# Morgan Stanley leads £1.1bn race to acquire L&Q’s London build-to-rent portfolio



Morgan Stanley Real Estate Investing (MSREI) has been identified as the frontrunner to acquire L&Q’s build-to-rent (BTR) residential portfolio in a deal reportedly valued at around £1.1 billion. The transaction, codenamed Project Greenwich, includes 3,147 homes spread across 52 schemes in and around London and is managed by L&Q’s subsidiary, L&Q PRS, trading as Metra Living. Nearly all of the units in this portfolio are currently let, reflecting strong demand for rental housing in the capital.

This outcome followed competitive bidding involving other major investment players, including Blackstone, Kennedy Wilson, Pelham Partners, and the LRC Group, all of whom had submitted bids exceeding £1 billion. This sale signifies a strategic shift for L&Q, which will use the proceeds to reinforce its core affordable housing operations and to enhance fire safety standards across its existing properties, addressing critical regulatory and safety concerns within its housing stock.

The portfolio features a broad geographic footprint, encompassing locations such as Beam Park in Rainham, Rookery Grove in Hendon, Barking Riverside, Hayes Village, and Queen’s Quarter in Croydon. The deal underscores a broader trend in the build-to-rent market; although the development of new BTR schemes has slowed sharply, there remains robust investor appetite for acquiring established rental assets, buoyed by expectations of strong rental growth in these undersupplied housing markets.

Morgan Stanley Real Estate Investing is a well-established global real estate investment management business with a presence in 17 offices across 12 countries. The firm manages $52 billion of gross real estate assets worldwide as of the end of 2024 and employs a disciplined investment approach focused on value-add, opportunistic, and core/core-plus strategies regionally and globally. MSREI recently launched its North Haven Real Estate Fund XI Global, building on a predecessor fund that raised $3.1 billion of equity in 2021. The firm has also extended its investment period into 2025 to capitalise on market uncertainties and is actively seeking opportunities to acquire, renovate, or develop multifamily, single-family rental, and student housing properties.

MSREI’s collaboration with UK-based partner Ridgeback, which operates a portfolio of more than 4,000 units in partnership with Canadian investment firm Alberta Investment Management Corp, further strengthens its position for this acquisition. The proposed Greenwich portfolio would complement MSREI’s existing operational capabilities and strategic goals in the UK residential rental market.

In a related development, another London housing association, Notting Hill Genesis, has appointed advisers to sell £1 billion worth of stock in its Folio private rental business. The association’s decision follows a reported £129 million deficit for 2024-2025, driven by a combination of private rental losses, new building safety costs, write-downs, and cost overruns, highlighting the ongoing financial pressures faced by housing providers in managing both regulatory compliance and operational viability.

Overall, this proposed transaction marks a significant moment in the evolving UK build-to-rent sector, where strong investor demand for stable income-producing residential assets contrasts with the slowing momentum in new BTR developments. It also illustrates how major financial institutions like Morgan Stanley are positioning themselves to capitalise on rental market dynamics while supporting housing associations’ efforts to focus on affordable housing and safety improvements.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://www.bisnow.com/london/news/build-to-rent/morgan-stanley-real-estate-investing-11b-frontrunner-for-greenwich-btr-130231), [[2]](https://www.bisnow.com/london/news/build-to-rent/morgan-stanley-real-estate-investing-11b-frontrunner-for-greenwich-btr-130231)
* Paragraph 2 – [[1]](https://www.bisnow.com/london/news/build-to-rent/morgan-stanley-real-estate-investing-11b-frontrunner-for-greenwich-btr-130231), [[2]](https://www.bisnow.com/london/news/build-to-rent/morgan-stanley-real-estate-investing-11b-frontrunner-for-greenwich-btr-130231)
* Paragraph 3 – [[1]](https://www.bisnow.com/london/news/build-to-rent/morgan-stanley-real-estate-investing-11b-frontrunner-for-greenwich-btr-130231), [[2]](https://www.bisnow.com/london/news/build-to-rent/morgan-stanley-real-estate-investing-11b-frontrunner-for-greenwich-btr-130231)
* Paragraph 4 – [[3]](https://www.morganstanley.com/im/en-us/capital-seeker/real-estate/overview.html), [[4]](https://www.morganstanley.com/im/en-us/institutional-investor/strategies/real-assets/private-real-estate.html), [[5]](https://www.morganstanley.com/im/en-us/institutional-investor/strategies/real-assets/private-real-estate.html), [[6]](https://www.morganstanley.com/im/en-us/institutional-investor/strategies/real-assets/private-real-estate.html), [[7]](https://www.morganstanley.com/im/en-us/institutional-investor/strategies/real-assets/private-real-estate.html)
* Paragraph 5 – [[1]](https://www.bisnow.com/london/news/build-to-rent/morgan-stanley-real-estate-investing-11b-frontrunner-for-greenwich-btr-130231), [[4]](https://www.morganstanley.com/im/en-us/institutional-investor/strategies/real-assets/private-real-estate.html)
* Paragraph 6 – [[1]](https://www.bisnow.com/london/news/build-to-rent/morgan-stanley-real-estate-investing-11b-frontrunner-for-greenwich-btr-130231)

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## Bibliography

1. <https://www.bisnow.com/london/news/build-to-rent/morgan-stanley-real-estate-investing-11b-frontrunner-for-greenwich-btr-130231> - Please view link - unable to able to access data
2. <https://www.bisnow.com/london/news/build-to-rent/morgan-stanley-real-estate-investing-11b-frontrunner-for-greenwich-btr-130231> - Morgan Stanley Real Estate Investing (MSREI) has emerged as the preferred buyer for L&Q's build-to-rent (BTR) residential portfolio, reportedly agreeing to a price around £1.1 billion. This follows competitive bids from Blackstone, Kennedy Wilson, Pelham Partners, and LRC Group, all offering over £1 billion. The portfolio, codenamed Project Greenwich, comprises 3,147 homes across 52 schemes in and around London, nearly fully let, managed by L&Q subsidiary Metra Living. The sale aims to reinvest proceeds into L&Q's core affordable housing business and enhance fire safety standards across its properties.
3. <https://www.morganstanley.com/im/en-us/capital-seeker/real-estate/overview.html> - Morgan Stanley Real Estate Investing (MSREI) is the global private real estate investment management arm of Morgan Stanley. With over 200 professionals in 17 offices across 12 countries, MSREI employs a patient, disciplined approach through global value-add/opportunistic and regional core/core-plus real estate investment strategies. As of December 31, 2024, MSREI manages $52 billion of gross real estate assets worldwide on behalf of its clients.
4. <https://www.morganstanley.com/im/en-us/institutional-investor/strategies/real-assets/private-real-estate.html> - Morgan Stanley Real Estate Investing (MSREI) is the global private real estate investment management business of Morgan Stanley. One of the most active property investors in the world for over three decades, MSREI employs a patient, disciplined approach through global value-add/opportunistic and regional core real estate investment strategies. With 17 offices throughout the U.S., Europe, and Asia, regional teams of dedicated real estate professionals combine a unique global perspective with local presence and significant transaction execution expertise. As of December 31, 2024, MSREI manages $52 billion of real estate assets worldwide on behalf of its clients.
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