

Buy to Let

Survey report 2008

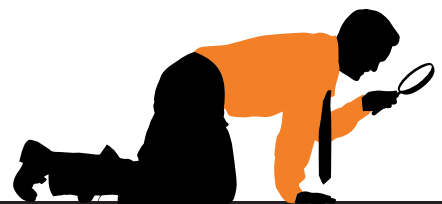
Over 2,000 completed surveys.

13 probing questions.

One must-read report.

Time to look at the detail?

It's common sense.



Buy to Let survey 2008 results

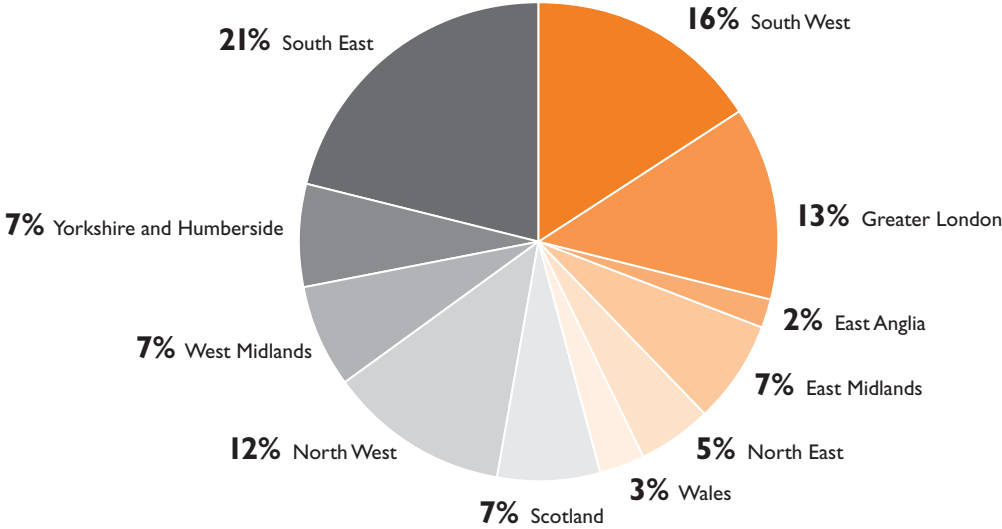
In August, 2000 brokers responded to our survey on the Buy to Let market experiences and expectations for the coming months.

The results are insightful. Whilst many of you predict amateur landlords to stop investing in the short term, the good news is professional landlords are expected to continue to build their businesses.

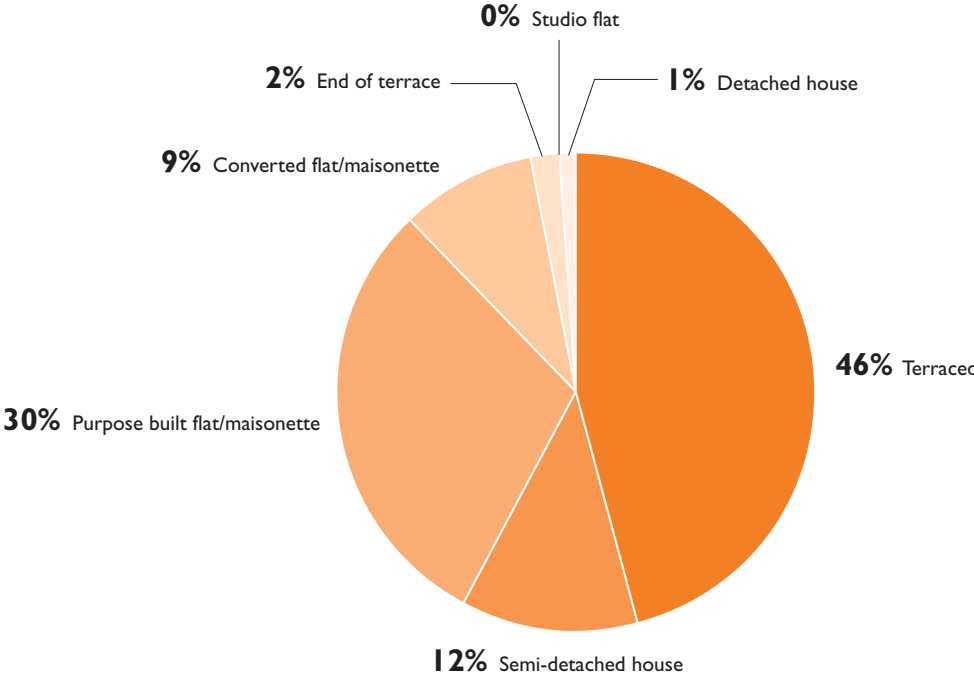
So what does our survey reveal?

- 45% of brokers said they expected professional landlords to maintain their portfolios.
- 49% expected professional investors to acquire new properties this year. This is up from 44% compared to six months ago.
- 6% said professional landlords are likely to sell some of their portfolio, down from 12% of brokers who predicted investors offloading property six months ago.
- 82% of intermediaries do not expect amateur landlords to make purchases, up from 62% six months ago.

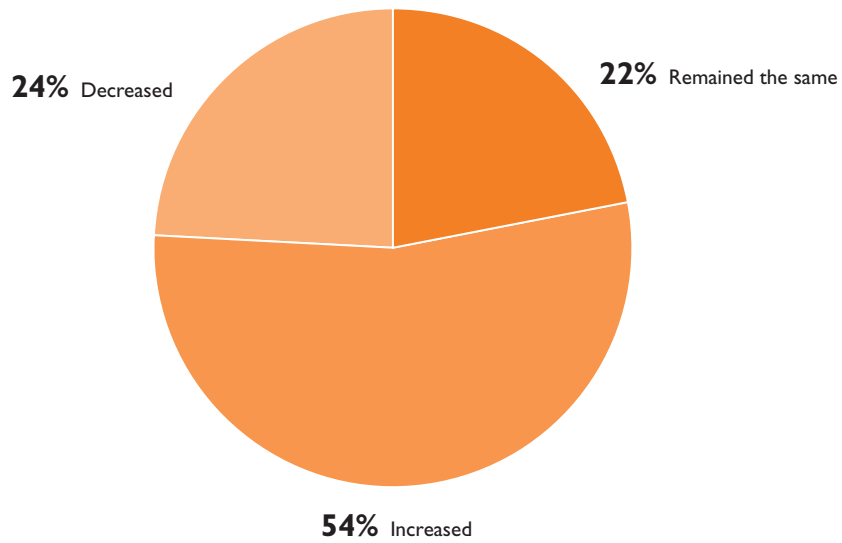
Where are brokers in the survey based?



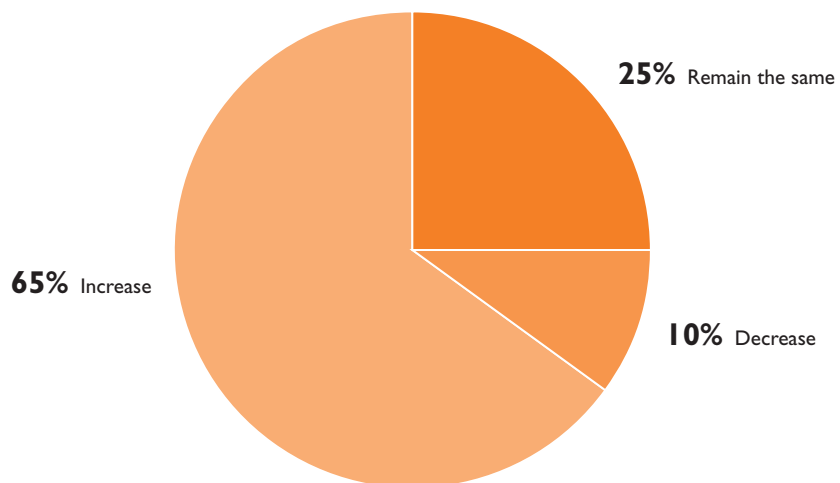
What do brokers consider to be the most popular type of property for Buy to Let?



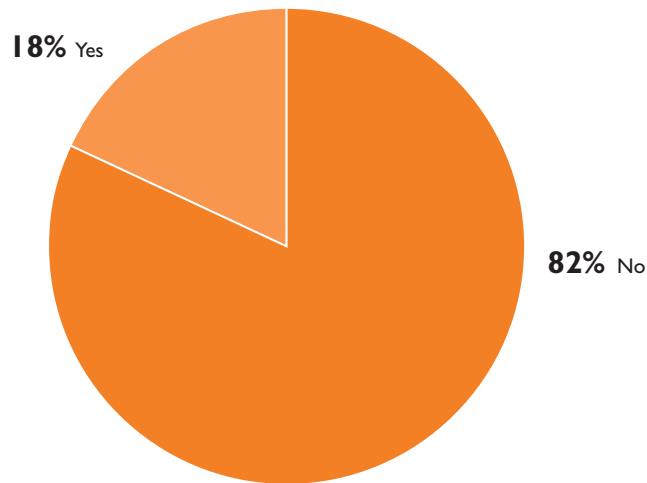
How has demand for rental properties changed over the last 6 months?



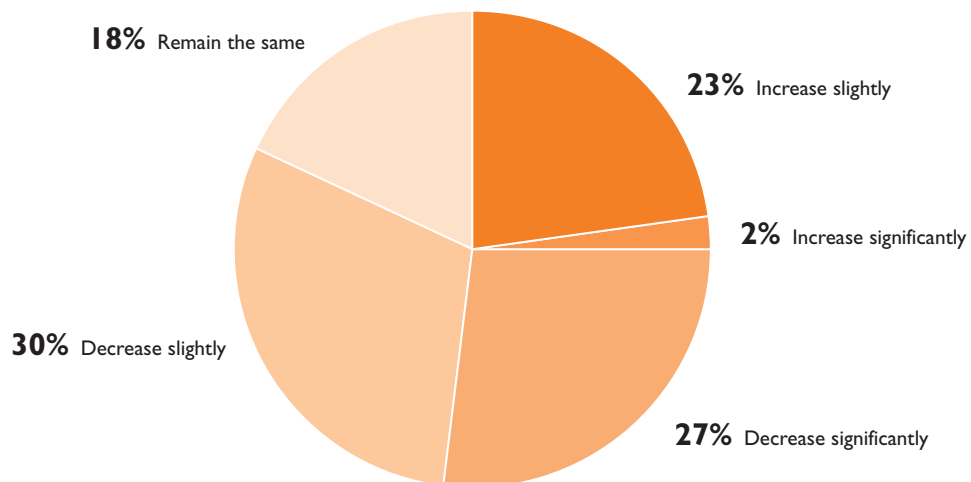
How will demand for properties change over the next 6 months?



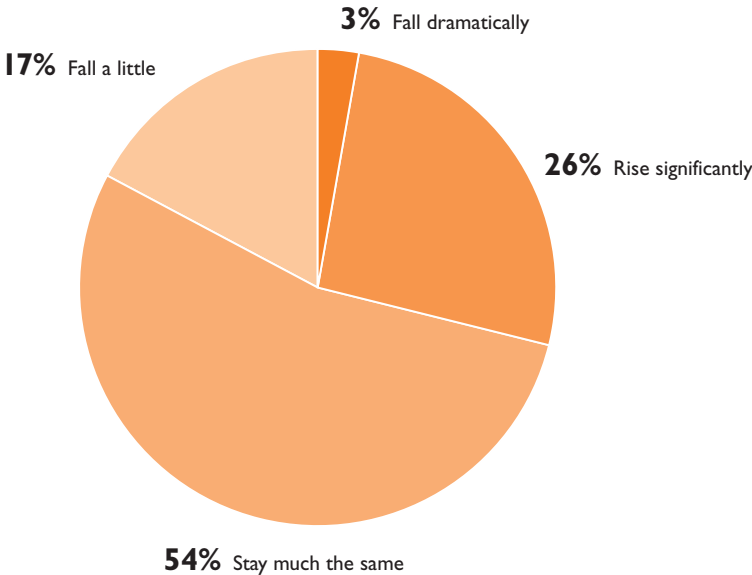
**Do brokers think amateur landlords
(those with 1-2 properties) will
continue purchasing property this year?**



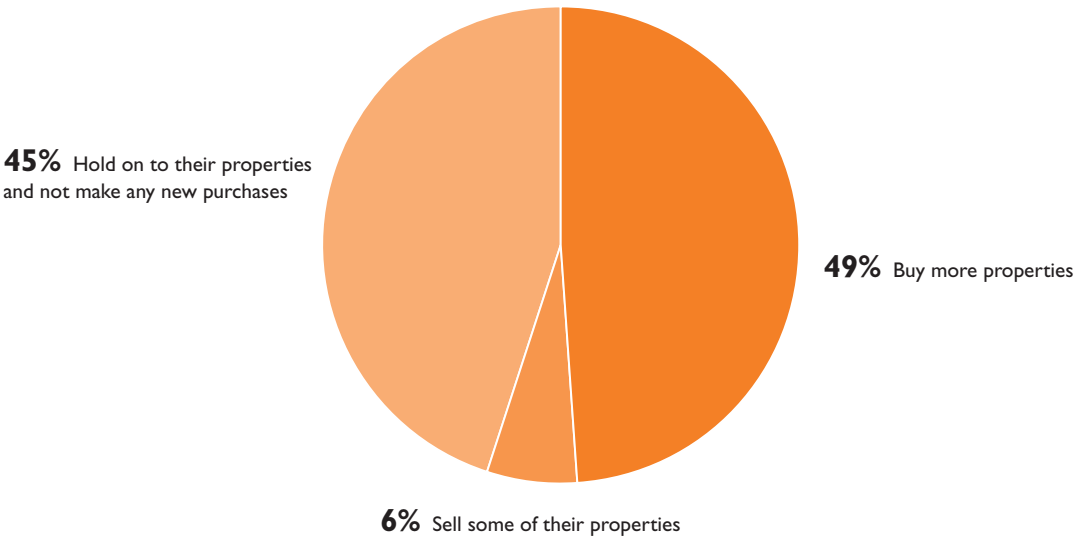
**What do brokers believe will happen to the
levels of new landlords entering the
Buy to Let market over the next 6 months?**



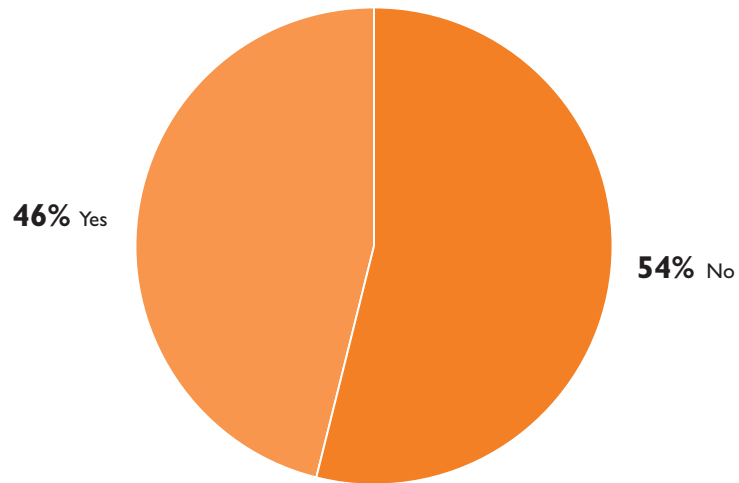
In the next 6 months, what movement do brokers expect of rental yields?



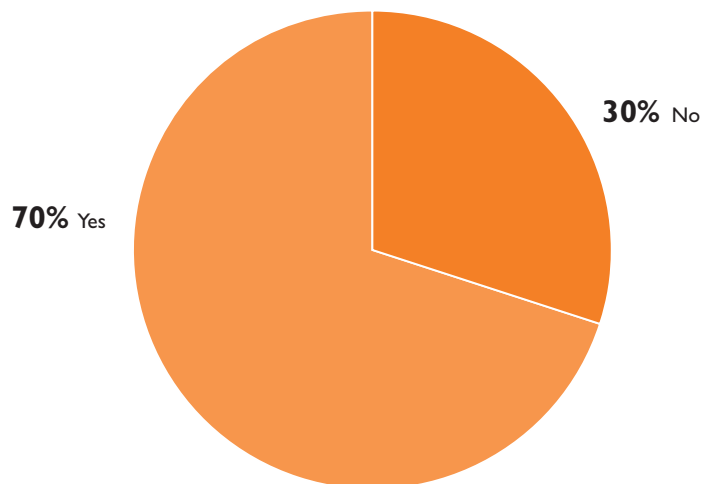
What do brokers think professional landlords will do with their properties this year?



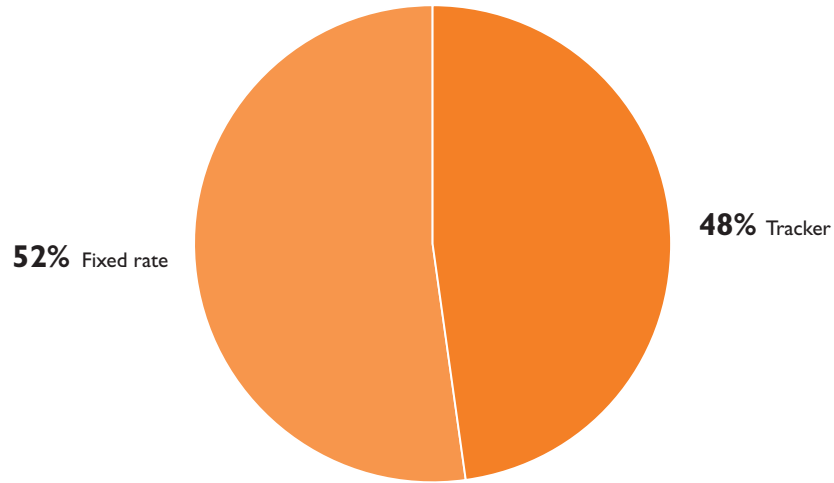
Do brokers anticipate a shift from Buy to Let lending, based on rental income, to lending based on personal income?



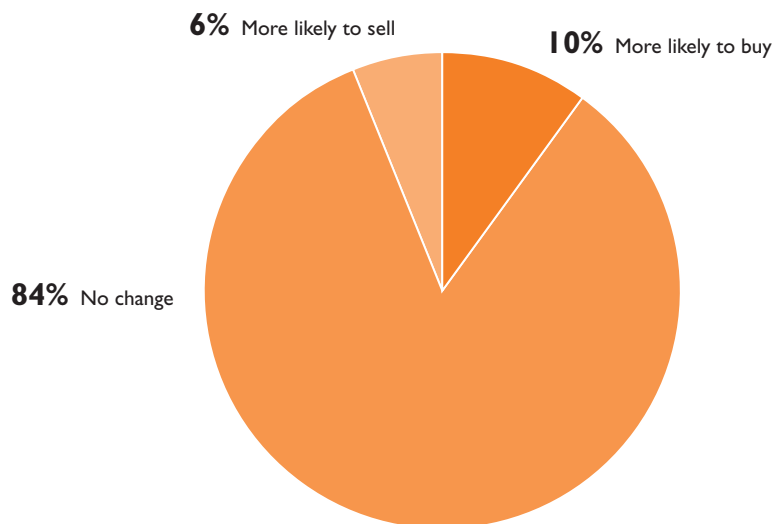
Are landlords more likely to investigate Buy to Let products with flexible features?



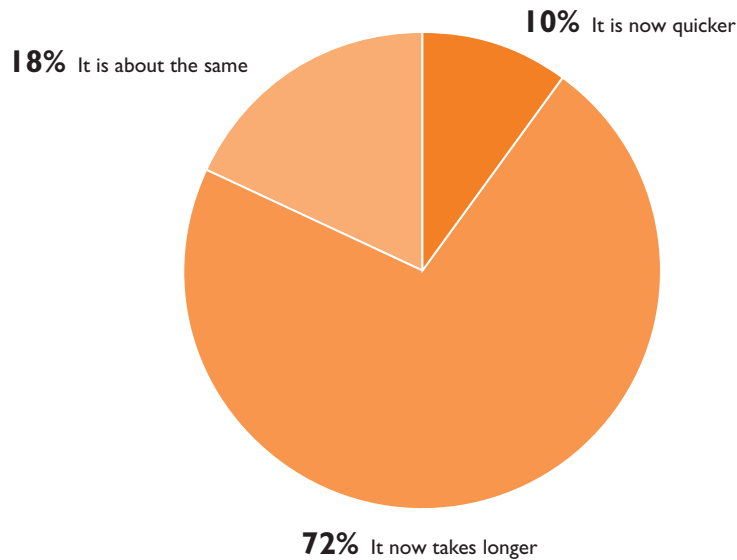
Are landlords more likely to look at fixed rate or tracker Buy to Let products at the moment?



What effect, if any, have the recent changes to Capital Gains Tax legislation had on a landlord's appetite to purchase Buy to Let products?



Is there any difference in the amount of time it now takes for brokers to source a Buy to Let product for landlords, compared to this time last year?



In summary

The results of the latest survey show that brokers are making significant distinctions between professional and amateur Buy to Let investors.

Many brokers think it is the attitude of professional investors that determines their success in this market, rather than the number of properties they hold. True professional landlords understand the property market, the needs of their target customers and the tax and financial implications of running a Buy to Let business. They are also more focused on building high yielding businesses, as opposed to seeking short-term capital appreciation.

The results are fascinating, thank you to everyone who took part.

Andy McQueen, managing director of The Mortgage Works

The Mortgage Works (UK) plc Registered in England number 2222856.
Registered Office: Portman House, Richmond Hill, Bournemouth, BH2 6EP
www.themortgageworks.co.uk
Telephone: 0845 45 45 800

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