

### Landlords Outlook & Confidence

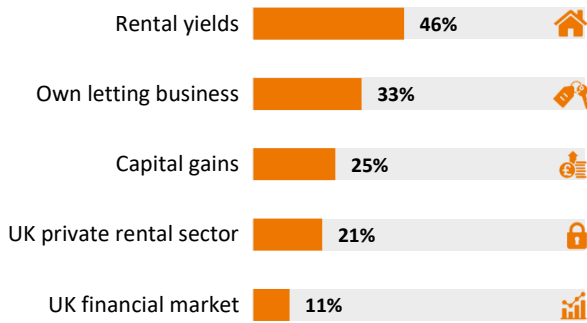
Landlord confidence remains mostly stable this quarter. Three metrics have seen modest uplifts since last quarter, namely capital gains (+1%), the UK private rental sector (+2%) and the UK financial market (+5%). Rental yields is the only metric to decrease, albeit slightly by 3%. Confidence in one's own lettings business remains stable at 33%.

The proportion of landlords making a profit is down by 2% this quarter, whilst in turn the proportion of landlords making a loss has increased by 2%.

The incidence of both rental arrears and void periods in the last 12 months has reduced this quarter.

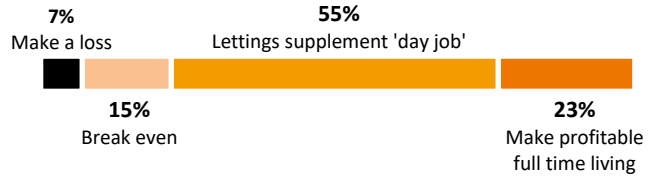
Tenant demand has decreased to 63%, after reaching an all-time high in Q3 of 71%.

#### Expectations for the next 3 months rated as good/very good (%)

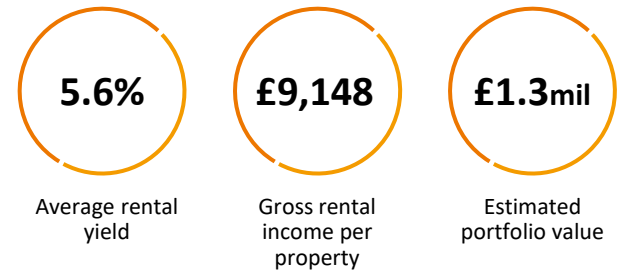


### Landlords Balance Sheet

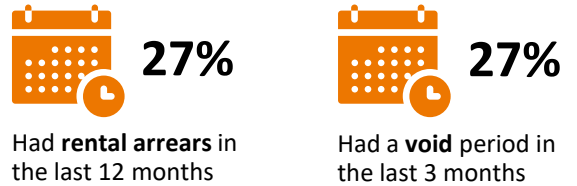
#### Profitability



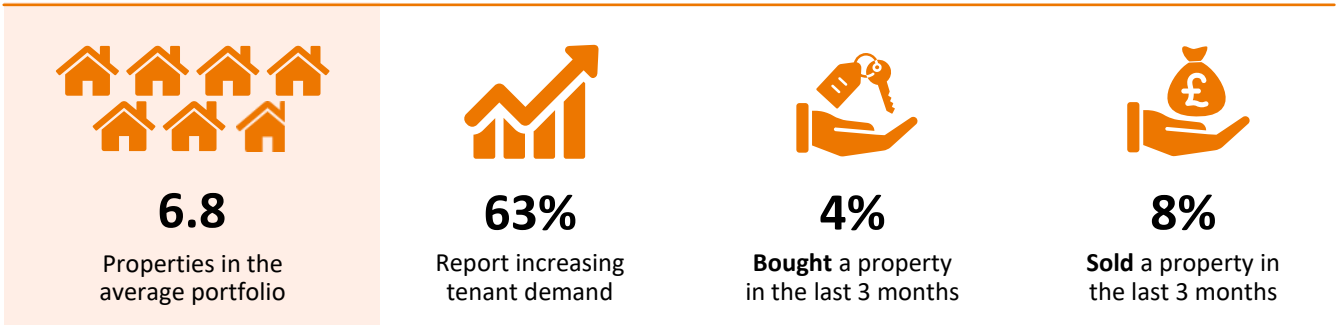
#### Financials



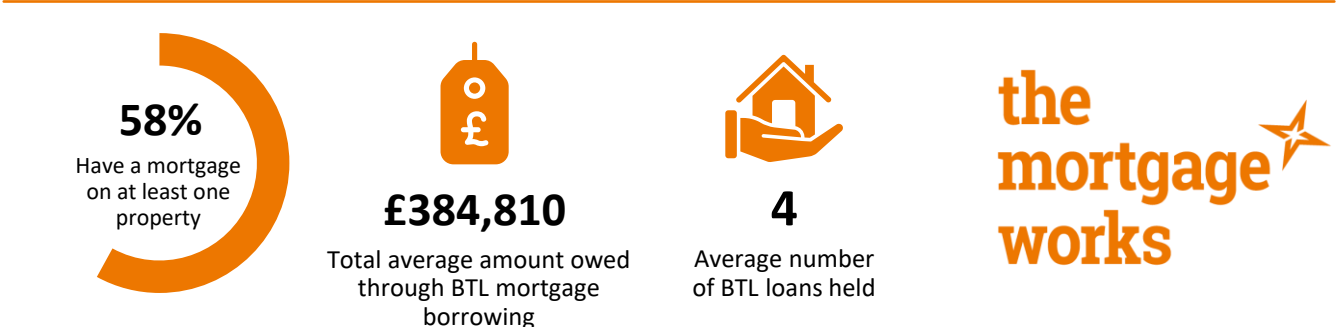
#### Problems Experienced



### Private Rental Sector Dynamics



### BTL Dynamics



### Landlords Outlook & Confidence

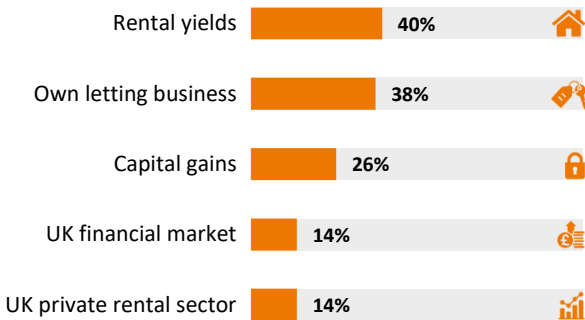
Landlords operating in central London report reduced demand for 3 out of 5 metrics (rental yields, own letting business and the UK private rental sector). Confidence has however increased for both the UK financial market (+6%) and capital gains (+7%)

Like other regions in the UK, a reduced proportion of landlords are making a profit (down by 15%) and a higher proportion of landlords are making a loss (up by 8%) and breaking even (up by 5%).

Following the same trend as other regions, the incidence of both rental yields and void periods are down this quarter.

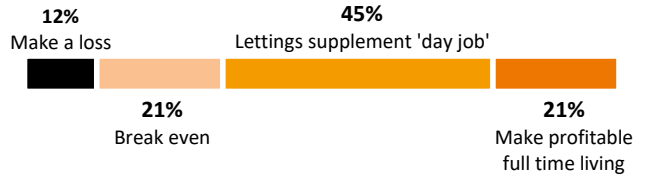
Reported tenant demand has seen a notable decrease in Central London, down by 19% vs Q3 to 52%.

#### Expectations for the next 3 months rated as good/very good (%)

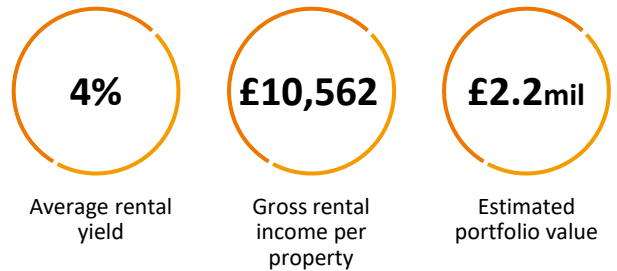


### Landlords Balance Sheet

#### Profitability



#### Financials



#### Problems Experienced



### Private Rental Sector Dynamics



9.3

Properties in the average portfolio



52%

Report increasing tenant demand



2%

Bought a property in the last 3 months



10%

Sold a property in the last 3 months

### BTL Dynamics



£963,100

Total average amount owed through BTL mortgage borrowing



4.6

Average number of BTL loans held

the mortgage works

### Landlords Outlook & Confidence

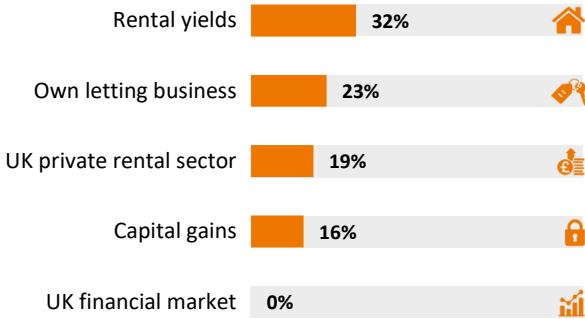
The majority of optimism indicators are down for landlords operating in Outer London, with the exception of the UK private rental sector which has remained stable since Q3. The most notable decrease was seen for rental yields, which is down by 18% since last quarter.

The proportion of landlords reporting making a profit and breaking even has decreased this quarter by 5% and 3% respectively. Subsequently the proportion of landlords making a loss is up by 8%.

The reported incidence of rental arrears is down in Q4, but unlike other regions the incidence of voids is up (by 7%).

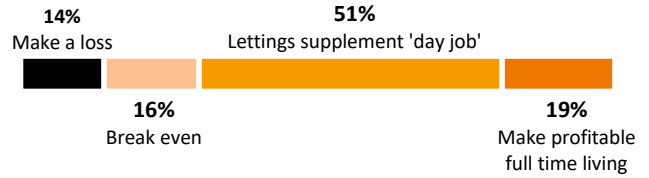
Reported tenant demand is also down this quarter, alongside other regions, now in line with UK average.

### Expectations for the next 3 months rated as good/very good (%)

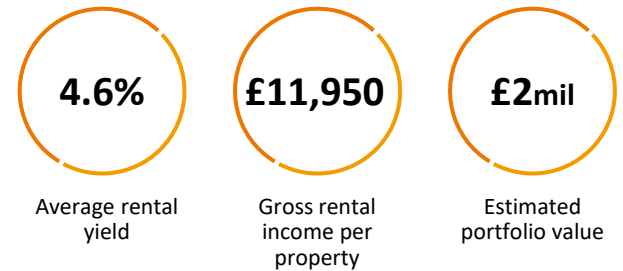


### Landlords Balance Sheet

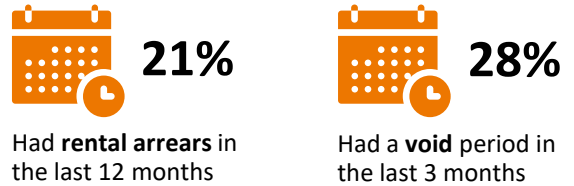
#### Profitability



#### Financials



#### Problems Experienced



### Private Rental Sector Dynamics



6.8

Properties in the average portfolio



63%

Report increasing tenant demand



2%

Bought a property in the last 3 months



9%

Sold a property in the last 3 months

### BTL Dynamics



£719,640

Total average amount owed through BTL mortgage borrowing



4.5

Average number of BTL loans held

the mortgage works

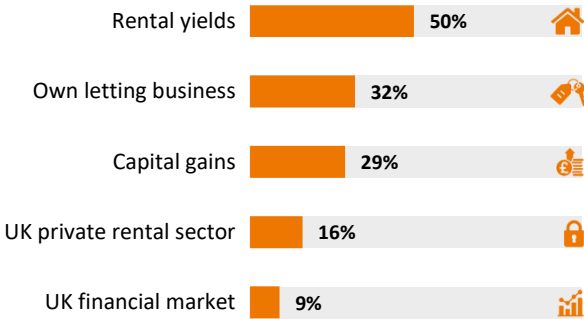
### Landlords Outlook & Confidence

The confidence metrics have remained much more stable for landlords in the North West of England compared to other UK regions this quarter. The most notable changes were an increase in confidence in rental yields (+6%) and a decrease in confidence in the UK private rental sector (-6%).

Unlike other regions in the UK, a higher proportion of landlords are making a profit in Q4 (up by 6%), solely driven by an increase in those making a profitable full time living. The proportion of landlords breaking even and making a loss are down by 11% and 5% respectively. In turn, the average rental yield has also increased by 1% to 6.1% this quarter.

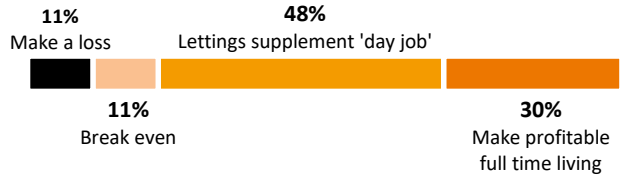
Similar to central London, whilst the incidence of rental yields has reduced, the incidence of voids has increased (by 8%).

### Expectations for the next 3 months rated as good/very good (%)

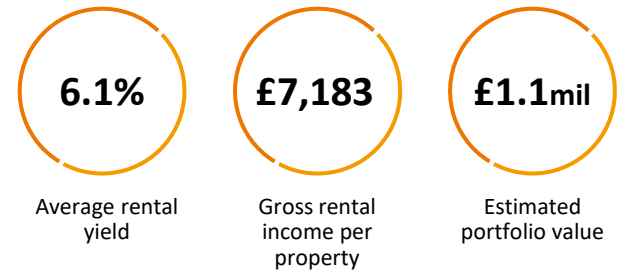


### Landlords Balance Sheet

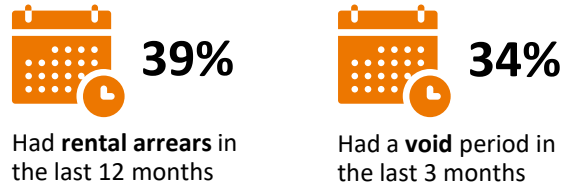
#### Profitability



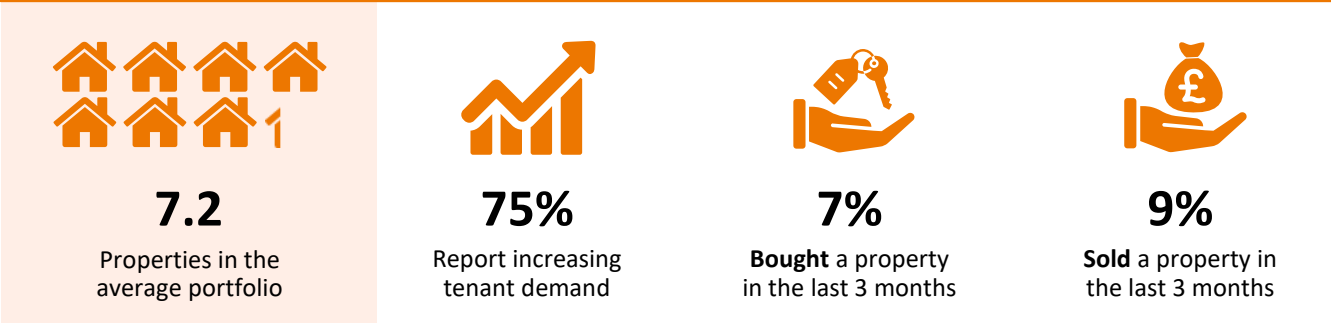
#### Financials



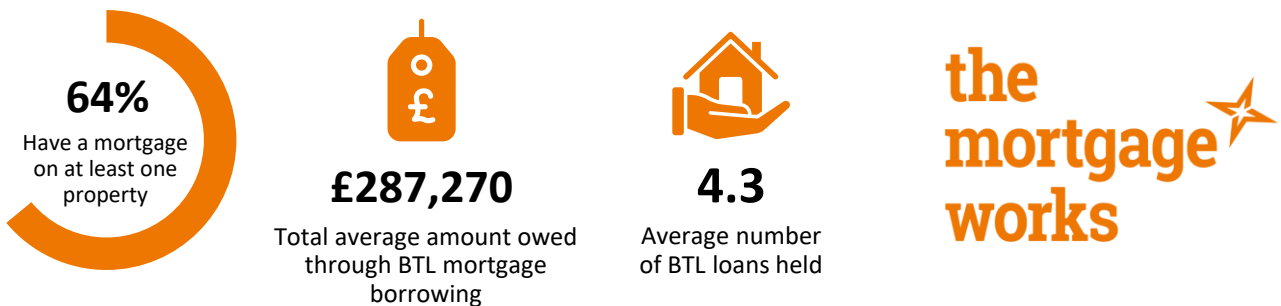
#### Problems Experienced



### Private Rental Sector Dynamics



### BTL Dynamics



### Landlords Outlook & Confidence

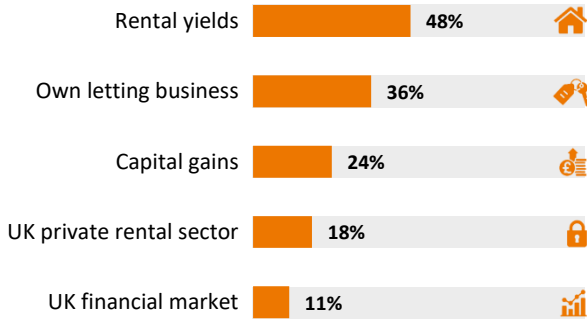
Confidence has remained fairly stable for landlords in the South East of England this quarter, with only marginal changes reported. The most notable change was an increase in confidence in the UK financial market (up by 6% vs. Q3).

Similarly, the balance sheet for the South East has also remained mostly stable, in terms of profitability, relevant financials and problems experienced.

Despite this, after an uplift last quarter, reported increased demand has reduced by 8% in Q4, almost in line with the level reported in Q2 of this year.

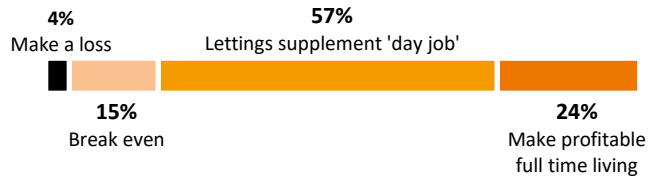
Current acquisition and divestment is also down by 2% and 5% respectively.

### Expectations for the next 3 months rated as good/very good (%)

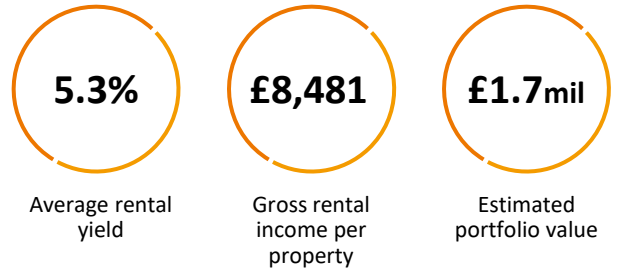


### Landlords Balance Sheet

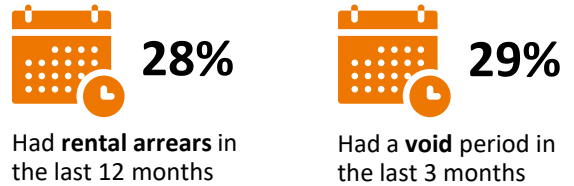
#### Profitability



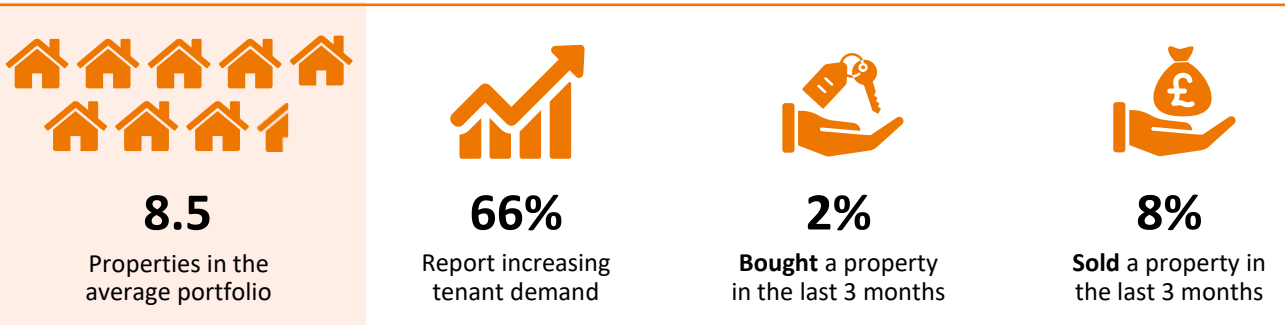
#### Financials



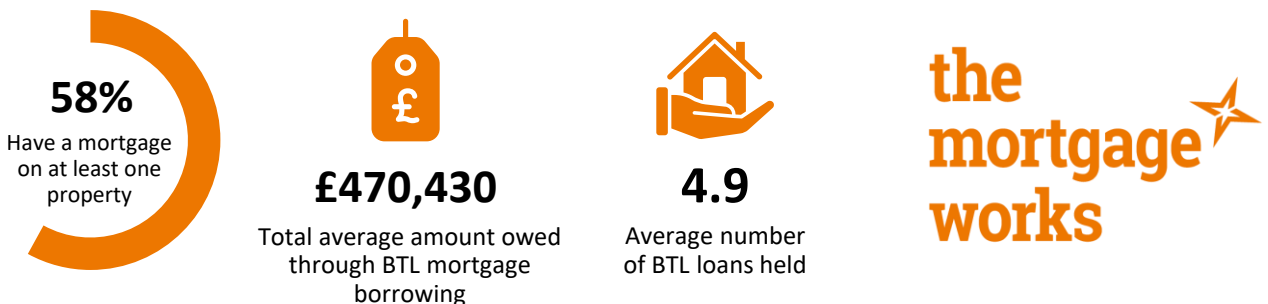
#### Problems Experienced



### Private Rental Sector Dynamics



### BTL Dynamics



### Landlords Outlook & Confidence

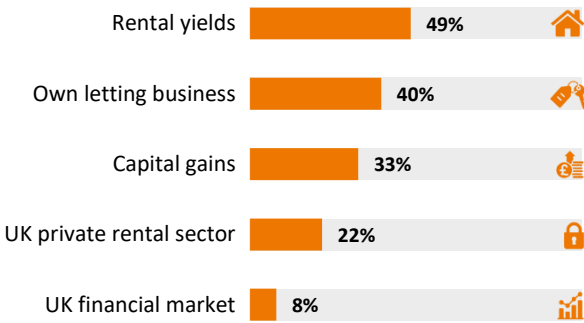
3 out of 5 optimism indicators in the South West have remained fairly stable this quarter. Confidence in rental yields saw the largest drop by 7%, whilst capital gains saw the largest uplift of 8%.

Profitability has also remained more stable than other regions, with just a 1% decrease in those reporting profitability, a 2% decrease in those breaking even, and a subsequent 3% increase in those making a loss.

As like other regions in the UK, incidence of problems experienced was also down for both arrears and voids.

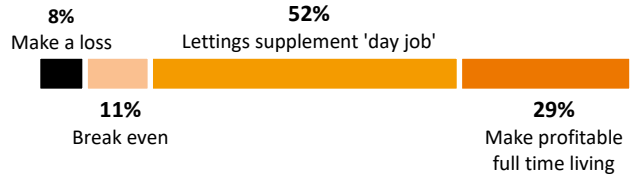
Increased tenant demand also dropped to just below the average at 62% (down by 11% since Q3).

### Expectations for the next 3 months rated as good/very good (%)

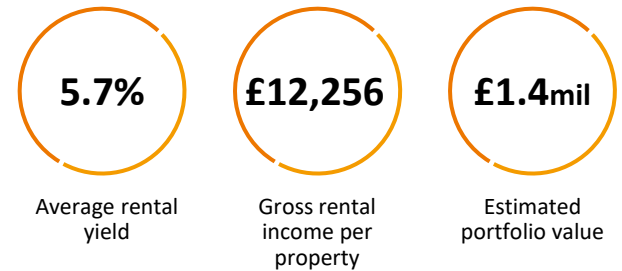


### Landlords Balance Sheet

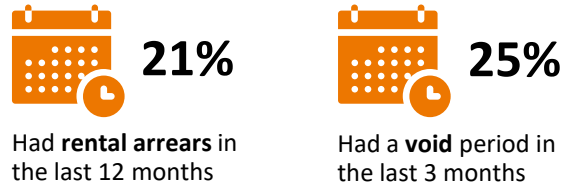
#### Profitability



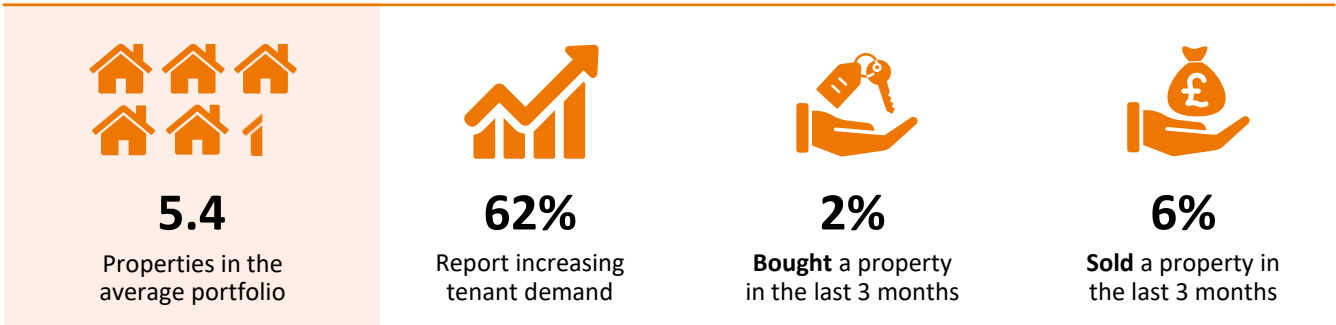
#### Financials



#### Problems Experienced



### Private Rental Sector Dynamics



### BTL Dynamics

