

Landlord Financials

Rental Income Analysis

Q1 2026



Overall gross rental income

The average landlord generates approximately £89,000 in gross rental income annually. With an average portfolio of 7.3 properties in Q1 2026, working out at roughly £982 per property per month.

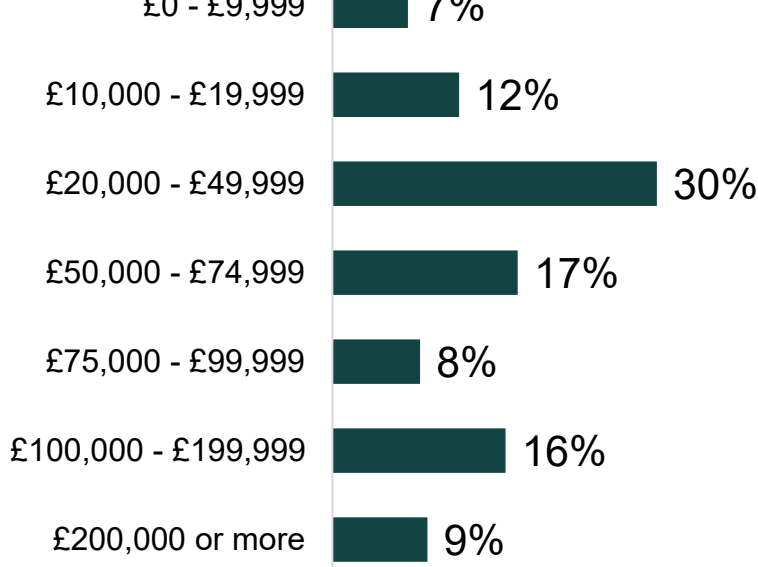
£89,000

Average annual gross rental income

£982

Monthly income per property

Annual gross rental income breakdown



Gross rental income analysis

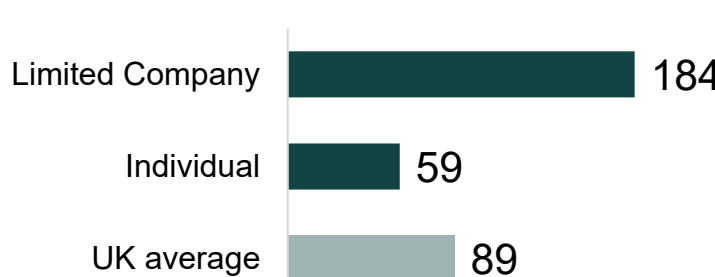
Limited company landlords generate significantly higher income than the wider market, averaging around £184,000 in annual gross rental income versus £59,000 across all landlords. Stronger earnings are also concentrated among those with larger portfolios and landlords who hold at least one buy to let mortgage.

Average annual gross rental income by...

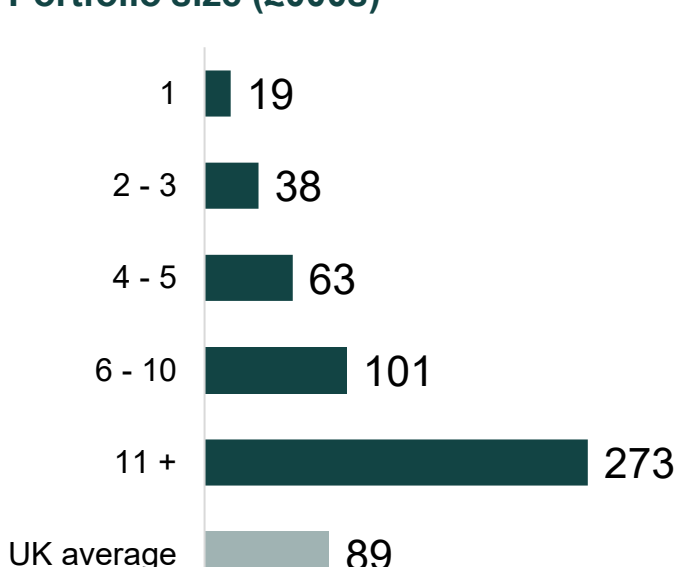
Profitability (£000s)



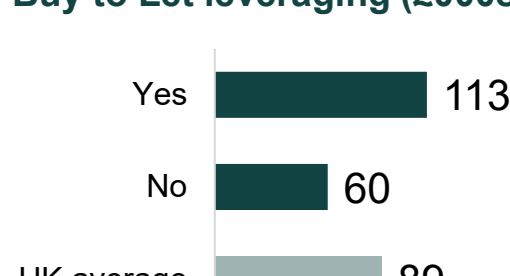
Ownership structure (£000s)



Portfolio size (£000s)



Buy to Let leveraging (£000s)



Rental yield analysis

Average rental yields have risen slightly, up 0.2% points since Q1 2025 to 6.5%. HMO landlords continue to outperform, achieving average yields of 7.6%. Regionally, the North West leads with the strongest returns at 7.1%, while London remains at the lower end of the spectrum, averaging 5.3%.

6.5%

Average rental yield

Rental yield over time

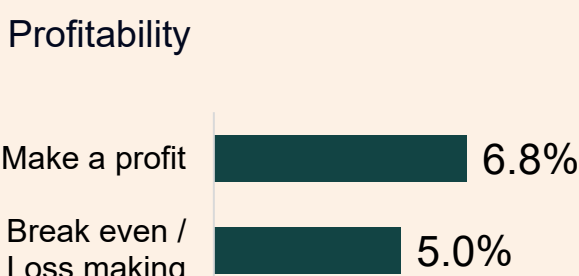


Average rental yield by...

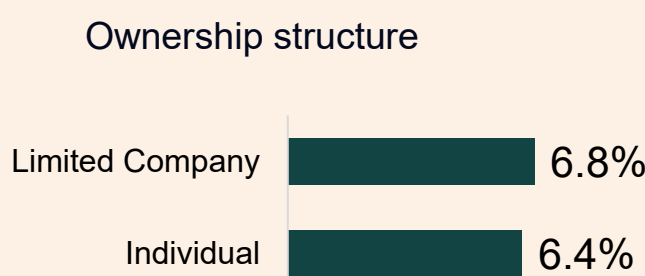
Region



Profitability



Ownership structure



Landlord profitability

Most landlords remain profitable, with 84% reporting a positive return from their lettings. Within that, 17% describe their profits as 'large' and 67% as 'small', while just 4% report making a loss. Profitability is notably stronger among unleveraged landlords, at 90%, compared with 81% for those using borrowing.



81% of buy to let borrowers make a profit

90% of unleveraged landlords make a profit

Market dynamics

Rent increases are still widespread, but less so than a year ago, with the proportion of landlords raising rents over the past 12 months falling by 5% points, year-on-year. More are opting to keep rents steady, with 32% keeping them unchanged, while decreasing rents remain uncommon at just 2%.

65% increased rents in the last 12 months

2% decreased rents in the last 12 months

Rental trend over time (%)

