The mortgage works

Buy to Let Market Barometer



Q3 2026

Landlord confidence

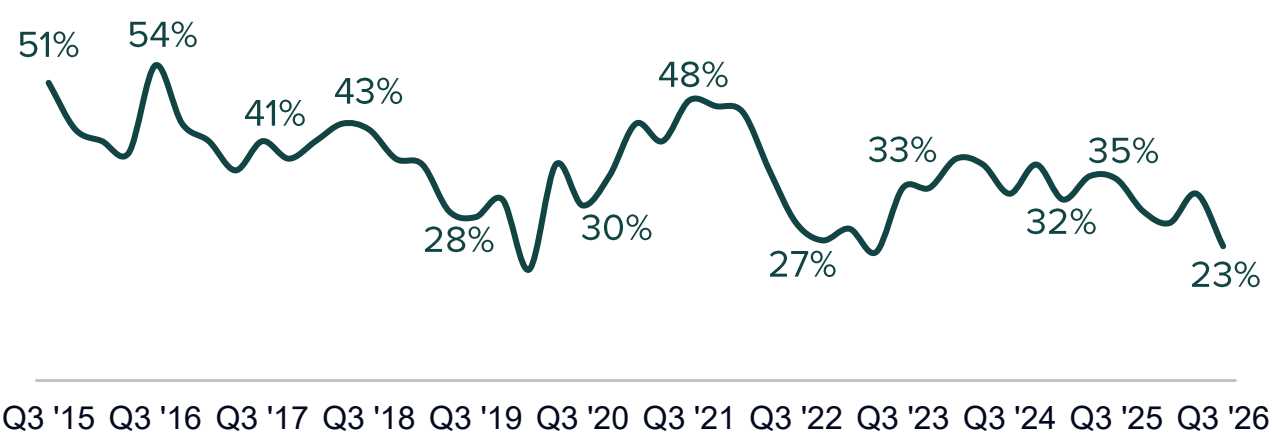
Landlord confidence in the short-term outlook has weakened across all three key Private Rented Sector indicators compared with the same period last year. Sentiment towards their own lettings business has seen the largest fall, down 12%, followed by expectations for rental yields, which have declined by 10%. Confidence in capital gains has proved more resilient (from a lower base), although it has also dropped by 3%.

% rating prospects in next 3 months as 'good' or 'very good'



Own lettings business confidence over time

(% rating prospects in next 3 months as 'good' or 'very good')



Market dynamics

Landlords remain considerably more inclined to sell than to buy over the next 12 months, with 44% planning sales compared with just 6% expecting to purchase. Rent increases are also becoming less widespread, with 65% of landlords raising rents, down 5% year-on-year and 9% compared with two years ago. Among landlords with borrowing, 38% anticipate remortgaging or completing a product transfer in the coming year, with around one in five (19%) planning to do so through a limited company.

6% Intend to buy in the next 12 months

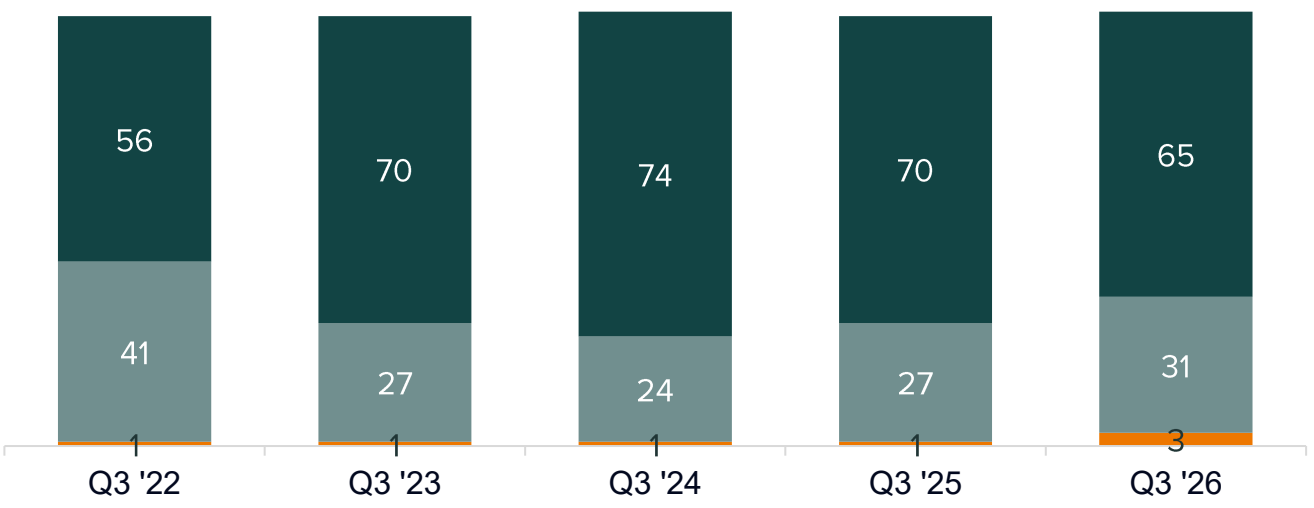
44% Intend to sell in the next 12 months

72% Plan to use buy to let financing for their next purchase

76% Plan to purchase in a Limited Company

Rental trend over time

(% who put rents up in the last 12 months)



38%

of leveraged landlords intend to remortgage or take a product transfer in the next 12 months

19%

of these properties will be remortgaged in a Limited Company

Portfolio profile

The typical landlord has 8.0 properties in their portfolio and achieves a gross rental yield of 6.4%. 57% of landlords have at least one buy to let mortgage, with those who borrow having 5.9 buy to let loans on average.

8.0

Properties in the average portfolio

6.4%

Typical rental yield achieved by landlords

57%

Have at least one buy to let mortgage, with an average of **5.9** buy to let loans held

Source: Pegasus Insight Landlord Trends Research Q3 2026 (fieldwork took place 20 Sep 2026 – 10 Oct 2026)
The Mortgage Works (UK) plc is a wholly owned subsidiary of Nationwide Building Society, Nationwide House, Pipers Way, Swindon, SN38 1NW

Pegasus Insight