

UK PROPERTY INVESTOR GUIDE

*Data, returns & the furnishing advantage across
top UK areas*

www.instyledirect.com

WHAT MAKES THE UK PROPERTY MARKET ATTRACTIVE

A composite image of London landmarks. In the center is the Elizabeth Tower (Big Ben) with its clock face. To the left is a red double-decker bus. To the left of the bus is a red telephone box. To the right of the bus is a horse-drawn carriage. The background is a dark, textured surface.

What makes the UK property market attractive

The UK continues to remain one of the most stable property markets in Europe, offering investors steady returns, high demand from tenants, and the chance for long-term capital growth.



Stable market and long-term growth potential

5.4%¹ annual increase in average house prices, presenting significant growth, stability, and sustainable profitability.

Attractive investment yields

5-8%² rental yields depending on location and property type.
700K+³ estimated international student population.
430K+⁴ new long-term immigrants (2024).



Portfolio diversification and capital preservation

Owning assets in GBP helps safeguard currency risk and benefit from the potential appreciation of the pound.

Transparent laws

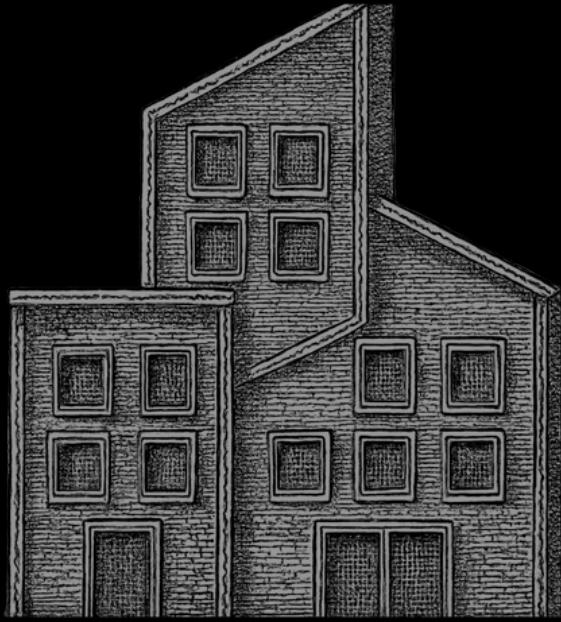
UK landlords are required to carry out “Right to Rent” checks to confirm a tenant’s eligibility before letting, which makes the process transparent and regulated.

Sources for the page:

1. HM Land Registry, UK House Price Index Summary, February 2025
2. Savills, Key Benefits of Real Estate Investment in the UK: May 2025
3. Education and training statistics for the UK: November 2025
4. OECD, International Migration Outlook: 2025

Please note: Above mentioned figures are indicative figures, not financial advice; yields vary widely by property; voids and returns are property-specific

UK market snapshot: Prices, rents, & yields



£1,328⁶

Average monthly
rent

£268,400⁵

Average house price



5.94%⁷

Average gross
rental yield

Property prices

According to Housing Price Index data UK house prices rose by 3.7% in the year to June 2025, up from the revised estimate of 2.7% in the 12 months to May 2025, presenting market resilience.

Landlord takeaway: Rents have outpaced prices recently, so presentation and speed-to-market protect net returns.

Rental growth

Rents have risen 21% over the past three years, as per various market reports, significantly outpacing house price growth of 4% during the same period, according to the Zoopla UK Rental Market Report: June 2025. Average UK monthly private rents increased by 4.4%, to £1,366, in the 12 months to November 2025 (provisional estimate), as per data from ONS, December 2025.

Sources :

5. Gov.UK, UK House Price Index summary: June 2025
6. ONS, Private rent and house prices, UK: December 2025
7. Zoopla, The highest yielding areas for buy-to-let property in the UK: September 2025

UK RENTAL YIELD* BY REGION (2025)

Region	Typical Rental Yield	Additional Notes
North East	7.9%	Top yields nationally, driven by affordable prices and solid rents.
Scotland	7.6%	Strong rental returns across many Scottish cities.
North West	6.8%	High yields in areas like Liverpool, Burnley, and other towns.
Wales	6.5%	Wales also delivers well above the national average.
Yorkshire & Humber	6.5%	Above-average yields compared with national levels.
Midlands (West/East)	6.0–6.2%	Mid-range returns are often found here.
South East & East of England	5.5–5.6%	Below northern yield levels but still decent.

*Typical gross yields with indicative ranges

Source: September 18, 2025: “The UK’s highest yielding buy-to-let hotspots: a letting agent’s guide” Zoopla for Business, September 18, 2025

TOP YIELDING CITIES IN 2025 (AVERAGE GROSS YIELDS*)

*Gross yields vary by property type, condition, and micro-location.



**SUNDERLAND
9%**



**ABERDEEN
8%**



**BURNLEY
8%**



**LIVERPOOL
7 - 9%**

DEPENDING ON POSTCODES



**MANCHESTER
6.3 - 6.5%**

DEPENDING ON POSTCODES

UNDERSTANDING TENANT DEMAND

Affordability

High house prices and mortgage costs continue to delay homeownership, keeping renters in the market for longer, according to Rightmove, 2025.



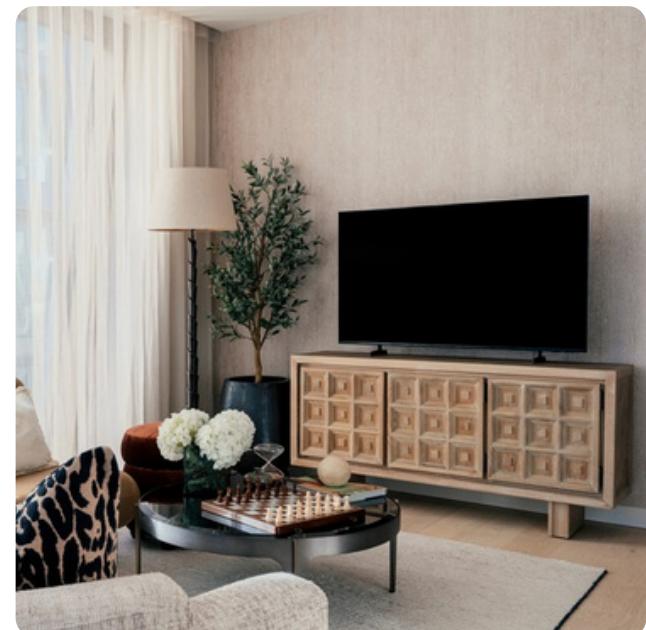
The area

Cities with strong employment bases and large student populations continue to see consistent rental demand from young professionals, students, and relocating workers.



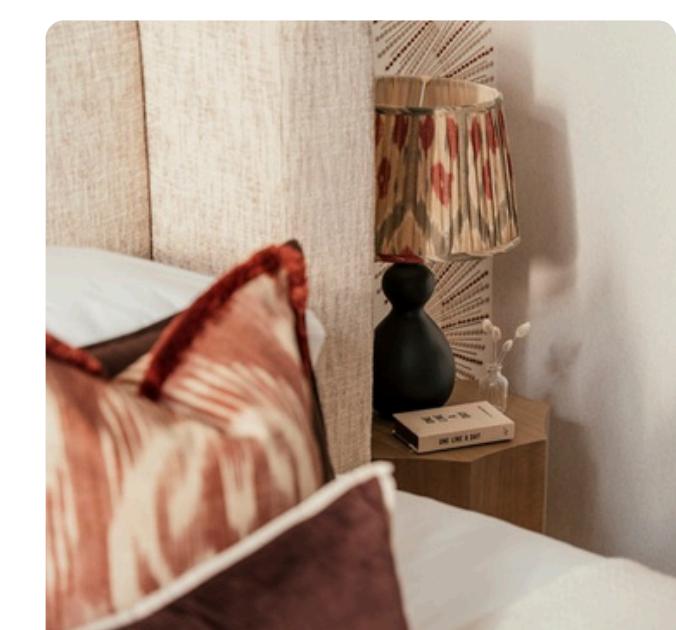
Lifestyle priorities

The JLL Buyers and Tenants Survey 2024 found that tenants are increasingly focused on location, proximity to transport links and local amenities, broadband quality, and space that supports hybrid working and home offices, which are important factors influencing living preferences.

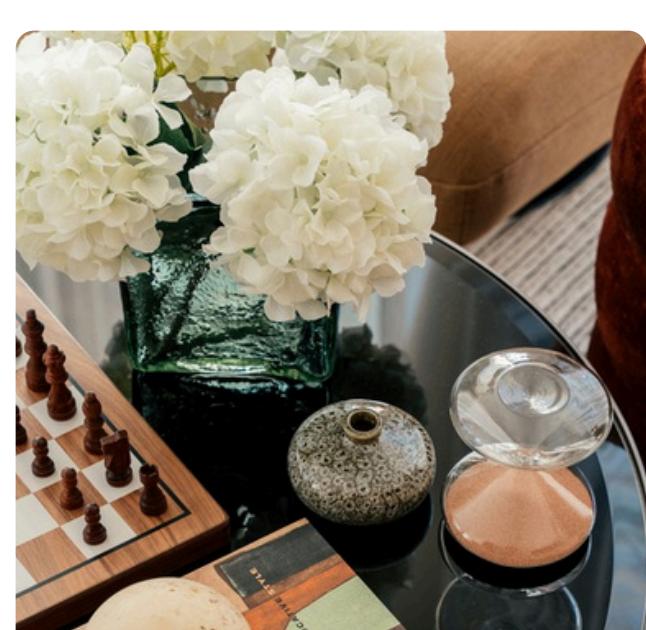


Quality & convenience

Research shows tenants are willing to pay a premium for well-located homes and developments that support wellbeing and day-to-day convenience, helping reduce void periods.

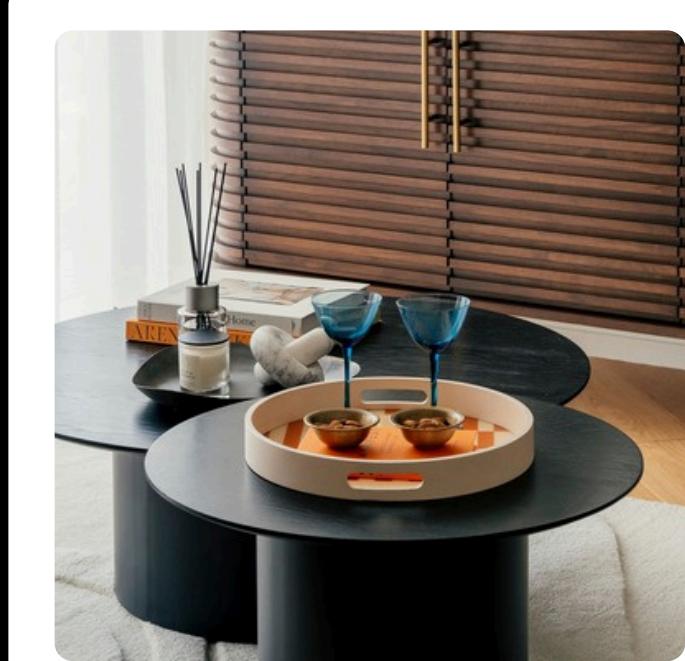
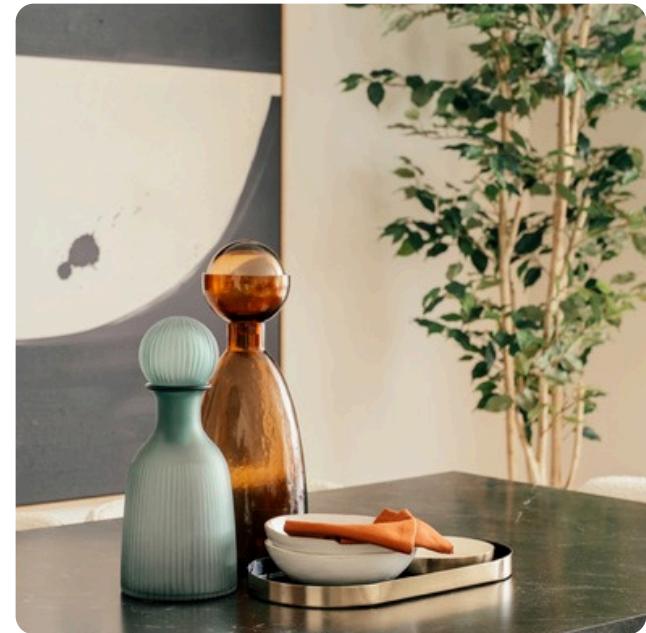


What does this mean for investors?
Even though the market has settled since the pandemic, housing shortages still drive strong demand. Areas with fast transport, good schools and strong amenities see quicker lets.



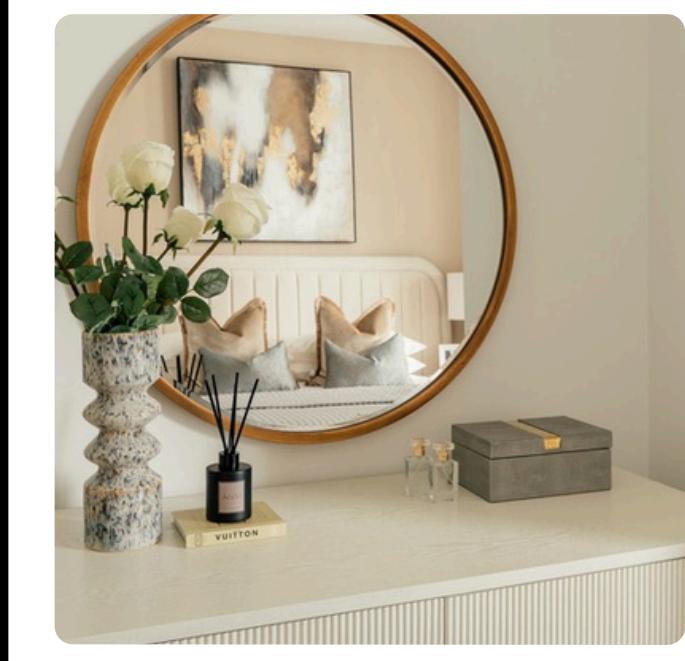
HOW FURNISHING BENEFIT UK INVESTORS

One of the most impactful decisions for UK investors is whether to furnish their rental property. This choice directly affects rental income, void periods, and the quality of tenants attracted. Current market data demonstrates that furnished properties offer compelling advantages in today's rental landscape.



THE VOID COSTS⁸

The time between tenancies or void periods, is becoming increasingly expensive across the UK:



24 days (up from 22 days in 2024)

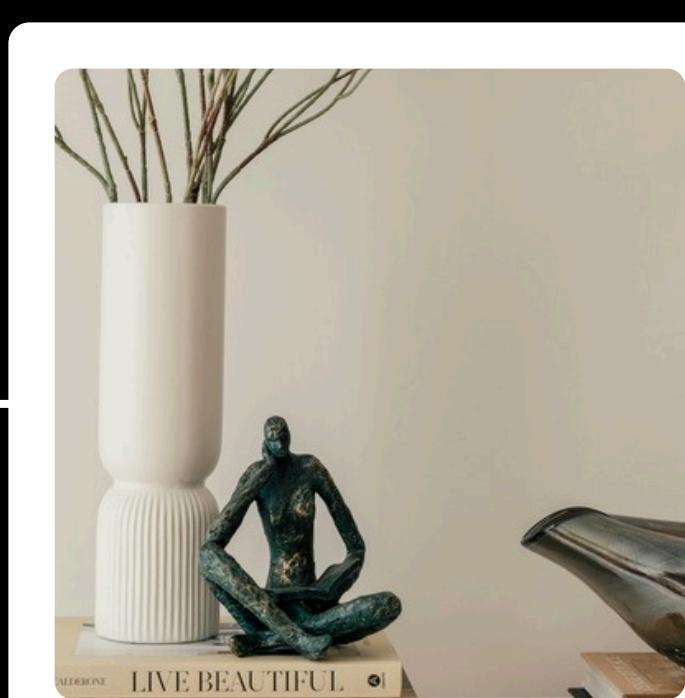
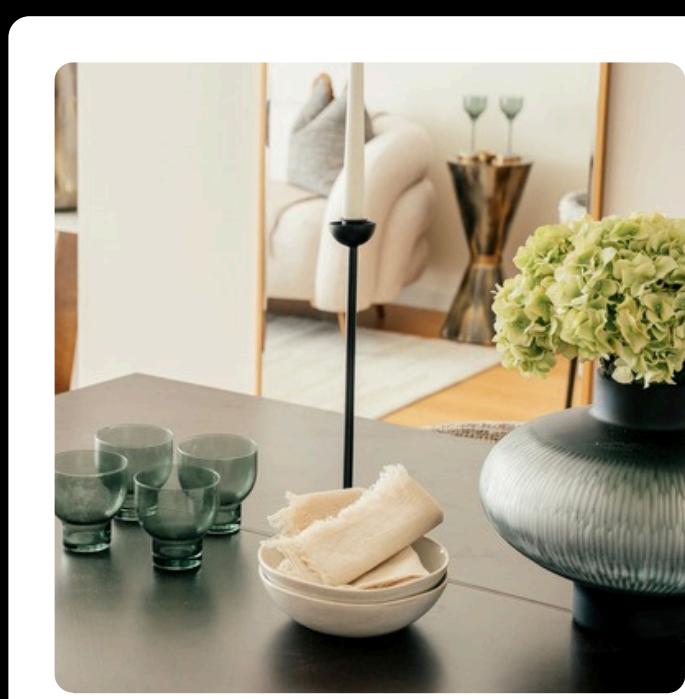
Average void period in England

£1,085 (a 19% increase year-on-year)

Average cost per void

30 days (in the North West up from 14 days in Scotland)

Regional variation



Source:

8.Benham & Reeves, "Landlords losing out as the cost of a void period climbs across the nation", February 2025

OTHER HIDDEN COSTS⁹

Beyond lost rental income, landlords or investors remain liable for:

- Council tax and utility bills
- Mortgage payments and insurance
- Property maintenance and safety checks
- Marketing and tenant sourcing costs
- Property management fees

HOW FURNISHED PROPERTIES REDUCE VOID PERIODS

Furnished properties let significantly faster than unfurnished alternatives, helping minimise void periods or associated costs.

Rental premium & demand

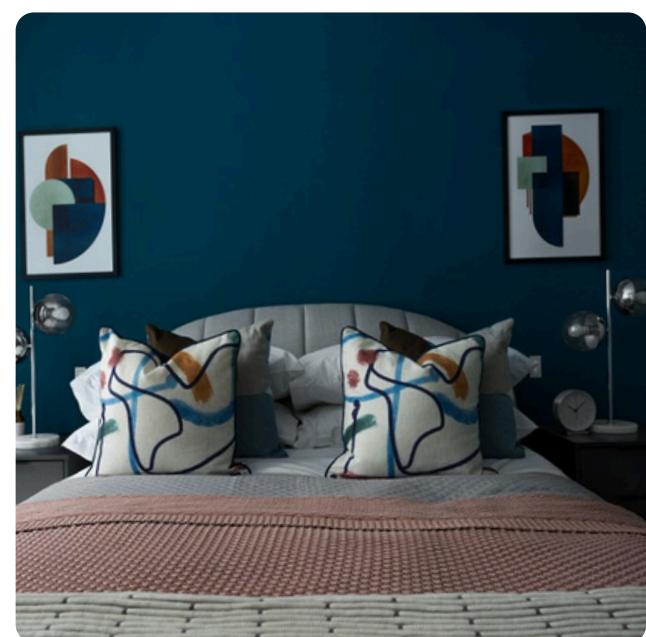
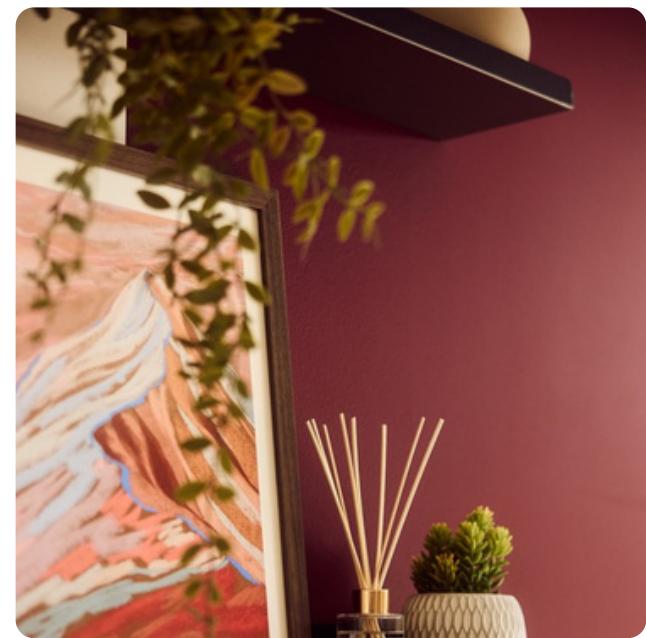
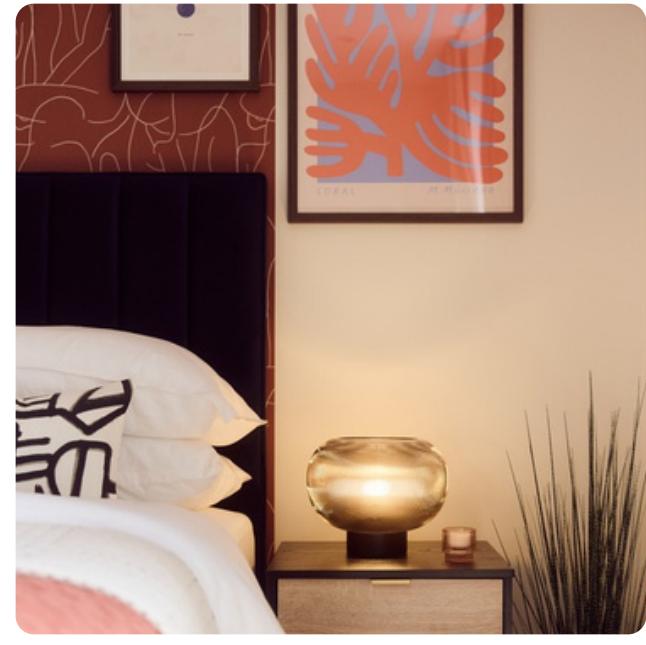
Market evidence indicates that furnished properties can command up to 20% more in rental income than similar unfurnished properties in some markets, according to Benham & Reeves' article, "To furnish or not to furnish? Renting out property in London", November, 2025

In London specifically, 70–80% of tenants prefer furnished homes, particularly young professionals and students who lack their own furniture, according to the Rocket PM article "Furnished vs. Unfurnished: What's Best for Your Rental Property?" September, 2024. This overwhelming preference translates directly into reduced marketing time and faster tenant placement.

Please note Above mentioned figures are indicative figures, not financial advice; yields vary widely by property; voids and returns are property-specific

Source:

9.Knight Frank, "Void periods explained: How to minimise vacancy and maximise returns", January 31, 2025



How furnished properties reduce void periods

Improved listing & engagement

According to various industry reports, 90% of potential tenants and buyers search online first, spending an average of 2 seconds on listings with poorly photographed or staged spaces, while those with good-quality photos/staging visuals hold attention for around 20 seconds.

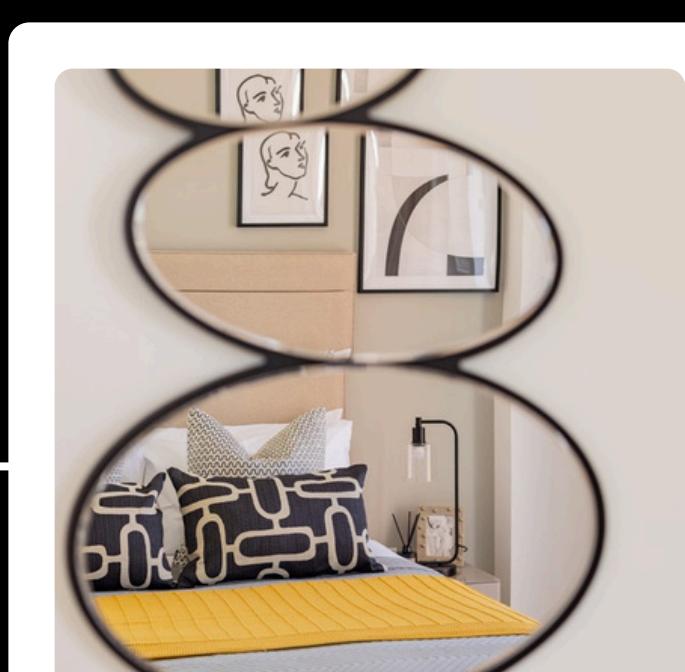
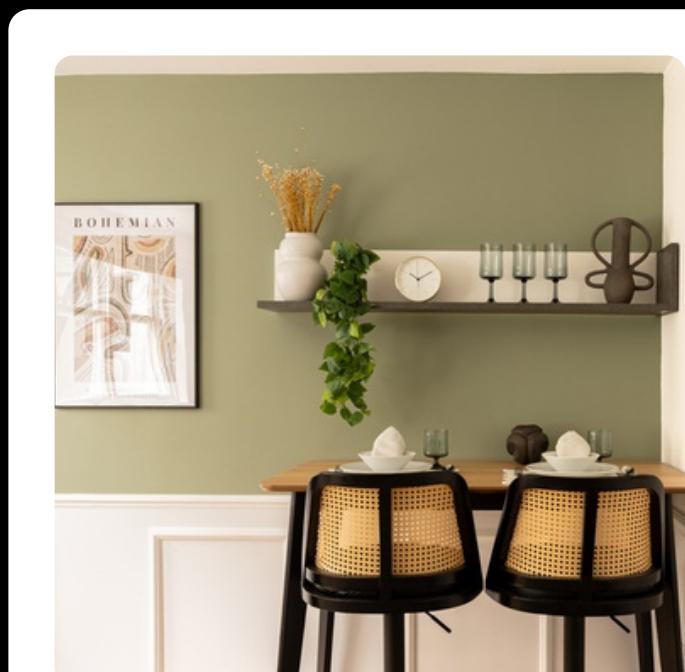


Perceived value increase

A well-furnished home could boost its perceived value by as much as 15%, according to the UK Home Furnishing Market Outlook 2030, making properties more appealing to potential renters.



“ — For UK property investors, furnishing is one of the few controllable levers that directly improves rental performance, tenant appeal, and speed to let.” - Mansi Mehra, Director, InStyle Direct — ”



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TARGET TENANT DEMOGRAPHICS FOR FURNISHED PROPERTIES

Demographic	Nature
Young professionals	This demographic often relocates for employment opportunities and prefers furnished homes for convenience, flexibility, and instant move-ins, particularly in city centres and employment-led rental markets.
Students	University cities see robust demand for furnished accommodation. Students typically lack furniture and prefer short- to medium-term contracts (9-12 months).
Corporate relocations & expats	The Global Serviced Apartment Industry Report, 2025, says that corporate relocations and business trips are driving growth in furnished and flexible accommodations. By 2030, the serviced apartment sector is expected to be worth £183.6 billion.
Temporary Workers & Contractors	People moving internationally or for temporary jobs consistently seek furnished spaces, creating year-round demand in employment hubs.
Tenants in Transition	People between homes or going through life changes, such as downsizing or renovations, often need somewhere ready to move into without worrying about furniture.

WHERE FURNISHED PROPERTIES PERFORM BEST *HIGH-DEMAND FURNISHED MARKETS¹⁰*

LONDON All zones, particularly Canary Wharf, Westminster, Nine Elms, and the City

UNIVERSITY CITIES Manchester, Birmingham, Leeds, Edinburgh, Bristol, Cambridge, Oxford

CORPORATE HUBS Reading, Milton Keynes, Slough

FINANCIAL DISTRICTS Areas with high concentrations of working professionals

CITY CENTRE APARTMENTS One- and two-bedroom flats in urban cores

BTR DEVELOPMENTS Purpose-built rental schemes

Source:

10. Benham & Reeves, "The growing influence of professional tenants in London", November 2025

TARGET TENANT DEMOGRAPHICS FOR FURNISHED PROPERTIES

Demographic	Requirements	Furnishing must-haves
Young professionals	Convenience, hybrid work	Desk/workspace, storage, fast broadband
Students	Affordability, durability	Sturdy and long-lasting furniture, easy-clean finishes, storage, study space, reliable broadband
Corporate relocations & expats	Turnkey furnishings, flexibility	Neutral styling, blackout curtains, full equipped spaces
Temporary Workers & Contractors	Flexibility	Practical layouts, durable furnishings
Tenants in Transition	Quick move-in solution	Ready-to-move interiors

TAKEAWAY

Furnished properties represent a strategic investment that reduces void periods, commands rental premiums, and targets the most reliable tenant demographics. In a market where void periods cost landlords a significant amount, furnishing can recover this lost income multiple times over while improving overall portfolio performance. For investors prioritising steady income, tenant quality, and competitive positioning, professional furnishing offers measurable returns that extend well beyond aesthetic appeal.

WHY PARTNER WITH US

Investors in the competitive UK market require quicker turnaround, consistent tenant/buyer satisfaction, competitive market prices and long-term asset performance to make properties successful. Our flexible approach allows close collaboration with investors, ensuring every unit maintains high standards that maximise the properties' ROI.

- 20+ years of furnishing expertise & over 100 years of combined experience in residential property.
- In-house fleet for faster deliveries.
- <1% return rate in first year.
- 90% of properties staged by us are sold within the target period.
- 85% properties styled by us let within one week.
- Over 75% of all our clients are overseas investors and landlords.

WHY UK AND OVERSEAS INVESTORS TRUST US

- Fully remote, end-to-end service: Every stage, from design to installation, can be managed without travelling to the UK.
- Clear communication across time zones: Dedicated project managers, digital proposals, and regular photo and video updates keep investors informed at every step.
- Transparent pricing and timelines: Itemised estimates, precise specifications, and agreed schedules ensure no surprises.
- Proven experience with international clients: More than 75% of our clients are overseas landlords and homeowners looking for remote solutions.
- Income-ready handover: We take care of the furnishing and styling, creating homes that feel considered and ready to let or sell from day one.



IMPACTFUL WINS OUR SUCCESS STORIES



THREE LETS SECURED IN 1 WEEK AT WHITE CITY, BERKELEY GROUP

CLIENT

Portfolio Landlord

CITY

London

THE STORY

We worked with a Portfolio Landlord at White City Living to furnish three adjacent rental apartments within the Reflection Apartments development. Using tailored furniture packages, interior design expertise, and complete project coordination, we transformed the properties into market-ready homes aligned with professional and diplomatic tenant expectations. Our service included furniture supply, space planning, coordinated styling, and efficient installation, ensuring consistency across all three units while maintaining a durable finish.

All three units were let within just one week, eliminating void periods and maximising rental income. By combining speed, design-led furnishing, and a clear understanding of the local rental market, InStyle Direct helped the investor secure reliable tenants quickly while protecting long-term asset value.



253 BTR HOMES DESIGNED TO INSPIRE DEMAND

CLIENT

Vastint

CITY

Edinburgh

THE STORY

Following the Sugar House Island in Stratford, which resulted in 100% immediate rental & a 20% increase in rental value, Vastint partnered with us again to furnish New Fountainbridge, their iconic BTR development in Edinburgh. With the project delivered in phases, our team worked carefully around live construction to complete each unit on time while maintaining the same high standards throughout. In the first phase, we delivered 123 artfully designed flats with turnkey furnishing solutions at scale, along with considered window dressings for every unit. Three showhomes were also created alongside the rental units, including a one-bedroom, a two-bedroom, and a four-bedroom townhouse, each with its own vibrant, bold colour palette, high-spec finishes, and distinct design personality.

Our people-first approach meant each flat felt personal yet part of a cohesive whole, tailored to its bedroom count and target tenant and rooted in a vibrant waterside lifestyle. Phase Two will add 130 modern homes, including a three-bedroom penthouse show home, carrying out our signature vibrant, people-first design with elevated finishes to meet market standards.



CREATING AN AIRBNB-READY PROPERTY IN TWO DAYS

CLIENT

AirBnB host

CITY

London

THE STORY

InStyle Direct helped a busy Airbnb host get a two-bedroom flat ready for short-term lets by delivering a fully furnished, guest-ready home with no hassle. Our designer chose the Gold Package and added a few extra packs to create a comfortable, attractive space. The final scheme balanced style and practicality, helping the property appeal to short-stay guests and achieve competitive nightly rates. For the client, this meant hassle-free solutions that led to less downtime and faster rental income, with the flat ready to welcome guests within days.

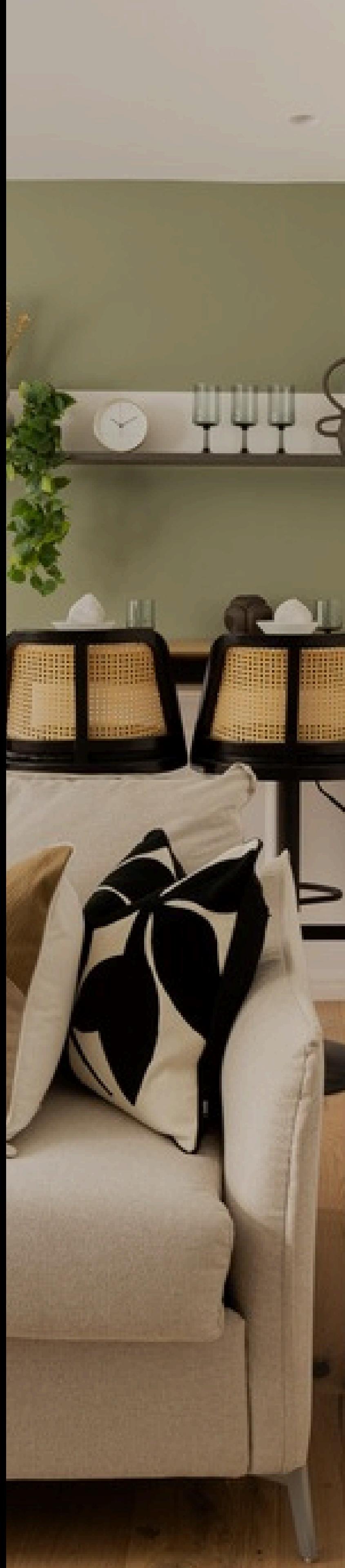
Our comprehensive approach facilitates investors getting properties up and running quickly, avoiding empty periods, and better ROI by delivering swiftly and well-designed interiors.

“

“I had a fantastic experience with the InStyle Direct team. From my consultation with Amar to the design team with Lidwina, everything was hassle-free, focused on my needs and executed in a timely fashion. I am really happy I chose to work with InStyle Direct, given my hectic schedule. Thank you very much for the excellent service, Team InStyle Direct!”

— Airbnb Host

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Contact Information

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Give your investment the InStyle touch with our strategic furnishings that strengthen your property's performance, minimise downtime, and support long-term portfolio value.

Reach out to our team and discuss your specific requirements and discover how we can support your investment goals.

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Disclaimer: Not financial advice. Data sources dated 12/2025. Performance varies by property and specification.