

THE SIZE AND STRUCTURE OF THE UK PROPERTY MARKET: END 2015 UPDATE

AT A GLANCE

JULY 2016

Value of commercial property (£bn)



In 2015, both the total value of UK commercial property and that owned by investors reached their highest recorded levels to date.

Value of commercial property: London versus rest of UK (£bn)



Compared to 2006, the total value of commercial property is 38% higher in London but 14% lower in the rest of the country. London now accounts for almost 40% of the UK's commercial property stock by value.

Ownership of UK commercial investment property (£bn)



Total: £483bn*

* Note - due to rounding of figures for individual categories, does not sum to £483bn.

Overseas organisations own 28% of UK commercial investment property. Collective investment schemes and listed property companies (including REITs) are the largest domestic owners of UK investment property. UK insurance companies now control only 9% of the investment market, compared to a fifth in the early 2000s.

Distribution of overseas ownership by type of investor, end-2015



Collective investment schemes (i.e. funds) are the largest type of overseas owner but sovereign wealth funds were the fastest growing type of commercial property investor in 2015.

UK and overseas investors: London versus rest of UK (£bn)



77% of overseas holdings are in London, compared to 41% for UK investors.

Residential property ownership (£bn)



The total value of UK residential property is 6 x that of the commercial sector. The private rented sector (PRS) has a value in excess of £1tn but mainstream property investors own only a tiny fraction of this, although their holdings increased by circa 25% in 2015.

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