

2025



**Ariosi**

PUBLICATION

12<sup>TH</sup> EDITION



GSAIR  
**THE GLOBAL  
SERVICED  
APARTMENT**  
INDUSTRY REPORT

IN ASSOCIATION WITH



Travel Intelligence Network



**SilverDoor**



**Training**



**Insights**



**Consulting**



**Technology**

**Ariosi**



# GSAIR

## EDITION 12

2025

**Published by Ariosi**

[www.ariosi.com](http://www.ariosi.com)

**Compiled by Travel Intelligence Network**

[www.the-tin.com](http://www.the-tin.com)

**Designed in house at Ariosi**

Owen Mackle – Designer

### **Disclaimer**

Whilst every effort has been made to ensure accuracy, neither Ariosi nor Travel Intelligence Network may be held responsible for any errors or omissions.

### **Confidentiality Notice**

Copyright © 2025 by Ariosi (the Company). All rights reserved. This document or any portion thereof may not be reproduced or used in any manner whatsoever without the express written permission of the Company. The information contained within is strictly confidential and/or protected by law. If you are not the intended recipient of this document you must not make any use of this information, copy, store, disclose or show it to any unauthorised person.

### **Report Methodology**

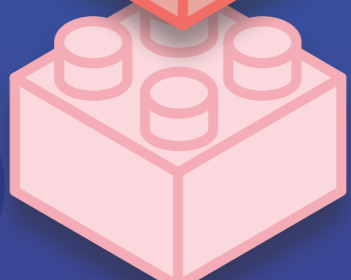
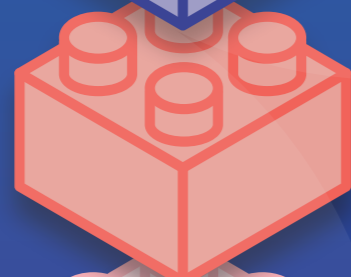
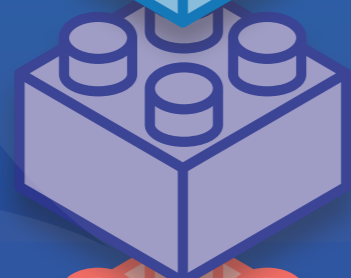
GSAIR 2025 has been responsibly compiled by undertaking extensive research using primary sources including conducting interviews and curating and collecting self-written pieces from contributors both in and closely aligned to the serviced apartment sector. For this edition we have focussed on primary sources, with secondary sources kept to a minimum. Where secondary sources are used, information sources are fully attributed.

# UNLOCK YOUR TEAM'S POTENTIAL

## Feedback



Translating data into tangible next steps for continual improvement and career growth.



## ROI

Increased revenue opportunities are the result of motivated and empowered teams.



## Bespoke L&D

Customised training, workshops, courses, coaching and mentoring that is tailored to your preferences.



## Insights & Analysis



Transforming your training needs into measurable learning outcomes that benefit your business.

## Free Consultation

Discovery phase to learn more about your team, your SMART goals and business needs.



Book a free consultation to discuss your L&D requirements.

Contact@ariosi.com



# CONTENTS

Editorial team .....	Pg 8
Welcome & Introduction .....	Pg 10
State of the Nation .....	Pg 12
GSAIR Data Insights .....	Pg 23
GSAIR Overview .....	Pg 24
Beneath the Headlines .....	Pg 26
A Focus on Sustainability .....	Pg 28
UK Summary .....	Pg 30
Destination Deep Dive - Edinburgh .....	Pg 31
London Vs The World .....	Pg 32
Global Call-outs .....	Pg 34
How Amenities Vary Across the Globe .....	Pg 36
The Hot Seat - In Conversation with Stuart Winstone .....	Pg 39
Future Vision .....	Pg 41
Geopolitics & the Serviced Apartment Sector .....	Pg 46
The Hot Seat - In Conversation with James Foice .....	Pg 50
Legislative Landscape .....	Pg 52
Booking Smarter & Staying Safer .....	Pg 56
The Hot Seat - In Conversation with Steve Frey .....	Pg 58
Sustainability with Staying Power .....	Pg 62
Blurred Lines - Defining Asset Classes & Where they Overlap .....	Pg 66
The Hot Seat - In Conversation with Seb Hutchings .....	Pg 70
New Living Models for a Mobile Workforce .....	Pg 72
Pipeline - New Brands & Properties Launching in 2026 .....	Pg 78
Directory Listing .....	Pg 82
Glossary of Terms .....	Pg 84
Acknowledgements .....	Pg 86

# EDITORIAL TEAM



**Alistair Murray - Chief Operating Officer, Ariosi**

Alistair joined Ariosi as Chief Operating Officer in March 2025 and is responsible for its strategic growth plans, mentoring the team, leading operations and enhancing its client offer globally. With over 18 years' experience in the global relocation sector, Alistair was previously with Packimpex: a pan-European Destination Service Provider, where he successfully expanded operations into new European markets. He has also held senior leadership roles with Relocation Support Services and Sirva Relocation, one of the world's top Relocation Management Companies (RMCs). He has a wealth of industry leadership experience, having served on the board of the European Relocation Association (EuRA) for eight years, including a term as President.



**Mark Harris - Contributing Editor**

Mark joined the business travel industry in 1990, has been a Director of Travel Intelligence Network since 2005 and originated GSAR. He was voted the business travel industry's Personality of the Year in 2006 and has notched up four Business Travel Journalism Awards. TIN's output includes over a million words in reports, white papers and blogs, co-creation of the Serviced Apartment Awards and hosting many others. After lunch, he is chairman of the PitchingIn Northern Premier League and an FA councillor.



**Shani Clarke - Client Manager, Ariosi**

Shani began her journey in the serviced apartment industry in 2013 with SilverDoor, joining their Account Management team. Working from the ground up, she quickly learnt about the extended stay and corporate housing industry advancing her to the position of Account Manager where she led a team catering to global mobility and travel management clients. Her career progressed as Sales Manager at the London based property operator Cycas Hospitality. Now, with over a decade of experience, Shani is Client Manager at Ariosi, utilising her diverse expertise to support all areas of the business.



**Claire Little - Marketing Manager, Ariosi**

Claire is new to the global mobility industry, but holds substantial experience in B2B marketing strategy and content creation. Having completed her degree in Broadcast Journalism in 2021, she then moved on to complete a Digital Marketing apprenticeship, where she enhanced her marketing skills and experience. A few years later, Claire has now started her journey at Ariosi, overseeing all marketing and content aspects, drawing on her skills and knowledge to drive Ariosi forward.



**Emma Wayman - Contributing Editor**

Emma Wayman is a Senior PR Consultant with BigTop, an independent communications agency with 25 years' experience in the corporate travel industry. Emma has worked in PR and marketing for over two decades and has developed and implemented B2B strategies for numerous hospitality, travel and corporate travel brands and organisations during her career.

# WELCOME & INTRODUCTION

## Welcome to the 12th edition of the *Global Serviced Apartment Report (GSAIR) 2025*.

Since its launch in 2008, GSAIR has been committed to delivering genuinely transformative intelligence for the global serviced apartment community. This edition continues that tradition, while embracing a new direction.

Longstanding readers will notice that this year's report looks and feels different. Following valuable feedback gathered at the GSAIR Forum in March, we have taken a bold step away from the traditional survey format. Instead, this edition is designed to look firmly ahead, exploring the future of the serviced apartment and flexible living sector with deeper analysis, broader context, and fresh perspectives.

GSAIR 2025 dives into the key issues shaping our industry today and tomorrow. As a sector, we're living through a time of extraordinary change, influenced not only by shifting corporate travel and mobility needs, but also by wider geopolitical and geoeconomic forces. We have conducted in-depth interviews with industry leaders - operators, agents, buyers, relocation providers, and corporate travel managers - using survey responses as a springboard for conversations which capture practical and actionable insights on the current landscape and the opportunities that lie ahead. Their voices are featured alongside expert articles that highlight the most pressing trends impacting our sector.

While surveys provide a snapshot of opinions, we recognised their limitations in reflecting the industry as a whole. This year, we have taken a different approach, and for the first time, incorporated data from the Habicus Group to add further depth and market context. This combination of perspectives and data allows us to present not just the "state of the sector" but a forward-looking view that we hope will help shape the future of flexible living.

Our goal with GSAIR has always been to build an authoritative, centralised source of truth; bringing together data and expert perspectives to provide context and support smarter decision-making for serviced apartment buyers, operators, agents, relocation management companies, and investors

I would like to extend my sincere thanks to all our sponsors and contributors for your continued support, and to the wonderful editorial team (see pages 8-9). An excellent team, without whom this report would not be possible.

Welcome to GSAIR 2025. We hope it informs, challenges, and inspires you.

Very best wishes,



**Alistair Murray**  
Chief Operating Officer  
*Ariosi*



## GET TO KNOW



# Ariosi

At Ariosi we anchor our business on four strategic pillars that drive innovation, efficiency, and client success - Training, Consulting, Insights (including GSAIR) and Technology (including OrbiRelo).

Just like the approach we're taking with this year's GSAIR, things are evolving and progressing at Ariosi too. Historically, our services have been exclusively aimed at serviced apartment operators and agents, but these are now being offered to the wider mobility and hospitality industry too. Exciting times ahead!

# STATE OF THE NATION

The shape of extended stay demand, key trends, challenges, & opportunities



By Mark Harris

For this year's GSAIR we have assembled a group of industry professionals to provide their expert insights into the health of the serviced apartment sector, its associated asset classes, and the trends, challenges and opportunities driving corporate travel and mobility programmes.

In this article, our experts give their views on a wide range of topics, from geopolitics, sustainability, and risk management to the evolving needs of travellers, assignees and relocatees, set in the context of recent data from independent sources.

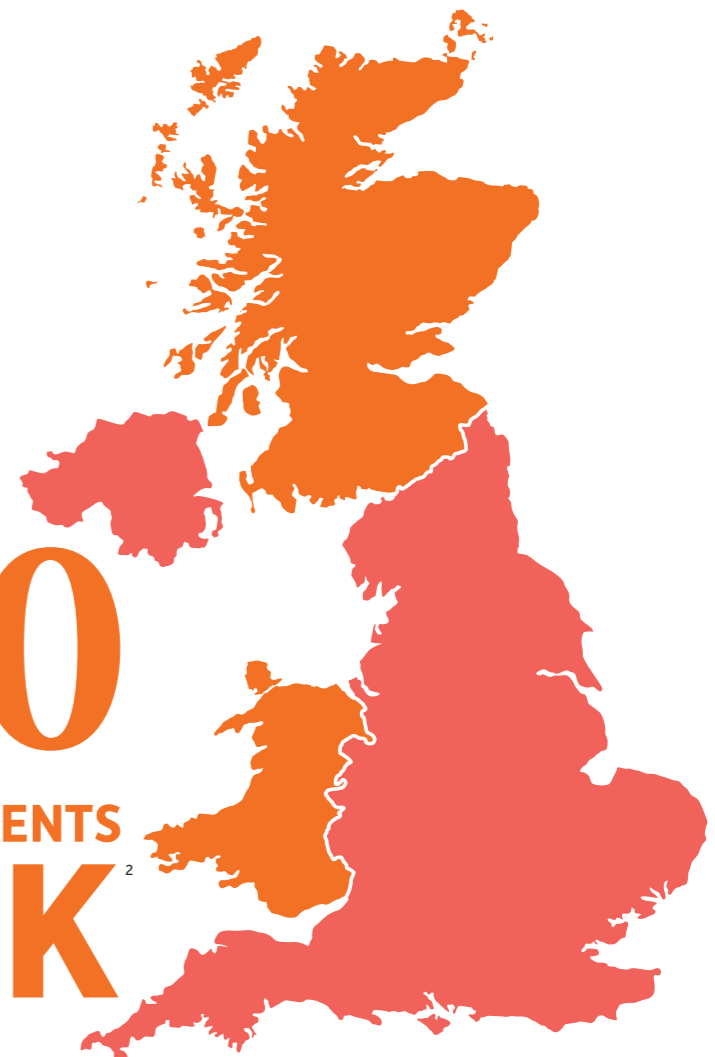
## Supply

Over the next five years, approximately 30% of Europe's branded serviced apartment pipeline will be on UK soil, with London accounting for 15% of pipeline units.<sup>1</sup>

# 29,500

MANAGED SERVICED APARTMENTS

# IN THE UK



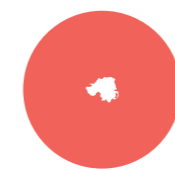
87%  
ENGLAND



9%  
SCOTLAND



3%  
WALES



1%  
N. IRELAND

**London**  
IS THE UK'S BIGGEST MARKET WITH

# 14,100

<sup>1</sup> hvs.com

<sup>2</sup> Association of Serviced Apartment Providers

<sup>3</sup> Ibid

<sup>4</sup> savills.co.uk



Credit: Locke Hotels

## Demand summary

Post-pandemic demand for serviced apartments continues to grow despite cost control pressures, extra regulatory requirements, geopolitical instability, and ESG commitments.

The global serviced apartment market is predicted to reach approximately **£183 billion** by 2030.

In fact, the global serviced apartment market is predicted to be worth £183.58 billion by 2030, expanding at a robust compound annual growth rate (CAGR) of 12.7% from 2024 to 2030.<sup>5</sup> Europe is also seeing strong growth, with its serviced apartment market forecasted to grow at a CAGR of 12.3% until 2030.<sup>6</sup>

In the UK, the serviced apartment segment stood at about £3.08 billion in 2024. It is expected to reach £2.31 billion this year and grow at a CAGR of 8.8% between 2025 and 2033.<sup>7</sup>

Demand is strong in the first half of 2024, UK serviced apartments showed stronger performance compared to hotels, with RevPAR remaining 19% above 2019 levels for the serviced apartment sector, while the broader hotel market was only up slightly at 1.5% and 3.1% in London and the regions, respectively, for year-to-year date.<sup>8</sup> Having increased by 3.8% between 2023-24, occupancy is predicted to rise again in the next twelve months, although this may be tempered by a softening of ADR in London.<sup>9</sup>

Does the picture painted here match up with serviced apartment operators' experiences? Supercity Apartments is a boutique operator, with properties in London, Brighton, and Manchester. *"We are seeing an increase in bookings, and length of stay from September onwards to the end of the year,"* says Carley Bannaghan.

Trine Oestergaard Stafford is MD of House of Fisher, a family-run company which owns and operates serviced apartments and aparthotels in the South of England and Thames Valley.

*"Overall, our length of stay has gone up year-on-year. We are seeing more project work, and more group bookings which we never had before. We're also seeing low business in the winter months and high in the summer months. The market is also incredibly competitive, which is pushing rates down, so we're finding it hard to increase our ADR, particularly in those downturn months."*

## Corporate travel demand: a mixed picture?

In 2025 so far, UK corporate travel demand is growing, albeit modestly. Global spending is projected to reach an all-time high of £1.57 trillion this year, a growth rate of 6.6%<sup>10</sup> despite trade tensions, fiscal policy uncertainty and economic pressures.

Although anecdotal evidence from travel managers suggests that spending on travel has plateaued, UK business travel spending increased from £36.1 billion in 2023 to £40.3 billion in 2024,<sup>11</sup> with an 8.1% increase forecast for 2026<sup>12</sup>

*"All business travel is being impacted by increased costs due to the tariffs. Everybody's looking at how can they save money,"* says consultant Karen Hutchings of Cobb and Hatch.

At BP, travel spend is down 20% year-on-year, as Global Category Lead (Travel, Meetings & Events) Richard Eades confirms. *"We've got to reduce our debt by \$20 billion by 2027 so travel is one of many areas of the business to be affected. In some locations we are reducing our volumes. In others, our transactional volumes aren't down that much, but we are buying smarter, which is driving down our average rates per night."*

The picture is rather different at Accenture, as Global Procurement Director, Travel & Mobility Jan Jacobsen explains. *"Our transient and mobility volumes into serviced apartments have increased because we've done more assignments and apartments are more visible in our approved buying channels."*

Steve Lowy, CEO of AES says that serviced apartment demand varies by region, both in the UK and across Europe. *"Some markets are seeing high demand, and low supply. In London there's medium demand and high supply so rates have come down. The world is still in flux, so corporates have a lower budget."*

## Corporate mobility rebounds

Corporate mobility has largely rebounded, especially across finance, tech, and infrastructure projects in London, Manchester, and regional hubs. Relocations to the UK are rising. In April 2025, enquiries from companies looking to relocate staff to the UK were up 8% year-on-year. They come primarily from the energy, finance, professional services, legal, and tech sectors, and are focussed mainly on London.<sup>13</sup>

Indian nationals consistently form the largest group of both visa applicants and those in the workforce, reflecting a significant trend in recent years for skilled and professional roles, including in the IT and healthcare sectors.<sup>14</sup> Sources report increased overseas interest in UK jobs from the US, Australia, France, Italy, and Spain.<sup>15</sup>

Global relocation volumes are increasing too. There is sustained demand for AI and developer talent. The UK is amongst countries employing over 50k AI developers, with 1,100 UK firms hiring more engineers in 2025.<sup>16</sup>

Many UK employers are adapting to borderless hiring models, allowing professionals to work remotely from different countries while being employed by UK-based firms. Digital nomad visas are becoming more prevalent, prompting corporates to provide a structured way to employ foreign talent without requiring full relocation to the UK.<sup>17</sup>

There's optimism for the immediate future, as Gemma Williams of Sirva confirms. *"Although we have seen a decline in relocations year-on-year, we're expecting that to rebound over the next twelve months."*

## Dynamic Working Shift Continues

The shift towards remote and hybrid work continues to influence global mobility trends in 2025. Despite organisations like PwC enforcing three days a week in the office, with attendance dashboards<sup>18</sup>, and Transport for London (TfL) demanding at least 50% in-office attendance, 28% of UK workers are hybrid.<sup>19</sup> This illustrates the push-pull between flexibility and in-office presence that mobility teams must plan around.

The rise of dynamic working has boosted long-stay bookings from domestic and international mobile professionals seeking work-ready units. Serviced apartments provide the flexibility required to support for hybrid work and duty-of-care compliance.

Carol Fergus is Director, Global Travel, Events and Ground Transportation at Fidelity International. *"Since Covid, people have been using serviced apartments more due to dynamic working and a desire for a better work-life balance. They're going for that option because more of their peers are working from home and they want that option to stay in a serviced apartment as opposed to a hotel room."*

<sup>5</sup> globenewswire.com

<sup>8</sup> Savills "Spotlight: European Serviced Apartments 2024"

<sup>11</sup> businesstravelnewseurope.com

<sup>13</sup> knightfrank.com

<sup>16</sup> cbre.com

<sup>19</sup> ons.gov.uk/employmentandlabourmarket

<sup>6</sup> Ibid

<sup>9</sup> servicedapartmentnews.com

<sup>12</sup> GBTA Business Travel Index ("BTI") Outlook – Annual Global Report & Forecast

<sup>14</sup> migrationobservatory.ox.ac.uk

<sup>17</sup> chambers.com

<sup>7</sup> grandviewresearch.com

<sup>10</sup> ft.com

<sup>15</sup> hiringlab.org/uk/blog

<sup>18</sup> thetimes.com

## Costs vs. Sustainability

There are mixed views about whether travel budgets will rise, fall or stay the same over the coming 12-18 months. Whilst 58% of travel managers expect their budgets to increase in 2025, reflecting rising demand for face-to-face interactions,<sup>20</sup> 27% expect them to fall by a fifth.<sup>21</sup>

The gap between cost and sustainability in terms of priorities has widened in the last 12 months against a backdrop of wider geopolitical and geoeconomic uncertainty. But although 78% of travel buyers cite cost control as one of their biggest strategic priorities in 2025,<sup>22</sup> this doesn't mean sustainability is no longer a corporate priority, however.

As Karen Hutchings says, *"it's been a while since cost savings has been at the top. Sustainability has been up there, but cost is what they're focused on. Employers are restricting the number of trips, but you've still got carbon emission reduction targets to meet, although the prioritisation of that has dropped significantly, especially in the U.S."*

In 2024, 61% of European travel buyers still considered sustainability a high priority, with 44% of travel managers globally having integrated sustainability initiatives into their programmes.<sup>23</sup> In 2025, 42% of operators consider their ESG credentials "very important" in driving demand. Regardless of where sustainability now ranks in corporate priorities, 42.3% of serviced apartment operators consider their ESG credentials to be 'very' to 'extremely' important in driving customer demand.<sup>24</sup>

In general, more corporates are aiming to strike a balance between cost and user experience than previously. For some, this means using AI-powered tools to streamline travel programmes, making smart recommendations and real-time cost optimisation while considering sustainability. Others are expanding travel content and improving collaboration to enhance the traveller experience while managing costs and sustainability.<sup>25</sup>

Whilst sustainability may not be travel managers' top priority, it remains a hot topic in the public sector and others such as manufacturing and pharmaceuticals, especially for capital projects and consultancy. However, the importance attached can depend on the sector in which it operates. Those with higher regulatory pressures and environmental impacts tend to integrate ESG considerations more extensively into their operations.<sup>26</sup>

In some cases, travel-related emissions might only be a small proportion of the organisation's overall emissions, in which case sustainability can be de-prioritised behind, for example, risk management.

Danny Cockton is VP – Global Travel Services at Wood Plc, a global consultants, engineers, and project delivery firm. *"Travel is a small portion of our emissions. A lot of the work we're doing in the energy sector is around decarbonising customer assets and that impact outweighs our travel emissions."*

*"Today we capture emissions data for our air travel and ground transportation, it's not yet influencing travel or accommodation decisions at the point of sale, although that's our objective over the next 12 to 24 months."*

"At the end of the day, BP is an oil & gas company" says Richard Eades. *"Whilst we're looking at scope one and two, we don't spend too much time looking at scope three. With the help of the rich data we receive from SilverDoor, we're looking at our footprint in the apartments that we're booking, and benchmarking against hotels."*

In global mobility, companies are adopting sustainable practices such as reducing trip frequency, offering incentives for eco-friendly travel options, and replacing pre-assignment visits with virtual tours. These initiatives are more prevalent in sectors where employee relocation is frequent, such as technology and consulting.<sup>27</sup>

Graebel VP Client Services EMEA & APAC Seb Hutchings says that, whilst sustainability is important, *"it tends to rank fourth or fifth in terms of strategic priorities. Our clients are genuinely interested in exploring sustainable options, but this interest hasn't yet translated into changes in policy entitlements."*

*"Some organisations may encourage economy-class travel to reduce carbon emissions compared to business or premium economy. However, from a global mobility programme perspective, there is no formal emissions thresholds being enforced. Ultimately, it remains a matter of customer preference - sustainability is viewed as a desirable, rather than a mandated requirement."*

There is, however, a growing realisation of the importance of social engagement. UK companies are increasingly leveraging HR platforms and AI-driven analytics to measure and manage social metrics such as diversity, pay equity, employee sentiment, and volunteer participation, in real time.<sup>28</sup>

<sup>20</sup> hftp.org/news

<sup>21</sup> gbta.org

<sup>22</sup> gbta.org

<sup>23</sup> GBTA Insights

<sup>24</sup> ASAP / Savills Operator Sentiment

<sup>25</sup> concur.fj/blog

<sup>26</sup> serko.com

<sup>27</sup> ASAP / Savills Operator Sentiment

<sup>28</sup> theguardian.com



## Purposeful travel

Corporates continue to base travel policies around purposeful travel; travel undertaken when in-person interaction delivers value that cannot be achieved virtually. Alternatively, only travelling when there is clear business justification and measurable value.<sup>29,30</sup>

Although cost pressures have led some companies to make fewer, but longer trips, (a trend first seen post-pandemic), others are doing the reverse; mitigating fewer longer stays by making more shorter stays, which requires operators to be more flexible in their terms and conditions

*"Over the last twelve months our travel spend has fallen, and our serviced apartment spend with it,"* says Carol Fergus of Fidelity International. *"People are very mindful of the trips that they're making. They are travelling less and staying longer."*

## Geopolitics

Travel and mobility managers concede that the confluence of economic and political changes will impact their programmes going forward. They just don't know how yet given the scale and scope of these changes.

In reality, uncertainty around tax, border controls, and sustainability mandates is already impacting corporate mobility budgets and operational policies. Shifts in immigration rules, such as US visa backlogs and electronic device inspections are complicating travel planning for assignees.<sup>31</sup>

Corporate travel plans are also now more cautious. In some organisations, average length of stay (ALOS) is shortening, thereby bucking the general trend. Even with serviced apartments' ADR softening as demand shifts.

*"As we came out of the pandemic, ALOS increased, but now it's down to 2.7 days for transient travel and has flattened out again. We also do a lot of short stays, which has helped to bring our ALOS down"* says Jan Jacobsen.

At Accenture, the biggest challenges have been around changing flight zones<sup>32,33</sup>. That's because, as Jan explains, *"its trickier to get people moving across a territory or an area with restricted corridors, but these are short term impacts rather than long term."* Business travel to the Middle East has fallen 8% year-on-year.<sup>34</sup>

European bookings for summer travel to the US fell by 12.8% during February–March year-on-year, with some airports seeing falls in passenger numbers of between 14.7% and 23.2%.<sup>35</sup> Whilst traffic levels subsequently recovered, this illustrates how geopolitics and policy-driven concerns can significantly sway long-haul traffic.

Read Tom Otley's article *Sustainability with Staying Power* on pages 62-65.

<sup>29</sup> concur.co.uk

<sup>30</sup> Deloitte – Return to purposeful travel

<sup>31</sup> polife.co.uk

<sup>32</sup> caa.co.uk/commercial-industry/airspace/airspace-change/airspace-change-process/

<sup>33</sup> An individual changing their flight booking), or airspace-wide changes

<sup>34</sup> thenationalnews.com

<sup>35</sup> The Times

## Risk management

This uncertainty, allied to greater awareness of travel-related risk amongst travellers, assignees and relocatees, has brought focus onto the importance of robust yet nuanced risk management policies.

*“Safety is the most important thing we deliver to our employees” says Wood Plc’s Danny Cockton. “There’s still some nervousness around serviced apartments when there isn’t a concierge, or a front desk.”*

The heightened focus on security and geo-risk (e.g. travel to regions with border/immigration scrutiny) is driving traveller and assignee preference for self-contained, home-like accommodation, especially in less stable regions.

Technology for tracking, guest verification, and data encryption is a must-have for mobility managers. *“For a company like BP, one of the biggest issues we face daily is cyber and digital security” says Richard Eades. “If an operator has some personal GDPR information coming through, we need to know what they are doing with their technology to protect all of that on a regular basis.”*

## Changing traveller & assignee needs

Gen Z – those born between 1995 and 2009 - now makes up approximately 27% of the UK workforce and is projected to account for 31% by 2035, when Gen Z will be the largest generation in the job market.<sup>36</sup>

The first generation to have grown up entirely in the digital age, Gen Z is moving fast into the business traveller and early-career assignee/relocatee population, impacting mobility policies and the design and marketing of extended-stay products including serviced apartments.

67% of Gen Z workers are open to relocating for job assignments<sup>37</sup> and value flexible relocation packages that support their lifestyle choices, including housing assistance, transportation options, and community integration.<sup>38</sup>

Gen Z wants choice and is particularly vocal about mental health and wellness. In response, corporate policy makers are widening approved accommodation categories to include serviced apartments and co-living

and offering stipend or budget-based travel policies instead of rigid supplier lists. Mobility programmes are shifting to core compliance/immigration support with flexible allowances for lifestyle needs.<sup>39</sup>

Younger assignees are driving demand for shorter international rotations, and companies are meeting this with short-term assignments (up to 12 months) or extended business travel instead of full relocations. Serviced apartments are benefiting because they’re better suited to flexible lengths of stay when compared to longer-term leases.<sup>40</sup>

Changing generational attitudes are reflected in serviced apartment products too. Gen Z values home-like amenities and community features, so brands like edyn and Staycity are re-designing their products to meet these needs by incorporating wellness facilities, co-working spaces, and personalised experiences, with a strong emphasis on sustainability and social purpose. These brands also leverage Instagrammable design elements and prioritise tech-savvy features like seamless booking and digital experiences.

Gen Z travellers expect swift, fully digital experiences, from booking to check-in/check-out. Operators are meeting this with automated systems, digital keys, mobile check-in, and streamlined online portals.<sup>41</sup> In-apartment, app-controlled lighting, climate systems, and voice assistants are becoming standard requirements.<sup>42</sup> Themed interiors, concept-store aesthetics, and boutique touches help create unique, photo-ready environments.

Whilst not the first generation to seek trips that blend business with leisure, Gen Z expects both the option and flexibility to do so, and expect this to be seamless within their travel programmes. In practice, this means apartments that include private workspaces. In co-living spaces, this manifests itself in hybrid models combining communal areas to satisfy Gen Z’s social and work needs.<sup>43</sup>

## Serviced apartments vs Hotels

Although hotels account for 50.8% of corporate bookings, serviced apartments now make up 33.9%. Extended-stay hotels and aparthotels make up 8.5% and 5.9%, respectively.<sup>44</sup> In 2024, corporate demand was the fastest-growing segment within the serviced apartment category, and over half of operators expected it to remain the primary growth driver in 2025.<sup>45</sup>

The accommodation sector has finally become united. It’s no longer serviced apartment versus aparthotel versus hotel sector but an accommodation sector with choice

- Jan Jacobsen, Accenture

*“Stays of seven nights plus accounts for 40% of our total room nights”, says Danny Cockton of Wood Plc. “Although we use aparthotels extensively, particularly in places like Houston and Dubai, we’ve not been able to encourage people to use traditional serviced apartments.”*

Some travel managers report polarisation between travellers who prefer hotel environments over those receptive to alternatives such as serviced apartments.

Carol Fergus of Fidelity International explains. *“49% of our serviced apartment stays are by back office personnel, but we face challenges with getting our front office staff to stay in serviced apartments. Their mindset is still that hotels are better, so it’s about how we change that mindset to value the better work-life balance and home-from-home feel of apartments.”*

This highlights the opportunity for serviced apartments to grow their share of the accommodation market.

At BP, whilst assignment and relocation bookings are made via SilverDoor, transient travellers book through a TMC. *“The TMC tends to look more at the aparthotel type of property more than traditional serviced apartments in a residential building.”* says Richard Eades.

BP employees have the option of a hotel, but there’s a generation that are happy to have their own space in the bedroom. *“They like stepping out into a lounge, kitchen, or shared area; to sit down and watch a movie, have a takeaway, or get on with a bit of work on their laptops, but in an environment where they’re amongst friends or colleagues.”*

According to Soren Sturup-Toft, Immigration and Global Mobility Lead EMEA & APJ at Databricks, in his organisation, choice of accommodation type is largely budget-driven. *“Those in more junior roles have less money to play with, which drives them towards a cheaper option. In the mid to senior range, people are using corporate housing, few are using hotels.”*

## Short term rentals & Co-living

Demand is overlapping between serviced apartments, aparthotels, short term rentals and Build-to-Rent as the lines become blurred, with each format borrowing from the others.

Commercial property prices in London have seen varied increases in the last year, with some sources reporting rental values growing by over 3% annually. However, figures vary by sector, with the office market seeing average prime rental price increases of around 9.4%.<sup>46</sup>

Lower inflation can lead to higher house prices because it improves affordability and stimulates demand in the housing market. When inflation is high, people’s purchasing power decreases, causing interest rates to rise, so mortgages become more expensive,

*“Interest rates have remained high for operators.”* says Steve Lowy of AES. *“In London it’s been quite a challenge. Things are changing, with service apartments, build-to-rent and student housing overlapping.”*

In 2024, Airbnb booked 491 million nights globally, generating \$11 billion in revenue<sup>47</sup>, although there’s little evidence of short-term rentals being used for anything other than ad hoc work stays for business travel or relocation.



Credit: Cheval Collection

<sup>36</sup> zurich.com

<sup>37</sup> forbes.com

<sup>38</sup> gmsmobility.com

<sup>39</sup> Deloitte’s 2024 Future of Global Mobility

<sup>40</sup> Cartus 2024 Talent Mobility Trends

<sup>41</sup> silverdoor.com/blog/

<sup>42</sup> elinapms.com/blog

<sup>43</sup> estateagenttoday.co.uk

<sup>44</sup> Altovita Q3 2025 Report: Corporate Accommodation Trends

<sup>45</sup> HVS Serviced Apartment Sector in Europe 2025

<sup>46</sup> carterjonas.co.uk/commercial-market-outlook

<sup>47</sup> travelweekly.co.uk

Most corporates continue to resist offering Airbnb and other short term rentals options in travel programmes, primarily because of concerns around traveller safety and policy compliance, but that resistance is being eroded in the same way travellers initially avoided Uber until the technology/app made it easy to book and expense.

*“We make it very clear in our global policy that nobody is to book Airbnb or any short-term rentals property because of issues over contracting, liability, insurance, and security”* says BP’s Richard Eades.

There are exceptions, however. *“Our assignees and hires can stay in whatever they want, Airbnb, hotels, or serviced apartments. up to a nominated amount. It’s a very, very flexible programme”* says Immigration and Global Mobility Lead EMEA & APJ at Databricks.

Karen Hutchings believes there will always be companies that embrace short term rentals, and there’ll be others that will be much more conservative. *“There’s some demand for Airbnb, mainly from individual entrepreneurs, and younger travellers, but it’s a hard sell internally because of the safety and security aspects. When Gen Z demands Airbnb, maybe we’ll see a change of heart. But at the minute there’s just not the adoption there.”*

Although co-living is yet to break through into travel or mobility programmes to any significant extent, the benefits are there. For example, co-living provides a unique housing option that meets the needs of changing population demographics and can play a significant role in reducing loneliness, by improving social cohesion and offering connection with a community.<sup>48</sup>

**Read New Living Models for a Mobile Workforce on pages 72-76.**

### Travel Management Company or Specialist

As some travellers and assignees are entrenched in their preferences for serviced apartments over hotels, and vice versa, corporates are increasingly leveraging specialist serviced apartment providers, often integrated into traditional Travel Management Company (TMC) offerings and online booking tools.

Some are working with their TMCs to develop bespoke solutions for (transient) serviced apartment bookings but fear they must deliver significant booking volumes to avoid having to pick up the tab for TMCs technology investment.

Travel managers do not understand TMCs’ perceived reluctance to invest in serviced apartment content and bookings functionality within their tech stacks. They do not understand why, if hotels are bookable via Global Distribution Systems (GDS), few serviced apartments are.

They specifically question whether the TMC commercial model, reliant upon overrides, and other supplier incentives, is the cause of this feet-dragging, and want TMCs to be prepared to have a sensible commercial conversation aimed at achieving greater transparency and agreeing who-pays-for-what.

Carol Fergus *“wouldn’t even think about using a TMC for serviced apartments. We’ve linked our TMC to our online booking tool, so that when someone goes in to book their flights a pop-up will come up will say, if you’re five days plus, you need to look at the serviced apartment option. Technology and the user experience.”*

### Travel Management Company or Specialist

There is a perception amongst corporate buyers that operators’ current tech priorities lie in streamlining distribution, channel management, and revenue management to reduce costs and improve margins, rather than on improving the guest experience.<sup>49</sup>

This is not the complete picture. While hotels have invested heavily in mobile check-in, digital keys, loyalty apps, and personalised CRM, larger aparthotel chains like Adagio, Staycity, Sonder, and The Ascott are also investing in guest-facing mobile apps, contactless check-in/out and digital concierge, but these are still the exception.

Most serviced apartment providers are smaller operators with limited resources. As a result, user experience (UX)-oriented digital tools are less common and often inconsistent.<sup>50</sup>

Wood Plc is working with its TMC, ATPi to integrate serviced apartment content and bookings functionality, and educational information, as Danny Cockton explains. *“If we are to drive more people into serviced apartments, we need to make that content simple to access, book, pay*

*for and reconcile. We are bringing all this together in the same place, so people don’t have to skip from one place to another to find what they’re looking for.”*

The issue, of course, boils down to who picks up the tab for technical innovation on this scale. *“This is one of the factors slowing TMCs integrating extended stay content and functionality into their tech stacks. Getting TMCs to have that discussion and make the costs palatable for both parties is the way forward.”* Says Danny.

Karen Hutchings agrees. *“I’m at a loss as to why TMCs’ tech is so far behind the times when it comes to serviced apartments, because there’s so much tech out there that would enable them to bring content in. The problem of the fragmentation of the travel industry has long been solved by direct connects.”*

*“There is a massive opportunity being missed because travellers will have a true comparison between hotels and serviced apartments, which then gives travellers the choice.”*

Above all, these travel managers prize user experience above all else. As Databrick’s Soren Stirrup Toft says, *“You want a consistent experience. If hotels can do it, so can serviced apartments.”*

### Artificial Intelligence - the key to the future?

Whilst agents and operators claim to be ‘doing’ AI, most are simply talking about it. However, travel managers believe AI could be the key to unlocking serviced apartments’ true potential by establishing a competitive advantage over hotels.

Josef Jedlicka is Supplier Development Regional Manager at global Relocation Management Company Graebel. *“All our partners have invested into new technology. AI implementation is where we want to go. Some of our clients, particularly tech companies, are utilising it, mainly to automate some administrative tasks.”*

Karen Hutchings says that although many travel managers are encouraged to use Generative AI in some way or form, *“none of them really know how to use it yet because very few of the big TMCs have it in place.”*

*“AI is the biggest opportunity in our industry right now. You go into an apartment and you’ve got all the amenities you need, but it doesn’t give you anything else.*

*When you go to a hotel, the website tells you everything you need to know about what’s nearby. You have enough information to decide what to do. This tends not to happen in serviced apartments.”*

A 2024 global supplier survey found 21% of serviced apartment and corporate housing providers were already using AI for pricing and revenue management, with 85% open to exploring or expanding their use of AI in these areas.<sup>51</sup>

Some brands are using AI to enhance their UX via guest facing chatbots. For example, Ascott has launched “Cubby,” a generative AI chatbot in the UK to help guests with planning/booking and destination tips.<sup>52</sup>

Staycity has implemented AI messaging using a “WhatsApp-first” guest messaging model. Sonder offers a 24/7 digital concierge through its app,<sup>53</sup> whilst Accor has rolled out AI assistants and built advanced AI customer-service/chat solutions for guest interactions across its brands.<sup>54</sup>

Operators realise that the true value of AI lies not in replacing humans, but in performing the tasks those individuals do not have time for. The consensus is that AI adoption will be gradual as people come to understand the capabilities of AI beyond emails and make in-roads in terms of its adoption and application.

### Challenges and opportunities - realising the potential

Travel managers striving for seamless end-to-end travel and relocations are frustrated by the lack of information provided to travellers/assignees pre-trip or pre-arrival at the apartment, especially when existing technologies enable this.

*“We’re not driving people to have that opportunity”* says Wood Plc’s Danny Cockton. *“We’ve got the facility to book serviced apartments, but it’s still not as simple to book as air or hotels. It’s about making it easy for people to book.”*

Travellers and assignees need to know what to do when things go wrong, with un-managed check-ins or no concierge services highlighted as examples of where serviced apartments do not compare favourably with hotels.

<sup>48</sup> savills.com

<sup>49</sup> HVS “Serviced Apartment Sector in Europe 2025

<sup>50</sup> AltoVita/ASAP

<sup>51</sup> theapartmentnetwork.com

<sup>52</sup> servicedapartmentnews.com

<sup>53</sup> futuredatastats.com

<sup>54</sup> deloitte.com

<sup>55</sup> GBTA 2025 Travel Manager Outlook,

<sup>53</sup> futuredatastats.com

*“Serviced apartment operators have to consider how they can make their product more appetising to the traveller.”* says Carol Fergus. *“Like partnering with ground transportation providers so when the traveller arrives, they are collected from the airport, taken to the apartment, and vice versa, making them feel comfortable from the start.”*

*“They also need to harness the opportunities afforded by AI so it feels like they’re really giving the guest something more than some of the hotels can do. They can provide all that key information the traveller needs before they get to the apartment.”*

Accenture’s Jan Jacobsen makes the same comparison to ground transport and adds another. *“Serviced apartments can learn from ground transportation. Everything is ready when the traveller arrives. The chauffeur is there, my water bottle is there, not plastic. If a ground transportation provider can do that, how come a serviced apartment can’t fix that?”*

Soren Sturup-Toft from Databricks pinpoints ease of booking and cost as the way to realise the true potential of serviced apartments. *“If there is a cheaper option, there’ll be more people doing it. With ease of booking, you have these alleged booking sites that aren’t booking sites because whilst you can see it you have to request a quote.”*

*“Live or instant booking is best, because you can be sure that you’re getting it without being out-booked. People want the certainty. It’s no good if it gets cancelled or you must wait six days to get an answer because people will simply go elsewhere, I want to book everything now.”*

With 79% of travel buyers saying ease of booking is a top programme priority for the next 12 months, it’s unlikely that serviced apartments are exempt. 74% expect their online booking tool usage to increase in the year ahead<sup>55</sup> although ASAP estimates that 72% of intermediary bookings are still made manually direct with properties.

There’s been a clear shift to shorter booking windows and more last-minute bookings, alongside demand for flexible cancellation. If travellers are booking later, apartments that are instantly bookable with clear, flexible terms will convert more of that demand.<sup>56</sup>

Ironically, none of these challenges are new. They have each existed for a decade or more but remain un-resolved. Travel managers do not understand why this is the case, other than cost and the unwillingness of TMCs or operators to take the risk.

### Looking ahead

As the financial crash of 2008/9 and the pandemic showed, serviced apartments thrive in a crisis. Given a combination of continued conflict in Ukraine and the Middle East, raised tariffs and increased sector regulation, could 2026 provide the sector with its next growth opportunity?

The signs are positive. The UK serviced apartment market is projected to grow at a compound annual growth rate (CAGR) of 8.8% between now and 2033. 2026 will be a critical ramp-up year in supply, and over the next three years London will see supply increase by 3,000 units, equivalent to a 26.7% increase in stock. In the same period, Europe will witness a 21.2% growth in supply.

The proportion of investors targeting serviced apartments rose from 24% in 2024 to 27% in 2025, indicating intensified interest.<sup>57</sup> With fewer serviced apartment assets available, demand is outweighing supply, leading to intensified competition among lenders and more favourable financing terms for borrowers signalling sustained capital appetite.<sup>58</sup>

Changing traveller needs, with Gen Z becoming increasingly influential on how corporate travel and mobility programmes are shaped, are deepening that opportunity, but travel managers need a coalition of intent to grasp the new opportunities from AI to create new competitive advantages over hotels.

Travel managers predict demand in 2026 will be a mixture of growth and status quo, but they are looking for more in terms of savings or added value.

# GSAIR

## DATA INSIGHTS

<sup>55</sup> GBTA 2025 Travel Manager Outlook

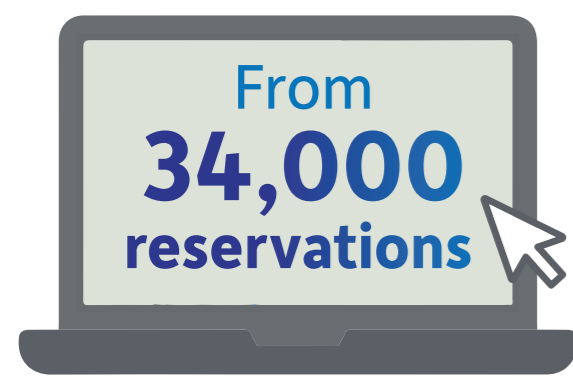
<sup>56</sup> HVS Serviced Apartment Sector in Europe 2025

<sup>57</sup> savills.co.uk/blog

<sup>58</sup> hvs.com/

# GSAIR OVERVIEW

Data compiled from  
**1.6 MILLION NIGHTS**  
over the past



made **GLOBALLY**

Spent in over  
**1000** cities  
& **130** countries

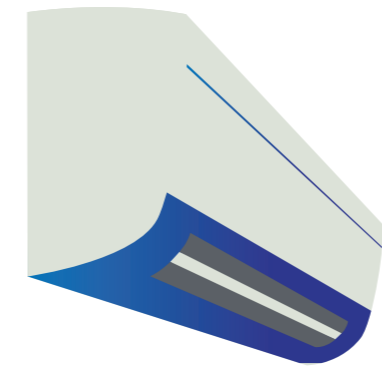
Overall ADR  
**£145**  
IN 2025

**ADR growth has been limited**  
– in the last year, London, Paris, Amsterdam all saw variance from year-to-year of **less than 2%**

**82%** of UK bookings are **domestic**



whilst **18%** are international  
(booker location is non-UK)



**28%** of UK bookings include aircon compared to **78% overseas**

**50%+** OF RESERVATIONS ARE WITH PROPERTIES WITH SMART LIGHTING, BIKE STORAGE & NO SINGLE-USE PLASTICS

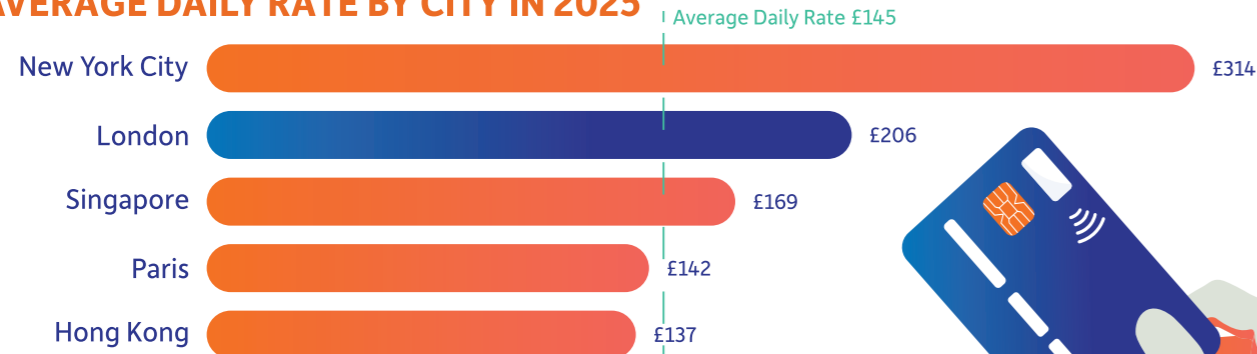


**LEAD TIME IS INCREASING**

– bookings with > 60 days lead time accounted for **28%** of all UK bookings in the **first half of 2025**, up from 25% in H1 2024  
(Non-UK equivalent is 19% in 2025 H1, up from 14% in 2024 H1)

# BENEATH THE HEADLINES

## AVERAGE DAILY RATE BY CITY IN 2025



## AVERAGE DAILY RATE BY APARTMENT TYPE IN 2025



## AVERAGE DAILY RATE BY PERMISSION FOR PETS IN 2025



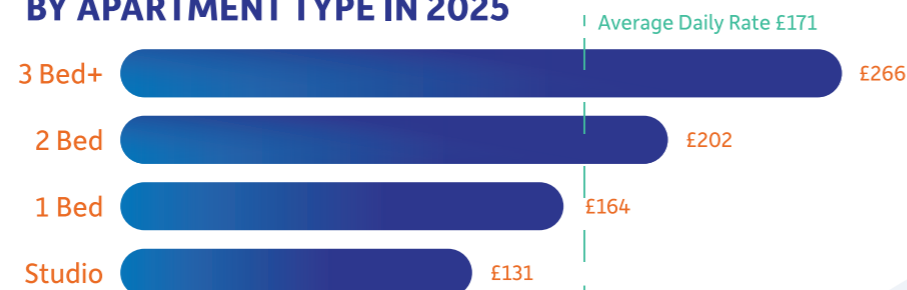
## ADR explained

Average daily rate is a relatively crude metric, heavily influenced by the mix of booked properties and their attributes.

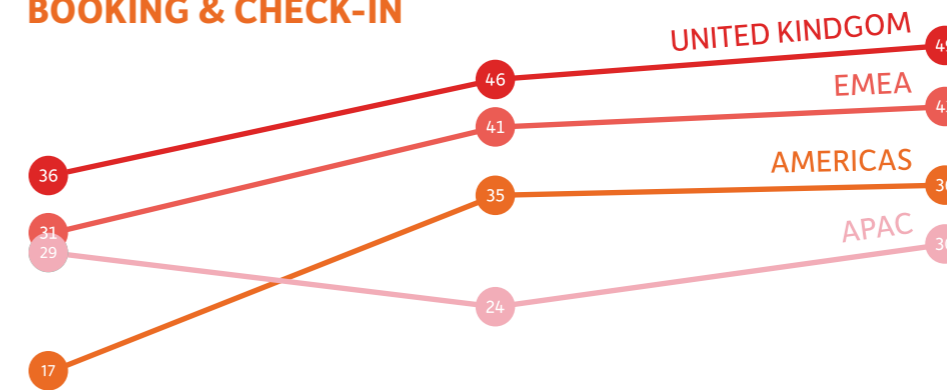
While the global average ADR in 2025 is £145, that varies significantly by location, apartment type and whether pets are permitted as part of the booking. Often these factors are interrelated.

In the UK alone a booking for a 3-bed property has an ADR nearly £100 higher than the national average, but relatively few of these will be based in London, where the ADR is typically higher than the rest of the country.

## UK AVERAGE DAILY RATE BY APARTMENT TYPE IN 2025



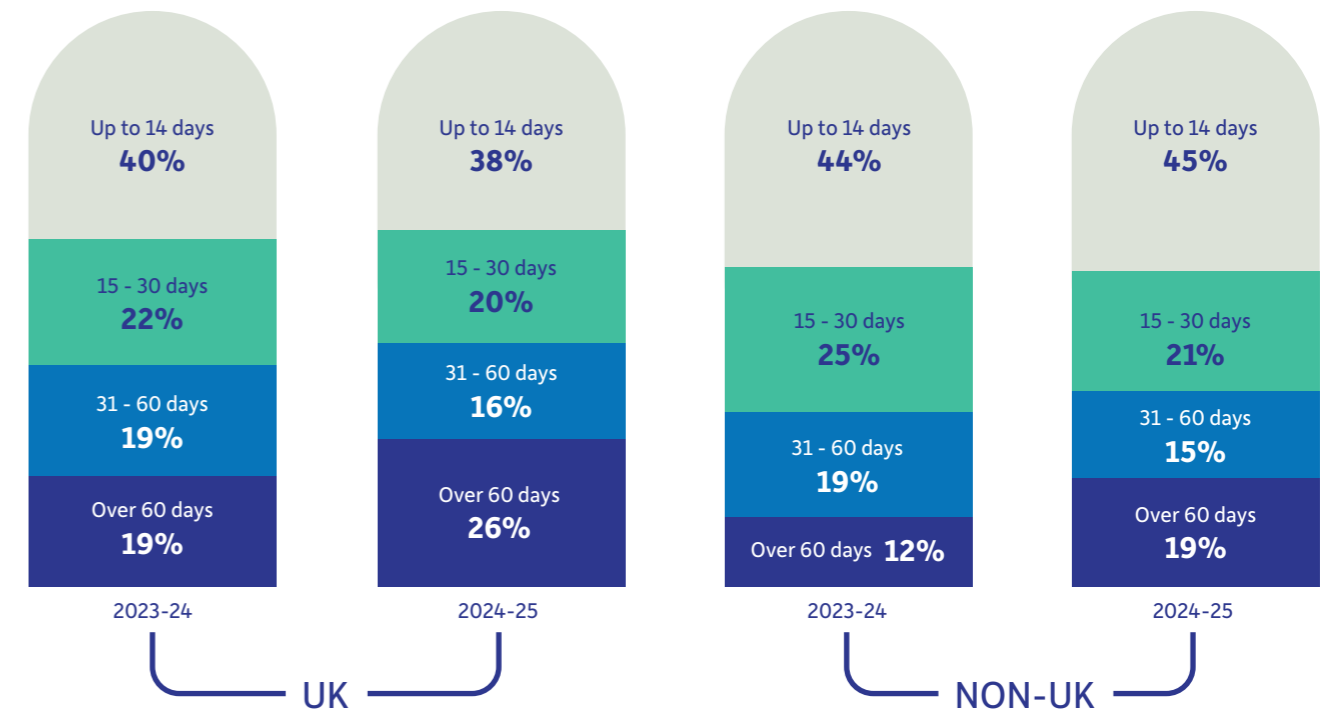
## AVERAGE DAYS LEAD TIME BETWEEN BOOKING & CHECK-IN



## Lead time explained

Lead time is rising globally, with year-on-year increases in the period between the booking date and check-in.

## LEAD TIME IS GROWING



Lead time is increasing because bookings with > 60 days lead time accounted for 28% of all UK bookings between January and June 2025. This compares with 25% in the equivalent period of the previous year and 23% in July to December 2024.

## AIR CONDITIONING IS THE NORM OUTSIDE EUROPE, BUT HAS ONLY REACHED c.50% OF BOOKINGS IN LONDON



# A Focus on Sustainability

## YEAR ON YEAR CHANGE



72% of reservations in July 2023 to June 2024 were for properties with public sustainability commitments, rising to 76% in the following year.



A BOOKING IN THE UK IS

# 14%

more likely than the global average to have provision for **single-use plastics**.



A BOOKING IN THE USA IS

# 21%

more likely than the global average to have provision for **bike storage**.



## SUSTAINABILITY FEATURES

are more common in bookings of smaller properties e.g. 1 bed apartments.



## AVERAGE DAILY RATE INCREASES

STEADILY WITH THE PROVISION OF MORE SUSTAINABILITY FEATURES.

This is likely due to the influence of new builds having these features and also being able to charge more. Sustainability probably means other mod-cons too.



## SUSTAINABILITY LEVEL

## ADR



# £178



# £147



# £136



# UK SUMMARY



13% of UK bookings in 2025 are in Scotland, the UK region with the BIGGEST annual growth

83% of reservations in Northern Ireland have bike storage provided.

Engineering, Manufacturing and Construction industry accounts for more than a third of bookings in the Midlands.

London accounts for 48% of UK bookings, but also UK 62% of value in the last 2 year.

South West region experienced 42% year-on-year growth, the largest across all of England & Wales

South East - £42 uplift in Average Daily Rate year-on-year, the largest in the UK.

# DESTINATION DEEP DIVE EDINBURGH



Provision in Edinburgh is notably different to the other major UK cities. At a high level this is illustrated by the shorter mean booking length and relatively high average daily rate.

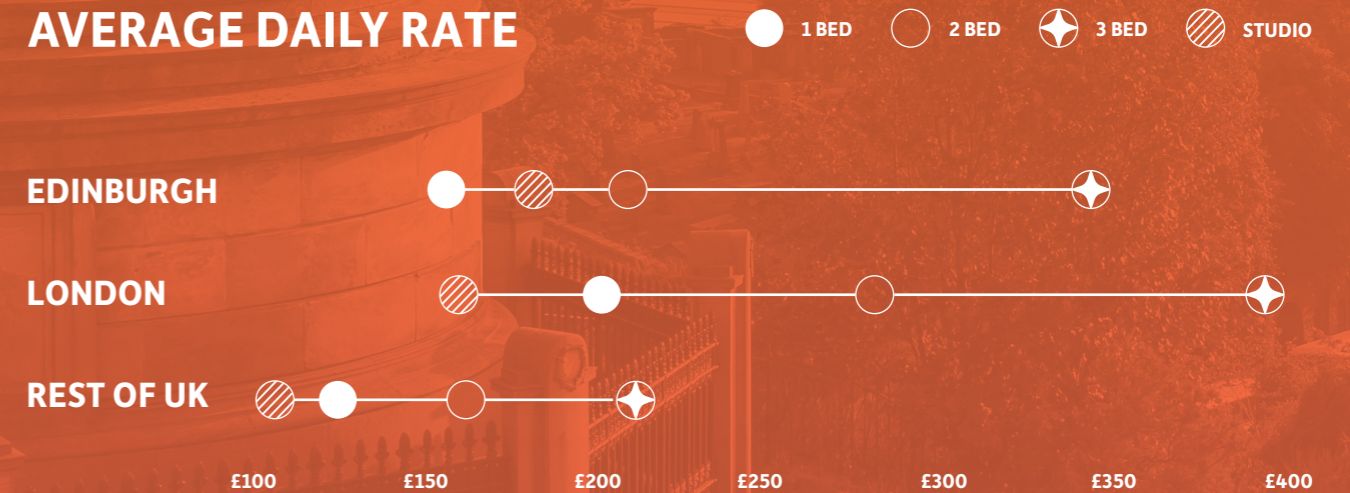


**AVERAGE LENGTH OF STAY**  
13.4 NIGHTS EDINBURGH vs 29.6 NIGHTS UK AVERAGE

Property Type	City	% of All Booking in City	% of All Booking Value City	Client Ratio Average
STUDIO	Edinburgh	57%	23%	£181
	London	34%	15%	£160
1 BED	Edinburgh	38%	51%	£156
	London	49%	58%	£201
2 BED	Edinburgh	6%	25%	£208
	London	15%	20%	£280
3 BED	Edinburgh	0%	1%	£343
	London	3%	6%	£386

More than half of all Edinburgh bookings are for studio apartments, compared with just one-third in London. Provision of larger apartments is low (see our *Future Vision* article on pages 41-45).

## AVERAGE DAILY RATE



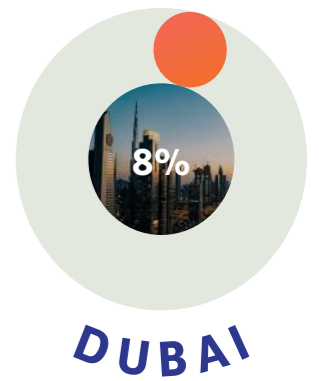
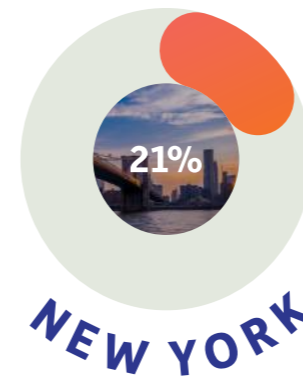
The ADR of a studio in Edinburgh is higher even than in London, and inflated compared with the typical discount relative to 1 bed and 2 bed properties seen elsewhere across the country.

# LONDON VS THE WORLD

## STUDIO SHARE OF APARTMENTS BY CITY

Compared with other global hubs, London's profile is quite distinct, with more than a third of bookings being for studio apartments.

This is twice the rate of Singapore and four times the rate of Dubai.



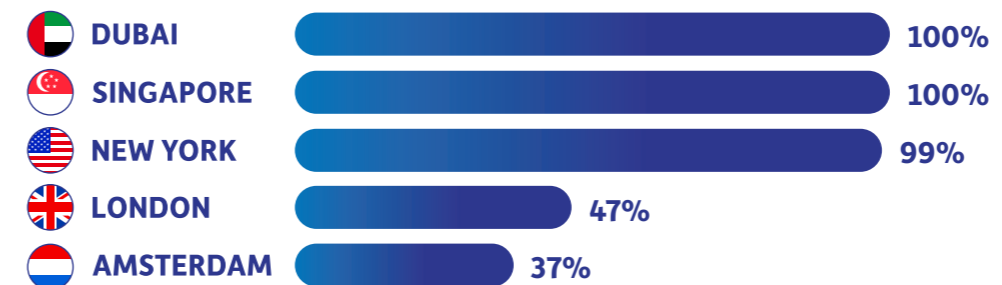
## AVERAGE DAILY RATE BY APARTMENT TYPE BY CITY



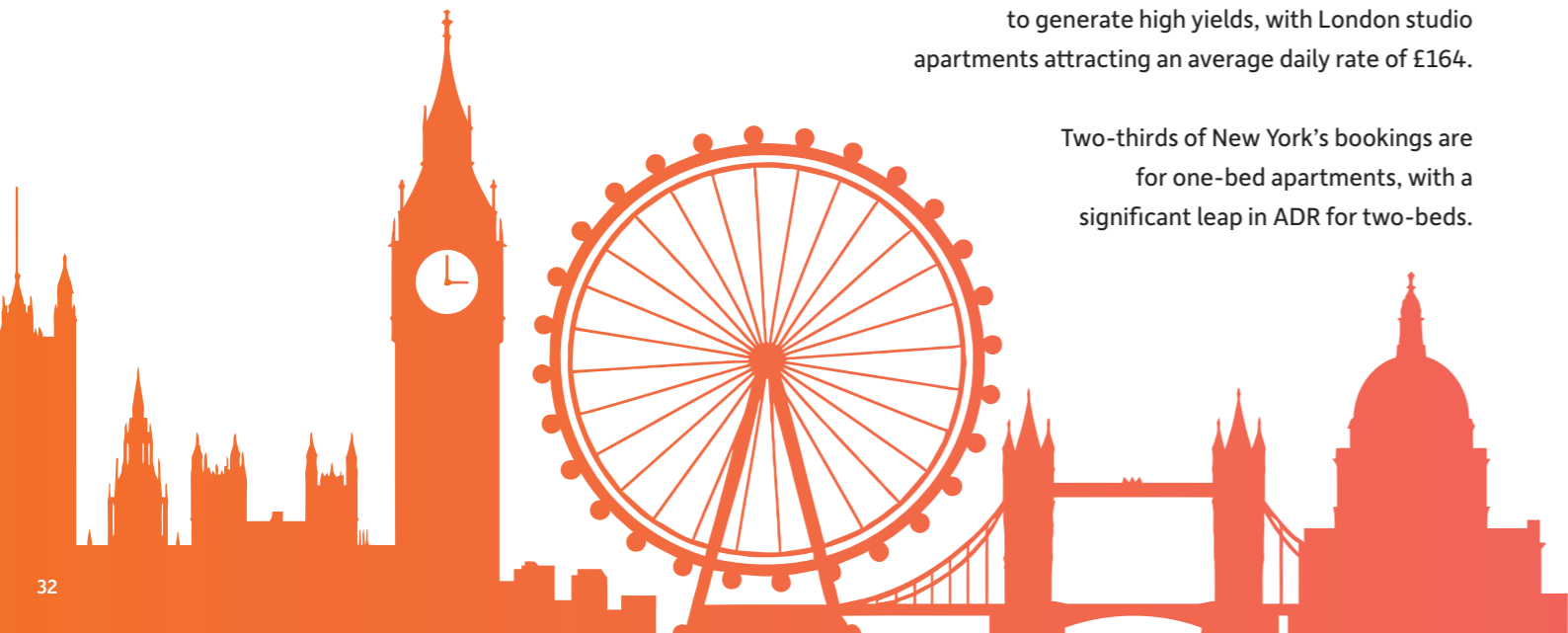
Yet, that high level of provision is still able to generate high yields, with London studio apartments attracting an average daily rate of £164.

Two-thirds of New York's bookings are for one-bed apartments, with a significant leap in ADR for two-beds.

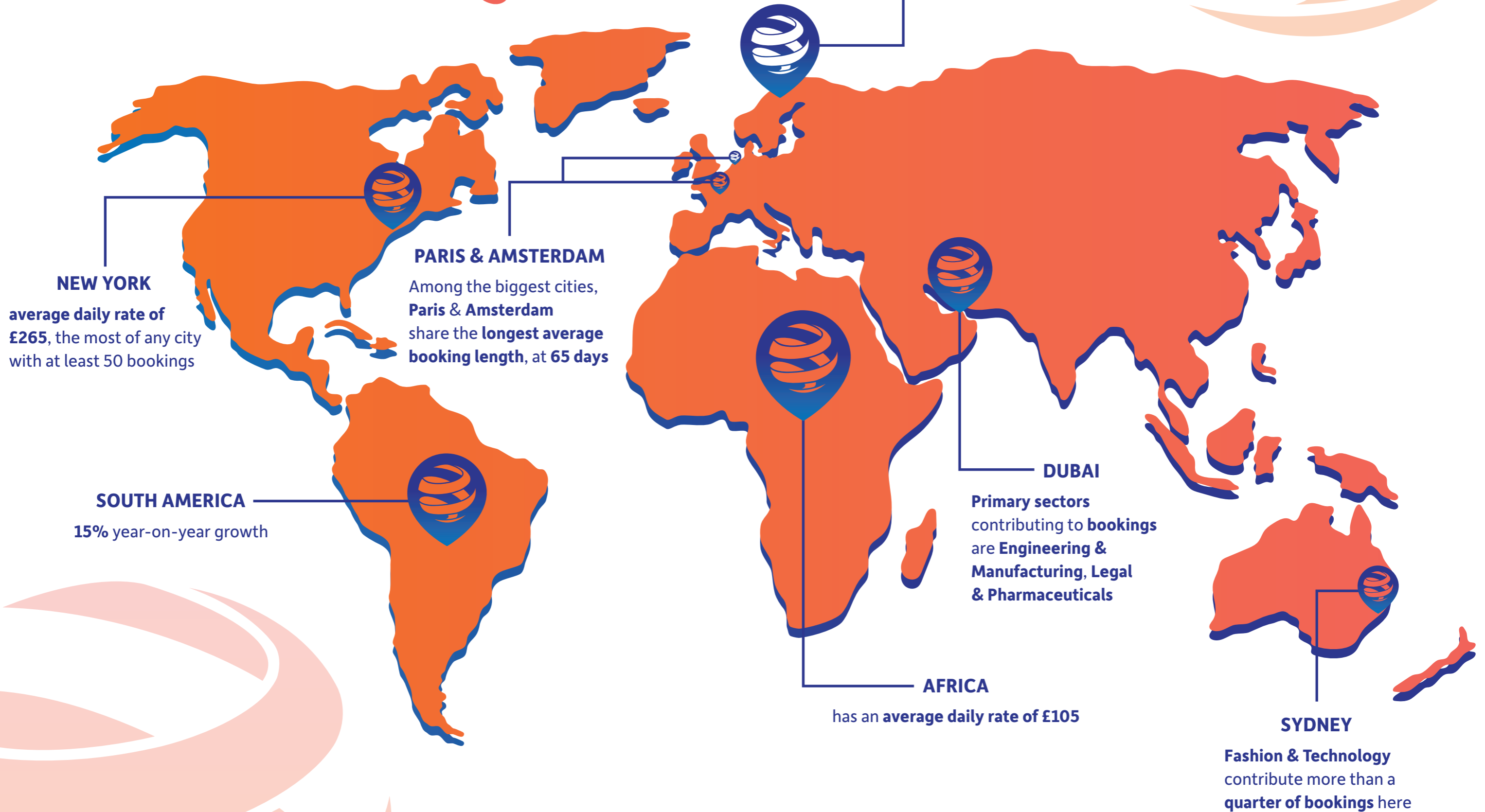
## AIR CONDITIONING IS THE NORM OUTSIDE EUROPE, BUT STILL HASN'T REACHED 50% OF BOOKINGS IN LONDON



London is ahead of most other European cities in terms of provision of air conditioned apartments, but in other major cities this is a non-negotiable feature.

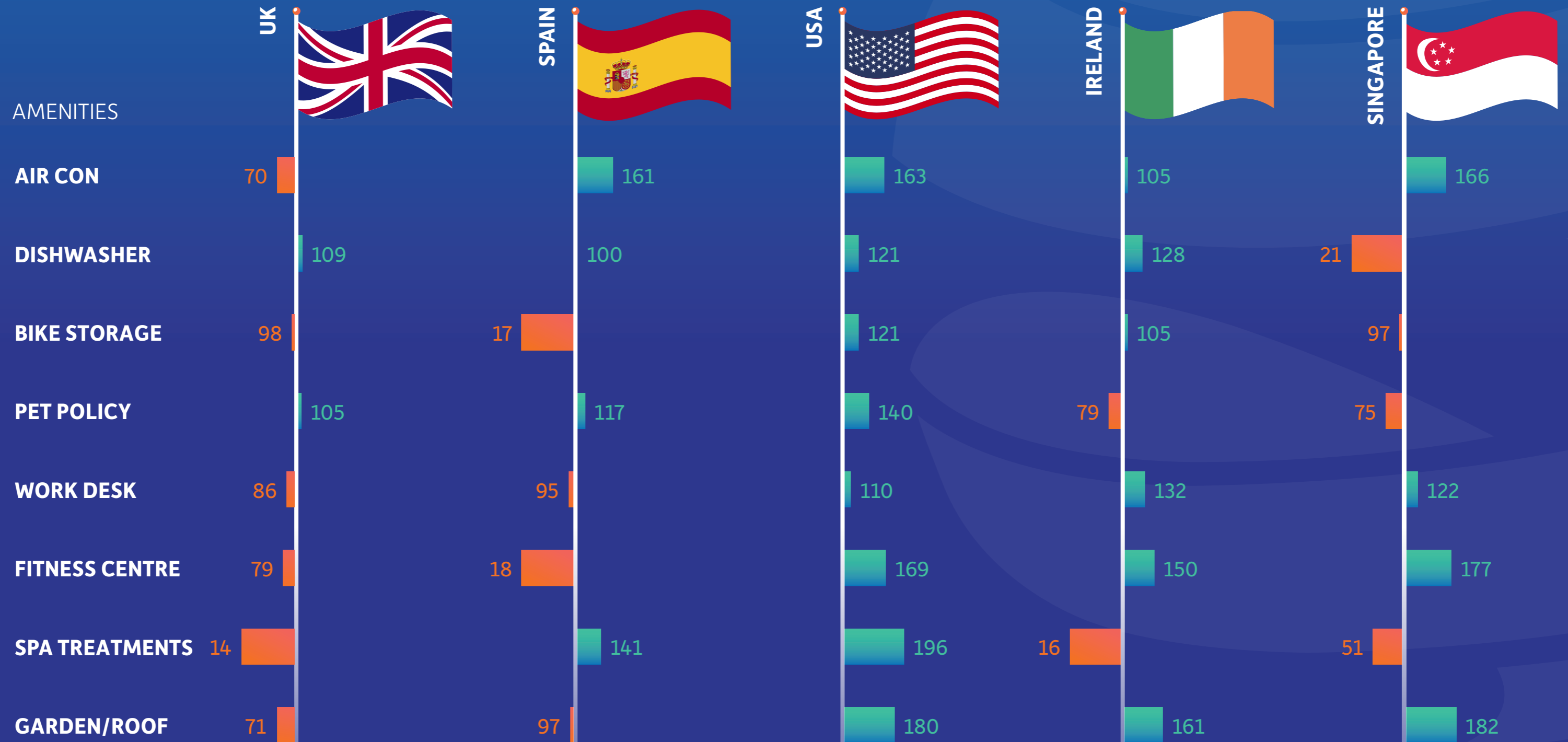


# GLOBAL CALL-OUTS



# HOW AMENITIES VARY ACROSS THE GLOBE

Certain property attributes carry greater importance in some countries than others. For example air conditioning is underrepresented among reservations in the UK, with an index of 70. The representation of air conditioning among properties in the UK is 30% lower than the global average.





# SilverDoor

## The personal service you've trusted for 25 years...



## with more global reach than ever before.

discover more at: [silverdoor.com](https://silverdoor.com)



# The HOT SEAT

## In conversation with Stuart Winstone

We speak with SilverDoor CEO Stuart Winstone about the recent merger with Synergy Global Housing and what it means for the sector, property operators, and clients.

**Firstly, congratulations to you! Can you tell us why you decided to merge with Synergy Global Housing?**

**SW:** As a global agency, we have always had ambitious plans to grow our service offer, our team and our client base worldwide. Alongside that, we have been long-standing admirers of Synergy and the impressive growth that founders Henry Luebbert and Jack Jensky have achieved since they first established the business. Both companies are respected leaders within the sector with shared values and aspirations. Marcus and I have been keen to work with Henry and Jack for several years now and a merger to bring the two companies together has been a long-held ambition.

The merger allows us to pool our investment in new technologies and expand our offering to customers, who will benefit from a broader supply chain. At the same time, we can scale our property partner portfolios, positioning us for growth in new markets.

**What does the merger mean in terms of brands and structure?**

**SW:** The combined group will operate with two key brands. The SilverDoor brand will continue for our global agency services, and we are introducing the new Synergy by SilverDoor brand for the global corporate housing management business.

Synergy by SilverDoor will operate its own branded apartments in core markets across the United States, Ireland, and the United Kingdom, with further international expansion planned as part of our broader growth strategy. Our new global headquarters will be based in our offices at London's Chiswick Park, while worldwide we employ over 450 people and maintain operations in 16 cities across nine countries, including the United States, Ireland, Spain, United Kingdom, United Arab Emirates, India, China, Singapore and Hong Kong, with plans to expand in the months to come.

The newly combined group will be led by me, as I continue in the role of CEO, alongside Marcus Angell, who will assume the role of Executive Chairman. The Synergy founders, Henry and Jack, will both be retiring from the business at the end of this year and we are extremely grateful for their guidance and support throughout the merger process. Marcus, Angie, the entire SilverDoor Board and I feel extremely fortunate to be merging with a business that has had such visionary leadership and has entrusted us to take it to the next stage.

**What does it mean for your customers and your property partner network?**

**SW:** Throughout the process, we've stayed focused on combining the strengths of both companies to deliver greater value, expertise and innovation to the market.

For clients, the merger means access to a wider network and an enhanced service offering, with Synergy continuing to operate and manage its core properties. As a result, clients will be able to access local assistance in a greater number of key cities. This will allow our agency business, as the supply chains are integrated, to offer an even more extensive range of vetted options across key markets.

For our property partners, the merger will also offer greater operational efficiency and opportunity, as once we complete the integration, they will only have to manage one relationship, rather than two. It is also important to note that in line with our core client-centric service philosophy, our priority is - and always will be - on delivering the right and best-fit options for our clients. That means continuing to offer properties that best meet a client's requirements, irrespective of whether that is a Synergy-managed property. The priority is the client, not our inventory.

**What are your plans and ambitions for the future?**

**SW:** As a new combined business, our mission is to build the most comprehensive serviced apartment and corporate housing offer globally. We have an ambitious growth target and strategic plan for the next five years and our merger with Synergy marks the first strategic step to achieving that, enabling us to continue to expand our network and presence in key global markets. There is a lot for us and the sector to look forward to!



## Short stays that stand out from the crowd

Business trips or work relocations – whatever the reason for a visit, our dedicated guest services team will make the experience seamless. Choose from distinguished Notting Hill townhouses, Mayfair apartments and Kensington mews homes – and leave us to sort the rest.

Get in touch for more details:  
020 8168 8880 / domusstay.com

**domus  
stay.**

# FUTURE VISION

## Trends & influences that will drive the UK serviced apartment sector in 2026/2027



By Mark Harris

The UK serviced apartment sector is poised for strong growth in 2026 and beyond, driven by rising corporate relocations, longer stays, and the blending of business and leisure travel.

London remains the primary focus, however regional cities like Manchester, Edinburgh, and Birmingham are attracting more attention. Growth is also forecast in secondary locations like Leeds, Bristol, Cardiff, Oxford, Nottingham, York, and Reading<sup>1</sup>, with the potential for the sector to expand beyond urban centres into coastal and countryside locations, capitalising on the growing trend for blended travel.<sup>2</sup>

Operators are adapting to the changing traveller and relocatee demographics through tech-enabled experiences, flexible apartment layouts, and ESG-focused developments, while investor interest continues to grow. These trends will reshape the UK serviced apartment market in the coming years.

“  
Serviced apartments  
are on a precipice of  
opportunity.”

- Karen Hutchings,  
Cobb & Hutch Consultants<sup>3</sup>

Here's the GSAIR take on the key market trends and influences likely to drive the UK serviced apartment sector in 2026 and 2027, and their possible consequences, based on the most recent data and expert industry insight from 2025.

<sup>1</sup> [knightfrank.co.uk/research](https://www.knightfrank.co.uk/research)

<sup>2</sup> *ibid*

<sup>3</sup> See elsewhere in this report.

# TRENDS DRIVING SERVICED APARTMENT GROWTH

1. Corporate relocation demand is increasing, particularly within the energy, technology, legal, and finance sectors. This growth, reinforced by the continued prevalence of remote and hybrid work models, is expected to drive sustained demand for serviced apartments in 2026 and beyond. Enquiries from companies looking to relocate staff to the UK were up 8% year-on-year in April 2025.<sup>4</sup> Employees, especially digital nomads, want the flexible, home-like, longer term stay that serviced apartments provide, and this experience-led demand shows no signs of abating in the year ahead. Project-based roles and housing transitions will grow too, driving up the number of stays of 30 days or more.
2. Blended travel is gaining greater traction. Professionals are extending business trips for leisure, favouring serviced apartments that offer residential amenities and short-term flexibility. The global bleisure market was predicted to be worth £567.24 billion in 2025, with a quarter of business travellers engaging in blended travel.<sup>5</sup> Based on a Compound Annual Growth Rate (CAGR) of 12.27% from 2025 until 2032, the blended travel market will be worth £636.47 billion in 2026.<sup>6</sup>
3. Hybrid workspace integration is growing in popularity. The proportion of hybrid workers has been rising since March 2022, and a 2025 poll showed that 63% work remotely either some or all of the time.<sup>7</sup> Expect to see more co-working areas and ergonomic private workspaces within serviced apartments in the year ahead and beyond.
4. Demand for seamless tech experiences is surging. Contactless check-ins, mobile apps and smart-room integration are becoming, are becoming commonplace. As is the adoption of PropTech by operators to provide personalised, efficient guest experiences, which directly correlates with improved guest satisfaction and revenue.
5. Sustainability remains a core requirement of UK corporates. Over 50% of corporate travel managers now require ESG credentials in their RFPs<sup>10</sup> and 73% of buyers already build sustainability into their travel programmes.<sup>11</sup> However, sustainability is currently eclipsed by cost control in terms of their priority in travel and relocation programmes. 78% of travel buyers cite cost control as one of their top three strategic priorities for 2026, whereas 46% said that sustainability was a high priority.<sup>12,13</sup> The point is, that while cost control becomes a heightened priority in uncertain economic times, sustainable practices are a permanent fixture due to regulatory pressures, technological advancements, and traveller expectations.
6. Travellers, assignees, relocatees, and especially longer-stay and hybrid travellers increasingly expect serviced apartments to provide wellness amenities such as gyms, green spaces, and air purification. Four out of five consumers believe wellness is important, with 42% prioritising it.<sup>14</sup> Operators are responding by redesigning apartment units with smaller kitchens and more common areas, balancing efficiency with flexibility.
7. Operators are increasingly turning to dynamic pricing systems and AI tools to optimise occupancy and ADRs, especially amid fluctuating demand. To optimise REVPAR, implementing a cloud-based property management system (PMS) can increase operational efficiency by up to 30%, whilst AI can reduce staff workload by up to 70%.<sup>15</sup> Looking ahead, the impact will include enabling more highly personalised guest communications, itinerary suggestions and upgrade offers. Operational improvements may include automatically adjusting guest room environments for comfort and energy efficiency and triggering maintenance tasks before issues arise.<sup>16</sup>
8. Regulatory shifts and corporate governance are pushing operators to provide performance data and sustainability reporting, embedding it into procurement processes. The main drivers of this trend are new EU regulations such as the Corporate Sustainability Reporting Directive (CSRD), increased investor demand for ESG information to support sustainable projects and prevent repeated investment missteps, and a rising corporate focus on supply chain transparency and ethical practices.

## HOW TECH DEMAND IS GROWING IN GLOBAL HOSPITALITY <sup>8</sup>

**85%** of hotels have adopted mobile check-in to enhance guest experience.

**75%** of hotels plan to implement contactless check-in technologies by 2025.

**62%** of travellers would choose a hotel with smart room technology over traditional options.

Guests now expect seamless tech across platforms—with **82%** expecting digital interactions to be seamless.

**71%** of guests are more likely to choose hotels that offer self-service technology, including contactless check-in and digital room keys.<sup>9</sup>

<sup>4</sup> knightfrank.com

<sup>5</sup> Navan/GBTA

<sup>6</sup> fortunebusinessinsights.com

<sup>7</sup> Forbes Advisor

<sup>8</sup> Gitnux's 2025 Digital Transformation report

<sup>9</sup> oysterlink.com/spotlight/digital-transformation-hospitality-industry

<sup>10</sup> Uber for Business

<sup>11</sup> Business Travel Show Europe

<sup>12</sup> GBTA

<sup>13</sup> Business Travel Show Europe

<sup>14</sup> McKinsey 2021



Whoever can crack integration of serviced apartment sourcing into the GDS or a transient travel programme will realise one of the biggest-ever opportunities that a company will ever have.

- Karen Hutchings,  
Cobb & Hutch Consultants

<sup>15</sup> International Journal of Management Science and Information Technology

<sup>16</sup> green-apex.com/

# 17

## PREDICTIONS

1. Expect a steady stream of UK openings as supply expands by 4,950 rooms in the next five years.<sup>17</sup>
2. London stock will jump by 26.7% by the late-2020s, with 3,000 units committed in London.<sup>18</sup>
3. The serviced apartment market will double in value to £6.52 billion by 2033, a CAGR of 8.8%.<sup>19</sup> Corporate demand will continue to fuel serviced apartment growth.<sup>20</sup>
4. Investor appetite will strengthen as serviced apartments rank highest among hotel sub-sectors for buyers.<sup>21</sup>
5. Strong lender interest and favourable financing for the asset class will drive new projects and refinancings of existing ones.<sup>22</sup>
6. Transaction activity will gather pace, signalling improving liquidity. Expect UK hotel single-asset deals, up 8.4% year-on-year in the first half of 2025, to spill over into serviced apartment deals in 2026.<sup>23</sup>
7. Due to lower build costs and speed-to-market, office-to-aparthotel and other conversions will contribute significantly to new UK supply in 2026–27.<sup>24</sup> Between 2022–2024, 3.3 million square feet of office space in London worth £2.5 billion was sold for conversion into alternative uses, including hotels and serviced apartments.<sup>25</sup>
8. High occupancy will continue in 2026 while rate growth gradually normalises.<sup>26</sup> Occupancy will be highest in London (thanks to persistent demand from both corporate and leisure sectors) Edinburgh (due to high demand and constrained supply) and Manchester (due to robust demand from business, students and relocation).<sup>27,28</sup>
9. Longer average lengths of stay will persist. Operators reported an increase in the Average Length of Stay (ALOS) in 2024 due to growing demand for extended stays, blended travel, and relocations.<sup>29</sup> Operators' business mix and apartment design are gearing to 7+ and 30+ night stays, so momentum should hold in 2026.<sup>30</sup>
10. Corporate relocations will feed bookings, with UK relocation enquiries up 8% year-on-year in April 2025.<sup>31</sup>
11. Branded operators will dominate UK openings in 2026 and beyond.<sup>32</sup>
12. 2025 tie-ups like Your Apartment and Homes & Villas by Marriott Bonvoy, point to more platform partnerships in 2026, which will widen corporate and leisure reach, and deepen distribution partnerships.<sup>33</sup>
13. Hotel majors will push apartment-style brands, illustrated by the Marriott/Reside/Mint House momentum in upscale extended stay; expect further UK activity and brand entries in 2026.<sup>34</sup>
14. London will remain the primary beneficiary of capital investment, followed by Manchester and Birmingham. Liverpool and Leeds are also on investors' radars as new schemes come on stream.<sup>35</sup>
15. ESG-led retrofits will become more common. With conversions prominent<sup>36</sup>, expect retrofit/ESG capex to feature in 2026 underwriting and branding (energy, materials, and smart controls).<sup>37</sup>
16. The convergence of serviced apartments and Co-living will gather pace alongside the rise of Build-to-Rent; anticipate blended projects and amenity set in UK cities in 2026.<sup>38</sup>
17. Sector outperformance compared to hotels will keep attracting capital. Limited-service models display higher profit margins than full-service hotels, consistent with aparthotel economics.<sup>39</sup>

<sup>17</sup> HVS<sup>18</sup> ihmrecharge.com<sup>19</sup> Grand View Research<sup>20</sup> Ibid<sup>21</sup> Savills<sup>22</sup> HVS<sup>23</sup> Savills<sup>24</sup> HVS<sup>25</sup> bisnow.com<sup>26</sup> Serviced Apartment News<sup>27</sup> resharonics.com<sup>28</sup> Savills<sup>29</sup> HVS<sup>30</sup> Ibid<sup>31</sup> Knight Frank<sup>32</sup> HVS<sup>33</sup> Serviced Apartment News<sup>34</sup> hoteldive.com<sup>35</sup> ihmrecharge.com<sup>36</sup> HVS<sup>37</sup> Ibid<sup>38</sup> Grand View Research<sup>39</sup> STR/CoStar<sup>40</sup> ihmrecharge.com<sup>41</sup> Hospitality Investor<sup>42</sup> The Times<sup>43</sup> Savills<sup>44</sup> Birmingham City Council<sup>45</sup> FleetMilne<sup>46</sup> Serviced Apartment News

## REGIONAL OUTLOOK

### LONDON

London remains the UK's prime growth market, with just under 3,000 committed units (~+26.7% on stock), keeping it the number one target for new branded openings through 2026–28.<sup>40</sup>

The capital will continue to take the lion's share of UK pipeline. Operators and investors overweight London as the entry point for corporate demand, relocations, and leisure.

Office-to-aparthotel conversions will quickly add more keys. New 2026 openings in the City, South Bank, Battersea, and Nine Elms reflect lender appetite for conversions.<sup>41</sup>

### MANCHESTER

Corporate demand will underpin big-ticket hospitality and residential schemes like Nobu Hotel Manchester within Viadux-2, keeping the city on global brands' radars and boosting extended-stay demand alongside projects and relocations.<sup>42</sup>

Rapid city centre growth will bring added pressure on accommodation supply. Expect more serviced apartment developments or conversions near the core business districts to meet demand in 2026 and beyond.<sup>43</sup>

### BIRMINGHAM

Regeneration schemes in city centre schemes like Smithfield, Digbeth and Eastside around HS2 Curzon Street are set up to add more long-stay/aparthotel stock from 2026 onward.<sup>44</sup>

These include an 80-unit aparthotel and 175-room hotel on Digbeth High Street, the conversion of The Royal Angus Snowhill to the 161-unit Aparthotel Birmingham and the incorporation of an Adagio aparthotel into the Beorma Quarter.<sup>45</sup>

### EDINBURGH

The city is chronically undersupplied relative to demand, with record tourism levels and major festivals and conferences supporting extended-stay occupancy. Supercity Aparthotels' new 66-suite Forth House and planning for Leith Walk 28-bedroom aparthotel signal sustained brand interest into 2026.<sup>46</sup>

The visitor levy ramps up in July 2026, so operators are likely to flex their pricing and Average Length of Stay (ALOS) strategies. Expect more small-scale serviced apartment schemes too.

<sup>47</sup> Ibid<sup>48</sup> Business Travel News Europe

### GLASGOW

The impending arrival of Radisson Serviced Apartments' UK debut in Glasgow positions serviced apartments as an institutional-grade asset class locally, which is likely to draw further attention from private equity, institutional investors, and lenders.

Having a top-tier international group in-market raises the competitive bar and de-risks entry for other major aparthotel or extended-stay brands. Expect increased activity from both operators looking for sites, and developers seeking to secure management or franchise agreements.<sup>47</sup>

### BELFAST

With the opening of Staycity's first Belfast aparthotel via a tax-office conversion, expect additional proposals as conversions gain favour with lenders.<sup>48</sup>

Demand is buoyed by rising tourism, business travel recovery, and limited current supply—creating high absorption potential for new, professionally managed long-stay product. The regulatory environment remains friendly, with fewer licensing hurdles compared to nearby markets.

Operators that can deliver consistent experiences and service, deal with issues quickly, look after their team, the environment, and their customers, will snap up business because they are nimble enough to adapt.

There's a huge opportunity to use technology to improve efficiency. You have more time for your customers because the admin is being done by technology in the background.

- Steve Lowy,  
CEO, AES

# GEOPOLITICS & THE SERVICED APARTMENT SECTOR

## NAVIGATING *UNCERTAINTY* IN CORPORATE TRAVEL & MOBILITY

By Martin Klima,  
Chief Customer Officer, SilverDoor



Unquestionably we are living in a period of unprecedented geopolitical change. Much of which has been born out of continued conflict between not only Ukraine and Russia but also in Gaza, the introduction of new policies and legislation following last year's record year of elections which saw over 50 countries taking to the polls, new tariffs and shifting trade agreements alongside continuing extreme weather events.

In January this year, at its AGM World Economic Forum,<sup>1</sup> President and CEO Børge Brende stated “we are at an inflection point” and facing “one of the most uncertain geopolitical and geoeconomic moments in generations.” Indeed, corporates are now charged with monitoring, and in turn, rapidly pivoting strategies to accommodate changing trade agreements, climate events and workforce demographics and preferences. All these changes need to be managed so that not only can operations – including supply chains and infrastructures - remain viable and profitable, but critically, so that relationships can also be maintained. Whether that be relationships with domestic or international markets to protect sourcing and supplier relationships, or on the other side of the balance sheet, client relationships and demand to protect revenue, profits and future investment and growth<sup>2</sup>.

### Impact of geopolitical shifts on corporate travel and relocation markets

Travel bans, visa restrictions, and heightened security protocols have certainly led to more cautious travel planning and this approach looks set to remain. Likewise, relocation flows are also shifting. Globally across our own client base, we have seen a rise in shorter-term relocations and greater focus on more tertiary and emerging economy locations.

For corporate buyers, continued geopolitical changes are bearing greater influence in travel policy decisions. Risk zones are being redefined, and duty of care obligations have expanded, requiring robust travel risk management frameworks and more in-depth research in advance of

trips so that agents, clients and assignees have a clear and present understanding of the local landscape and equally accommodation options that are available further afield, should they need a plan B or C. Companies are investing in platforms that offer real-time risk alerts, traveller tracking, and emergency support.

Clients are still relocating people, but there is more of a focus on crisis management and looking at instances where we may need to support with evacuating assignees out of specific areas.

Travel Management Companies (TMCs) and Relocation Management Companies (RMCs) are on the front line of these changes. Visa restrictions, trade policy shifts, and regional conflicts are altering demand patterns such that from a planning perspective, clients are now taking a much more forensic view. A point reiterated by Seb Hutchings, VP Client Services EMEA & APAC, Graebel, “Clients are still relocating people, but there is more of a focus on crisis management and looking at instances where we may need to support with evacuating assignees out of specific areas. It isn't a case of changing volumes but there is certainly a greater focus and awareness of potential events escalating further and the impact of that.”

Carol Fergus, Director Global Travel, Meetings and Ground Transportation, Fidelity International adds, “People are starting to come forward a lot more, asking questions like, is it okay to travel there? How will we be looked after? They are more conscious about the properties they're staying in, they're doing a lot more of their own research in terms of location and what's happening.”

TMCs and RMCs alike are responding by integrating geopolitical risk assessments into itinerary planning. RMCs are focusing on compliance and agility, ensuring that relocation packages can be adjusted quickly in response to changing conditions. Both are seeking accommodation partners who can offer scalable, compliant solutions, making serviced apartments a strategic asset.



Stepping aside from the political ballot box, many business owners are now voting with their investment feet and taking significant steps towards tertiary locations and emerging economies in light of ongoing changes to tariffs and trade agreements. Hand in hand with this, flexibility is emerging as the guiding principle for clients navigating the current and quickly shifting geopolitical landscape. Flexibility in terms of which locations they are choosing to operate and invest in is being characterised by a marked move towards tertiary locations, particularly across APAC as corporates shift focus from China, for example, to diversify supply chains. Locations like Tainan and Hsinchu are welcoming a growing number of clients. As detailed in our previous May Market Update report<sup>3</sup>, the average length of stay in Taichung was recently just over four months, at 122 nights, and average daily rates (ADR) across APAC declined last quarter to S\$219, down 9.1% QOQ, suggesting that long stay demand in these locations is strong and set to continue.

More tertiary, emerging locations are also more cost-effective from a travel programme and operational perspective – a key consideration for corporates looking to manage costs whilst at the same time realise global expansion plans against a backdrop of ongoing geopolitical change.

Gemma Williams, Supplier Network Manager, Corporate Housing, Sirva explains, “We’ve seen volume into second- and third-tier cities increase as a way to cut costs, particularly for industries where you don’t need to be in a more expensive location, for example, in London, and when other locations warrant better value. Alongside a steady growth in cost control, companies are reassessing who they want to move, where, and why in much more detail.”

Beyond business operations and investment, corporates are also requesting a more flexible approach to bookings and cancellation policies from accommodation providers, particularly serviced apartment and longer-term bookings, which can be at greater risk of itinerary changes in light of geopolitical changes. A trend which operator Supercity has made a core focus for its client agreements, as Carley Bannaghan, Commercial Director, explains, “Cancellation policies and flexibility is key and we have increased this in line with wider geopolitical uncertainty as travel can be on standby or closed at a moment’s notice. We have to offer that as an operator and not penalise people because of wider geopolitical issues.”

In addition, government-mandated changes to visa requirements, for example Electronic Travel Authorisations (ETAs) and proposed increases to the ETIAS application fee, are having a trickle-down effect across the travel supply chain such that buyers and corporates who have to adhere to rigid visa rules are therefore looking to the supply chain to deliver the flexibility needed to fulfil travel and relocation objectives against a wider backdrop of ongoing uncertainty and markets.

#### Future outlook: Innovation and Collaboration

The serviced apartment sector is responding with innovation and collaboration. Technology adoption is accelerating, with platforms offering flexible, custom workflows and approval processes for ‘high-risk’ locations, automated compliance checks, and integrated risk alerts. Tools which are enhancing traveller safety, streamlining operations and meeting demands of the next generation of traveller and that behaviour, look set to take on a more critical role in the corporate travel and relocation accommodation function. Partnerships with TMCs and RMCs are also strengthening and flexibility and communication will be the foundation for these partnerships to continue whilst the broader geopolitical landscape continues to change.

**Martin Klima** is Chief Customer Officer at SilverDoor. He joined the leading serviced apartment agent in 2012 as a member of its reservation team and in the last 13 years has worked across every level of the company, joining the board in 2020. As Chief Customer Officer he is responsible for SilverDoor’s global client relationships function and operations as well as implementing the company’s plans for growth.

<sup>1</sup> World Economic Forum, 7 charts that explain the global inflection points of 2025, so far

<sup>2</sup> KPMG, Top geopolitical risk 2025

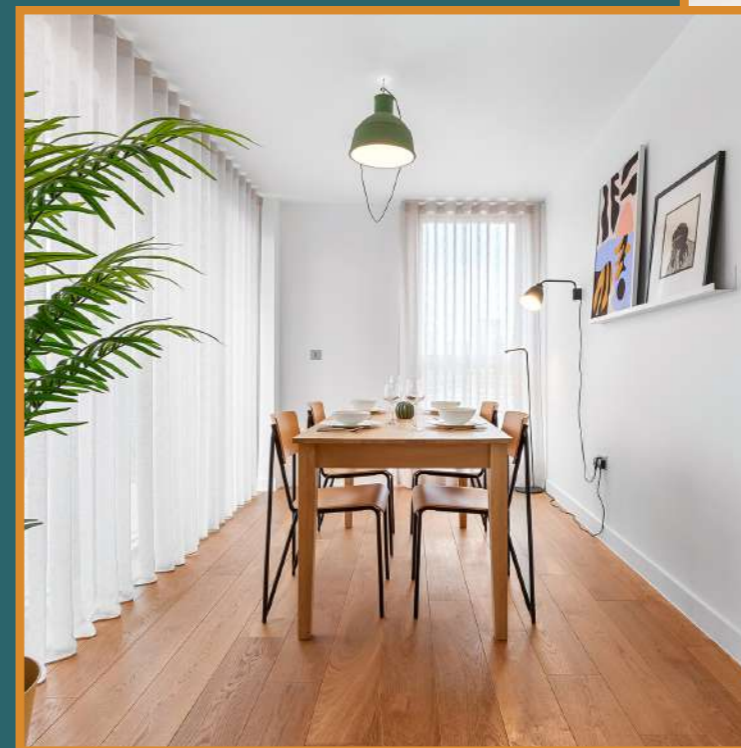
<sup>3</sup> SilverDoor’s Market Update Report May 2025



*A stay is home, no matter the type or length. Experience the ambience and comfort of home, for as long as you wish.*

# Find Your Happy Place.

BE HOME



*When you think of a place to stay, think...SERCASA*

# The HOT SEAT

In conversation with James Foice  
*Association of Serviced Apartment Providers (ASAP)*

## We put the questions to an industry leader.

Looking back over the last year, what are you hearing from ASAP members in terms of volumes of serviced apartment transactions, and length of stay?

**JF:** The last year has been quite tricky. We're seeing length of stay reducing, predominantly driven by concerns around business travel. Travel managers are saying they might be doing fewer trips, but they're longer ones. Although neither Q1 nor Q2 were great, the headwinds are strong so I'm extremely optimistic for 2026.

Do you think the business travel drop off is related to the geopolitical situation?

**JF:** It's complicated, but when we saw political changes in the USA, there was nervousness around the repercussions, especially relative to ESG and sustainability, which our world has been driving in terms of ESG initiatives. Since President Trump was elected, I think priorities have changed. Pricing is far more important now.

One of the reasons I'm optimistic about the future is because there are more opportunities for diversification. Many of our members are looking at new, different markets and are focussing on vertical markets with longer stay requirements. I think it's changing, and the market is no longer the traditional one we've become used to.

Is it a perfect storm for the sector with the extra regulation?

**JF:** Without question! Some of the legislative changes facing us in the UK, like the Renters Right Bill and double council tax, will have a massive impact on our members and everyone in the short stay space.

Our sector has not been consulted about any of these legislative changes and, as a result, they have not been thought through. If we're not careful the entire sector, from aparthotels to corporate housing, will get wrapped up in this legislation - if it isn't already. Ultimately though, costs go up, and there will be a limited amount the sector can do to push back. But we have to try.

Won't the customer pick up the tab at the end of the day?

**JF:** There are several trade associations whose members are being impacted, so ASAP has an opportunity to collaborate with them. Together, we can amplify the voice when lobbying policy makers.

Whatever the tax, it gets wrapped up in a transactional fee, which ultimately, some customers might be prepared to pay. But, as an industry, we have to raise these flags now and ask policy makers to look at the bigger picture.

It's not simply around a housing shortage. This is about the wider economy and the contribution the serviced apartment industry and the short-term rentals sector make. It's about different accommodation models and their appeal to different markets.

Currently, that is not understood by policy makers and some huge corporates, which government is relying on to rebuild the economy are going to be making choices around where they send their people. It's as simple as that.

Is there an opportunity to collaborate with the corporate community?

**JF:** ASAP has great relationships with the Business Travel Association and GBTA. If there is a dialogue going both ways between these organisations and we can raise our concerns around increased, un-informed regulation, we're stronger together.

Are operators failing to do the basics of distributing serviced apartments and related products effectively?

**JF:** We're all talking about AI. We find it very useful, but we know that the serviced apartment model is a complicated product to distribute effectively and that's around the user whose assignment may extend several months or may be reduced for whatever reason. It's not as flexible as the traditional hotel model. However, organisations are coming into this space that are working with AI to bridge the difference between some of those complexities in terms of clear, single night stays and longer stay models.

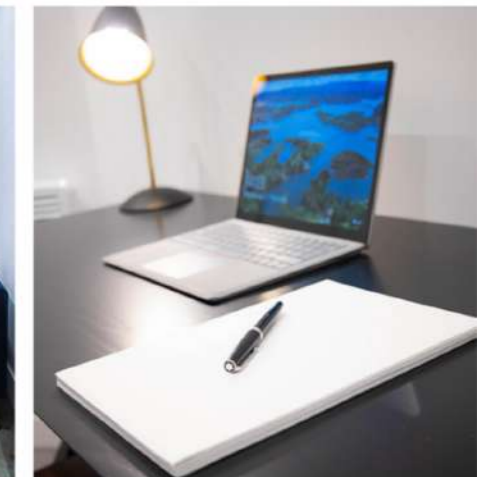
Where do you think the industry is going to be at the end of 2026?

**JF:** The trend I've been seeing for some time is a shift towards conventional aparthotel products, evidenced by the increasing number of ASAP members in that category.

I suspect the residential style corporate housing model in the UK will run into some challenges. And it's for organisations like us to continue the debate around the importance of products like short-term rentals and corporate housing to their clients.

This is what lies at the heart of ASAP's lobbying efforts over the course of the next nine months, to advocate the case to policy makers that our member organisations are servicing the needs of FTSE 100 companies, globally. And it is these companies who will be rebuilding the economy.

Sadly, I do not believe government, at local, regional or national level appreciates the contribution that corporates make to this residential model. By making that a priority, if we can give government a better understanding of the nuances of its hospitality sector and its economic contribution, that proposition could be extremely powerful going forward.



## FUTURE - SUSTAINABLE WAY OF LIVING

### HOME - OFFICE HYBRID LIVING

Hybrid Resi' is formed on the key principle of 'Hotelisation' - 'Ethos' to offer sustainable hospitality in the real estate world, whilst, creating the right environment for guest experience to thrive within our flexible Hybrid work-stay business model

FULHAM & CHELSEA | BATTERSEA | WANDSWORTH | GREENWICH  
 CANARY WHARF | SUTTON - CHEAM | NEW MALDEN | OYSTER WHARF | MITCHAM |  
 UXBRIDGE | MARINA DUBAI | DOWNTOWN DUBAI



### CONTACT US

Phone: +44 2034882904

Website: [www.hybridresi.com](http://www.hybridresi.com)

Email: [info@hybridresi.com](mailto:info@hybridresi.com)



# Legislative

By Melissa D'Angelo



# Landscape

Are serviced apartments getting caught in the crossfire between government & the short-term rental sector?

In recent years, London's accommodation landscape has evolved at pace, with the growth of serviced apartments, Build-to-Rent (BTR) schemes, and other flexible housing models redefining how people live, work, and travel.

BTR in particular has become a cornerstone of the city's rental offer. Standout developments such as UNCLE Wembley, Colindale and Acton, and Vertus in Canary Wharf attract strong demand from relocating professionals - especially in the tech sector - who value seamless move-ins, premium amenities, and vibrant resident communities.

Jamie Walker, from Chestertons' Key Clients and BTR team notes, "The UK BTR sector began 2025 on a strong footing, with Q1 investment volumes reaching £1.2 billion – double the figure recorded in the same period of 2024. This marks the second-highest Q1 total on record, underscoring sustained institutional confidence in residential real estate despite ongoing economic uncertainty."

This growth not only increases choice for incoming talent but also reinforces the role of BTR in supporting housing supply, while meeting the lifestyle expectations of modern renters.

## Short lets

BTR and professionally managed short lets, including serviced apartments and aparthotels, all play a vital role in London's housing ecosystem. These models support business mobility, tourism, and relocation needs, offering flexible accommodation that complements long-term rental stock.

Around 30% of Chestertons' short lets are through corporate relocations, emphasising their importance in facilitating international assignments and business growth. Chestertons has seen a 200% uplift in corporate relocation short let move-ins year on year, between May–July 2024 and May–July 2025, reflecting the growing demand from global businesses.

## Regulation

Yet, just as the market has evolved, regulatory pressure has increased dramatically. Government and local authorities understandably focused on tackling housing shortages, are now scrutinising short-term rental activity more closely than ever.

Unfortunately, much of that scrutiny is falling indiscriminately on all non-traditional models, including professionally managed serviced apartments.

This is especially problematic in London, where the balance between private rental stock and short stay supply is finely tuned and deeply interconnected. From a planning perspective, the current classification system, C1 for hotels and C3 for private residential dwellings, is no longer fit for purpose.

Many serviced apartments offer hotel-style services but accommodate guests for extended stays in self-contained units. These properties sit somewhere between commercial and residential use, yet planning policy has not adapted to this hybrid model.

As a result, developers face greater risk when navigating the system, operators face compliance hurdles that inhibit scale, and investors are left second-guessing planning outcomes and regulatory timelines.

In key boroughs like Westminster, Camden, and Kensington & Chelsea, where demand for flexible accommodation is highest, all short lets provide a vital solution. They help absorb professional and international demand without displacing longer term tenants. However, a lack of regulatory clarity means these properties are often placed into the same category as unregulated STRs or second homes, fuelling local resistance and complicating planning approvals, even for high quality, professionally run developments.

## Unintended consequences?

While efforts to regulate the short-term rental market are well meaning, recent proposals, such as a national STR register and new use class requirements, fail to differentiate between casual hosts and professional operators. Scotland's implementation of a full licensing regime for STRs has already had a chilling effect, with many operators scaling back or exiting the market altogether.

You cannot solve a housing crisis by creating a tourism crisis.

- ASSC CEO Fiona Campbell MBE

This is a cautionary tale for London. Over-legislation risks doing more harm than good, particularly in a city that must remain agile and attractive to global businesses. If we want to continue bringing international talent and investment to the UK, we must preserve the flexibility and professionalism that short lets offer.

Now, the upcoming Renters Rights Bill in England is set to bring on the most significant shifts in the private rental sector in decades by abolishing Section 21 'no fault' evictions and strengthening tenant protections.

While these changes will require adjustments for landlords and operators, they also create an opportunity to reset relationships between tenants and housing providers, building greater trust and stability in the market.

## Impacts

For professional operators, the focus will be on aligning with the new framework in a way that safeguards flexibility, while meeting higher expectations on service and transparency. By proactively reviewing tenancy models, communication processes, and compliance systems now, the sector can be ready to deliver housing that's both high-quality and fully in step with the Bill's goals.

As estate agents working in the private rented and investment sectors, Chestertons are seeing firsthand how these dynamics play out. Developers are facing longer lead times and rising costs linked to planning uncertainty. Institutional investors are weighing planning and regulatory risk as heavily as potential returns. Meanwhile, tenants, particularly professionals seeking mid-term or relocation-friendly lets, are encountering tighter supply, steeper rents, and less choice.

If policy begins to over-restrict the supply of serviced accommodation, it could place additional pressure on the private rental sector. However, this also presents an opportunity for the sector to innovate and adapt. Corporate and short-stay demand may increasingly turn to standard rental stock, particularly in central locations, highlighting the importance of maintaining a diverse and flexible housing offering.

To ensure this shift benefits rather than burdens the market, it's essential that regulation supports professionally managed short lets rather than constrains them. With the right balance, the private rental sector can absorb demand without compromising affordability or long-term availability. Encouraging responsible short let models within the broader rental framework can help sustain rental stability, meet evolving tenant needs, and reinforce London's position as a global business destination.



## Crossfire

At the heart of this issue is a fundamental lack of understanding at central and local government level. Definitions are ambiguous, and serviced apartments don't neatly fit into either hotel or short-term let categories. Where legislation uses broad terms like "short-term accommodation" and "holiday lets", they risk being regulated as STRs.

The implications for serviced apartment operators include higher compliance costs, exposure to council tax premiums or STR caps despite serving different markets. There's also a risk of reduced supply for corporate travel and relocation, serviced apartments' core markets.

## The way ahead

To move forward, the existing planning framework – particularly the rigid C1 vs. C3 use classes – should evolve to better reflect the realities of today's housing models.

By modernising these classifications, we can unlock greater certainty for developers, operators, and investors, enabling them to deliver high-quality, flexible housing solutions that meet diverse needs. Rather than viewing serviced accommodation and the private rental sector as competing forces, there is a real opportunity for collaboration.

Professionally managed short lets can complement long-term rental stock by absorbing corporate and mid-stay demand, especially in centralised areas and near transport hubs. This helps relieve pressure on traditional tenancies, supports affordability, and ensures availability for long-term residents.

Most importantly, fostering open dialogue between local authorities, planners, and the industry will be key to developing responsive, evidence-led frameworks. With the right approach, regulation can empower both the private rental and serviced accommodation sectors to work in tandem, enhancing housing resilience, supporting economic activity, and reinforcing London's position as a global business destination.

Melissa D'Angelo began her property career after completing her university studies in London, quickly developing a strong foundation in the Prime Central London market. She has built a broad skill set across both sales and lettings - from guiding buyers and sellers through complex transactions to advising landlords on bringing properties to market and securing the right tenants.

Now an Associate Corporate Account Manager at Chestertons, Melissa specialises in cultivating strategic business relationships, collaborating closely with clients and colleagues to deliver tailored housing solutions, and aligning corporate partners with the ideal property. Her combination of market insight, collaborative approach, and client-focused mindset continues to drive successful outcomes across London's competitive property landscape.

<sup>1</sup> Financial Times

<sup>2</sup> London.gov.uk

<sup>3</sup> Scottish Government

<sup>4</sup> Welsh Government

# Regulatory burden

## England

### PLANNING & STR RESTRICTIONS

From 2025, owners who want to use a property as an STR (not their main home) will need planning permission for a "change of use." A national register of STRs will also be introduced.

Homeowners can let out their primary residence up to 90 nights a year without planning permission.

Serviced apartments risk being swept into these definitions if councils interpret them as holiday lets.<sup>1</sup>

Existing rule: properties can only be used as STRs for 90 nights annually without planning consent.

### LONDON SPECIFIC

Council Tax must be paid, and enforcement has tightened.

Serviced apartments in residential blocks could be at risk of enforcement unless clearly defined as "aparthotel" or hotel use.<sup>2</sup>

## Scotland

### LICENSING SCHEME

All STR hosts (including operators of serviced apartments if not classed as hotels/aparthotels) must apply for a short-term let licence.

Conditions include safety standards, fire risk assessments, and planning checks.

### APARTHOTELS EXEMPT

Serviced apartments operating as "whole-building aparthotels" are typically treated as hotels and exempt from STR licensing.

However, mixed-use buildings with some residential status can fall into grey areas.<sup>3</sup>

## Wales

### NATIONAL FRAMEWORK FOR STRS

The Welsh Government introduced a three-tier planning use class system:

- Primary Homes
- Secondary Homes
- Short-Term Holiday Lets

Councils can require planning permission to convert between categories, giving them power to manage housing supply.<sup>4</sup>

### COUNCIL TAX PREMIUMS

Local authorities can charge up to 300% Council Tax premiums on second homes and STRs.

Serviced apartments may be caught if councils classify them as holiday accommodation rather than commercial lodging.

# BOOKING SMARTER & STAYING SAFER



HOW MASTERING RISK IN SERVICED APARTMENTS  
CAN PROTECT YOUR STRONGEST ASSET, YOUR PEOPLE

By Carolyn Pearson  
& Martijn van der Voort



**Broadly, a robust travel risk management strategy enables employers to identify and mitigate risks that could impact employees travelling on company business before those risks materialise.** Better safety processes, compliance and better prepared travellers reduce not only the risk of incidents occurring but also the knock-on secondary consequences such as litigation, reputational damage or financial penalties.

However, upholding obligations to comply with health and safety laws and corporate manslaughter legislation is not without its challenges. An increasingly volatile geopolitical landscape, inconsistent property safety and security standards, and the unpredictable behaviour of business travellers can all compound to create a complex risk environment.

These factors, combined with conflicting sustainability priorities and pressure to cut travel budgets, mean travel managers must strike a careful balance to meet both traveller safety and broader corporate objectives. Reassuringly, within serviced apartments, there are several specific ways to ensure these are met.

## Changing legislation impacting buyer expectations

Two EU measures are now reshaping buyer expectations worldwide. The Corporate Sustainability Reporting Directive (CSRD) requires large and listed companies to publish audited sustainability reports using the European Sustainability Reporting Standards, which pushes buyers to request verifiable people-safety, labour, and environmental data from accommodation partners.

The Corporate Sustainability Due Diligence Directive (CSDDD) introduces mandatory human-rights and environmental due-diligence across value chains, with phased application from 2027 to 2029, driving tighter vendor screening, incident remediation, and where risks persist, contract-termination levers.

Even for non-EU based suppliers, programmes will increasingly ask for evidence to support their own disclosures. In the UK, the Terrorism (Protection of Premises) Act 2025 (AKA Martyn's Law) likewise signals the direction of travel on preparedness, training, and communication.

## Covering the bases

For those developing travel risk management practices, the ISO-31030 guidelines for Travel Risk Management provide an excellent framework. They enable organisations to audit where they currently sit and, critically, identify where their efforts and investment can have the greatest impact.

This shouldn't happen in isolation. Business travellers have first-hand experience of how well a company's risk management processes hold up in practice. Many have experienced safety-related incidents, so engaging them when designing travel risk processes can deliver better outcomes. This could be through meaningful post-travel feedback, a broader pre-travel assessment of needs, and the provision of a safe, secure process for reporting more serious or sensitive incidents. All of which can offer a valuable platform for travellers to raise concerns and mitigate future risks.

## Practical measures

In serviced apartments, there are also practical ways before and during a stay that clients can reduce risk. These include avoiding unsafe, poorly-lit neighbourhoods and using mapping tools to check the proximity to emergency services and transport links, as well as briefing on how and where to access these before departure.

In terms of a safety infrastructure, clients also need to request details on fire safety measures, what emergency response framework is in place, emergency exits, and adherence to building regulations. This also includes confirming the apartment has fitted smoke detectors and fire extinguishers and that first aid is readily available.

Safety and security standards can vary hugely depending on where in the world you are - especially in tertiary locations. This reinforces the importance of engaging a specialist who knows and understands what features are typically found in which locations and what to check for. Travellers should be forewarned and forearmed and never assume that just because facilities are available at home that the same applies away. Specialist agencies carry out due diligence on many standard security features and additional safety features such as doors with two-independent locks, peepholes, carbon monoxide alarms, fire blankets, 24/7 manned reception for multi-occupancy buildings, CCTV and keycard lift access can be built into a programme.

### Pre-travel assessments

Conducting pre-travel risk assessments is essential and doesn't need to be overly burdensome for standard locations. Supplying travellers with pre-travel safety training also empowers them to take responsibility for their own safety and security.

Long-term assignments and relocations introduce a broader range of health, safety, and wellbeing considerations that require a more comprehensive support strategy. As well as local relocation management services, employers can support employees and their families by assigning a local 'buddy' to assist with everyday tasks, like registering with a local GP and navigating cultural nuances.

Local expat groups help newcomers to have a 'soft-landing' and a ready-made and familiar social circle. Without adequate relocation support, new assignees and their families may face increased emotional and practical strain, which can affect wellbeing, productivity, and overall assignment success.

### Technology and solutions

Data is the bridge between regulation and practice. Buyers, TMCs and RMCs are merging itinerary feeds, online booking tool (OBT) data, and traveller self-check-ins to maintain automated pre-trip advisories and capture incident logs.

Operators are responding with digital evidence packages: fire-safety documentation, training records, visitor-management and access logs, lone-worker procedures, CCTV governance and near-real-time indoor air-quality (IAQ) or water-system monitoring where relevant. Application Programming Interface (API) connectivity and standardised attestations reduces friction and enables

"show-me, don't-tell-me" assurance that underpins CSRD reporting and CSDDD due-diligence for travellers and business leaders alike.

### 2026 outlook

Heat, smoke and flood risk are the fastest-rising operational disruptors for accommodation. 2025 brought prolonged heatwaves to Europe, together with multiple evacuations and strained utilities; global risk agencies expect more frequent "extreme fire danger" days.

For extended stay, that translates into practical asks: heat-stress plans for staff and guests, backup-power and water contingencies, smoke-day playbooks (air-filtration, IAQ thresholds), flood-aware property selection and traveller messaging embedded in OBTs and apps. The shift is gentle but steady. Buyers will favour partners who can evidence readiness with data, drill records and clear escalation paths. Operators that invest in agile, interoperable tech will find it easier to secure, and retain, a place on preferred lists as expectations evolve toward demonstrable, risk-based due diligence.

While many organisations have implemented robust travel risk management practices, many have yet to do so. Factors such as lack of awareness of obligations, underinvestment, and the assumption that incidents are unlikely, leave many companies vulnerable to serious consequence.

In today's increasingly complex world, organisations that prioritise traveller-centric risk management will protect not only their people, but their reputations and long-term viability.

**Carolyn Pearson** is the founder and CEO of Maiden Voyage, a global leader in Inclusive Traveller Safety. Recognised as a prominent voice in the business travel industry, Carolyn works with organisations to embed inclusive safety practices into their travel programs. Through tailored training, eLearning, and policy consultancy, her team ensures that travellers are supported holistically, taking into consideration personal characteristics such as gender, ethnicity, sexual orientation, accessibility needs, and other intersectional identities.

**Martijn van der Voort** is the Director of AstraNomad Ltd, an independent consultancy specialising in technology solutions for the travel industry. He brings over 16 years of experience from CWT, where he held several senior roles, including Director of Product Delivery Technology and a member of its Digital Leadership team. Martijn offers deep industry knowledge and a strong track record in driving innovation across travel, booking and expense management platforms.



Feels Like Home. Only Better.

Frasers Hospitality celebrates over 27 years of excellence and offers an award-winning portfolio with seven distinctive brands, each curated for the different lifestyle needs of travellers. Be it an extended business visit, a short vacation or both, experience the comforts of home with the conveniences of a hotel in our collection of serviced residences in close to 40 cities.

10-time recipient of  
Best Serviced Residence Operator Award  
at 33<sup>rd</sup> Annual TTG Travel Awards 2024

FRASERSHOSPITALITY.COM



# The HOT SEAT

In conversation with Steve Frey

**We put the questions to an industry leader. Steve Frey is the founder of Oasis, providers of temporary furnished and all-inclusive rentals corporate housing services**

**How has demand for corporate housing shaped up in the U.S. this year, and how's it looking for 2026?**

**SF:** Demand has been growing faster in the US than it has outside, which is the opposite of 2024. Halfway through 2022, when the central banks all started raising interest rates to get inflation under control we saw the brakes go on growth plans and borrowing. There's a saying here that "you can't fight the Fed". When the Fed increased interest rates, I learned what that meant, and nothing you can do.

In late 2024 we saw growth start to come back outside the U.S. but in 2025 it's not growing so much, but demand for corporate housing from U.S. companies has really started to increase. I'm not sure if that has anything to do with government policy but a lot to do with global monetary policy.

I believe this will continue into 2026 because central banks, particularly the western central banks, are considering lowering interest rates in 2026. This is going to present opportunities for operators to focus on what customers are saying they want

**What do you mean by that?**

**SF:** If you look at the RMC space as a whole, which fuel a lot of the corporate housing space, there's been a lot of changes in terms of how they are able to make money, so they have to look at other ways to make money.

It's the same when customers say to you every year "how can we get costs down?" There isn't a tonne of margin in our space to figure out how to do this, and the RMCs are being saddled with this too, but some margin compression is inevitable.

At the same time, we also want the relocatee experience to continue to improve so we have to use economies of scale in order to negotiate price. Companies are saying to us that they can double the amount of business they send to us but want us to make less. That becomes a real consideration.

I think local operators are going to be confronted with the same dynamic, instead of the long-standing priority given to choice as RMCs aggregated as many operators in one location as possible with as many options, to be able to present to customers as possible.

**Are relocatees' needs changing, and if so how?**

**SF:** It's not that they are demanding a higher-level product as much as it's incumbent upon us to make sure that we're continuing to provide a better product. It's about providing accommodation that mirrors travellers or relocatees' home lives. Operators that provide the best experiences, combined with really good pricing, are the definition of value.

There was an episode of Ted Lasso in which Lasso is caring for the team psychologist following a road accident. So, he takes her to her apartment, opens the door and goes "God, this place is dreary." She replies, "yeah, it's corporate housing." That's a stab in the heart for a corporate housing professional, but it's a good example of what we have to overcome. In 2025, being vanilla is not enough to make people excited about living in a serviced apartment, and it's part of our duty to customers to take things to a new level.

**How will greater regulation, geopolitical tensions and tariffs affect your business?**

**SF:** There was a trend of different U.S. cities imposing lots of regulation on short term rentals. What we're seeing now is that trend has migrated into Europe and the regulations are becoming far more difficult for operators to deal with. If you end up with more empty rooms, those costs wind up being incorporated into longer term stays, so costs go up.

The challenge, particularly outside the U.S. is going to be maintaining adequate supply, whilst complying with the regulations without driving costs up. Longer term, you'll probably see the pendulum swing back once there are some negative repercussions and people lobby for change. The right answer is usually somewhere in the middle and, with short term rentals, some of the concerns are valid and need to be addressed.

**What are your hopes for 2026 and beyond?**

**SF:** I would love our sector to embrace economies of scale. There is a view that some global agencies are now controlling more demand, which makes local operators feel out of the loop, so they have to figure out how to go around that.

For me, everybody may need to make a little less to trade that off for more volume. That's going to be the value equation. Maybe we all have to take a little bit of a step back in order to have bigger, greater success together.



# For those who *really* like to be taken care of.

Oasis has a way of spoiling everyone. It's simply not what you'd expect from corporate housing and serviced apartments. You'll get spoiled by the value, consistency and commitment. Your employees will get spoiled by the personalized attention and genuine comforts of home.



**OASIS**  
&  
**OASIS**  
*Private Collection*

STAYWITHOASIS.COM

OASISPRIVATECOLLECTION.COM

EXTRAORDINARY STAYS WITH YOU.

# SUSTAINABILITY

## How operators can navigate the sustainability legislation landscape



By Tom Otley

Sustainability and ethical environmental practice have seen a rapid rise up the government and corporate agenda in recent years and, as Europe experienced another summer of extreme temperatures this year, that rise is expected to gather pace once again. Regulatory scrutiny is intensifying, consumer awareness is growing, and serviced apartment providers must now quantify their sustainable performance with concrete data and verifiable actions.

Those who act earlier are undoubtedly better equipped to meet evolving standards, secure investor confidence, and extend client appeal. The stakes are higher than ever as corporate clients increasingly demand ESG-aligned accommodation for business travel, and investors apply ESG filters to funding decisions, particularly for new developments or refurbishments.

The challenge lies in navigating an increasingly complex legislative landscape while maintaining operational efficiency and profitability. So what to know and what to do?

# WITH STAYING POWER

## Current regulation & legislation framework

Legislation is defining the sustainability agenda for serviced apartment operators and wider businesses alike. It is certainly a complex landscape and one that can feel like an alphabet soup of acronyms, rules and guidelines. For operators in particular, some of the key directives to be aware of are:

**Digital Markets, Competition and Consumers (DMCC) Act** – came into effect in April and gave the Competition and Markets Authority (CMA) significant new powers to impose fines of up to 10% of a company's global turnover, or £300,000 (whichever is greater), for breaches of consumer law, including misleading green claims.

**CMA's Green Claims Code** – also developed to offer consumers greater protection against false environmental claims or "greenwashing", stipulating firms must have robust, credible and current evidence to support any claims made about their products, services and operations.

**EU Directive on Empowering Consumers for the Green Transition** (scheduled for 2026) and the proposed **Green Claims Directive**. The EU Directive specifically aims to enhance protection for consumers against unfair and misleading environmental claims, mandating that businesses must provide clear and, critically, verifiable and qualified information regarding the durability and environmental impact of their products and services so that consumers are able to make more sustainable purchasing decisions. Whilst the Green Claims Directive hasn't been passed yet (and might not be) both signal increased government focus on ethical environmental impact reporting

**Energy Performance Certificate (EPC) requirements** – these are tightening for commercial and residential lettings. With 80% of current buildings expected to remain in use by 2050, providers must retrofit or risk non-compliance with future energy efficiency standards.

**Streamlined Energy and Carbon Reporting (SECR)** – requires UK companies with revenue over £36 million, balance sheet totals over £18 million, or more than 250 employees to report annually on total energy use, Scope 1 and 2 Greenhouse Gas emissions, intensity ratios, and energy efficiency actions taken. However, it is worth noting this will be replaced by the arguably more comprehensive UK SRS (more on this below). Whilst SECR is focused primarily on historical energy consumption and Scope 1 and 2 emissions, the UK SRS will significantly broaden the scope of reporting.

**Building assessment standards** like **Building Research Establishment Environmental Assessment Method (BREEAM)** assess energy use, health and wellbeing, transport, water, materials, waste, and pollution for new builds and refurbishments, while **Leadership in Energy and Environmental Design (LEED)** focuses on sustainable site development, water savings, energy efficiency, and materials selection.

**Industry-specific accreditations** include **Green Key**, **Global Sustainable Tourism Council (GSTC)**, and the **International Serviced Accommodation Accreditation Process (ISAAP) Sustainability Standards**, which cover carbon measurement, environmental policy, and operational practices specifically for the serviced accommodation sector



Credit: Living Rooms

## How can operators ensure they are in pole sustainable position?

Serviced apartment operators are well-positioned to highlight the sector's inherent sustainability advantages over traditional hotels. Energy and water consumption per guest is significantly lower due to reduced communal facilities, and longer average stays mean less frequent cleaning. However, these benefits require robust quantification to avoid remaining merely anecdotal. So where to start?

### Stay ahead of regulatory compliance

Conducting regular sustainability audits, proactively upgrading building infrastructure and engaging sustainability experts to ensure compliance while avoiding costly penalties can help keep operators ahead of the sustainability regulatory curve.

### Take advantage of Smart Technology

Sensor lighting, smart meters, and AI-managed heating controls that integrate with property management systems alongside smart electricity and gas meters, combined with sub-metering capabilities, can enable detailed analysis and monitoring of consumption patterns. This data can then be cross-referenced with occupancy metrics to identify inefficiencies and help better manage carbon emissions.

### Develop robust sustainability reporting

Establish internal reporting structures and frameworks that align with regulatory requirements. This can include engaging staff through internal communications programmes and partnering with third-party auditors to verify and qualify transparent reporting.

### Consider retrofitting

Where budgets allow, invest in retrofitting initiatives that enhance EPC ratings while aligning with BREEAM or LEED certification standards. Given the long lifespan of buildings, strategic investment in energy efficiency improvements is both a regulatory necessity and a competitive advantage.

### Focus on reducing direct energy consumption

Implement comprehensive energy management strategies that go beyond compliance requirements. This includes everything from upgrading to energy-efficient appliances and lighting to optimising heating, ventilation, and air conditioning systems.

## Looking ahead: Future legislation & strategic focus

The UK is introducing a new sustainability reporting framework under the Sustainability Disclosure Requirements (SDR), incorporating UK Sustainability Reporting Standards (UK SRS S1 and S2). These standards, closely aligned with the global International Sustainability Standards Board's IFRS S1 and S2, aim to enhance transparency around sustainability-related financial risks and opportunities. Formal adoption is expected in 2026.

For serviced apartment providers, particularly those listed or operating at scale, this represents a significant shift from basic energy and emissions reporting to broader, more detailed disclosures. UK SRS S1 covers governance, strategy, risk management, and metrics across all sustainability topics, while S2 focuses specifically on climate-related risks.

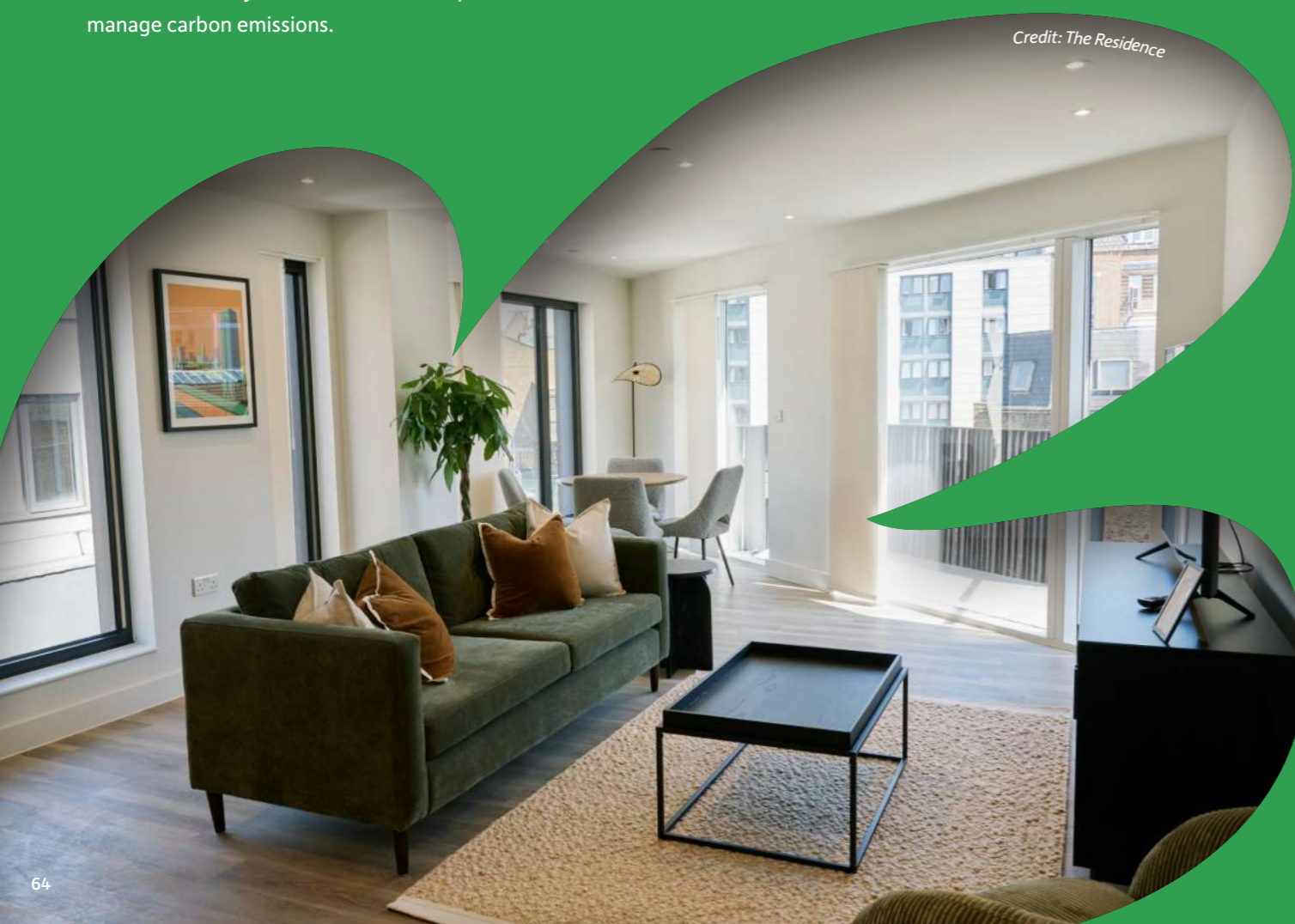
Companies already aligned with IFRS standards may experience minimal change, but others will need to invest substantially in systems and expertise to meet new requirements. This investment has the potential to drive meaningful improvements in operational efficiency, energy use, and long-term strategic planning.

The best approach involves thoroughly and regularly interrogating the regulatory landscape, reporting frameworks, and performance metrics, but this shouldn't be done in isolation. Integrate sustainability into core business strategy, conduct a materiality assessment to identify the most significant issues for your business and then set measurable, time-bound goals. Operators must also make use of the latest technology for data management, build internal capacity and make sure that they go beyond just compliance. Focusing on improving efficiency by engaging with suppliers and partners on sustainability initiatives, and communicating progress transparently with all stakeholders will make articulating the business case for change at an operational and investment level all the more compelling.

Ultimately, sustainability transcends mere compliance reporting. It represents a fundamental commitment to doing better for people, the planet, and for profit. Operators who embrace this holistic approach by investing early in the systems, partnerships, and cultural changes necessary for long-term success, will find themselves not just meeting regulatory requirements but leading the sector toward a more sustainable future.

**Tom Otley** is a sustainability consultant and Director at Oury Clark, a multidisciplinary professional services firm based in London. Tom is a barrister with a Masters in Energy and Environmental Law and has had a 25-year career in travel, specialising in environmental reporting. Today he helps companies of all sizes to increase resilience and embed ESG risks into governance

[ouryclark.com/our-services/services-for-uk-businesses/sustainability-esg/](https://ouryclark.com/our-services/services-for-uk-businesses/sustainability-esg/)



# BLURRED LINES

DEFINING THE ASSET CLASSES  
& WHERE THEY OVERLAP

## The impact of convergence of serviced apartments, BTR, co-living, & others in the UK

By Ben Davis

In the UK property and hospitality sectors, once-distinct lines between serviced apartments, built to rent apartments (BTR), co-living communities, corporate housing, and aparthotels are now becoming increasingly blurred.

Each of these asset classes traditionally served a defined market, offering unique benefits to specific audiences. However, economic pressures, changing traveller preferences, and evolving urban lifestyles are driving a convergence that is reshaping how these accommodations are developed, marketed, operated, and tenanted. As a result, traditional serviced apartment operators are having to adapt their offers in a changing market landscape.

### Defining the asset classes

**Serviced apartments** are fully furnished, self-contained units that offer hotel-like services such as regular cleaning, virtual concierge support, and inclusive utilities. They cater primarily to business travellers, extended-stay guests, and tourists looking for more space and flexibility than hotel rooms. The model combines hotel-level service with independent apartment living.

**BTR** are rental-focused, professionally managed apartments in urban areas. Popular with investors and tenants, BTR offers high-quality amenities and typically requires tenants to sign 12-month leases on flats with furniture and homewares included. Operators like Get Living, Greystar, Uncle and Quintain have set the standard in this space.

**Co-living** communities offer private studios within larger properties featuring lounges, and workspaces. Originally aimed at young professionals staying long-term, the market now includes digital nomads and, short-stay visitors. Operators like The Ark, Folk, Node, Mason & Fifth, and Vonder have positioned co-living as an experience-driven lifestyle, often including social events and flexible leasing terms.



**Corporate housing** refers to furnished accommodations, often entire apartment blocks rented by companies for their employees, either on assignment, relocation, or training. At its core, this B2B product, focusses on functionality, reliability, and service.

**Aparthotels** combine the amenities of a hotel (e.g., 24-hour reception, cleaning, on-site dining) with the space and self-catering ability of an apartment. Aparthotels have gained traction for short to medium stays, and appeal to leisure and business travellers alike. Brands like Wilde, Adagio, Locke, and Room2 are prominent in prime city locations.

### Where they overlap

The overlap between these asset classes is being driven by a mix of consumer demand and operational necessity. Guests increasingly seek flexibility, privacy, and community, regardless of how long they're travelling, or why. Consequently, operators are pivoting towards leisure offerings, including offering different lengths of stay from long to short term.

For example, a co-living property might now offer nightly or weekly stays to capitalise on short-term demand. Serviced apartments are reconfiguring their models to accommodate shorter visits, leveraging online travel agents (OTAs) and direct booking platforms to compete with hotels. Aparthotels are increasingly offering subscription-like living models for digital nomads rotating through cities.

For the guest, these blurred lines can create a confusing landscape. A once clearly segmented market, is now a patchwork of overlapping benefits, pricing models, and experiences, such that corporate bookers might struggle to determine which accommodation type is best suited to a relocatee's needs.



Credit: Cheval Collection

### Pressures facing traditional operators

Traditional serviced apartment operators are facing unprecedented challenges. While flexibility has always been one of their core strengths, external pressures are beginning to bite into profit margins.

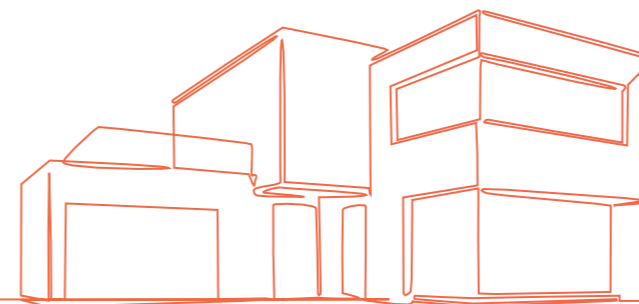
**1 Cost inflation:** Rising utility costs have significantly affected operational overheads. Volatile energy prices make predictable budgeting nearly impossible, so many serviced apartments that bundle utilities into the rental price, are absorbing much of this burden.

**2 Wage growth and NI increases:** A sharp increase in labour costs, coupled with a rise in National Insurance contributions, has impacted P&L statements. It's a double-whammy for operators who rely on in-house cleaning, maintenance, and guest service staff to maintain hotel-like service levels.

**3 Tax burdens:** Local authorities are adding to the pressure with a 100% council tax surcharge on second homes. Intended to increase housing availability, the tax disproportionately impacts operators who hold multiple short-term let properties.

**4 Mandatory registration scheme:** A mandatory registration system for short-term lets, including serviced apartments, is on the cards. Intended to enhance safety by removing rogue operators from the market, the proposal has been met with a mix of optimism and apprehension among operators.

**5 Rising rents and interest rates:** Most critically, rental prices have surged, driven by landlords passing on the costs of rising interest rates and mortgage repayments. This has dramatically increased leasehold expenses for operators who do not own their buildings, reducing margins and forcing some to reconsider their entire portfolio.





# Predictions for 2026



1. Operators that offer flexibility, are able to control costs, and those that adapt to guest expectations will thrive. The race to redefine the modern stay is on, but the finish line keeps moving.
2. Institutional demand will drive yield compression for well-managed assets, while adaptive re-use (like hotel/office conversions) offers value-add opportunities.
3. Financing will evolve, with lenders requiring performance covenants based on occupancy and RevPAR.
4. Regulatory risk will rise, especially where flexible use reduces housing supply.
5. Oversupply in weaker markets looms.
6. ESG performance, community impact, and affordability commitments will increasingly influence valuations and planning approvals.
7. Investors will stress-test income under usage mix shifts. They will monitor increased regulation; target adaptive-reuse opportunities; and define exit strategies by asset type.

## Co-living's expanding appeal

The evolution of co-living spaces into competitive short-stay offerings not only undermines the long-term rental base but competes directly with serviced apartments and aparthotels.

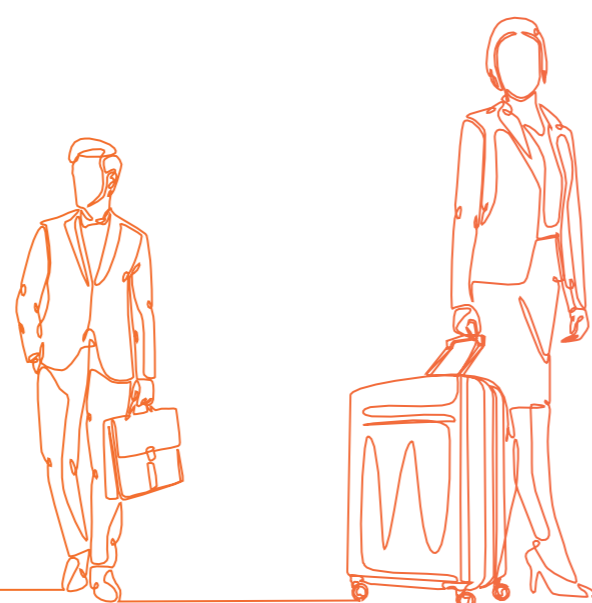
Co-living brands offer stylish interiors, communal perks, attractive locations, and are luring short-stay guests away from traditional serviced apartments which feel bland in comparison. For operators trying to keep occupancy high, this encroachment into adds pressure to reduce rates or upgrade amenities, both of which squeeze profits.

For procurement, this further complicates matters. The same traveller, assignee or relocatee might be accommodated in a serviced apartment, co-living unit, or aparthotel. Each has different booking channels, policies, and pricing models. The lack of standardisation creates friction, undermines confidence, and slows down sourcing processes.

## The role of price

Ultimately, price is the driver in determining which asset class succeeds.. With cost pressures mounting, some serviced apartment operators find themselves unable to compete with newer, leaner co-living or aparthotel models that are either more automated or vertically integrated.

By having shared amenities and streamlined staffing, co-living operators, can offer attractive price points without appearing budget. Aparthotels can leverage economies of scale and brand presence not available to independent serviced apartment providers.



## Blurred lines

The convergence of serviced apartments, BTR, co-living, corporate housing, and aparthotels is a defining trend in the UK accommodation sector. What began as a gradual shift has now become a full-scale realignment, with each asset class borrowing from the others to stay competitive.

Navigating the blurred lines between asset classes requires a clear understanding of not only what each offer, but of the costs in financial & experiential terms.

For traditional serviced apartment operators, the challenges of rising costs, increased competition, and shifting consumer behaviour demand innovation, strategic partnerships, and perhaps even a complete rethink of the traditional operating model. Corporate and their employees may have more choice, but at the cost of greater complexity.

Navigating the blurred lines between asset classes requires a clear understanding of not only what each offer, but of the costs in financial and experiential terms.

**Ben Davis** has spent the last 20 years working in the serviced apartment industry and is cofounder and Real Estate Director at Saxbury, a residential hospitality brokerage and consultancy practice. He advises operators on entering the UK market and scaling their portfolios through leases, management agreements, and M&A strategies.

Despite political intervention, secondary market oversupply, and operational underperformance, success will come from blending hospitality and residential fundamentals to deliver flexible, tech-enabled, community-oriented living solutions.

# The HOT SEAT

In conversation with Seb Hutchings

We put the key questions to an industry leader. As VP Client Services EMEA & APAC, Seb's remit is to support the EMEA and APAC regions for one of Graebel's largest clients.

**What is the state of the relocation market right now?**

SH: It's highly unpredictable - global events can shift the landscape overnight. Temporary housing demand is evolving rapidly. Transferees now have more options than ever: hotels, corporate housing, or even platforms like Airbnb. Some clients are exploring more flexible policies, which could influence benefit utilisation. That said, we generally advise against Airbnb and short-term rentals due to duty of care concerns. We're also seeing a growing interest in fully customised relocation packages, giving employees the autonomy to choose how best to use their benefits.

**How important is the wider support package, especially for employees at the start of their relocation?**

SH: It's especially critical for those on lump sum programmes. The headline figure can be appealing - many think, "I've got this." And some do, particularly if the destination is straightforward. But we often hear that the lump sum isn't enough, especially in high-cost locations. Others feel their experience would've been smoother if, say, they'd had 30 days of temporary housing provided rather than having to book it themselves.

**What matters most to your clients when selecting serviced apartments for temporary housing?**

SH: I'd break it down into two perspectives: the client and the transferee. From the client's side, cost-effectiveness is key - they want to see savings. For the transferee, proximity to requested locations like schools or offices is the top priority. After that, it's about the quality and size of the apartment, followed by safety. Sustainability is increasingly important, but location and apartment quality still lead the decision-making.

**Do you require evidence of operators' sustainability credentials in your RFPs?**

SH: Yes, we have a dedicated supply chain lead who coordinates this. We're keen to showcase how our partners are investing in sustainability, for example, using carbon calculators and other tools. This will become even more relevant as the buildings we book units in undergo renovations. For us, it's about being transparent - balancing cost savings with sustainable choices.

**What technologies are you using to manage serviced apartment bookings?**

SH: All our partners are investing heavily in tech - especially platforms that give transferees, operations, and account teams better access to information. AI-based solutions are a major focus. I see the biggest benefit of AI in automating administrative tasks, which frees up time for more strategic support.

**What will be your biggest challenges over the next 12 months?**

SH: The 2026 World Cup in the US will put enormous pressure on temporary housing availability - not just in the US, but also in Canada and Mexico. Some cities are already tight markets due to existing demand. Add the influx of visitors for the World Cup, and availability will be stretched. We'll need to manage expectations with clients and transferees relocating to those areas.

In addition, geopolitical developments and crisis management considerations will continue to shape relocation planning. These factors may not always directly affect housing availability, but they do influence how we prepare and support transferees in more complex or sensitive regions.

**How will the wars in Ukraine and the Middle East impact your business in 2026?**

SH: While we haven't seen much impact on relocations to the US or UK, the Middle East is a different story. Safety and security are top concerns. Clients are still relocating talent into the region, but there's a stronger emphasis on crisis management and contingency planning - including potential evacuation scenarios.

**Has the average length of stay been affected?**

SH: Not significantly. Length of stay is usually driven by individual relocation circumstances. For instance, if household goods take longer than 30 days to arrive, extensions are often needed. It's less about geopolitical factors and more about the practicalities of each move. Trade tariffs may eventually influence stay durations, but it's too early to say what that impact will look like.



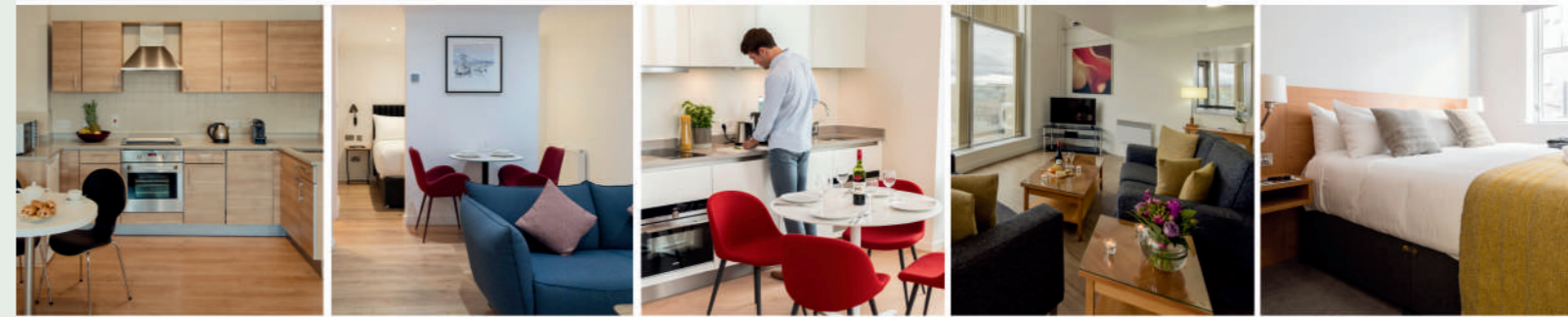
## PREMIER SUITES

### SPACIOUS SERVICED APARTMENT LIVING

### 11 CITY DESTINATIONS ACROSS EUROPE

*Bringing home a little closer*

Make the most of your own separate living and dining area, fully equipped kitchen and luxuriously comfortable bedroom. Our spacious apartments are ideal for you to sit back, relax and unwind after a busy day.



Amsterdam · Antwerp · Birmingham · Bristol · Dublin · Edinburgh · Glasgow · Liverpool · Newcastle · Reading · Rotterdam



APTSLATAM

On-demand corporate housing in Central, South America and the Caribbean.

Supporting travel bookers since 2008 with our award-winning service.



# Making corporate housing easy.

*"They make things easy for us even when they are not."*

Director Global Supply Chain



www.aptslatam.com

info@aptslatam.com

# NEW LIVING MODELS FOR A MOBILE WORKFORCE

By Mark Harris



## The rise of Build-to-Rent and Co-living in corporate travel & mobility

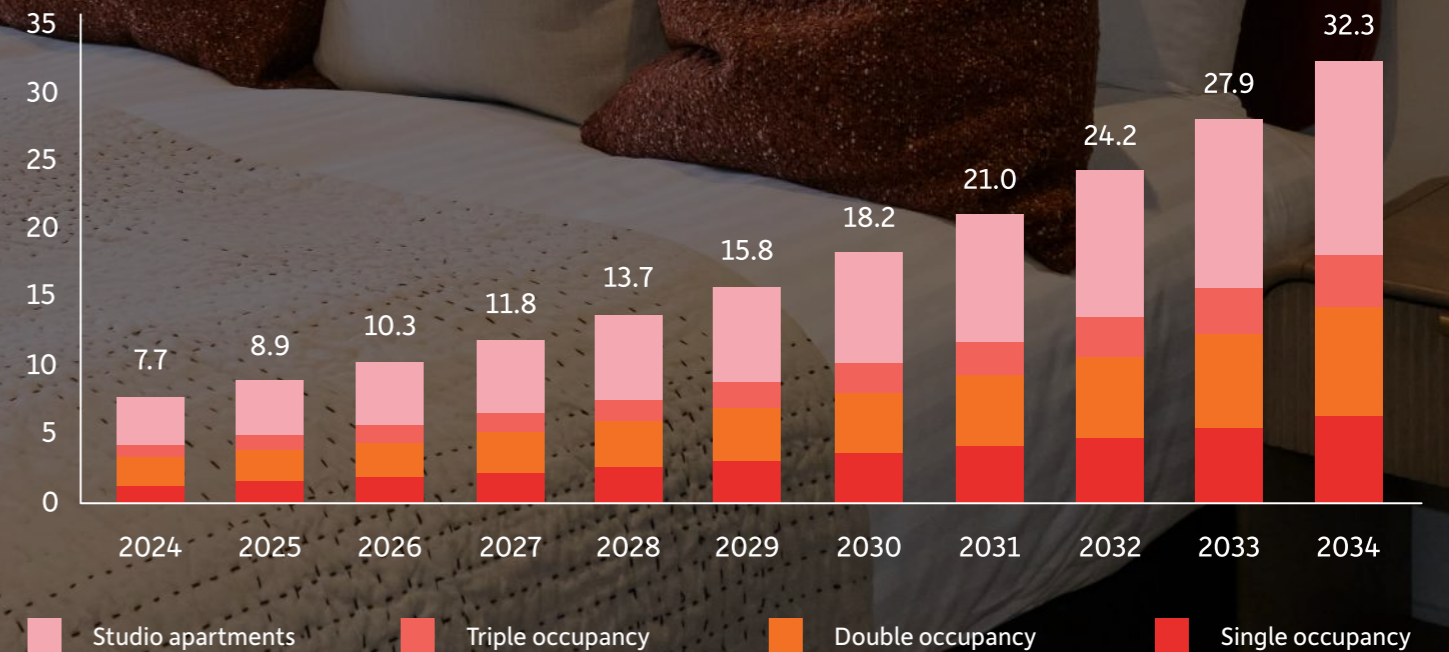
Once a niche of the residential market, Build-to-Rent (BTR) and Co-living have rapidly emerged as serious contenders in the corporate accommodation mix.

Traditionally, long-term assignees, project teams, and relocating employees relied on hotels or serviced apartments. Now, professionally managed BTR developments and flexible Co-living communities are offering an appealing alternative: the comfort of a home, the convenience of a serviced environment, and cost-efficiency for longer stays.

Fuelled by urbanisation, rising rental demand, and institutional investment, the UK's BTR sector surpassed 100,000 completed units in 2023, and now has thousands more in the pipeline.<sup>1</sup>

Globally, as Fig.1 shows, the Co-living market is growing at a rate of 15.4% CAGR and is forecast to be worth \$32.3billion by 2034.

fig. 1  
GLOBAL CO-LIVING MARKET  
Size by room type, 2024 - 2034 (USD billion)



<sup>1</sup> [knightfrank.com/research/article/2024-09-11-btr-resident-experience-index#:~:text=The%20total%20number%20of%20completed,the%20forefront%20of%20investor%20s%20minds.](https://www.knightfrank.com/research/article/2024-09-11-btr-resident-experience-index#:~:text=The%20total%20number%20of%20completed,the%20forefront%20of%20investor%20s%20minds.)

Co-living, once viewed primarily as a millennial or Gen Z housing model, is now attracting corporate interest for its blend of private space, shared amenities, and community-led engagement; particularly valuable for mobile talent integrating into a new city.

For corporate travel and mobility managers, these models promise more than just beds and broadband. They offer scalable, predictable accommodation with high-quality standards, flexible terms, and often, a built-in social network, supporting both productivity and wellbeing.

As competition for talent intensifies and duty-of-care obligations expand, understanding how BTR and Co-living can complement traditional corporate housing is becoming essential for future-fit mobility programmes.

## Recent & forthcoming examples

The definitions of these emerging living models, along with their value propositions, are explored in Ben Davis' article *Blurred lines – defining the asset classes and where they overlap*, featured on pages 66-69 of this edition of GSAIR.

Examples of major BTR developments include Get Living – Elephant & Castle, a major regeneration project including 485 rental homes, retail, leisure space and workspace. Lotus Living – Bellerive House, Canary Wharf is a BTR conversion of a former office building providing 59 studios to two-bed units with duplex-style rooftop flats.

Union, Manchester is the UK's first rent-by-the-room Co-living skyscraper. In the same city, IQ Echo Street, Manchester is a large Co-living/residential scheme delivering 642 Co-living bedrooms and 242 student rooms. Construction is underway; with full build-out expected by 2027.

## Where are we now?

At the start of 2025, there were over 127,000 BTR units completed nationwide across the UK, a 16% increase in supply year-on-year.<sup>2</sup> By Q1 2025 supply had already grown 16% year-on-year. Major activity is centred in London, Manchester, and Birmingham.

A record £6 billion investment<sup>3</sup> is funding expansion. Major investors like Aviva, Legal & General, M&G, Royal London, Blackstone, and others are scaling into BTR and Co-living, attracted by long-term returns, despite regulatory uncertainty.<sup>4</sup>

Over 56,500 units are under construction, with 126,000 in planning, underscoring a robust development cycle. However, there is still a supply shortage. UK private rental listings were 20-24% below pre-pandemic levels, underpinning demand for professionally managed alternatives.<sup>5</sup>

There are nearly 9,000 operational Co-living units in the UK, with about 3,300 added in 2024. Co-living is gaining strong investor and planning traction, evidenced by an 87% increase in Co-living planning submissions between 2023 and 2024, with 5,500 units under construction as of early 2025.<sup>6</sup>

Co-living now represents nearly 7% of institutional BTR stock<sup>7</sup>, signalling it's becoming a significant sub-segment rather than fringe niche. 33% of institutional investors have already invested in Co-living with another 44% planning to by 2028, making it Europe's the fastest-growing residential segment.<sup>8</sup>

## 4 factors shaping growth in both sectors

1. Shrinking supply from private landlords and rising demand from renters including over-35s, and urban professionals.
2. Over-35s make up 57% of private renters. Demand from this segment is predicted to rise eightfold by 2030.<sup>9</sup>
3. Regulatory pressures such as the Renters' Rights Bill, energy performance standards) are accelerating private landlord exits, consolidating demand toward professionally managed BTR/ Co-living stock.
4. As households shrink and urban migration continues, Co-living appeals as cost-effective, socially engaging housing, especially for flexible, mobile professionals.

<sup>2</sup> [savills.co.uk/research\\_articles/229130/376156-0#:~:text=This%20marks%20the%20city's%20first%20BTR%20transaction%20since%202022.&text=The%20UK's%20BTR%20stock%20now,in%20the%20pre%20application%20stage.](https://www.savills.co.uk/research_articles/229130/376156-0#:~:text=This%20marks%20the%20city's%20first%20BTR%20transaction%20since%202022.&text=The%20UK's%20BTR%20stock%20now,in%20the%20pre%20application%20stage.)

<sup>3</sup> *Ibid*

<sup>4</sup> [www.privateequitywire.co.uk/aviva-lg-and-lloyds-bet-big-on-the-uk-rental-market/](https://www.privateequitywire.co.uk/aviva-lg-and-lloyds-bet-big-on-the-uk-rental-market/)

<sup>5</sup> [zoopla.co.uk/discover/property-news/rental-market-report/](https://www.zoopla.co.uk/discover/property-news/rental-market-report/)

<sup>6</sup> [savills.co.uk/research\\_articles/229130/372282-0](https://www.savills.co.uk/research_articles/229130/372282-0)

<sup>7</sup> [content.knightfrank.com/research/2854/documents/en/Co-living-report-2024-11304.pdf](https://content.knightfrank.com/research/2854/documents/en/Co-living-report-2024-11304.pdf)

## Why this matters to travel & mobility managers

For travel and mobility managers, BTR and Co-living offer safer, well-managed housing that aligns with corporate responsibility, especially for relocations or transient travel.

The value proposition is scalable, high-quality housing with flexible leases, predictable costs, and consistent standards; amenity-rich homes in prime locations, blending hotel convenience with residential comfort. This is particularly appealing for those corporates keen to extend investment and workforce presence in particular locations.

Enhanced amenities, community, and convenience reduce friction in relocation and support employee wellbeing. Flexible lease durations, especially in Co-living, meet the needs of short-term assignments, hybrid work arrangements, or gradual relocations.

Bundled rents, including utilities, Wi-Fi, and maintenance, make budgeting simpler, and, as workforce preferences shift, (e.g., millennials, digital nomads, and over-35s), mobility strategies can leverage these housing formats for competitive advantage.

## Changing workforce demographic

The workforce is shifting strongly toward millennials and Gen Z, who increasingly prioritise flexibility, affordability, community, and convenience in their housing.

Co-living offering inclusive, furnished spaces with utilities and communal amenities are estimated to cut living costs by up to 40%, whilst Build-to-Rent delivers professionally managed homes in desirable locations with flexible terms.

Co-living also fosters a sense of community, a vital factor for millennials and Gen Z who value social connections and shared experiences. Common areas, social events, and networking opportunities make these spaces attractive for young professionals seeking a balance between privacy and communal living.<sup>10</sup>

These living models align with younger professionals' expectations for social connection, streamlined experiences, and modern lifestyle integration. This puts Co-living and BTR in pole position to meet evolving workforce demands.<sup>11</sup>



## Opportunity

There is currently no published forecast quantifying future corporate adoption of BTR or Co-living within travel or mobility programmes over the next decade. However, emerging signals strongly suggest that adoption will rise meaningfully, driven by several converging trends.

A 2024 report predicted that 92% of BTR and Co-living portfolios representing over 1.3 million units planned to increase short- and medium-term leases, reflecting growing relevance for flexible accommodation needs.<sup>12</sup>

Another report predicts that short-term housing, including Co-living and other flexible arrangements, will become increasingly central for global mobility programmes, particularly in emerging markets.<sup>13</sup>

The bottom line for corporate travel & mobility managers is that serviced apartments are already mainstream in managed programmes and should remain ahead of alternative formats, including short-term rentals, because of risk management, duty of care obligations, consistent standards, and procurement fit.

For now, Co-living will remain niche for corporates throughout 2026, with use cases around longer term assignments and relocation rather than transient trips.

## Outlook

The BTR pipeline continues to be robust, with hundreds of thousands of units currently in construction or at the planning stage. As the sector matures, it could account for 30–35% of the UK's private rental market, potentially reaching 1.7 million homes in the long run.<sup>14</sup>

With institutional backing and high investor interest, Co-living is positioned for rapid growth, possibly exceeding a 15–20% share of the BTR by the late 2020s as flexible living becomes more mainstream.<sup>15</sup>

BTR and Co-living are solidifying their positions as mainstream, institutionally backed sectors in the UK rental market. Strategic advantages such as flexibility, community, and professional standards make them compelling choices for corporate travel and mobility managers seeking reliable, cost-effective, employee-centric housing solutions.

Looking ahead to 2026 and beyond, this landscape is likely to expand further, with sustained investor interest, evolving consumer demographics, and maturing operations driving scale. Corporate mobility teams should consider integrating BTR and Co-living into their housing strategies, thereby aligning employee wellbeing, cost control, and adaptability in an increasingly dynamic world.

# ORBIRElo

TEMPORARY LIVING TECHNOLOGY

Powered by technology.  
Superpowered by humans.

A versatile multi-agent aggregator platform that specialises in temporary living accommodation solutions.

95%

Assignee satisfaction for the last 12 months

99%

Consultant satisfaction for the same period

### Global Leaders

Award-winning global team with decades of experience in temporary living.

### Multi Agent Solution

Access to over 1 million temporary living properties globally via multiple agents.

### Money Saving Experts

Competitive pricing, cost savings, and solution diversity. Never compromising on quality.

[www.orbirelo.com](http://www.orbirelo.com)

<sup>11</sup> [integrowamc.com/article/Co-living-and-co-working-spaces-the-evolving-preferences-of-millennial-and-gen-z-investors/?utm\\_source=chatgpt.com](https://integrowamc.com/article/Co-living-and-co-working-spaces-the-evolving-preferences-of-millennial-and-gen-z-investors/?utm_source=chatgpt.com)  
<sup>12</sup> [urbanliving.news/build-to-rent-living-sector-seeing-increasing-demand-for-flex-rentals-says-new-study/?utm\\_source=chatgpt.com](https://urbanliving.news/build-to-rent-living-sector-seeing-increasing-demand-for-flex-rentals-says-new-study/?utm_source=chatgpt.com)  
<sup>13</sup> [nucopass.com/relocation-news-and-trends/2025-trends-corporate-housing-and-rental-insights/?utm\\_source=chatgpt.com](https://nucopass.com/relocation-news-and-trends/2025-trends-corporate-housing-and-rental-insights/?utm_source=chatgpt.com)  
<sup>14</sup> [lsh.co.uk/explore/research-and-views/research/2025/april/uk-btr-sector-set-for-record-breaking-investment](https://lsh.co.uk/explore/research-and-views/research/2025/april/uk-btr-sector-set-for-record-breaking-investment)  
<sup>15</sup> <https://www.lsh.co.uk/explore/research-and-views/view-points/2025/february/Co-living-btrs-next-big-thing>

# PIPELINE

## NEW BRANDS & PROPERTIES LAUNCHING IN 2026



By Mark Harris

The serviced apartment sector is growing in the UK and further afield. Powered by resurgent corporate demand for transient travel and relocation, plus booming leisure demand, and despite increases in supply, occupancy and RevPAR are exceeding expectations.<sup>1</sup>

As of mid-2025, the UK's serviced apartment sector comprised approximately 29,500 units across 800 properties. London represented the largest share, with 14,100 units, equivalent to around 9% of the capital's total hotel bed supply, which stood at approximately 146,000 in mid-2024.<sup>2</sup>

### Supply drivers

Having remained resilient in the eyes of lenders and investors, increasingly favourable debt terms continued into 2024 despite rising interest rates. This helps to explain why rising lender confidence underpins ongoing expansion.

Co-living is gaining strong investor and planning traction, evidenced by an 87% increase in co-living planning submissions between 2023 and 2024, with 5,500 units under construction as of early 2025.<sup>3</sup>

BTR investment is at record levels, with the sector attracting £6 billion of investment in 2025, with operational stock doubling over four years to more than 130,000 units, and a pipeline of around 56,500 under construction and 126,000 in planning.<sup>5</sup>

### New brands & properties opening in 2026/27<sup>6</sup>

#### Serviced apartments & Aparthotels

Radisson Hotel Group will launch its first-ever UK serviced apartments in Glasgow in 2027. The Glasgow site will feature studios and one-bed units, alongside a rooftop bar, gym, restaurant, and meeting spaces.

*Aparthotel Adagio Sutton Point*, London is slated to open during 2026–27. With 59 flats and studios, each flat will include a living room with a sofa and television, a separate bedroom, a kitchenette, and office area.

*Staycity Aparthotels* – Belfast, Northern Ireland is a new 98-key Aparthotel at Beaufort House on Wellington Place, set to open in Q3 2026. This will be Staycity's first property in the city.

*Marriott International's StudioRes* is a new mid-scale extended-stay brand aimed at budget-conscious and long-stay travellers. The first StudioRes property opened in Fort Myers, Florida

*Project MidX Studios* is another extended-stay concept from Marriott being rolled out in the U.S. and Canada, targeting stays of 20+ nights, with amenities like kitchens, on-site laundry, and fitness centres.

*Hilton Worldwide's LivSmart Studios* is a lower-midscale extended-stay brand introduced for guests staying 20 nights or more, gaining traction in the U.S.

*Hyatt Studios* launched in 2023, this upper-midscale extended-stay brand has signed letters of intent for over 100 properties in the Americas.

*WaterWalk Extended Stay* by Wyndham sees Wyndham expanding into upscale extended-stay through a partnership with WaterWalk. 11 properties will be re-branded, adding over 1,500 rooms to their portfolio.

### BuildtoRent & Coliving

#### London & southeast UK

*Get Living* – Elephant & Castle is a major regeneration project including 485 rental homes, retail, leisure space and workspace. Phase two 2 is due for completion in early 2026, with additional phases under consultation in March 2025.

*Lotus Living* – Bellerive House, Canary Wharf is a BTR conversion of a former office building providing 59 studios to two-bed units with duplex-style rooftop flats. Apartments are expected in Q1 2026, as part of a £40 m scheme project backed by UTB.

*Hill Group / Lloyds Living* – Stevenage is a forward funding 264 rental apartments in the town centre) and is scheduled to open in 2026.

#### Manchester

*Union* – Manchester is the UK's first rent-by-the-room coliving skyscraper. Phase 1 was completed in 2024 and, with Phase 2, comprising a second tower, is expected in either late 2025 or early 2026.

*Square Gardens* – First Street South, Manchester (Downing Living) is a coliving residential megascheme across four 4 towers offering 2,200 beds. Tower 3 is expected to open in 2026.

*IQ Echo Street* – Manchester is a large coliving/residential scheme delivering 642 coliving bedrooms and 242 student rooms. Construction is underway; with full build-out expected by 2027.

As of Q1 2025, 9,000 coliving units have been submitted for planning across the UK, with 5,500 under construction. This suggests a wave of additional openings across secondary cities from 2026 onwards.<sup>7</sup>

## WHO'S BUILDING WHAT, & WHERE?



# FUTURE OUTLOOK

## Branded serviced apartment pipeline: new units by country

COUNTRY	2025	2026	2027	2028	2029	Total	UNDER CONSTRUCTION
United Kingdom	911	1,016	1,228	1,431	350	4,936	48%
Germany	1,166	1,210	720	0	78	3,174	59%
Spain	360	408	238	0	0	1,006	31%
France	210	243	413	88	0	954	59%
Portugal	329	191	88	88	0	608	87%
Italy	208	0	0	0	0	208	100%
Netherlands	128	138	245	128	0	639	60%
Others	1,837	1,409	1,341	100	152	4,839	66%
<b>Total</b>	<b>5,149</b>	<b>4,615</b>	<b>4,273</b>	<b>1,747</b>	<b>580</b>	<b>16,364</b>	<b>58%</b>

Source: HVS RESEARCH

The European serviced apartment sector is expected to grow by 16,500 rooms by 2030, of which the UK accounts for 30%, followed by Germany at 20%, while Spain and France come next with 6% each.

With national stock predicted to be in the mid-30,000s by 2030, expansion is likely to slow to low single-digit annual growth, with delivery constrained by land availability, planning processes, and regulatory oversight.

London and major regional hubs like Manchester, Birmingham, and Edinburgh will remain focal points, but growth will also spread to secondary cities with strong business travel and relocation demand. Institutional investors are expected to expand their portfolios, favouring branded extended-stay and aparthotel formats for operational efficiency and resilience.

If investment pipelines translate into completed stock beyond 2030 (as seen in 4–5% annual growth in recent years) the sector's share in the broader hospitality mix is poised to expand meaningfully.

**By 2030, the UK is predicted to house 30% of Europe's branded serviced apartment pipeline, having grown by 4,900 more units.**

London accounts for 15% of European serviced apartment supply and is on track to become Europe's largest serviced apartment market by 2028, with a projected growth of 21%.<sup>8</sup>

Beyond 2030, the UK serviced apartment market is expected to maintain a steady, demand-driven growth, thanks to urbanisation, corporate mobility, and the shift toward flexible, professionally managed living.

## Value projections

Long term, proof of the serviced apartment sector's rude health will lie in a materially larger share of UK hospitality. In 2025, serviced apartments account for approximately 4 % of the UK's total hospitality stock.

By comparison, in Europe's top gateway cities, serviced apartments make up around 6.1 %, indicating relatively modest penetration even in mature urban markets.<sup>9</sup>

With sustained expansion, increasing developer and investor interest, and pipeline deliveries, serviced apartments could potentially grow to represent 8%–10% of the UK accommodation supply by the 2030s, offering corporates and travellers a mature, well-regulated alternative to hotels and unregulated short-term rentals.

To put it another way. In 2024, the UK accommodation market (hotels, serviced apartments, B&Bs, hostels, STRs) was valued at roughly £22–£24 billion in annual revenue.<sup>10</sup> The serviced apartment sector's 4% market share equates to £920 million.

A 10% share would mean the sector's overall value growing to £2.30 billion per year, bringing operators an incremental £1.38 billion per year. So, while currently a modest slice of the overall accommodation landscape, serviced apartments could double that share in the coming decade.

<sup>1</sup> [hvs.com/article/10228-the-serviced-apartment-sector-in-europe-2025?utm\\_source=chatgpt.com](https://hvs.com/article/10228-the-serviced-apartment-sector-in-europe-2025?utm_source=chatgpt.com)

<sup>2</sup> [savills.co.uk/blog/article/378177/commercial-property/a-busy-summer-ahead-for-the-serviced-apartment-sector.aspx?utm\\_source=chatgpt.com](https://savills.co.uk/blog/article/378177/commercial-property/a-busy-summer-ahead-for-the-serviced-apartment-sector.aspx?utm_source=chatgpt.com)

<sup>3</sup> [savills.co.uk/research\\_articles/229130/372282-0](https://savills.co.uk/research_articles/229130/372282-0)

<sup>4</sup> Lambert Smith Hampton's - Built to Last report

<sup>5</sup> [propertyindustryeye.com/uk-btr-sector-to-hit-6bn-investment-in-2025/](https://propertyindustryeye.com/uk-btr-sector-to-hit-6bn-investment-in-2025/)

<sup>6</sup> [servicedapartmentnews.com](https://servicedapartmentnews.com)

<sup>7</sup> [savills.co.uk/insight-and-opinion/savills-news/372563/uk-co-living-sector-grows--with-9-000-units-submitted-for-planning-in-2024--up-87--from-2023--according-to-savills](https://savills.co.uk/insight-and-opinion/savills-news/372563/uk-co-living-sector-grows--with-9-000-units-submitted-for-planning-in-2024--up-87--from-2023--according-to-savills)

<sup>8</sup> [file:///C:/Users/markh/Downloads/The-Serviced-Apartment-Sector-in-Europe-2025%20\(4\).pdf](file:///C:/Users/markh/Downloads/The-Serviced-Apartment-Sector-in-Europe-2025%20(4).pdf)

<sup>9</sup> [savills.co.uk/research\\_articles/229130/358096-0?utm\\_source=chatgpt.com](https://savills.co.uk/research_articles/229130/358096-0?utm_source=chatgpt.com)

<sup>10</sup> [khospitality.org.uk](https://khospitality.org.uk)



Credit: Living Rooms

# DIRECTORY LISTING



**Ariosi**

ariosi.com

## ARIOSI

A specialist serviced apartment consultancy and the home of OrbiRelo and GSAIR. We aspire to be the place you come to access accurate and up to the minute insights, advice, support, and training resources.

+44 (0)20 8168 8168



**APTSLATAM**

aptslatam.com

## APTSLATAM

AptsLatam, an award-winning provider of corporate housing and serviced apartments in Latin America and the Caribbean, offers tailored solutions and first-class support for single and group moves, ensuring a seamless experience.

+57 320 339 7773



## OASIS

As a leading global temporary housing agency Oasis connects you with over 600,000 units. Our dedication to quality control and ongoing service throughout ensures you always have an extraordinary stay.

+44 (0)20 3608 1863 (International HQ)  
+1 813 489 5144 (US HQ)

staywithoasis.com

**ORBIRELO**

orbirelo.com

## ORBIRELO

A versatile multi-agent aggregator platform which specialises in temporary living accommodation solutions. Access to over 1 million temporary living properties globally via multiple agents. Powered by technology. Superpowered by humans.

+44 (0)1524 428 298



## CELADOR APARTMENTS

Celador Apartments offers stylish, high-quality serviced apartments in Reading. Blending comfort with exceptional service, our professional yet personable approach ensures every guest feels truly at home.

+44 (0) 118 437 5250

celadorapartments.com



## FRASERS HOSPITALITY

Established in 1998, Fraser's Hospitality's serviced and hotel residences across five brands - Fraser Suites, Fraser Residence, Fraser Place, Capri by Fraser and Modena by Fraser - span 20 countries worldwide.

+44 (0)20 7341 5599

frasershospitality.com



**SilverDoor**

## SILVERDOOR

The world's leading corporate accommodation agent providing businesses across the globe with an unrivalled service and intuitive technology for an outstanding booking experience.

+44 (0)20 8090 8090

silverdoor.com



## SUPERCITY APARTHOTELS

Stylish aparthotels combining homely comfort with hotel convenience. Located in London, Manchester, Brighton, Leeds, and Edinburgh - with York opening soon. Perfect for short breaks, business trips, or extended stays.

+44(0)20 3818 9070

supercityuk.com



## HOTELREZ HOTELS & RESORTS

A SaaS enabled service company, providing distribution, web services, booking engines, revenue, sales and marketing to over 2,500 independent hotels in 100 countries, including private label GDS chain code solutions.

+44 (0)20 3699 9936

hotelrez.com



## LIVING ROOMS

Living Rooms offers a beautiful collection of 7 properties, comprising 50 hotel rooms and 56 apartments across Central London. Combining hotel luxury with the comfort of home, each space is uniquely designed with exceptional service at its core.

+44 (0)20 7647 0200

living-rooms.co.uk

**THE JULY**

## THE JULY

The July offers thoughtfully designed apartment hotels with dining, wellness, and local spirit — a home-away-from-home for city breaks and extended stays where guests relax, explore, and connect.

+31 (0)20 723 90 90

thejuly.com



## URBAN CHIC

Our Central London serviced apartments provide exclusive, luxury retreats for those seeking leisure or business stays. Stay tuned as we take our quality of product and high levels of service into the Middle East!

+44 (0)207 935 1096

my-urbanchic.com

# GLOSSARY *of* TERMS

**ADR** - Average Daily Rate.

**Agent** - Used more generally to describe an intermediary, either individual or company, booking travel or accommodation on behalf of another party.

**AI** - Artificial Intelligence.

**APAC** - Asia-Pacific.

**Aparthotel** - Fully furnished and equipped apartments, which include hotel services such as manned reception and cleaning. Typically used for shorter stays and suitable for business and leisure use.

**API** - Application Programming Interface.

**ASAP** - Association of Serviced Apartment Providers.

**Assignment working** - A short or long term stay, undertaken to perform a specific task or project based trip. Stays can last between 30 days and three years and are temporary, whereas Relocation (see below), is permanent. Assignment workers are often referred to as assignees.

**Business travel** - Journey specifically taken for work purposes, usually but not always up to seven days. Business travel excludes daily commuting, leisure trips or holidays.

**CHPA** - Corporate Housing Providers Association.

**Co-living** - Co-living refers to accommodation where multiple unrelated people can live together. Units usually contain large communal spaces as well as private bedrooms. Developments often feature social areas and programmes designed to foster a sense of community.

**Corporate housing** - Residential apartments, packaged up to include servicing and bills, typically bookable for a minimum of 30 nights, either let and maintained by the operator on an ongoing basis or rented specifically for a particular housing requirement and length of time, after which they are handed back to the owner. Corporate housing is also the term used in the U.S. to describe serviced apartments.

**CRM** - Customer Relationship Management.

**DE&I** - Diversity, Equity, and Inclusion (also referred to as EDI).

**DSP** - Destination Service Provider.

**EMEA** - Europe, the Middle East, and Africa.

**ESG** - Environmental, Social, and Governance.

**F&B** - Food and Beverage.

**FTSE** - Financial Times Stock Exchange.

**GDPR** - General Data Protection Regulation.

Several acronyms or abbreviations are used in this report. These are as follows:

**GDS** - Global Distribution System (e.g. Amadeus, Travelport, Sabre).

**Gen Z** - Generation reaching adulthood in the second decade of the 21st century.

**GHG** - Greenhouse gas.

**GSAIR** - Global Serviced Apartment Industry Report.

**Homestay** - Generic term for products like Airbnb, or home rental.

**ITM** - Institute of Travel Management.

**LOS** - Length Of Stay.

**M&A** - Merger and Acquisition.

**NDC** - New Distribution Capability.

**OBT** - Online Booking Tool.

**Occupancy** - Percentage of occupied bedrooms / apartments during a set period.

**OTA** - Online Travel Agent (e.g. Expedia, Booking.com).

**PMS** - Property Management System.

**QR** - Quick Response (commonly referred to as QR code).

**Relocation** - Relocation (also referred to as Relo), involves moving an employee, and family, to another city or country.

**RevPAR** - Revenue Per Available Room.

**RMC** - A Relocation Management Company provides outsourced relocation logistics management for organisations of different sizes and needs.

**ROI** - Return On Investment.

**Serviced living** - Generic term to describe the expanding number of emerging extended stay concepts. Fully furnished accommodation including kitchen facilities, with some private and communal spaces.

**TMC** - A Travel Management Company manages the business travel requirements of an individual or organisation, in line with their corporate travel policies, where relevant.

# ACKNOWLEDGMENTS

With thanks to all our **interviewees**  
& **written contributors.**



**Richard Eades**  
Global Procurement  
Manager  
*Bp*



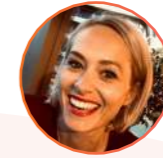
**Carolyn Pearson**  
Founder & CEO  
*Maiden Voyage*



**Martijn van der Voort**  
Director  
*Astronomad*



**Karen Hutchings**  
Founder  
*Cobb & Hatch*



**Gemma Williams**  
Manager of Global  
Corporate Housing  
*Sirva*



**Josef Jedlicka**  
Supplier Development  
Regional Manager  
*Graebel*



**Tom Otley**  
Director  
*Oury Clark*



**Sorren Sturup-Toft**  
Global Immigration  
& Mobility Leader  
*OXCI*



**Seb Hutchings**  
VP Client Services  
*Graebel*



**Jan Jacobsen**  
Global Procurement  
Director  
*Accenture*



**Carol Fergus**  
Director of Global Travel, Events  
& Ground Transportation  
*Fidelity International*



**Danny Cockton**  
VP Global Travel  
Services & Director  
*Wood Plc*



**Melissa D'Angelo**  
Associate Corporate  
Account Manager  
*Chestertons*



**Ben Davis**  
Cofounder & Real  
Estate Director  
*Saxbury*



**Martin Klima**  
Chief Customer Officer  
*SilverDoor*



**Steve Frey**  
CEO & Founder  
*Oasis*



**Carley Bannaghan**  
Commercial Director  
*Supercity Aparthotels*



**Steve Lowy**  
CEO  
*AES*



**Trine Oestergaard Stafford**  
Managing Director  
*House of Fisher*

The image features a low-angle, upward-looking view of a modern building's facade on the right side. The building has a complex, geometric design with various shades of beige, tan, and brown. The background is a clear blue sky, overlaid with several large, semi-transparent, abstract blue shapes that resemble stylized waves or clouds. The overall aesthetic is clean, professional, and modern.

# GSAIR

GLOBAL SERVICED APARTMENT INDUSTRY REPORT

Created with **care** by **industry experts**,  
with **real experiences**.

Your trusted guide to the serviced apartment industry.



[aiosi.com/gsair](https://aiosi.com/gsair)