

UK PROPERTY MARKET OUTLOOK

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COASTAL LIVING & LIFESTYLE INVESTMENTS

The New Property Boom Reshaping Britain's Seaside Towns

For decades, Britain's coastal towns were viewed primarily as retirement destinations or seasonal holiday escapes. Today, however, a new generation of buyers, investors, remote workers, and lifestyle-driven entrepreneurs are transforming the country's seaside property market.

Across the UK, coastal property demand has accelerated dramatically over recent years. What initially began as a post-pandemic lifestyle shift has evolved into a structural change in how many people view housing, work, and quality of life.

From Cornwall to Norfolk, Brighton to Northumberland, demand for coastal homes continues to reshape local economies, rental markets, and development opportunities.

In this May / June 2026 issue of Bricks & Britain, we examine the growing appeal of coastal property, the rise of lifestyle-led investment, the pressures facing local housing markets, and where the next opportunities may emerge.



THE GREAT LIFESTYLE SHIFT

Why Buyers Are Leaving Cities Behind



One of the most significant drivers behind the coastal property surge has been the lasting impact of flexible and hybrid working.

While many employers now require partial office attendance, millions of professionals continue to enjoy far greater freedom over where they live. As a result, lifestyle considerations increasingly influence purchasing decisions.

For many buyers, the appeal is obvious.

Coastal living offers open space, cleaner air, slower pace of life, outdoor activities, and often significantly more property for the money compared with major cities.

Family buyers are increasingly prioritising quality of life over proximity to city centres, particularly where transport links allow occasional commuting.

At the same time, older homeowners approaching retirement are accelerating relocation plans, often releasing substantial equity from expensive urban property markets.

This combination of lifestyle migration, remote working, and demographic change continues to fuel demand across many coastal regions.

HOTSPOTS AROUND THE UK

Which Coastal Markets Are Performing Strongly?

Not all coastal markets are equal.

Some towns continue to experience extraordinary levels of demand and price growth, while others remain relatively affordable and underdeveloped.

Cornwall

Cornwall remains one of the UK's most desirable coastal destinations.

Areas such as St Ives, Padstow, Falmouth, and Newquay continue attracting affluent second-home buyers, retirees, and lifestyle entrepreneurs.

Luxury holiday lets remain highly profitable during peak seasons, although increased regulation surrounding short-term rentals is beginning to affect investor strategies.

Local affordability pressures remain intense, with many communities facing shortages of long-term housing for residents.



Devon

Devon continues to benefit from strong demand among retirees and remote workers seeking a balance between countryside and coastal living.

Locations such as Salcombe, Dartmouth, and Croyde remain premium markets, while more affordable areas continue attracting first-time relocators.

Demand for renovated character homes, converted barns, and eco-friendly developments remains particularly strong.



Norfolk & Suffolk

The east coast has experienced growing interest from London buyers seeking accessibility combined with lifestyle value.

Areas such as Southwold, Aldeburgh, and Wells-next-the-Sea continue to attract affluent buyers, while inland market towns linked to coastal locations also benefit.

Rail connectivity remains a major factor driving continued demand.



Northumberland

Northumberland remains one of the UK's most underrated coastal investment opportunities.

Compared with southern coastal hotspots, pricing remains relatively affordable while tourism demand continues to increase steadily.

Investors are increasingly targeting holiday let opportunities alongside long-term capital appreciation.



Brighton & The South Coast

Brighton continues to function almost as an extension of London's commuter market.

Strong cultural identity, transport links, and ongoing demand from younger professionals continue to support pricing.

However, affordability pressures remain substantial, particularly for first-time buyers.



THE HOLIDAY LET MARKET

Profitable Opportunity or Regulatory Risk?

Platforms such as Airbnb and Booking.com have transformed the economics of seaside property ownership, allowing investors to generate significant seasonal income.

In many premium coastal towns, short-term lets can generate substantially higher returns than traditional long-term rentals.

However, increasing regulation is becoming a major consideration.

Local authorities continue exploring licensing schemes, planning restrictions, and taxation measures aimed at protecting local housing supply.

Communities in popular tourist areas increasingly argue that excessive holiday let ownership has pushed local residents out of the market.

As a result, investors are becoming more selective and increasingly prioritise locations with stable year round tourism demand.



THE RISE OF LIFESTYLE DEVELOPMENTS

Developers Target a New Type of Buyer

Developers are rapidly adapting to changing buyer priorities.

Traditional housing schemes focused primarily on density and commuter access are increasingly being replaced by lifestyle-oriented developments.

Modern coastal developments now emphasise:

- Wellness amenities
- Green spaces
- Energy efficiency
- Community design
- Outdoor living
- Flexible workspaces
- Sustainable construction



Buyers increasingly expect homes to support remote working, healthier living, and reduced environmental impact. As a result, developers capable of delivering high-quality lifestyle-focused housing are achieving strong pricing premiums

ECO LIVING & SUSTAINABLE HOMES

Buyers Demand Efficiency

Sustainability has become a major factor influencing both buyers and investors.

Rising energy costs over recent years have significantly increased demand for energy-efficient homes, particularly among younger buyers.

Properties with strong EPC ratings continue to command higher values and reduced void periods within rental markets.

Developers increasingly incorporate:

- Solar technology
- Heat pumps
- Smart energy systems
- Sustainable materials
- High insulation standards
- Rainwater harvesting
- Electric vehicle charging



Many coastal developments are also placing stronger emphasis on environmental resilience due to increasing concerns surrounding flooding and coastal erosion

RETIREMENT MIGRATION

The Silver Relocation Trend

One of the strongest drivers behind coastal housing demand remains retirement migration.

Large numbers of homeowners approaching retirement continue selling family homes in urban areas and relocating to coastal regions offering lifestyle advantages.

This trend is creating substantial demand for:



Single-level
homes



Modern
apartments



Coastal
retirement
communities



Lifestyle
villages



Healthcare
integrated
developments

Developers specialising in retirement-focused housing continue to see strong demand projections over the coming decade.



THE RENTAL MARKET AT THE COAST

The coastal rental market has become increasingly competitive.

In many areas, reduced long-term rental supply due to holiday let conversion has intensified affordability issues for local residents.

Teachers, healthcare workers, hospitality staff, and young families increasingly struggle to secure affordable long-term accommodation in some tourist-heavy regions.

This imbalance continues generating political pressure for additional regulation.

At the same time, landlords operating high-quality furnished rentals in desirable coastal locations continue achieving exceptionally strong occupancy levels.

Demand remains particularly high among:

- Remote workers
- Lifestyle relocators
- Retirees awaiting purchases
- Contract professionals
- Seasonal tourism workers



COMMERCIAL PROPERTY IN COASTAL TOWNS

Hospitality & Mixed - Use Investment Returns

Commercial property markets within successful coastal towns continue to evolve rapidly.

Boutique hotels, serviced accommodation, independent hospitality businesses, and mixed-use developments are increasingly attracting investor attention.

Consumers increasingly seek experience-led destinations rather than traditional mass tourism.

As a result, developers and investors are focusing heavily on:



Boutique
hospitality



Food and
beverage venues



Wellness
tourism



Eco
tourism



Hybrid live-work
developments



Premium leisure
assets

Many smaller coastal towns are benefiting from growing domestic tourism demand, particularly among higher-income consumers seeking premium UK-based travel experiences

SECOND HOMES & COMMUNITY PRESSURE

One of the most controversial issues surrounding coastal markets remains second-home ownership.

In several highly desirable regions, local residents increasingly blame second-home demand for pricing younger generations out of their communities.

Councils in parts of Wales, Cornwall, and the South West continue exploring taxation and planning measures aimed at limiting second-home ownership.

Supporters argue such measures protect local communities and housing supply.

Critics argue they may discourage investment and damage tourism-dependent economies.

The debate is unlikely to disappear anytime soon



FEATURE INTERVIEW

“Lifestyle Is Now a Core Investment Driver”

We spoke with a leading UK coastal developer specialising in sustainable residential schemes.

According to the developer, buyer psychology has fundamentally changed.

“Five years ago, buyers prioritised commuting convenience above almost everything else. Today, lifestyle, wellbeing, flexibility, and sustainability are driving decisions just as strongly as employment location.”



The developer also highlighted growing demand for homes designed specifically around hybrid working and wellness-focused living.



“People want space, natural light, outdoor access, energy efficiency, and flexibility. Buyers increasingly expect their homes to improve quality of life, not simply provide accommodation.”

INVESTMENT STRATEGIES FOR 2026

What Investors Are Looking For

Property investors targeting coastal markets in 2026 are increasingly prioritising:



Short-term speculative investing has become far less attractive in the current interest rate environment.

Instead, long-term income generation and asset quality remain the dominant themes.



INVESTMENT STRATEGIES FOR 2026

What Investors Are Looking For

St Ives



Strong luxury demand and resilient tourism sector.

Brighton



Continues benefiting from London connectivity and cultural appeal.

Whitstable



Lifestyle migration continues supporting pricing.

Bournemouth



Retirement demand and hospitality investment remain strong.

Northumberland Coast



Growing tourism profile with relatively affordable entry pricing.

Norfolk Coast



Increasing popularity among affluent London relocators.

OUTLOOK FOR THE SECOND HALF OF 2026

The UK coastal property market continues evolving rapidly.

While affordability concerns, regulation, and supply shortages create challenges, demand for lifestyle-oriented property appears likely to remain structurally strong.

Remote and hybrid working patterns continue reshaping housing preferences, while demographic trends support long-term coastal migration.

For developers, investors, landlords, and local authorities alike, balancing growth with community sustainability will remain one of the sector's biggest challenges.

Yet one thing appears increasingly clear.

Britain's coastal property markets are no longer niche lifestyle segments.

They have become a major force shaping the future of UK housing.



CONCLUSION

The Lifestyle Economy Is Reshaping Property

The UK property market is no longer driven solely by employment centres and traditional commuter patterns.

Lifestyle, wellbeing, flexibility, sustainability, and experience increasingly shape buyer behaviour.

Coastal property markets sit at the centre of this transformation.

As the market matures, opportunities remain significant for investors and developers capable of understanding the long-term demographic and behavioural shifts driving demand.

The next decade of UK property may be defined as much by lifestyle migration as by economics itself.

