_rented_sector_housing

What is Co-Living?

Co-living in the UK and around the world has many different sizes, forms and faces. You can find nomad co-living in the French Alps or for surfers in the Gran Canary islands, co-living for single parent households, smaller more boutique co-living models in central locations focused on wellness, retreat-styled co-living in rural locations and one the most popular forms of co-living in the UK, purpose-built shared living.

For the purposes of this report, we refer mostly to the purpose-built, institutionally funded and professionally-managed forms of shared living – or large-scale purpose-built shared living (LSPBSL) as defined by the Greater London Authority (GLA) – though we do reference other models.[14]

Therefore we define co-living as a form of professionally managed rental housing which combines private living homes with shared amenities, offers convenient and flexible all-inclusive living, and has embedded community, wellbeing and sustainability elements.

Co-living provides renters additionality and choice: in a UK housing market that has a serious undersupply of homes, co-living provides an option that is increasingly viable for developers and investors and has significant value for renters (both social, economic and environmental).

Co-living, sometimes also referred to as shared living, is a subset of the BTR sector and is often positioned as a housing product that sits between student accommodation and BTR, ideal for those seeking affordability and independence while still living within a communal environment (which we see as mostly single renters, defined more in the demographics section below).

Co-living differs from traditional BTR because it is typically studio-led – meaning it includes mostly studios vs 1,2 and 3-bedroom apartments that you find in BTR – has more shared spaces and amenities and more operational resources dedicated to fostering a sense of community and neighbourhood engagement. Industry players even refer to co-living as 'studio-led BTR', in order to help create an understanding of the layout, format and management of the model.

The term co-living means different things to different people, so the first hurdle with institutional investors is to show that what we're delivering is a **scalable product**, with very **similar investment characteristics** to PBSA and Build-to-Rent, and that the risk-adjusted **returns we're delivering are better** than what is achievable in these sectors right now.

Chris Saunders
Folk Investment Director
DTZ Investors

Co-living is a form of Build-to-Rent housing. It is **purpose built rental accommodation.** It's usually built by institutional investors - large investors like pension funds or equity funds - as opposed to individual landlords, which make up the majority of the wider private rented sector. But **co-living differs from your more traditional, multifamily Build-to-Rent** in that it's made up of studio apartments for individuals and sometimes couples. Where your more traditional Build-to-Rent would have apartments with less communal spaces, co-living has smaller individual living spaces and **larger facilities for people to share.**

Kate Butler
Associate Director Real Estate
British Property Federation

I think what's really important is, first of all, to **remember co-living is homes.** It's a rental home, and sometimes we try to overly define it. It's still **rental living**. But the advantages with co-living is it brings **flexibility.** It brings certainty in terms of all inclusive bills. It also brings a community and **addresses loneliness.** So it's a different type of rental living that **gives people choice.**

Damien Sharkey
Managing Director
HUB

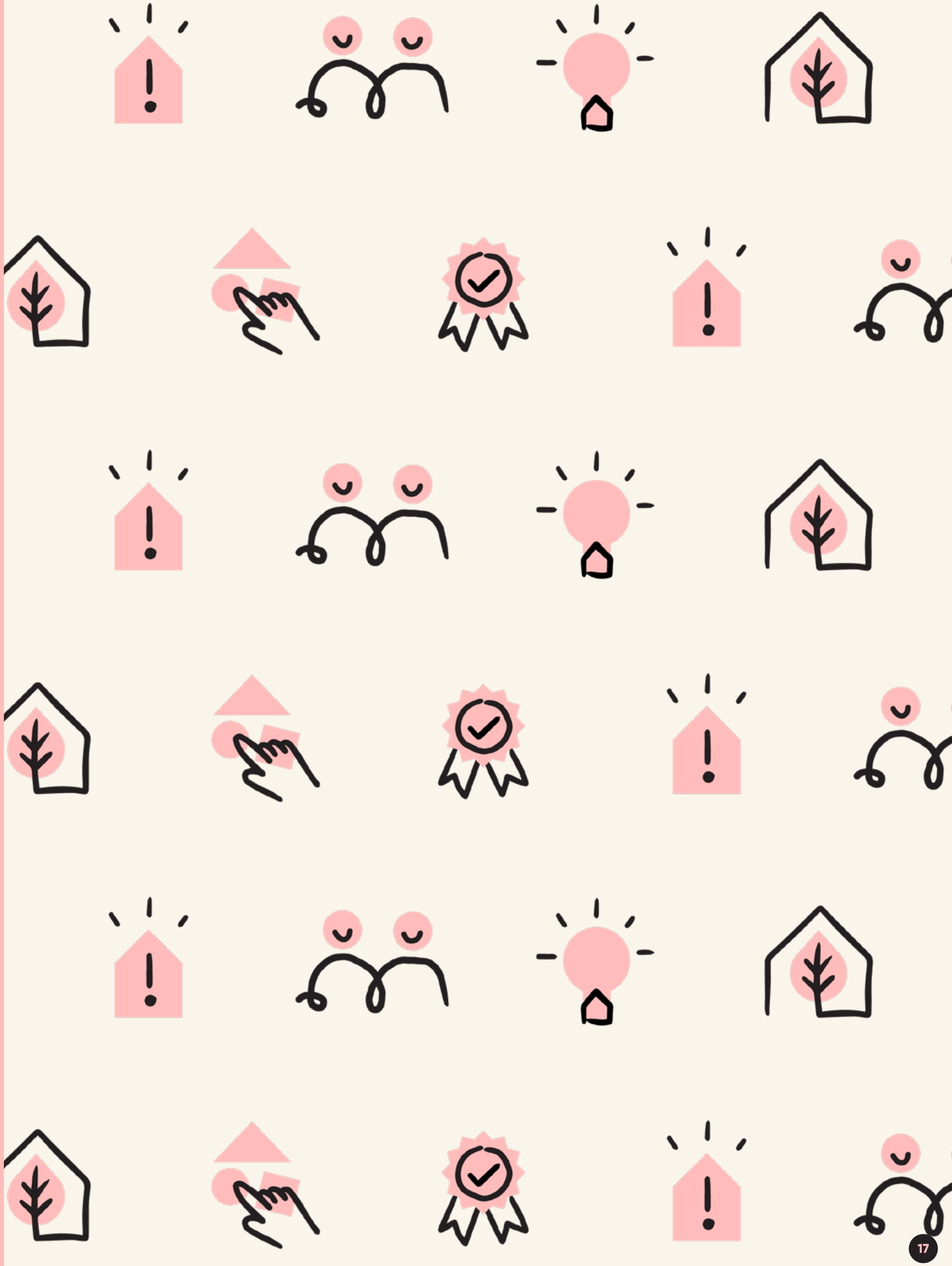
Homes in co-living typically consist of private ensuite studio flats with private bathrooms and kitchenettes, and shared amenities usually include communal kitchens, coworking spaces, gyms, outdoor spaces and lounge areas. Rents are inclusive of bills, and tenancy contracts are often more flexible than traditional rental homes and BTR (though recent legislative changes such as the Renters' Rights Bill may impact flexible lease terms). Both residents and the local neighbourhood are encouraged to socialise via events programming and design to encourage social interaction.

Scheme sizes vary, though in the UK the average operational scheme has 202 beds. Co-living in the UK can take different forms architecturally, from LSPBSL which is upwards of 50 beds (as defined by the Greater London Authority's Policy H16),[15] to mid-scale schemes of circa 15-49 beds, to networks of smaller repurposed and professionally managed apartments with shared amenities.

Co-living schemes are most often located in built-up urban areas where urban professionals are looking for affordable and convenient housing, though rural and nomad co-living is also popular in many locations which cater to 'digital nomad' audiences.

The model of co-living most popular in the UK is LSPBSL, which can be seen as a form of conventional housing: it may not fall under a C3 use class, but at a fundamental level it is simply a purpose-built version of a house or flat share, HMO or studio. As a consequence LSPBSL should not be grouped together with PBSA; they are serving different demographics and are different physically, functionally and socially.

Co-Living IS	Co-Living is NOT
✓ Studio-led BTR with shared amenities	✗ A self-contained residential unit
✓ For all ages	✗ PBSA by the back door
✓ Professionally managed	✗ A poorly run flatmate situation
✓ All-inclusive	✗ Hidden fees and bills
✓ Flexible and convenient	✗ Transient communities
✓ Community-focused	✗ Disconnection from neighbours
✓ Quality rental living	✗ Sub-standard renting



[14] *Definition of co-living as defined in the Greater London Authority's Large-scale purpose-built shared living London Plan Guidance (February 2024): Large-scale Purpose-built Shared Living (LSPBSL), is a type of housing that consists of at least 50 private rooms and shared communal spaces. It focuses on communal living, providing shared dining areas, recreational spaces, and sometimes workspaces. The individual units are typically smaller compared to standard spaces. Unlike hotels and hostels, LSPBSL requires a minimum tenancy of three months and does not offer care or training like residential institutions. It is primarily targeted towards single-person households who may not have the option or preference for self-contained homes or HMOs.*

[15] *Greater London Authority. (2024). Large-scale purpose-built shared living: London Plan Guidance. February 2024. Available at https://www.london.gov.uk/sites/default/files/2024-02/LSPBSL%20LPG%20Feb24.pdf*

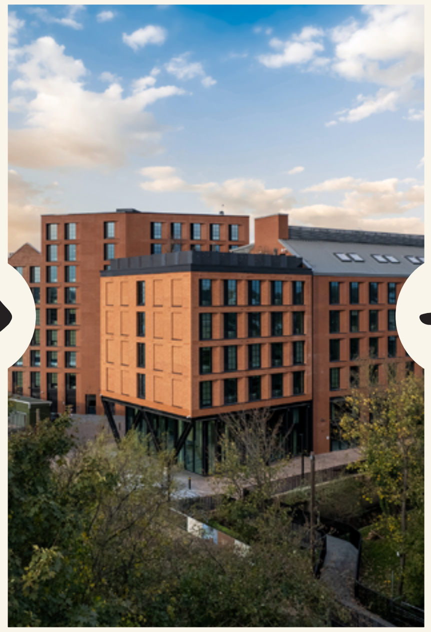
The Evolution of Professionalised Co-Living in the UK

Since the establishment of The Collective's flagship Old Oak scheme in 2016, the UK's co-living sector has evolved and diversified. Lessons learned have been translated into 'Gen 2' co-living schemes (e.g. Folk, ARK Co-living, DANDI, Gravity Co-living), which opted for larger private spaces and more centralised shared amenities.

Photo credit: PLP Architecture

Gen 1 Co-Living
The Collective Old Oak
Opening: 2016
12-16m^2 studios & 'Twodios'
Floor by floor amenity spaces

Photo credit: McAleer and Rushe | Assael Architecture



Gen 2 Co-Living
Folk Sunday Mills
Opening: 2022
16-30m^2 studios
Masterchef Kitchens

Photo credit: HUB | Bridges | AHMM

Gen 3 / Next Gen Co-Living
HUB Cornerstone
Planning granted
22-24m^2 studios
Ultra urban repurposed co-living

This cohort of industry players have refined and truly proven the concept, as illustrated by their strong occupancy rates and high levels of customer satisfaction (see for example Folk, which scores 4.7/5 on Homeviews).

The next generation of UK co-living is showing further, insight-driven evolution, which includes an emphasis on social and environmental sustainability (see Cornerstone, Press Works and Narrowhouse), regional locations, and diversification of studio size and amenity type to suit specific audiences.

Now, almost a decade later, a professional ecosystem for co-living has become established, formed of a mix of new real estate operating companies (OpCos) and development companies (PropCos), such as re:shape, Halcyon, Urban Sketch and Noiascape, and existing companies in related residential sectors such as build-to-rent and student accommodation developers and property managers who moved into co-living, examples being VervLife, urbanbubble, and HUB.

Co-living developers and operators are now supported by a range of sector specialists, from real estate agencies (e.g. CBRE), furniture providers (e.g. The Furniture Practice), to tech providers (e.g. Spaceflow), legal experts such as Shoosmiths, communications specialists like Cascade and specialist building consultants such as Rund.

The sector's impact is such that it now has a dedicated policy working group through the UK's real estate industry's membership body, the British Property Federation.

The appeal of the sector is multi-faceted: its attractive yields, high demand and potential for growth, providing optionality / choice for renters, high occupancy rates, and strong social and environmental impact potential, all contribute to its desirability.

Co-living now has a growing presence outside of London and in the regions as well, with operational communities such as the large-scale purpose-built UNION in Manchester, Watkins Jones' Exeter scheme, The Gorge, run by This is Fresh, and even quaint rural co-living retreat centres in Devon such as Selgars and Domnu Valley (or even Lake District Coliving in Windermere). There are a multitude of pipeline projects in the regions as well, such as Stennack Place in Cornwall, Pines Way in Bath or Knox Court in Cardiff, Wales.

As alluded to above, the models and community sizes vary – between large-scale, purpose-built, smaller boutique models, 'institutional HMOs', office to co-living retrofits, rural co-living retreats and more – though the strings that pull them all together include the fundamentals of being professionally managed, high quality, flexible and community-oriented rental living.

Photo credit: Selgars Mill

Selgars Mill
Rural co-living
Devon

Photo credit: HUB | Bridges | JTP Architects

Pines Way (Planning Approved)
Mixed-use riverside community
Bath

Photo credit: GNM Developments

The Narrowhouse (Under Planning)
Energy positive co-living
Birmingham

Social Value of Co-Living

As noted in the introduction above, co-living can be understood as rental homes that foster social connection, neighborhood investment and environmental sustainability.

When designed purposefully and intentionally, with resident and local needs in mind, co-living can contribute positive social value – social, environmental and economic impact – to its residents and local communities.

The inherent practices of sharing space, resources and meaningful life moments that come with shared living enable pro-social behaviors that contribute to environmental sustainability, personal wellbeing and growth, social connection and collective engagement. Co-living can also provide a sense of safety, pride, comfort and identity amongst residents, which research from the Happiness Research Institute shows are fundamental emotions connected to feeling happy about your home.[16]

Resident interviews by Conscious Coliving at London coliving communities further evidences this.

In the big cities, **sometimes you feel so lonely,** but ... to find out like a place, that **feels like home,** and **people who feel like your family,** it's something very unique, and it's very hard to see right now. And that's one of the good things about living in a co-living, is like this **feeling of home, community** ... here you **feel that you belong.** Every single person belongs to this big community.

Fiona *UK co-living resident*

I've **definitely made some real friends here.** As with the nature of any of these things, sometimes you know, the relationships are just superficial and just out of convenience. But **I have genuinely met some really, really good people** ... and I'll **definitely keep in touch with them.**

Sam *UK co-living resident*

I was living at home, and it was a lot of the options were just not there in terms of affordability. I didn't want to live with roommates ... this was sort of like a **stepping stone in living alone independently.**

Amanda *UK co-living resident*

Every person in every single café knows me and knows my order, because I always go there, and **I know their names** and stuff. And it's very, very friendly. **Everyone is super friendly.** That kind of communal, community-ish vibe.

Jasmine *UK co-living resident*

What I love ... having lived alone for so long ... if something happens, there's someone downstairs... that in my mind, is such [a] relief, **as a single woman living alone,** it's those little things that just **give me a bit of kindness** ... There is that feeling here that I've never had when I've lived in just normal apartment buildings.

Jasmine *UK co-living resident*

I was **scared of moving to an apartment on my own** because I didn't know anyone. **I didn't know what was the safe area** [and] what wasn't. So I was searching for a co-living space ... It was mostly for the security of it, **not just as in security from invaders,** whatever, but security mentally as well. Just **knowing that I wouldn't be completely alone.**

Dilek *UK co-living resident*

These qualitative research interviews with UK co-living residents provide evidence that co-living can help residents feel more connected, safe and well. Further evidence from industry impact reports and data (shown below) from operators across the UK and EU show similar data on the impacts of community, positive social impact, alongside economic and environmental benefits.

In 2024, London-based co-living designer, developer and operator, Noiascape, had 100% retention beyond initial contract length and their longest current stay is 52 months for their apartments and 30-44 months for their studios (between 18-30m2). The average length of stay of their residents is 26 months for their apartments and between 18-23 months for their studios (same size as above).[17] Other co-living communities in the UK usually average between 10-12 months of average stay, and also experience relatively positive retention rates.

Residents at Noiascape – some who have been with them since 2022 – explained that the **community was their main reason for extending their stay:**

Renting with Noiascape is really easy because everything is included, you don't have to worry about anything. **We have a great relationship with everyone in the building** ... it makes a great community to be honest ... I did see this as a temporal place at the beginning of my stay back in 2022 ... but **it so quickly became my safe place here in London** .... so I was like, **yeah I need to extend.**

Noiascape resident

After moving to London alone, **living at Noiascape has truly made me feel like I have a home here.** In a city where it's rare to know your neighbours or have responsive landlords, the **sense of community, support and culture** at Noiascape has been a **major reason I've stayed for a year and a half** – and counting.

Noiascape resident

On a larger and more institutional scale, UK BTR developer and operator Moda Group recently reported delivering more than £1.2 billion in social value over the past decade, according to their latest ESG report. This includes £57 million in social value, £97 million in environmental contributions, and £1.1 billion in economic impact.[18]

[16] *Happiness Research Institute. (2019). The GoodHome Report. Accessible at: https://www.happinessresearchinstitute.com/post/happy-homes-report*

[17] *Noiascape operates approximately 100 studios and private apartments across its portfolio in London. This data was shared directly with Conscious Coliving by the Noiascape team for the purposes of this report.*

[18] *Moda Group. (2024). ESG Report 2024. Accessible at: https://online.flippingbook.com/view/172883606/*

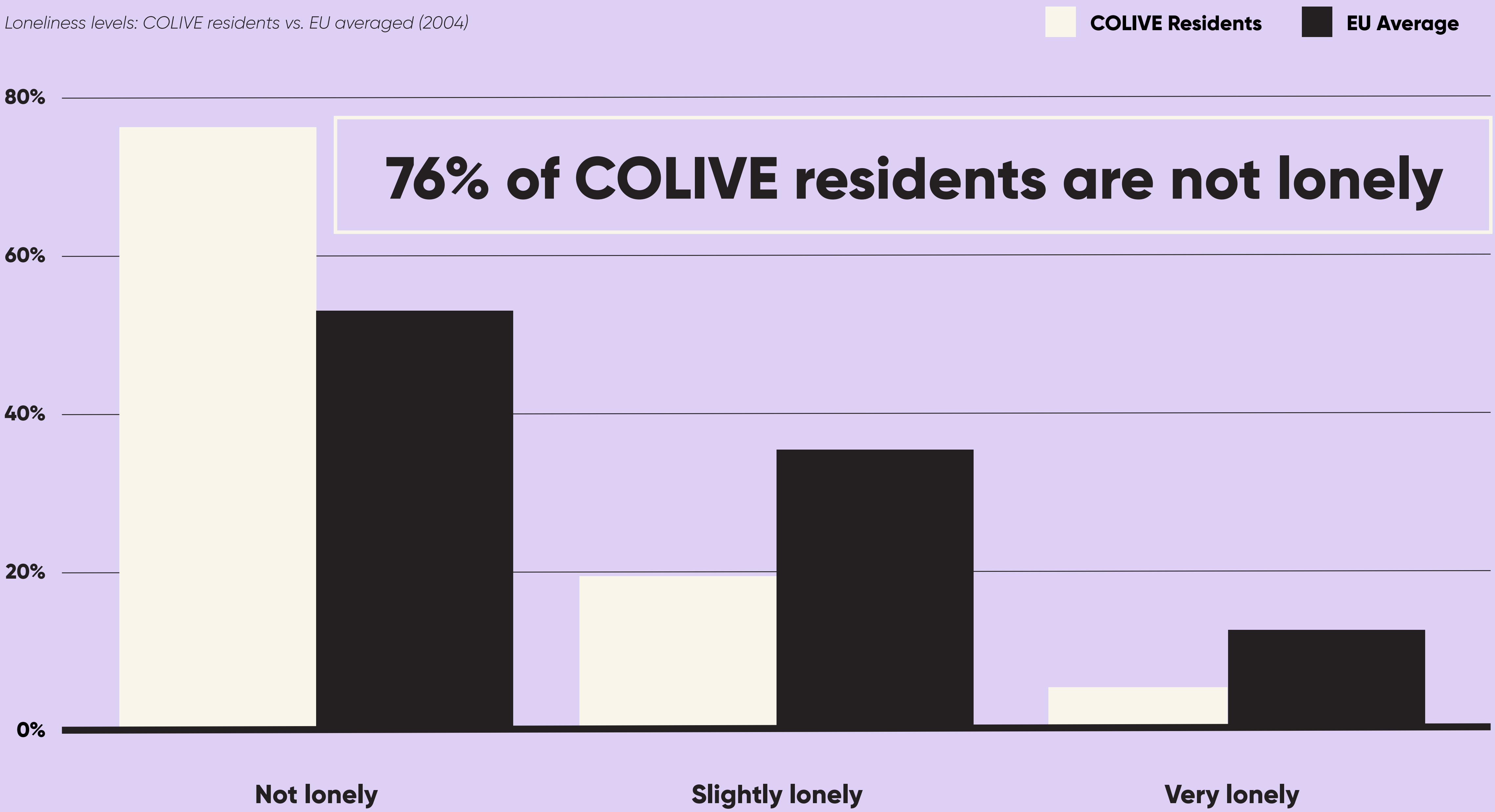
Levels of Connection vs Loneliness in Co-Living

In Q4 2024, Conscious Coliving worked with Swedish operator COLIVE to measure levels of loneliness and social connection in their co-living schemes.

A total of 333 residents were invited to take part in a survey about social connection in co-living, with 26% participating in the final survey.

The survey finds that co-living residents have significantly lower levels of loneliness when compared with EU averages.

Loneliness levels: COLIVE residents vs. EU averaged (2004)



76% of residents at COLIVE are not lonely (compared with EU average of 53%), 19% are slightly lonely (compared with EU average of 35%), and 5% are very lonely (compared with EU average of 12%).[19]

70% of residents agreed or strongly agreed with the statement "The people at my co-living community play an important role in my social life". This finding suggests that the lower-than-average levels of loneliness can be connected with the co-living schemes that residents live in (as opposed to friendships that residents have outside of their homes).

The survey also found that residents had an average of three friends[20] and ten casual acquaintances in their co-living scheme.[21] Both types of relationships are important to emotional wellbeing and a sense of belonging.[22]

In May 2025, La Casa, a French operator with over 55 homes and 3000 colivers throughout Paris and Lille, also reported just 7% of their residents feeling lonely, compared to the national French average of 53% of 18-34 year olds. 88% of their residents also feel that La Casa homes offer a better quality of life than traditional rental options at the same price.[23]

The facilitation of events, social initiatives and activities from on-site staff and residents themselves makes it so that co-living communities are spaces that enable higher levels of connection than most traditional rental options. Residents can choose to engage in events or have their own private spaces, making these facilitated moments of connection an optional but often significantly beneficial part of the co-living offer.

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[19] *European Commission, Joint Research Centre. (2024). EU Loneliness Survey. Available at: https://joint-research-centre.ec.europa.eu/projects-and-activities/survey-methods-and-analysis-centre/loneliness/eu-loneliness-survey_en*
**Note that loneliness levels are measured using the UCLA 3 Item Loneliness Scale.*

[20] *A friend was defined as someone you can count on, who brings positivity to your life, and with whom you share a cooperative bond, as defined by leading friendship researcher Lydia Denworth.*

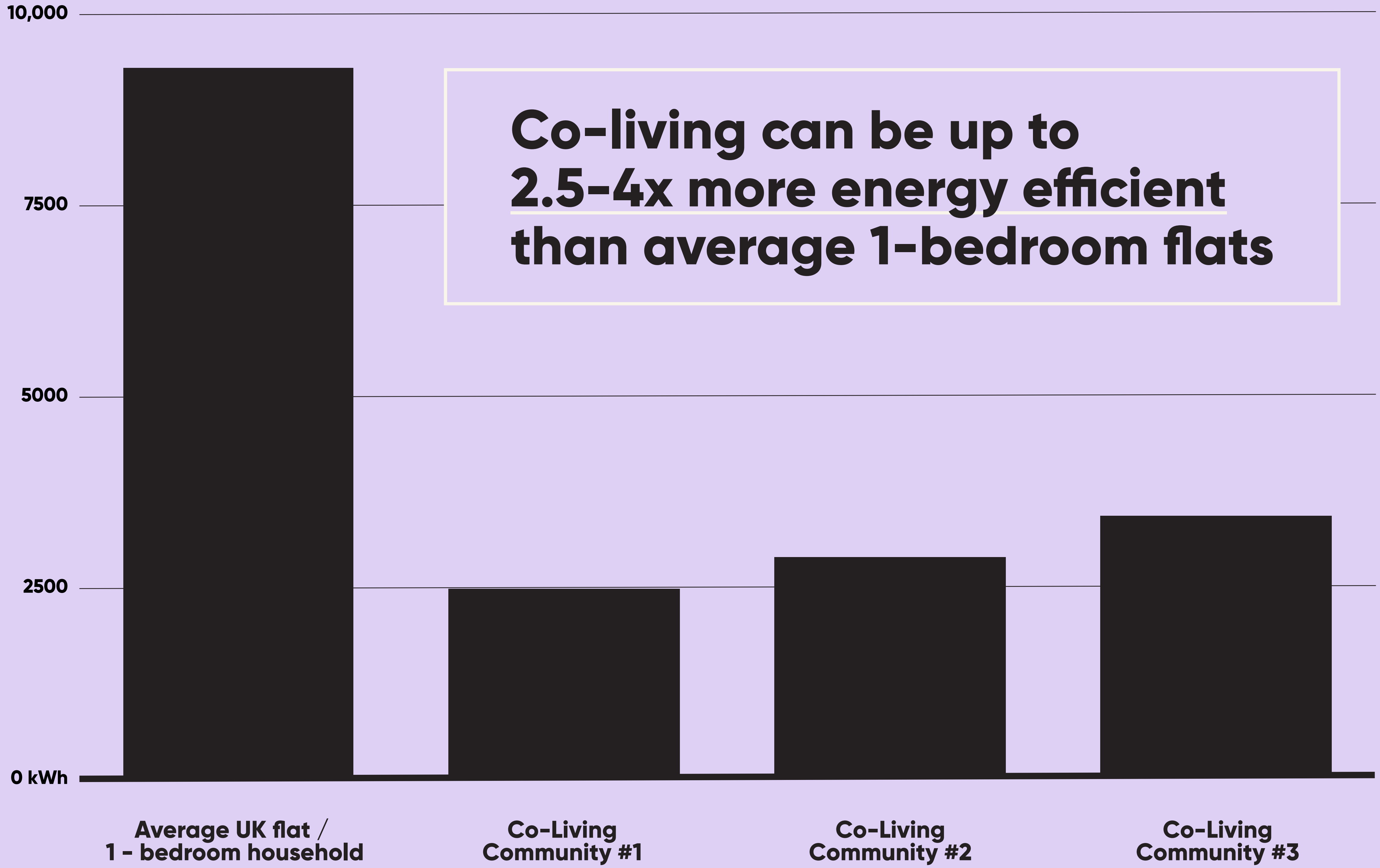
[21] *A casual acquaintance was defined as someone who you know a little bit, and can have friendly conversation, though your relationship does not have depth or emotional intimacy, as defined by leading friendship researcher Lydia Denworth.*

[22] *See, for examples: Holt-Lunstad, J. (2017). Friendship and health. The psychology of friendship, 233-248; and Sandstrom G.M., Dunn E.W. Social Interactions and Well-Being: The Surprising Power of Weak Ties. Pers Soc Psychol Bull. 2014 Jul;40(7):910-922. doi: 10.1177/0146167214529799.*

[23] *La Casa. (2025). Impact Report 2025. Available at: https://lacasa.io/en/impact/*

Energy Savings & Consumption

Energy Usage (per kWh per year per resident) in Co-Living vs Average UK Flat / 1-Bedroom Household



Co-living can be up to 2.5-4x more energy efficient than average 1-bedroom flats

Co-living schemes also demonstrate significant energy efficiency compared to typical UK rental options. Across three schemes analysed, annual energy use per resident ranged from 2,448 kWh to 3,456 kWh.[24]

This is approximately 2.5 to 4 times more efficient than the average energy use of a 1-bedroom UK flat (approximately 9,300 kWh per year across gas and electricity for 1–2 people).[25]

When compared to the UK national household average – which is around 2.4 people, so more people than a 1-person co-living studio – of around 12,000 kWh, the efficiency gains are even greater (3–5 times more efficient).

It is likely that key reasons for this greater energy efficiency are the high density of co-living schemes, along with the incentivisation for owners to create energy efficient buildings - given that due to the all-inclusive rents, owners foot the energy bills.

The use of technologies such as property management systems, community apps and energy benchmarking tools such as Utopi or resicentral can also help bring awareness to energy usage amongst PBSA, co-living and BTR residents and reduce emissions and energy costs.[26]

These findings reflect the compact private spaces, efficiencies of shared amenities, and optimisation around the centralised management of energy built into the co-living model.

24 *Per-resident energy usage was calculated by dividing total annual building energy consumption (including communal areas) by the number of studios (807), and adjusted for 6–10% double occupancy (based on operator data). These figures were then compared against UK national household averages (~12,300 kWh/year, based on 2,700 kWh electricity and 9,600 kWh gas), as well as 1-bedroom flat benchmarks (~9,300 kWh/year).*

25 *British Gas. (2025). What is the average energy bill in Great Britain? Available at: https://www.britishgas.co.uk/energy/guides/average-bill.html#caveat*

26 *Utopi. (2025). Yugo Smart Panel Heaters. Available at: https://utopi.co.uk/case-studies/yugo-2/*

Urban Regeneration & Local Impact

Co-living, as a form of housing with a unique blend of characteristics, has a particular potential to aid in urban regeneration. Through a co-living scheme's engagement with local communities, charities and businesses, along with its potential to provide discount market rent (DMR) housing, and draw or retain professionals to an area, it can contribute to the formation of mixed and inclusive communities whilst also enhancing a sense of place-based connection.

Co-living schemes have large communal areas, and it is common for some of these areas to be open to the public. These may include areas which are always publicly accessible while open, such as cafes, restaurants, bars, or coworking spaces; and 'flex' spaces which are occasionally made available to the local community, such as wellness and event spaces.

Co-living operators also run a roster of events, and while most events are aimed specifically at residents, some are also open to members of the public or the local community. Such events offer opportunities for integration between co-living residents and their neighbours, as well as an opportunity for local people to benefit from events which can promote health, culture, wellbeing, skills, and connecting with others.

For example, Folk Co-living, owned by DTZ Investors and operated by urbanbubble, have three co-living schemes in London and frequently leverage their spaces and resources for social impact at the neighbourhood level to enhance neighbourhood relations, and fulfil ESG goals for their investors and local authority partners.

Each of the three Folk sites has a local community partner which can use Folk event spaces for free. These include organistions such as Harrow Association of Disabled People and Share Community that support disabled people to live happier, healthier and more independent lives, and Carney's Community, which helps young people from Wandsworth and Lambeth facing disadvantage and exclusion by providing a supportive environment, and the skills and confidence they need to reduce reoffending and antisocial behaviour.

Throughout 2024, the free use of event space by Folk's local community partners had an estimated value of £20,225. In 2024, Folk also donated 135KG of food to local foodbanks, and held over 27 events which were open to the local community.

Another operator, Noiascape, designs, develops and operates their buildings through an integrated model that produces a shared living experience that is creative and social. Through Noia Social they host free cultural events at High Street House in Shepherd's Bush and in other locations across London. Noiascape focuses on supporting emerging talent, including both residents and local creatives, which enables grassroots culture to be experienced by residents and local communities that live around Noiascape buildings.

Noiascape provides their shared spaces for free so that the work of global creatives can be exposed to their residents and the local community. This process aims to create connection between their residents and the local community by building bonds, more togetherness, and less loneliness.

Photo credit: Noiascape

Photo credit: Noiascape

Photo credit: Noiascape

Noiascape cultural events open to residents and locals

Equivalent cultural spaces in London charge £600-£1000 per day, and based on their investments in free space, Noiascape have calculated that they have provided £48,000 per annum to date of direct investment in supporting grassroots culture and making it available to the public.[27]

Together, these examples illustrate how co-living can act as a catalyst for social value by channeling investment, space, and connection into local communities, and positioning shared living as a vital part of more inclusive, culturally vibrant, and resilient urban neighbourhoods.

Co-living can also play a significant role in the economic regeneration of local areas, not only by attracting urban professionals and key workers who may stay long-term and creating good quality local jobs, but also by contributing to affordable housing provision through on-site affordable homes, Discounted Market Rent (DMR) homes, or cash-in-lieu contributions. This is particularly significant as co-living currently represents one of the most viable sources of delivering affordable housing in the current market, helping address the growing affordability crisis in many UK cities.

With the potential of contributing to affordable housing provision, mixed-use communities and viability to investors and developers, co-living is ideally positioned to generate positive social value while responding to dire housing needs. In our best practices section we will give further examples of how co-living operators are contributing tangible and positive social, environmental and economic benefits to their residents and local areas.

[27] According to data from Noiascape, the £48,000 figure reflects an annual average over the past four years, representing the investment value of free space and human resources (in hours/time) provided for events, exhibitions, and talks. Cumulatively, this equates to £192,000 in direct support for grassroots culture accessible to the public in the last four years.

Resident Demographics & Needs

As core research partners of the WhyCo campaign and this report, we've collaborated with CBRE to produce the next sections on 'Resident Demographics & Needs' and 'UK Co-Living Supply & Demand'. The data and insights in these sections have been aggregated and anonymised from 5 prominent UK co-living operators (representing a collective portfolio of ~3,100 operational beds), statistics from Experian and ONS, and CBRE datasets.

WhyCo x CBRE

The long-term lifestyle and population trends explored in the previous section strongly indicate that co-living will have a sustainable role for UK housing, especially in central urban locations. This section specifically explores evidence for co-living demand, and data on the demographic traits of co-living residents.

While the demography of residents tends to vary by scheme, operator information has allowed us to offer a deeper look at who lives in co-living, and their motives.

The co-living proposition is not exclusive and is open to those of all ages. The vast majority (circa 85%) of residents are between the ages of 18-45 and so form the target demand pool, however there are often a good portion of residents in their 40s, 50s, and 60s indicating strong demand from all age groups. The occupants are a mix of nationalities, with circa 55% of residents from overseas, which does not surprise given the urban locations of the schemes. Students account for between 7% - 25% depending on location, owing to inadequate levels of supply of PBSA and significant demand in certain locations.

Professions vary, with residents working in diverse fields such as technology, design, marketing, sales and hospitality, while data from one operator found that 17% of employed residents held key worker positions. According to data received by UK co-living operators, resident tenures last between 10 months – 26 months on average.

This analysis demonstrates that residents come from a range of backgrounds, and that co-living is attractive to a wide array of potential occupiers.

Given the choice of accommodation options available it is useful to understand why these residents have elected to reside in a co-living scheme. People are drawn to co-living schemes for a variety of reasons, including: its relative affordability, well-connected locations, the ability to live 'alone' but meet new people and socialise, access to events and built-in community, the convenience of having bills and amenities included in one price, the sense of safety from having a building management team, and the high quality of buildings.

The post-pandemic era has also seen a shift in values among Gen Z and Millennials – co-living's primary demographic – toward greater emphasis on mental health, sustainability, and flexible work arrangements. Gen Zs and Millennials are deeply concerned about environmental sustainability, with around 60% feeling anxious about climate change recently and 64% willing to pay more for eco-friendly products. They also prioritise work/life balance and purpose, increasingly seeking flexible work options like part-time roles and four-day work weeks. Mental health amongst these demographics remains a challenge – only about half rate theirs as good, with 40% of Gen Zs and 35% of Millennials saying they feel stressed all or most of the time.[28]

With a range of events and activities focused on personal and professional growth, wellness, fitness and sustainability, co-living operators offer opportunities that respond to these key demographic concerns.

A unique selling point of co-living is also its relatively affordable and convenient pricing model, in which residents pay one fee which tends to include rent, council tax, bills, wifi, access to amenity spaces such as coworking, gyms and cinema rooms, and access to social events. When looking at the inclusion of bills, co-living schemes are on average more affordable than PRS accommodation by 7% and BTR accommodation by 14%.[29] This price differential will be larger when incorporating other included costs, such as gym fees.

The communal aspect and shared spaces in a co-living scheme are key selling points for the sector, and this is reflected in resident reviews. The Build to Rent Report 2025, from HomeViews in partnership with Rightmove, provides an overview of the BTR sector. The report revealed that BTR homes (including co-living) achieved record overall ratings for the year, with co-living being the highest rated sub-category. Co-living also obtained higher facilities and design ratings than pure BTR, indicating that the residents are satisfied with and use these facilities, and that operators are creating communal areas that are highly valued.[30]

[28] *Deloitte (2024). 2024 Gen Z and Millennial Survey: Living and working with purpose in a transforming world. Available at: https://www.deloitte.com/global/en/issues/work/content/genz-millennialsurvey.html*

[29] *Knight Frank (2024). The Co-Living Report 2024. Available at: https://content.knightfrank.com/research/2854/documents/en/co-living-report-2024-11304.pdf*

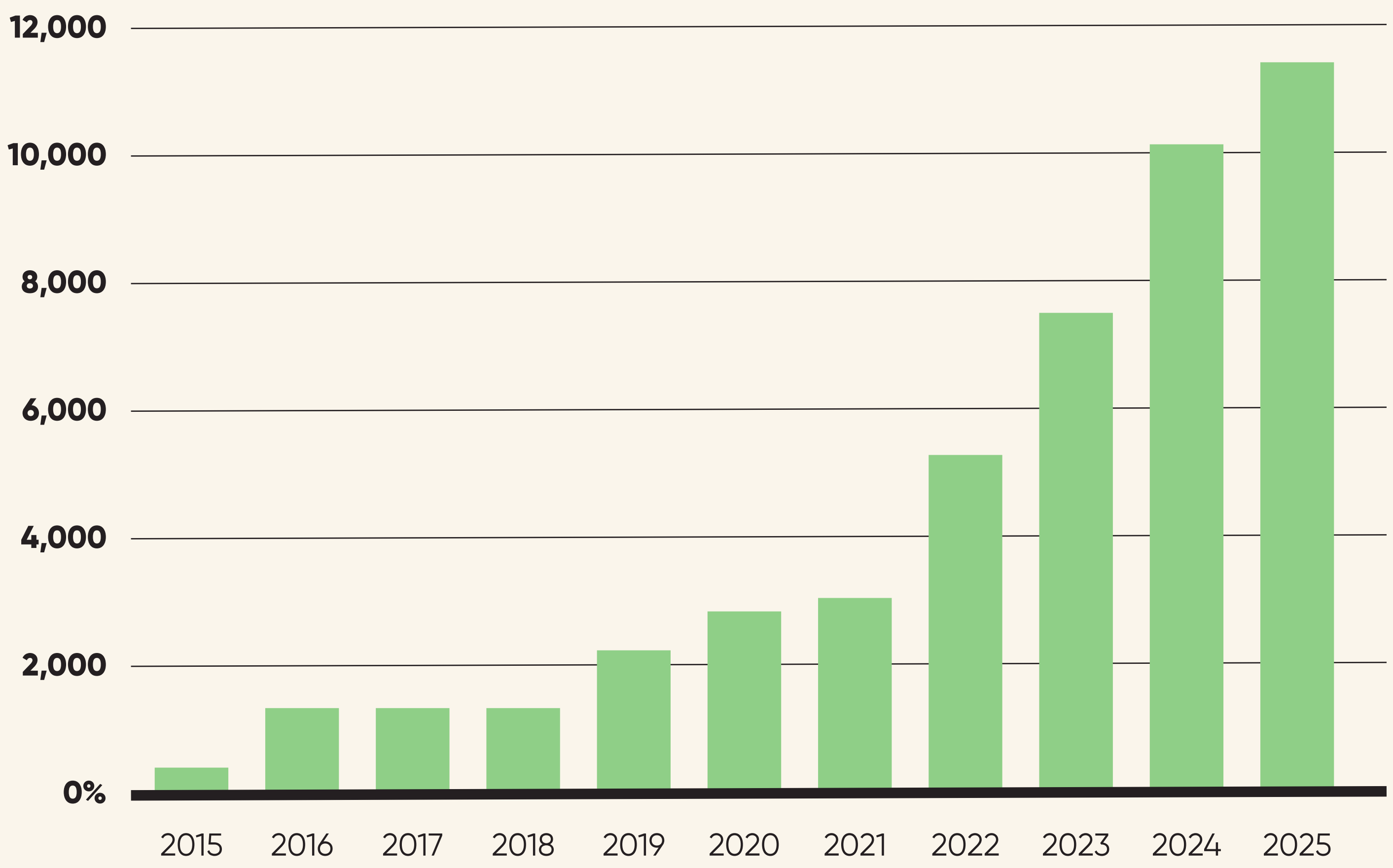
[30] *HomeViews. (2025). Build to Rent Report 2025. Available at: https://business.homeviews.com/build-to-rent-report-2025/*

UK Co-Living Supply & Demand

UK Co-Living Supply

Since the completion of the first operational co-living scheme in 2015, the sector has grown, now offering approximately 11,400 beds. Growth has accelerated in recent years—73% of these beds came online post-2022.

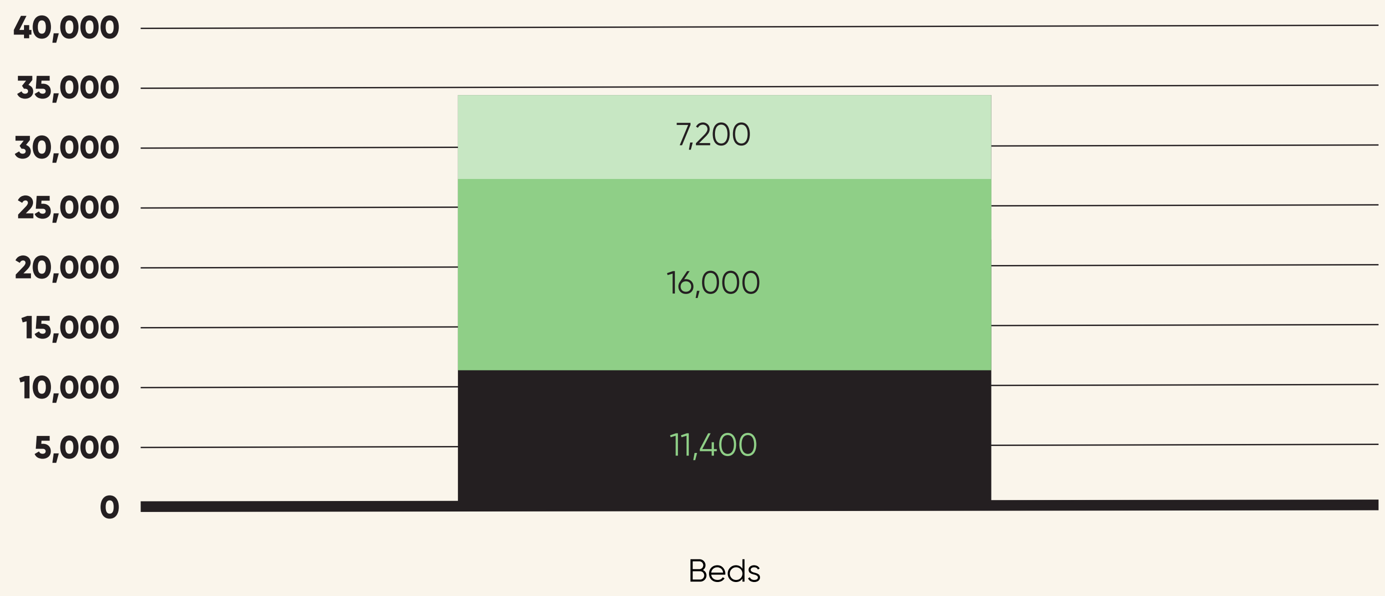
Operational Co-Living Beds



Source: CBRE, Local Authority Planning Portals Operational Beds

There is an active pipeline, with circa 16,000 beds with permission granted, and a further circa 7,200 beds with permission sought, totalling over 23,000 beds in the pipeline.

Co-Living Beds by Status



Source: CBRE, Local Authority Planning Portals Operational Permission Granted Permission Sought

London is a key location for co-living accounting for 55% of the UK's operational supply, supported by strong fundamentals. Its dominance is underpinned by a large renter pool, a high graduate retention rate, decreasing traditional renter stock and planning guidance for local authorities recently drafted. There are operational schemes in 13 of the 33 London local authorities, with the majority concentrated in just five: Tower Hamlets, Brent, Wandsworth, Croydon and Ealing.

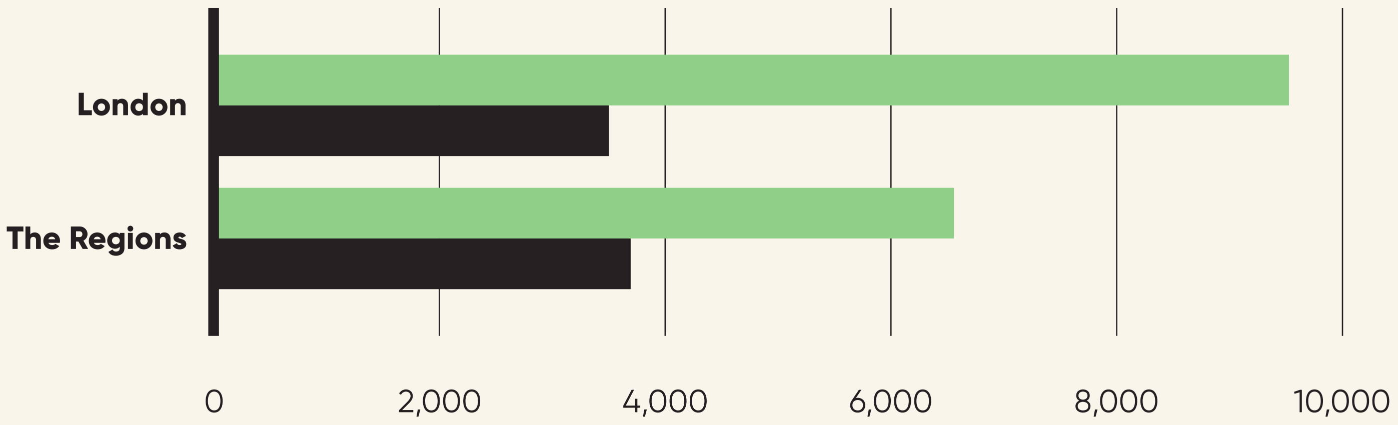
Manchester is emerging as a regional hub for co-living. This city has the second largest concentration of operational supply in the UK, including Downing's Square Gardens, one of the largest co-living developments in the UK. Outside of London and Manchester, no other UK location currently exceeds 500 operational co-living beds, indicating a clear preference for development in these two major urban locations at this sector's early stage.

Operational Co-Living Beds - London and The Regions

Source: CBRE, Local Authority Planning Portals Operational Beds

London will continue to be the key market for co-living development accounting for 56% of beds currently with permission granted and sought. However, regional interest is growing, with pipeline schemes emerging in cities such as Sheffield, Salford, Birmingham and Glasgow – which with the exception of Birmingham are currently without any operational co-living. This signals a potential shift in the geographic spread of the sector. Success in these regional markets will hinge on a deep understanding of local renter demographics, as micro-locational demand drivers are critical.

Co-Living Beds - Status Type - London and the Regions

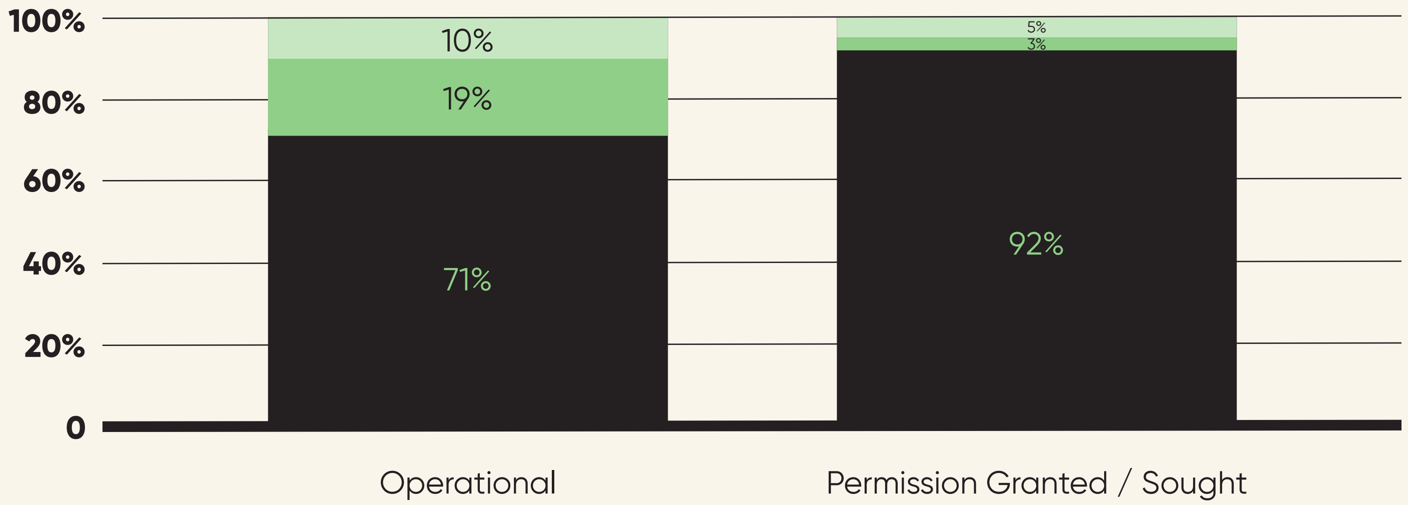


Source: CBRE, Local Authority Planning Portals

Permission Granted **Permission Sought**

The majority of schemes to date have been developed under the sui-generis use class designation, accounting for 71% of current schemes. As the sector has evolved, it is clear that the established use class for co-living is sui-generis, accounting for 92% of schemes with either permission granted or sought. This indicates a clear preference for the more residential led sui generis scheme model rather than the C1 / C3 model which includes hotels, and boarding and guest houses. This is also expressed in the Mayor's Large Scale Purpose Built Shared Living Guidance (2024).

% of Co-Living Schemes by Use Class

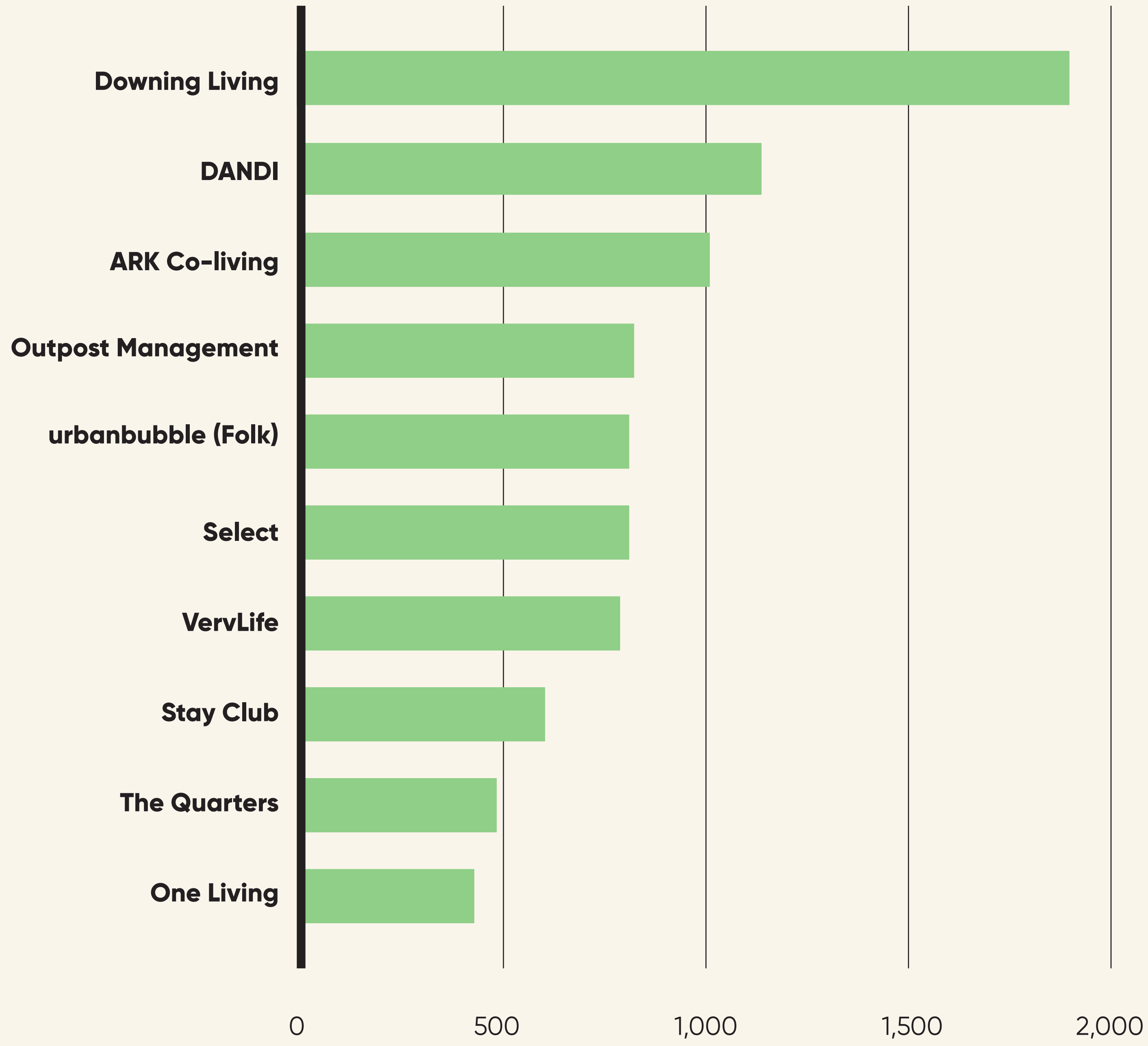


Source: CBRE, Local Authority Planning Portals

Sui Generis **C3** **C1**

There are currently 28 operators in the co-living sector, with the majority of these (20 operators) with just the one scheme, ranging in size from boutique 16-bed developments to large-scale projects like Downing Living's 1,894-bed scheme in Manchester. The top ten operators account for 77% and the top five operators account for 50% of operational beds respectively, indicating a high level of concentration and specialism in operating co-living. An active pipeline suggests more operators are looking to enter the market, while those current operators with multiple assets may benefit from operational efficiencies and brand recognition as the sector evolves.

UK Operators with the Most Operational Beds



Source: CBRE, Local Authority Planning Portals

Operational Beds

While London accounts for over half of the operational supply and pipeline, other locations with positive demand / supply dynamics have been and continue to be of interest. The sector is growing, however it is still nowhere near to the scale of the demand pool of single renters.

UK Co-Living Demand & Geography

Since its emergence in 2015 (with the completion of The Collective Old Oak, which then opened in May 2016), the UK co-living sector has grown rapidly, with London firmly established as the epicentre of activity. London's large population of young, privately renting singles and homesharers, high graduate retention, and significant foreign-born population create ideal conditions for co-living to thrive.

Demand for co-living remains under-served. With an estimated potential market of around 3.7 million individuals nationwide,[31] current supply falls far short. This is evidenced by consistently strong lease-up rates, with many schemes fully let within three to six months—or even pre-let entirely before opening.

The demographic profile driving this demand is clear: urban locations with a high proportion of 18–45-year-olds, strong rental markets, large student populations, and high levels of graduate retention are key.

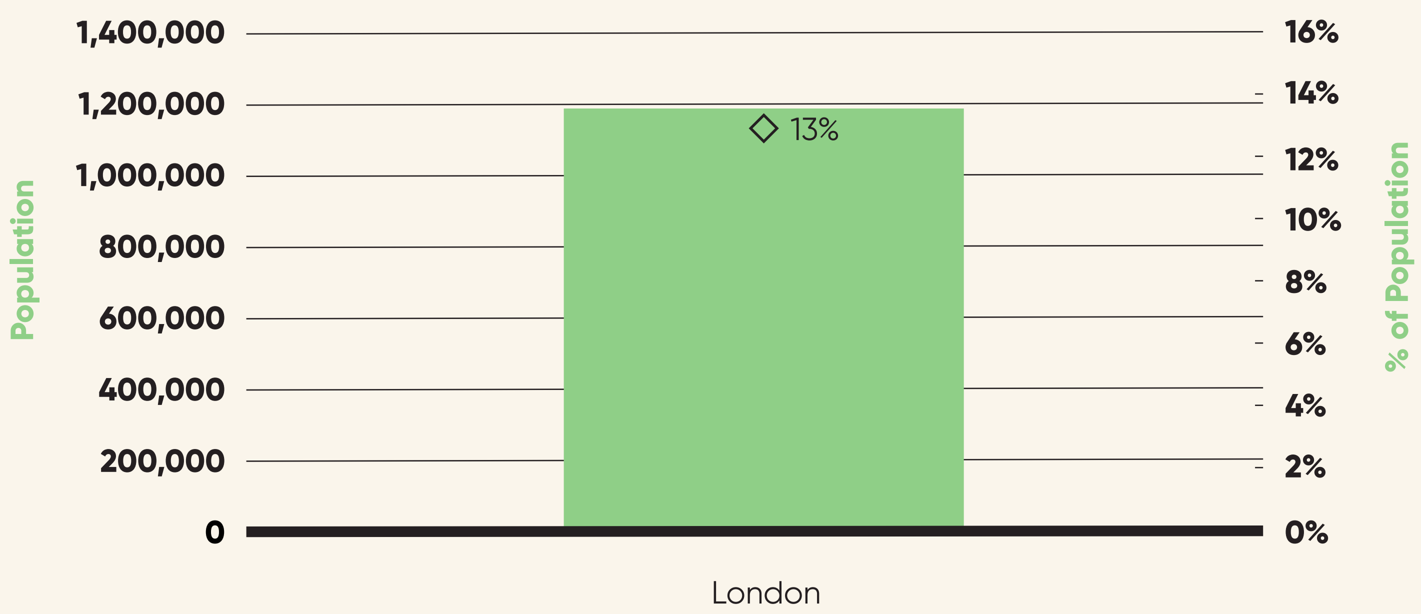
The demographic profile of London strongly aligns with the target market for this sector, while schemes have opened in other major cities such as Manchester and Birmingham, and are planned for Sheffield and Glasgow, among others. Commuter towns with strong transport links and employment opportunities also exhibit strong demand characteristics, such as Woking, Guildford, and Watford.

We have looked at locations which meet the above criteria, and which are also the subject of interest on the part of co-living investors and developers.

The 'Rental Hubs' demographic segmentation, summarised as "educated young people privately renting in urban neighbourhoods", are a likely target market for the sector. While 8% of the UK population are classified as belonging to this category, locations of interest have a rental hub population greater than the UK average, from 13% in London to 27% in Manchester. The graph below shows that 13% of the London population is classified as belonging to the Rental Hub socio-economic group, equating to circa 1,200,000 people.

[31] Based on Experian data for 2023, number of singles and homesharers + others privately renting aged 18 - 45

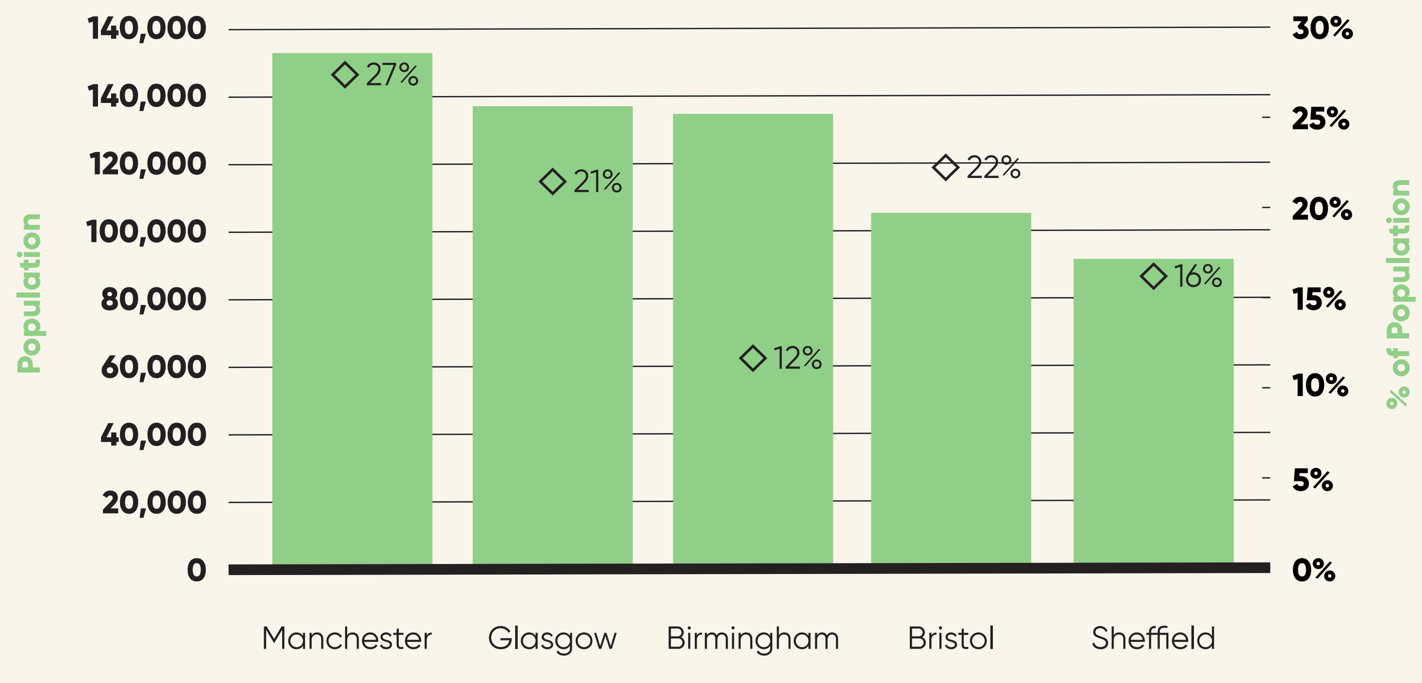
Rental Hubs in Primary Co-Living Locations (London)



Source: Experian

Rental Hubs Population ◇ Rental Hubs

Rental Hubs in Primary Co-Living Locations (Regions)

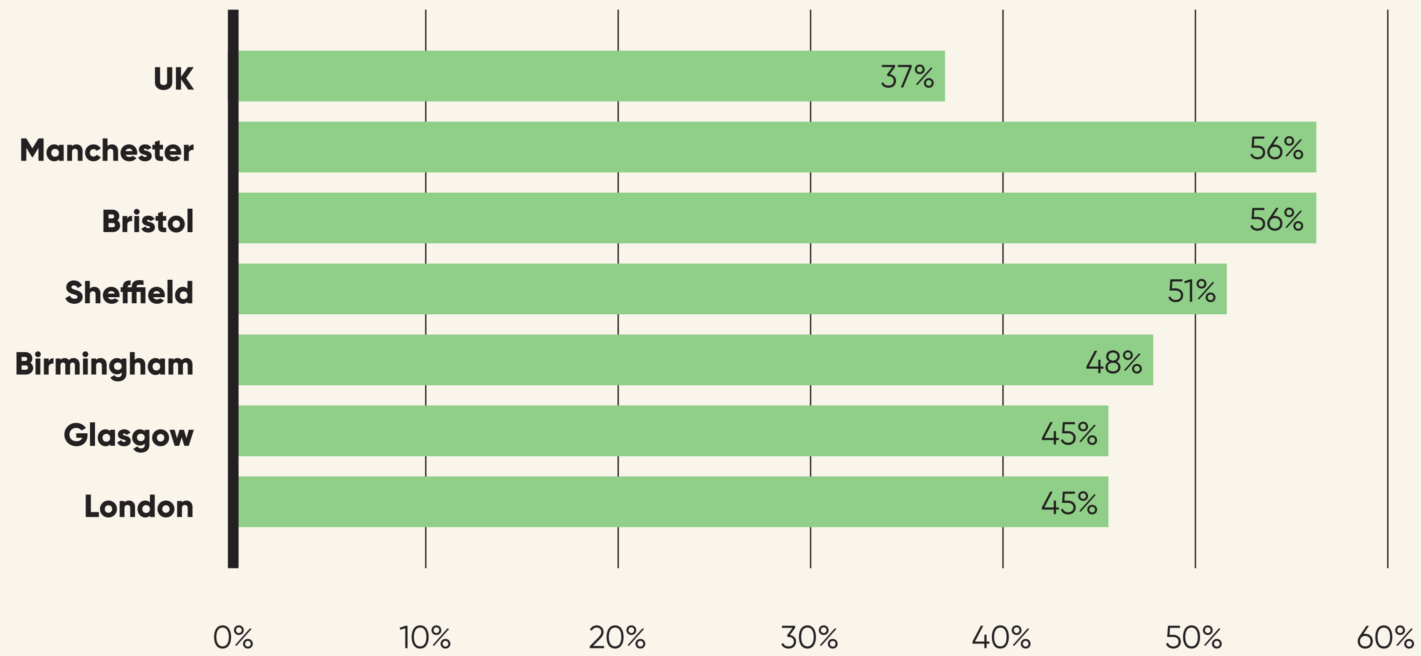


Source: Experian

Rental Hubs Population ◇ Rental Hubs

Co-living demand is strongest in areas with high concentrations of singles and homesharers aged 18–45 in the Private Rented Sector (PRS). Nationally, this group makes up 37% of private renters, but the share is significantly higher in key cities: 45% in London (around 950,000 people), 56% in Manchester (approx. 128,000), and 48% in Birmingham (around 100,000).

Singles and Homesharers Ages 18-45 as a % of all PRS



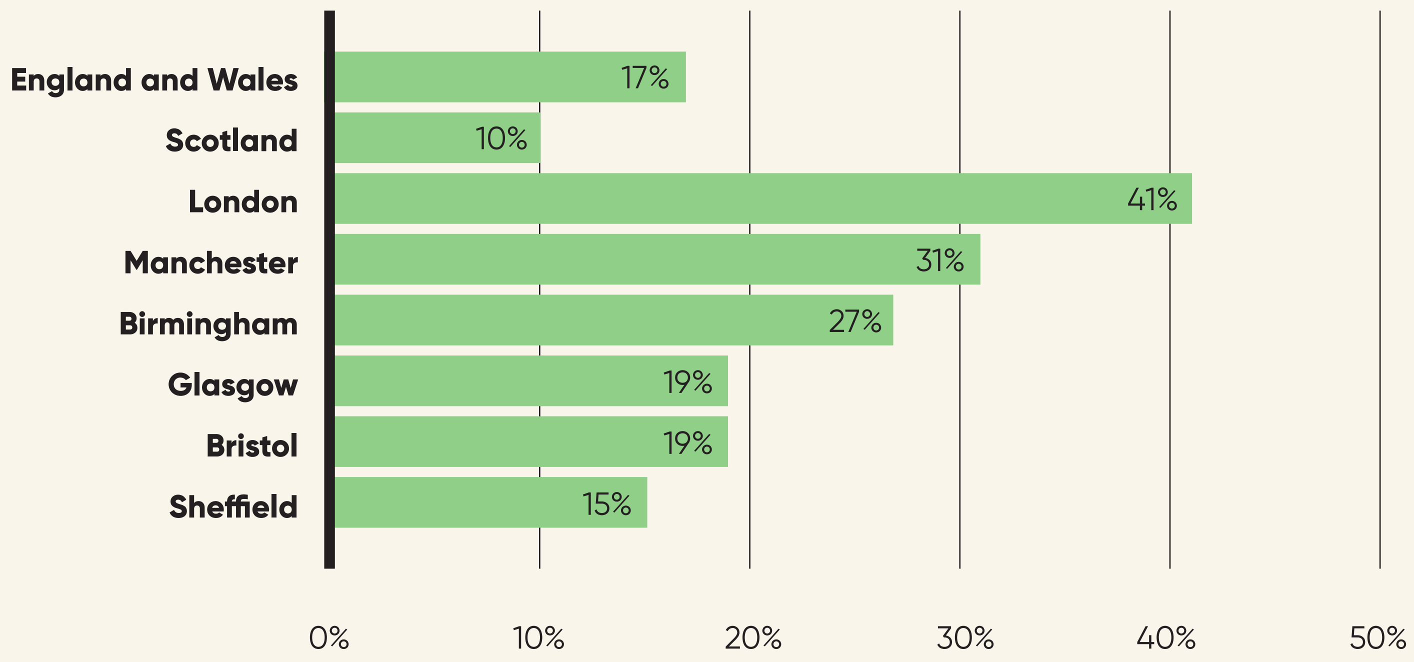
Source: Experian

Singles and Homesharers Ages 18-45 as a % of all PRS

Co-living schemes have also proved popular with students, owing to inadequate levels of supply of PBSA and significant demand in certain locations. Locations with a sizeable student population, such as those already mentioned, could prove suitable destinations for a co-living scheme. These cities boast high graduate retention rates, and many graduates familiar with PBSA-style living may find co-living's professionally managed model, similar amenities and layouts appealing. That said, in several notable schemes surveyed, students make up a small proportion of residents (on average less than 10% of residents).

Data collected from operators indicates that there is a high share of non-UK citizens in their communities. Locations with a high foreign-born population would especially offer a suitable target market for the sector. As of 2021, 41% of London's population were born overseas, while Manchester (31%) and Birmingham (27%) also exhibit high levels of this target demographic.

% of Foreign Born Population
(England and Wales 2021 / Scotland, Glasgow 2022)



ONS Census 2021, Scotland's Census 2022

Foreign Born Population

UK Cities with the Greatest Potential for Co-Living

There are various factors affecting the demand and need for co-living. We have explored the target demographic, and cities which align with this offer the greatest opportunity for the sector to establish and grow. Other demographic factors include an increasing population and household numbers, and an expanding private rented sector. High housing costs, and lack of accommodation options, such as fewer houses of multiple occupation (HMOs) and a decreasing availability of studios and one-bed flats on the open rental market also indicate a potential need for co-living.

Locations with a large PRS indicate a need for increased and varied renting options. Many major cities have a greater than the nationwide average proportion of households living in the PRS (18.5%), such as London (27.6%) and Manchester (31.3%), and so co-living could prosper in these locations.

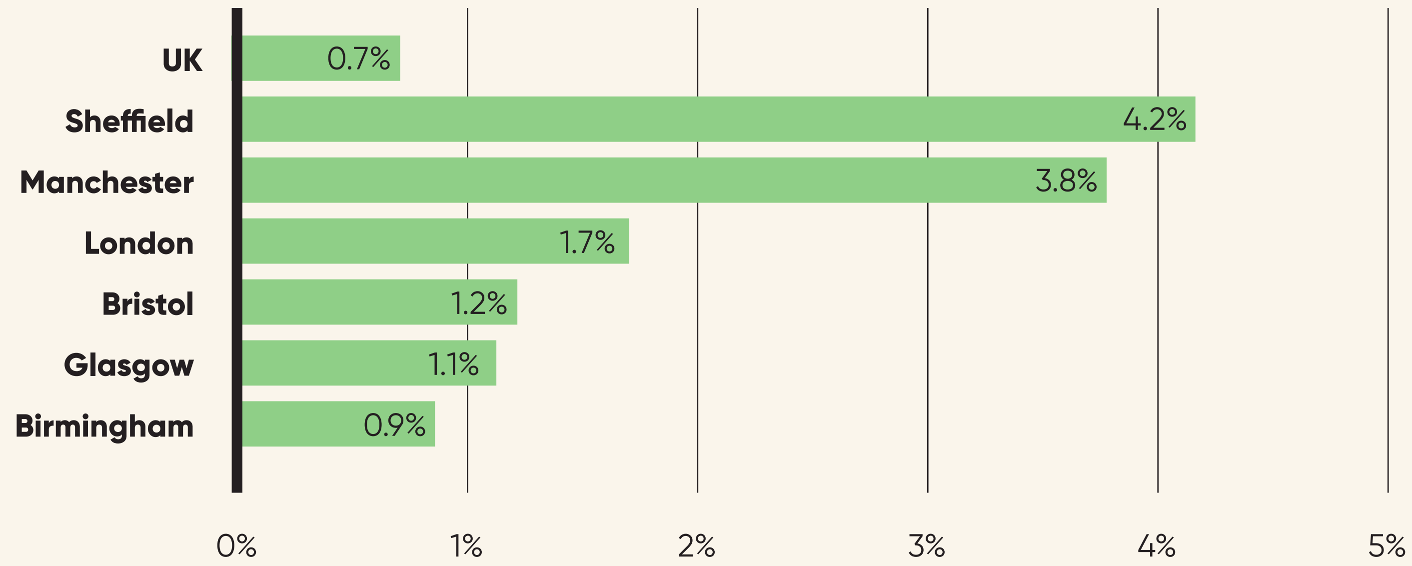
The number of HMOs, which traditionally have housed large numbers of the target demographic for co-living, has also declined in many locations and throughout the UK. Over the five years from 2019 to 2024 the provision of HMOs in England decreased by 8%. This is particularly notable in London, where there are circa 39,500 fewer HMOs over the 5-year period, a 21% decrease. Manchester has experienced a 17% decline, some 1,000 properties, while other cities such as Glasgow have experienced an 8% decrease, greater than the Scotland average of -2%.[31]

Co-living schemes are designed for single people, primarily offering studio led accommodation. As well as HMOs, the target demographic also favour single person accommodation such as studios and one-bed properties. The number of available studio and one-bed properties in the UK has declined by 30% over the 4-year period to May 2025, based on an analysis of rental listings by REalsye. This also holds true for many of the cities where we are seeing co-living investment and development. Co-living can help address the shortage of supply of more traditional accommodation options in these locations.

The chart below looks at supply / demand imbalance in target locations for co-living development, and throughout the UK. On the supply side both operational schemes and those in the planning process (permission granted and sought) are considered, while the target market is defined as privately renting singles and homesharers aged 18-45. Even accounting for future levels of supply, the market remains hugely under-served.

There is a great opportunity for this sector to expand. London, as a key market for co-living, shows current and future supply will only cover 1.7% of the target demand pool in the capital. In all the locations we have considered, no more than 4.2% of the demand pool would be able to live in a co-living scheme should all pipeline schemes become fully built-out. All of these cities have the potential to accommodate co-living schemes, while other cities which exhibit similar characteristics could also be suitable.

Co-Living Operational and Pipeline Beds as a % of the Target Market



Source: CBRE, Local Authority Planning Portals, Experian

% of market covered

Co-living has strong potential to establish itself as a mainstream housing typology, particularly in urban areas with large populations of young renters, international residents, and high graduate retention. London remains the dominant market, though investor interest is growing across regional hubs like Manchester, Birmingham, and Sheffield. With decreasing availability of HMOs, studios, and 1-bed properties on the open rental market, and sustained demand from 18–45-year-olds, co-living is well positioned to offer a flexible, community-driven alternative for modern renters.

[31] *Ministry of Housing, Communities and Local Government (2024). Local Authority Housing Statistics data returns. Available at: https://www.gov.uk/government/statistical-data-sets/local-authority-housing-statistics-data-returns-for-2023-to-2024*

Barriers to UK Co-Living

Despite growing interest in co-living as part of the housing solution, and positive policy changes including the Greater London Authority's Policy H16, the sector faces a range of persistent barriers across planning, investment, and regulation. These still include various planning hurdles, limited examples of forward funding, reputational concerns, and fragmented or inconsistent data reporting. Addressing these challenges is essential to unlocking the full potential of co-living and supporting its long-term viability and success in the UK housing market. Based on interviews with over 40 industry stakeholders, we've identified the following barriers to a more supportive environment for the UK co-living

1 Misconceptions around Resident Demographics

A persistent barrier to co-living adoption is the misconception that it caters solely to students, recent graduates or short-term renters. This outdated view undermines its acceptance as a long-term housing solution. In reality, co-living serves a diverse resident base, including young professionals, key workers, and even older individuals navigating life transitions like divorce. Better data – such as data provided in the sections above – and storytelling are needed to reflect this evolving resident profile.

2 Perceived Market Saturation

Our interviewees expressed that in some local authorities, planners express concern that there is already 'too much' co-living, despite limited evidence of actual oversupply. These perceptions often stem from a lack of detailed pipeline data or misunderstandings about the actual demand for co-living in their boroughs. Clarifying what constitutes high-quality, need-based co-living could shift attitudes and better align supply with local housing need.

3 Planning Risks & Delays

Planning remains one of the most significant hurdles to co-living delivery, with long timelines, inconsistent policy interpretation, and under-resourced councils slowing progress. Uncertainty around use-class, affordable housing obligations, and newer mechanisms like the Gateway process further complicate delivery. Greater policy clarity and better dialogue with local authorities could help de-risk the process.

4 Investor Hesitancy & Limited Deals

While investor interest in UK co-living is growing, many remain hesitant due to the lack of mature forward funding models and limited track record. Most schemes today are delivered through JV partnerships or direct development, rather than institutional capital. To change this, the sector needs more transparent data on lease-up rates, occupancy, yields, tenant retention, demographics and other reliable data which would help prove demand, stability and returns.

5 Brand Image & Potential Reputational Damage

There is concern among planners and policymakers that some developers are using co-living as a 'viability optimisation exercise': pushing schemes through planning and then exiting or switching operating models post-approval. This and other planning applications that lack a strategic approach have created reputational risk for the sector. Addressing this requires clearer commitments to long-term ownership, operational integrity, and responsible development that is contextually appropriate – not a one-size-fits-all solution.

6 Lack of Data Sharing & Consistency

A major challenge in the co-living and wider real rental sector is the lack of accessible, standardised data. Information is often fragmented, inconsistently reported, or locked within internal systems, making it hard to benchmark key metrics like yields or occupancy. Additionally, trust in data quality remains low, with lack of transparency about how data is being collected and assessed. Addressing this will require better industry-wide collaboration, standardisation, and the use of tools that improve data transparency and reliability.

7 Exclusion from Local Policy Plans

Many local authorities still do not include co-living in their Local Plans or Housing Needs Assessments, meaning the typology is often excluded from long-term strategic planning and site allocation processes. This absence makes it harder for developers to demonstrate need, gain policy support, or access public land opportunities, placing co-living at a structural disadvantage compared to more traditional housing models. As a result, co-living continues to be treated as an outlier rather than a recognised part of the housing mix.

8 Lack of Balanced Housing Delivery Approach

There is growing concern that co-living is being positioned in competition with other residential typologies, particularly C3 and PBSA, rather than as part of a diversified housing strategy. Stakeholders argue that a cross-sector approach is needed to ensure C3 housing remains deliverable and attractive, while still enabling co-living and BTR to play a complementary role. Without this balance, there's a risk of creating unintended distortions in planning decisions or under-delivery of certain housing types.

Hear from the experts

Development and community experts re:shape on reputational risks:

I think for developers, as of today, **they may unfortunately see co-living as the solution to the viability problems** that they have on their existing pipeline stock. You will find a lot of residential and PBSA developers who are **looking to pivot into co-living** – only because they feel that co-living will drive a high residual land value and development value … unfortunately, that's probably not going to be the case. I think **co-living is very, very location sensitive.** And even though your appraisal might say it would work, is there actually a possible exit? Is there actually a funder and operator that will take that location? I suspect there's going to be a lot of consents for co-living, **unfortunately that may not be delivered,** similar to the fact you have a lot of BTR consents that currently are not being delivered in the tough market.

Jermaine Browne
Partner & Co-Founder
re:shape | ARK Co-living

Funding experts Bridges on planning risks and investment strategies:

We have and will continue to **be considered about where we invest** in co-living. In London, there are a number of boroughs that aren't yet supportive of co-living, or where their approach is not clear … So when we look at where to invest and bring forward co-living, we do an **extensive amount of screening** with planners and political consultants to understand the local authority's perceptions on co-living. As investors, we don't have the ability to invest in boroughs where we would need to wait for local authorities to change their perceptions. Ultimately for us **we invest in local authorities that are supportive** of co-living already. But we would **always welcome** the opportunity to talk to authorities who want to understand more about the benefits this type of housing would bring to their local area.

Celia Harrison
Investment Director
Bridges Fund Management

Legal and planning experts Shoosmiths on the cost of planning risk:

A lack of a clear planning position for co-living has **made investors and developers nervous**. This, combined with **wider legislative developments** – including the Renters Reform Bill and the evolution of the Building Safety Act – has created a **complex environment** that is impacting viability. While often the go-to route for bringing schemes forward, the current classification of co-living as sui generis adds further uncertainty, with proposals typically assessed on a case-by-case basis by local authorities. **Without a recognised national use class** or permitted development route, the sector continues to face challenges in scaling with confidence. The introduction of the GLA's new London Plan guidance under Policy H16 has added much-needed clarity around co-living. However, even within the Capital, there **remains inconsistency** in how schemes are interpreted and assessed at borough level. That's why it's critical that **national planning policy provides clear, consistent guidance** – giving developers and investors the certainty they need to bring schemes forward.

Matt Nixon
Planning Legal Director
Shoosmiths

Architecture experts Assael on risks of poorly designed co-living:

I think from an investment perspective, a lot of developers still don't know how to value co-living, especially from an exit point of view. There **have not been many traded co-living assets,** so developers **don't know the ultimate value of those schemes.** It's also important to understand the operational costs of these assets and the design needs to consider this at every stage. There is a growing nervousness from planners when they can't guarantee the quality of the schemes … and it's quite **hard to control this quality during the delivery** and equally the management of the building. That's the big nervousness from planners … that you permit a co-living scheme that then turns into an unmanaged HMO, basically private units, **without the amenity being managed** and being available to all residents. We understand this nervousness which is why it is important to work with clients who truly understand co-living and its benefits to avoid these assets **going in a negative direction.** It is time for the planning departments to start to listen to the residents who live in these amazing places to understand what they can offer to their communities.

Tim Chapman-Cavanagh
Director
Assael Architecture

Co-living valuation, investment and transaction advisory CBRE on industry challenges:

Co-living represents a professionally managed, high-quality housing solution tailored for single private renters. Through our engagement with major developers and investors actively exploring this space, **we've observed a steady rise in interest** in the co-living sector. However, many remain cautious primarily because the predominant route to market is still through direct development, which carries inherent risks. As a result, **core capital tends to be conservative**, while more value-add investors and developers with strong balance sheets are more active, viewing co-living as a compelling opportunity and a **meaningful part of the solution to the UK housing crisis**. However, challenges remain, particularly with navigating the planning process. In areas where local authorities have been unfamiliar with the co-living model, there's often a need to guide them through the living concept and its benefits. Providing clarity on what co-living is and how operators aim to efficiently manage these buildings, helps to break down the potential disconnect of what local authorities understand co-living to be versus what it is. A key part of this conversation has been **demonstrating to local authorities the long-term commitment of operators,** not just to the physical assets, but to the communities they serve. Successful co-living developments thrive when **operators are embedded in the local fabric**, creating vibrant, sustainable communities that benefit both residents and the wider area. In addition to the above, **addressing affordable housing requirements needs careful thought** regarding tenure and onsite provision versus payment in lieu. Not every scheme is capable of meeting a fast-track route which creates delays in the viability process and generates section 106 review mechanisms which can constrain capital investment. This creates ongoing pressure to project delivery. Notwithstanding, **co-living remains one of the strongest living uses** in which affordable housing provision and contributions can be made.

Jonathan Allen
Director, Land and Development
CBRE UK

Property agents Harris Associates on the education journey of co-living:

What's interesting about co-living is how far the sector has come in such a short time. It's **been through an educational journey,** challenging misconceptions, clarifying what co-living really is, and broadening understanding of who it serves. It's not just for recent graduates; **it's for people of all ages who value community,** convenience, and flexibility. **Now, we're beyond theory.** There are thriving schemes we can walk investors and developers through - places where it's clear why people choose to live there and how these buildings create vibrant, purpose-built communities. This has been transformational in shifting perceptions. **Institutional capital is already in the sector:** the question now isn't how we engage it, it's how we unlock more of it, and how we scale in a way that **maintains the integrity and positive impact** of the product.

Jenna Harris
Head of Co-Living
Harris Associates

UK Co-Living Best Practices

Best practice in co-living design and delivery involves a thoughtful blend of human-centred design, streamlined operations, long-term ownership, and proactive engagement with planners. Successful schemes are embedding co-living within mixed-use masterplans, integrating affordable housing on-site, and fostering local partnerships through Community Investment Programmes. Office-to-residential conversions offer a sustainable route to scale, while data-informed amenity and FF&E design and well-trained on-site teams ensure a high-quality resident experience. Early engagement and education of planning authorities, alongside long-term stewardship, are key to building trust and unlocking more co-living delivery.

1 DMR On-site vs Payment in Lieu

Delivering DMR units on-site, rather than through payment in lieu, can enhance access to affordable housing in high-demand areas, directly benefiting key workers and supporting mixed-income communities. Locating these units in central areas contributes to local economic vibrancy and placemaking goals. Projects like Folk's Sunday Mills and HUB's Yardhouse demonstrate how well-located DMR units can reinforce social infrastructure and promote inclusive regeneration.

2 Mixed-use Communities

Embedding co-living within wider mixed-use developments – alongside BTR, PBSA, affordable housing, and later living – supports diverse housing needs and resilient neighbourhoods. Projects like DTZ's Brent Cross Town and HUB's Pines Way illustrate how multi-tenure masterplans can activate ground floors, enhance intergenerational living, and create cohesive communities. This also enables a broader range of residents to access well-located, high-amenity urban environments.

3 Community Investment Programmes

Collaborations with local councils, NGOs, and community organisations strengthen the social impact of co-living schemes. Operators like Folk and re:shape have launched Community Investment Programmes focused on education, youth support, food security, and more. These initiatives foster deeper local integration and help position co-living as a social value contributor to place-based regeneration.

4 Office-to-Co-Living Conversions

Converting underutilised office buildings into co-living schemes offers a low-carbon, adaptive reuse strategy that supports inner-city housing supply. With optimal floorplates for studio-led layouts and embedded infrastructure, these buildings are well-suited for transformation. Examples like HUB's 150 Minories and Amro's The Rex show how such conversions can deliver vibrant residential communities while preserving embodied carbon.

5 Thoughtful & Data-Driven Design

Successful co-living requires design that balances personal comfort with community interaction. This includes well-sized, customisable private units, flexible communal areas like shared kitchens or coworking spaces, and amenities informed by resident usage data. Avoiding over-engineered or niche features (e.g. golf simulators) ensures spaces meet real needs and enhance the resident experience. Interior designers and architects specialised in the living sector such as Assael and The Furniture Practice are leading the way when it comes to resident-led and wellness-focused design.

6 Operational Excellence & Community Experience

The day-to-day experience of co-living residents hinges on high-quality operations and well-trained staff. Research from Folk highlights the crucial role on-site teams play in fostering community, responding to issues, and shaping the overall living environment. Investing in staff training and service culture is vital for ensuring resident satisfaction, retention, and scheme performance. A strong user and community experience (UCX) in co-living is really the core of well-managed and impactful shared living operations.

7 Proactive Engagement & Education for Planners

Engaging planners early and consistently is essential for overcoming misconceptions around co-living. Site visits, walking tours, and in-person briefings – such as those hosted through the WhyCo campaign – can demystify the model and help local authorities better understand design, operations, and resident profiles. This kind of education builds trust, reduces planning friction, and supports more informed decision-making. Collaborating with planning officers and policymakers early on can ensure that co-living communities support the needs of local communities and planning guidance.

8 Long-Term Ownership & Operational Integrity

To build trust with planners and communities, developers should demonstrate a long-term commitment to owning and operating co-living schemes rather than flipping assets post-planning. Several interviewees noted reputational concerns around schemes being approved as co-living but later shifting models. Clarity on ownership, operational strategy, and ongoing community engagement helps mitigate resistance and shows co-living as a stable, long-term solution. Partnerships like those between DTZ Investors, urbanbubble, Halcyon and Assael are strong examples of these kinds of longer-term collaborations.

Photo credit: Folk Florence Dock, Follow Films

Building Communities and Supporting Urban Regeneration with urbanbubble

As one of the UK's leading Build to Rent (BTR) and co-living operators, urbanbubble has helped shape what best-in-class rental living looks like in London and beyond. For urbanbubble – which operates DTZ Investors' Folk portfolio, which was developed by Halcyon – co-living is defined as "studio-led Build to Rent with extended community spaces." Their model stands apart through its focus on large-scale, professionally managed, service-led rental living.. With features like 24-hour concierge, professional on-site teams, and quality operational procedures, they ensure a consistently high standard of resident care, safety, and experience.

Photo credit: Folk Florence Dock, Follow Films

urbanbubble's commitment to resident satisfaction and local impact is a cornerstone of their work. In their Folk communities they run bespoke events and community investment programmes that build connection between residents, staff, and the surrounding neighbourhood. These spaces act as community hubs: offering more than just housing by nurturing growth, safety, and social ties. Their investment in operational staff training and friendliness, Standard Operating Procedures (SOPs), local community groups and charities, and compliance ensures that these community benefits are sustainable and scalable and can set the bar for operational practices across the UK co-living sector. In our research interviews with Folk residents they shared how important the staff was to their experience:

> The **staff definitely feel like family and friends as well** ... So all the positive things I said, if they [the staff] weren't positive and good and very nice, I don't think most of them would happen. I don't think events would be happening. I **don't think people would be as happy to be there.** They're the first people that you meet and talk to, and they're the first people who make you feel at home. So **it's thanks to them** that this entire space feels like home for me.

Folk co-living resident

What also sets urbanbubble apart is their support for the broader growth of the co-living ecosystem. Through their consultancy work, they advise developers and investors on scheme design, market research, and mobilisation strategies – helping ensure that new co-living projects are viable, well-run, and community-focused from day one. The willingness of Folk and their investment partners DTZI to facilitate tours of operational sites like Folk Florence Dock to planners, investors, and campaign partners – such as during our WhyCo site visit with members of the Greater London Authority (GLA) and Ministry of Housing, Communities and Local Government (MHCLG) – has helped demystify the model and foster greater confidence in the sector.

You can also hear from Folk residents on our WhyCo campaign page, talking about the positive impact that living in Folk communities has had on their lifestyles.

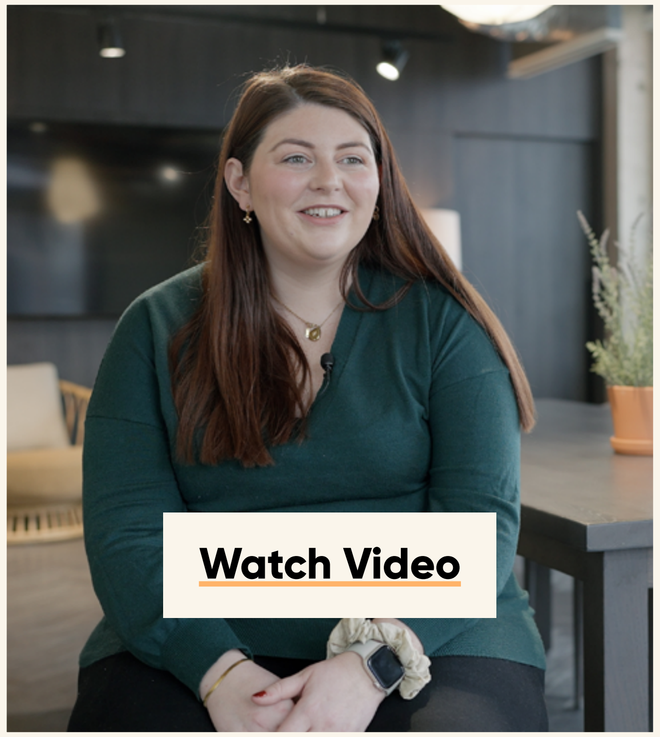



Photo credit: Folk Florence Dock, Follow Films


Photo credit: Folk Florence Dock, Follow Films


Photo credit: Folk Florence Dock, Follow Films


Photo credit: Folk Florence Dock, Follow Films

As the sector matures, urbanbubble continues to lead with transparency, standards, and advocacy. They contribute actively to industry committees, partner with review platforms like HomeViews and push for national planning recognition of co-living as a viable solution to the housing crisis. Their dual focus on resident experience and sector education positions them as both a trusted operator and an enabler of co-living's expansion across the UK.

Photo credit: HUB | Bridges | AHMM

Photo credit: HUB | Bridges | AHMM

HUB's 'Ultra Urban Living' Development Strategy

A pioneer of BTR in the UK, HUB is known for developing one of London's first institutionally backed BTR schemes, and continues to deliver industry-leading developments, including the Yardhouse co-living scheme at Wood Lane, in partnership with Women's Pioneer Housing. Other major current projects include Cornerstone and Assemblies, two office-to-co-living conversions in the City of London; 42 Southwark Bridge Road, another central repurposing project; the mixed-use redevelopment of a disused 4.5 acre site adjacent to Bath city centre, with integrated co-living accommodation and a shared-living-led scheme in London's Elephant & Castle.

Cornerstone, Assemblies and Southwark Bridge Road are part of a wider strategy by HUB and Bridges Fund Management to acquire offices and existing buildings that are 'stranded assets', retain their structure, improve their thermal performance, and deliver buildings with low embodied and operational carbon. These projects will reuse existing building frames to save embodied carbon and enhance the public realm with public spaces like cafes and workshops spaces which can be enjoyed by the wider community.

Bridges and HUB have also acquired Sandringham Mews, a 318-home consented co-living scheme in West London. Situated in the Ealing Town Centre Conservation Area at the heart of Ealing's vibrant and well-connected commercial and retail zone, the site will be transformed into new co-living homes plus shared amenity and ground floor retail.

Currently a backland car park fronted by under utilised retail,, the consented scheme will give the site a renewed purpose and bring it back into use. Designed to deliver high-quality homes whilst enhancing community integration with active street frontage, the development will also include a diverse range of internal and external communal spaces. The scheme also dedicates a generous portion of the site to public use, encouraging movement through the development.

Through adaptive reuse, thoughtful amenity integration, and community-oriented ground floors, partnerships like these ones by HUB and Bridges demonstrate how co-living can revitalise underused sites while meeting modern housing needs in hyper central areas. These developments not only reduce carbon impact but also prioritise social value and local engagement, while contributing to urban regeneration and placemaking strategies set by local authorities.

Photo credit: HUB | Bridges | Secchi Smith | Atelier Replica

Photo credit: HUB | Bridges | Secchi Smith | Atelier Replica

Photo credit: HUB | Bridges | Secchi Smith | Atelier Replica

Photo credit: Assael / Halcyon / Related Argent | Visualisation One

Designing Next Gen Co-Living with Assael Architecture

DTZ Investors, Halcyon and Related Argent are bringing 13,184 m² of mixed-use development and 352 co-living rooms to Brent Cross Town. Designed by Assael Architecture, this scheme will form an integral part of the Brent Cross Town masterplan, introducing co-living as a new housing typology to the area. It aims to provide an exemplary co-living design fostering a community that enriches those who live there and the neighbourhood.

Brent Cross will prioritise high-quality, timeless architecture while offering a variety of well-integrated amenity spaces that cater to diverse needs of residents and locals. This includes combining vibrant social areas – such as a sky garden, two-level gym and MasterChef kitchen – with quieter communal zones like the wellness spa, library and external reading pods.

According to our research interview with Tim Chapman-Cavanagh and Ed Sharland of Assael, successful co-living design relies on flexibility, diversity, and connection. Taking their learnings from designing Gen Two co-living schemes – including the Folk Sunday Mills and Florence Dock – some of their key design best practices for Next Gen co-living include the following:

Ground floor activation:

Ground floors should be activated for public use where possible – e.g. cafés, coworking spaces, meeting points or convenience shops – to foster ties with the local neighbourhood while balancing back-of-house needs like bins, bikes and offices for on-site staff.

Amenity design:

Internally, designs should cater to both introverts and extroverts, offering a mix of open-plan communal areas and more private, intimate spaces (e.g., reading nooks or partitioned kitchens). Kitchens and amenities should evolve based on resident comfort—allowing for smaller, more domestic-feeling setups alongside larger MasterChef kitchens.

Private spaces:

There is also growing interest in larger rooms for dual occupancy, which could support affordability without sacrificing comfort, as well as multipurpose amenity spaces (e.g., media rooms doubling as podcast studios or rehearsal spaces). Consistent threads include the importance of well-equipped gyms, front-of-house presence, strong entrance hubs, and access to rooftop spaces, all of which enhance resident wellbeing and encourage spontaneous interaction.

This scheme represents a forward-thinking approach to urban living, combining architectural quality with social integration and operational insight through a legible vertical circulation layout that connects multiple amenity spaces. By applying proven design principles and adapting to evolving resident needs, Brent Cross Town has the potential to set a new standard for co-living in large-scale regeneration projects.

Photo credit: Assael / Halcyon / Related Argent / Visualisation One

Photo credit: Assael / Halcyon / Related Argent

Photo credit: Assael / Halcyon / Related Argent / Visualisation One

Photo Credit: ARK Wembley | re:shape | Crosstree | Holloway Li | Nicholas Worley

Delivering Social and Environmental Value through FF&E with The Furniture Practice

Furniture, Fixtures, and Equipment (FF&E) is increasingly recognised as a tool to deliver significant social and environmental value – not only shaping how spaces function but also how they connect to people and place. Through considered specification and design, there are tangible opportunities to support inclusion, strengthen community connection, and enhance the day-to-day experience of residents.

From working with local makers and artists, to sourcing through inclusive or socially driven suppliers, or partnering with charities to redistribute good-quality furniture during refurbishments, these choices help embed a sense of place while contributing to local economies and social initiatives. Design decisions also shape resident interaction and comfort: adaptable layouts, biophilic elements, and inclusive furnishings – from communal tables to quiet retreats – all contribute to healthier, more welcoming shared spaces.

FF&E can also help operators boost environmental performance. Choosing durable, repairable, and low-impact products supports circularity and long-term resilience. Responsible material choices – such as recycled, reclaimed, or upcycled content – can help reduce embodied carbon and support innovation. Carbon benchmarking is also gaining pace, with more teams setting project-level carbon budgets to guide specification and identify opportunities for maximum reduction. Selecting suppliers with strong ESG credentials helps ensure impact is addressed not only in the product itself but throughout the full supply chain.

As specialists in FF&E for the living sector, The Furniture Practice (TFP) has supported exemplary co-living schemes such as Wembley Ark and Folk's Sunday Mills, Palm House, and Florence Dock. At Folk Florence Dock, the designs were inspired by local surroundings and seamlessly integrate materials such as weathered wood, reclaimed brick, and reflective glass into the structure, drawing from the natural elements along the River Thames. Collaborating closely with architecture and interior experts Atypical Practice and KKA Interiors, TFP extended this approach to the FF&E, emphasising natural materials, tactile fabrics, and warmer tones to create comfortable and inviting spaces for residents to enjoy.

By integrating social value and sustainability into FF&E strategies, operators can create co-living spaces that enrich residents' experiences while contributing to a more connected and environmentally responsible future.

Photo Credit: ARK Wembley | re:shape | Crosstree | Holloway Li | Nicholas Worley

Photo Credit: Folk Florence Dock | DTZI | Assael | KKA Interiors | Atypical Practice | Billy Bolton

Photo Credit: ARK Wembley | re:shape | Crosstree | Holloway Li | Nicholas Worley

Photo Credit: Folk Florence Dock | DTZI | Assael | KKA Interiors | Atypical Practice | Billy Bolton

Photo credit: The Collective Old Oak, London

End-to-End Co-Living Delivery with VervLife

VervLife is a leading co-living specialist offering a comprehensive suite of professional services that span the full lifecycle of co-living development: from pre-acquisition feasibility studies to design, branding, planning, and operations. Their integrated approach has supported a growing number of developers across the UK in delivering high-quality, viable co-living schemes tailored to local demand. A core part of their service offering is underwriting, where VervLife uses detailed financial modelling to assess operational costs, rental forecasts, and five-year NOI projections – giving development and investment clients the insights needed to make confident site acquisition decisions and shape the right unit mix.

Their in-house design consultancy team works closely with developers throughout the construction phase, ensuring that each scheme is optimised for both resident experience and operational efficiency. This includes everything from thoughtful amenity activation and parcel management strategies to back-of-house layout and staffing requirements. VervLife's brand and creative team further enhances each scheme with bespoke branding, placemaking strategies, and marketing collateral – including scheme names, hoarding installations, and fully designed websites.

VervLife also plays an active role in navigating the planning process and they have been actively promoting the benefits of co-living amongst public stakeholders in the UK. Their involvement in early-stage engagement with local authorities offers reassurance around operational standards, while their data-led insights help dispel misconceptions about co-living. Drawing on real resident feedback, demographic profiles, and tenancy data, the team regularly supports public consultations and pre-app meetings to build understanding of the co-living model and demonstrate its growing appeal across demographic groups.

With an impressive and growing pipeline of projects, VervLife has helped secure planning for schemes in Lambeth, Reading, Leeds, and Sheffield, and is supporting applications in Bath, Brixton, Colchester and Tower Hamlets. Their work with clients such as Elder, Grantside, KMP Group, Blue Coast Capital, and Olympian Homes showcases their ability to consistently deliver viable, well-designed co-living communities that are both operationally sound and socially valuable. VervLife's model stands out as a best practice example of integrated consultancy for the evolving co-living sector.


Photo credit: Mansbridge House, Battersea


Photo credit: Mansbridge House, Battersea


Photo credit: Mansbridge House, Battersea


Photo credit: Riverview, Staines


Photo credit: Riverview, Staines


Photo credit: Mansbridge House, Battersea


Photo credit: Riverview, Staines


Photo credit: One Canalside, Chelmsford

Upcoming Projects in the UK Co-Living Pipeline

Photo credit: Amro Partners | HTA Design | Lister + Lister

The Rex

Amro Partners & NTT UDE
Kingston-Upon-Thames, London
212 co-living homes
Completion expected in Q3 2025

Photo credit: Amro Partners | HTA Design | Lister + Lister

Photo credit: Amro Partners | HTA Design | Lister + Lister

Photo credit: Amro Partners | HTA Design | Lister + Lister

Photo credit: Amro Partners | HTA Design | Lister + Lister

Upcoming Projects in the UK Co-Living Pipeline

Photo credit: DANDI

DANDI Kodak

DANDI
Harrow, London
232 co-living homes
Construction starts in 2025

Photo credit: DANDI

Photo credit: DANDI

Photo credit: DANDI

Photo credit: DANDI

Photo credit: DANDI

Upcoming Projects in the UK Co-Living Pipeline

Photo credit: PLP Architecture

Photo credit: PLP Architecture

Photo credit: PLP Architecture

Hardess Yard

LGL & PLP Architecture
Brixton, London
320 co-living homes
Targeting completion in 2026

Recommendations for Unlocking UK Co-Living

Drawing from over 40 interviews with UK based co-living developers, investors, architects, operators, and industry bodies, this section outlines strategic recommendations to help unlock the potential of co-living as a viable and complementary housing solution. While the sector is still maturing, lessons from BTR and PBSA offer valuable guidance for future co-living delivery. Recommendations focus on clarifying planning policy, improving local data and needs assessments, strengthening operational integration, and supporting affordability and key worker access. These insights aim to inform both local and national stakeholders—planners, policymakers, and investors—on how to foster high-quality, community-oriented co-living developments that contribute meaningfully to the UK's evolving housing landscape.

1 Enable Flexible Planning Policies

Local authorities should adopt flexible planning approaches that account for the distinct characteristics of co-living. This includes recognising co-living as a hybrid typology, enabling more responsive, locally appropriate delivery models, reacting to market conditions, and supporting more multi-tenure development to come forwards. The GLA's Policy H16 planning guidance on Large-scale Purpose-built Shared Living (LSPBSL) serves as an adequate reference point for these kinds of policies.

2 Introduce National Planning Guidance and/or Use-Class

Co-living's planning ambiguity is slowing development and creating inconsistent decision-making. A formalised definition in the National Planning Policy Framework (NPPF) and Planning Policy Guidance (PPG), would help standardise the approach to developing co-living, clarify affordable housing expectations, and reduce pre-app friction. This would give local planners, investors and developers a shared reference point for assessing co-living schemes.

3 Encourage Local Needs Assessments for Co-Living

Local authorities should be encouraged to conduct more granular Housing Needs Assessments that capture the demand for rental housing across different tenures, including co-living. Many planners currently lack the data and human resources to understand the scale and nature of local demand, particularly for professionally managed, shared living schemes. With reliable local data on supply and demand, local authorities would be better equipped to assess applications, streamline approvals, and support co-living as a viable part of their housing mix.

4 Include Co-Living in Wider Masterplans

Co-living should be proactively integrated into large-scale urban regeneration and mixed-use masterplans, especially in areas with young, mobile populations and high levels of economic activity. Co-living has community building and social connection embedded into their spaces, which are key for supporting placemaking and urban regeneration. Doing so ensures a diverse housing offer and can support placemaking, local economies, local planning and neighbourhood goals.

5 Affordable, Key Worker & DMR Co-Living Models

There is a growing opportunity to develop co-living schemes specifically designed for key workers and others eligible for DMR units, particularly in urban centres facing acute affordability challenges. Positioned near hospitals, universities, transport hubs, and other major employment zones, co-living communities can be delivered alongside on-site C3 Affordable Housing as part of inclusive mixed-use developments. By integrating affordability with community-oriented design, these models can help retain key workers in cities, reduce commuting strain and brain drain, and contribute to more equitable urban living.

6 Improve Sector Data & Performance Benchmarking

To unlock capital and policy support, the co-living sector must share standardised metrics on rents, OPEX, occupancy rates, lease lengths, and tenant demographics. Establishing transparent performance benchmarks would help investors assess risk and returns, and assist planners in evaluating schemes fairly. Operators can contribute by publishing anonymised insights and collaborating on aggregated datasets (as in the WhyCo campaign). This will also help set industry standards and help avoid development of bad practices.

7 Learn from Mistakes from BTR/PBSA Industries

Co-living stakeholders must apply lessons learned from the early days of BTR and PBSA to avoid repeating similar missteps in our sector. Some of these lessons include using data to understand amenity usage and design, ensuring a streamlined leasing process, enabling data and tech-driven operations, and encouraging stronger engagement with planning authorities. Embedding these insights into planning, investment, operational and design strategies can help create a more resilient and people-centred asset class.

8 Embed Operational Strategies into the Planning Process

There is a need to embed operational thinking from the earliest stages of planning and design. For co-living, this means aligning the development vision with clear strategies around staffing, maintenance, events programming, community facilitation, local impact and long-term management. Embedding operations into the planning process ensures that buildings are designed for the realities of shared living and supports clearer communication with planners and investors about how schemes will function day-to-day, increasing confidence in the model.

Hear from the experts

Planning experts DP9 on DMR coliving:

The London Plan has got a shared living policy, which we worked with the GLA quite closely on when the product was emerging. **The policy is helpful**, and it is filtering down to the boroughs. There are different ways to deliver affordable housing through a payment or on site traditional affordable housing, but I think you should have the option to be able to **deliver a discount market rent (DMR)** on the co-living rooms, which is what we did at Sunday Mills and Florence Dock. We've not had any traction on that approach since the London Plan was published, but I think **there's a real market for it**, particularly when you're looking at key workers … if you can drop the rents by circa 30% then you **suddenly open up to a much larger pool** of people that can live in the building. And it's well suited to nurses, policemen, firemen, teachers, particularly the **people who are just entering the profession** because they want somewhere to live close to work.

James Armitage-Hobbs
Director
DP9

Policy experts BPF on importance of Local Needs Assessments

What we'd love to see is more regional authorities in the UK adopting policies like the GLA guidance on co-living… As this report shows, the **market for co-living** is potentially **several million people;** but at a local level, it's hard for local planners to be able to quantify what that market is, because **they just aren't doing the needs assessments** that show how many people are in the market for rental accommodation, let alone for the different tenures that might exist. And so having this information, **alongside supportive guidance** that allows for plans and policies to be put in place facilitating co-living schemes and applications that come through, will mean that **local authorities understand the value of the schemes, but also understand the market** that exists within the area for those schemes, and will make the planning approval process much easier. At a national level, we would really love to see **co-living defined in the glossary for the NPPF** and be referenced in the PPG. That provides a universal reference point for policymakers at a local, regional and national level and simplifies its treatment within the planning system.

Kate Butler
Associate Director Real Estate
British Property Federation

Communication experts Cascade on stakeholder engagement:

We shouldn't wait for a planning proposal to be a reason to engage. I think **proactive engagement** – akin to what's been going on with the WhyCo campaign – with the stakeholders visiting co-living schemes, engaging local authorities, engaging the GLA and its Housing Committee, speaking to people and doing it without a short-term incentive. I appreciate it's difficult because time is more precious than ever, but if **we want to build trust** then we have to understand that it's a reciprocal process; so, we must invest time as well as money. Finance is often a key consideration in decision making from a developer or investor perspective, but it's often time from the other side of the equation, from local communities and from stakeholders … It's **spending time understanding an area and that community's priorities**, getting local people to visit co-living schemes, where it's possible, and **taking the time to properly engage** with communities and explain what co-living is, and how it can add to the neighbourhood. A lot of things can be solved through building relationships and having good, **open discussions.**

Sam Wilson
Business Director
Cascade Communications

Property management experts urbanbubble on operational excellence and standardisation:

Best practice is all about continuously improving as we learn and build on our experiences. From an operations perspective, we're really focused on **strengthening and following** our **standard operating procedures** (SOPs). We have a comprehensive set of SOPs covering every key task, and we **actively encourage everyone** to use them as their **go-to guide**. The goal is to create a **well-oiled machine** where everyone knows exactly what to do, how to do it, and who to turn to for support. Running a community involves so many moving parts, so it's essential that tasks are done **right the first time.**

George Ahye
Head of Co-Living & Consultancy
urbanbubble

Asset management experts VervLife on early stage operations strategies:

Trying to put a shape on co-living is the wrong approach and can be detrimental. It's about making sure you're really clear on the rent you're going to achieve and **whether there is demand in the location,** whether the site is really fit for purpose or not, rather than just looking at coliving from a viability perspective … And that's why we're **working really closely with our development and investment clients** to make sure we're bringing forward best-in-class co-living. I couldn't say more strongly how important it is for VervLife or other operators to **get involved in the planning stage** on co-living projects to **help educate and help dispel myths,** educate the local authorities on why they should consider co-living and help them form a policy and **understand how co-living can add value** to their cities.

Katherine Rose
Managing Director
VervLife

Rental living experts ARL on industry collaboration and partnerships with the public sector:

Building on the foundations laid down by PBSA and BTR, **co-living has become a legitimate and distinct living option**, strongly supported by the rental living sector. We call for government, policymakers, and all stakeholders to recognise the emergence and validity of new, professionally managed, well resourced, living options including co-living. This is what customers want. **This is what society needs**. This is what Government should support. As a representative body for the rental living sector, including co-living, we see the need for the sector to speak as one voice to **advocate the role that rental living plays in delivering much needed additional homes**, the quality and the professional management of these homes. This is why the Association for Rental Living (ARL) and the WhyCo partners are working to establish recognition across Government and local authorities of **co-living as an important part of the delivery of rental living**.

Brendan Geraghty
CEO
The Association for Rental Living (ARL)

Unlock

Essential

Flexible

Sustainable

Connected

Quality

Homes

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Please do not hesitate to get in touch and find more information about the campaign at www.consciouscoliving.com/why-coliving

WhyCo