

Buy to Let Market Barometer

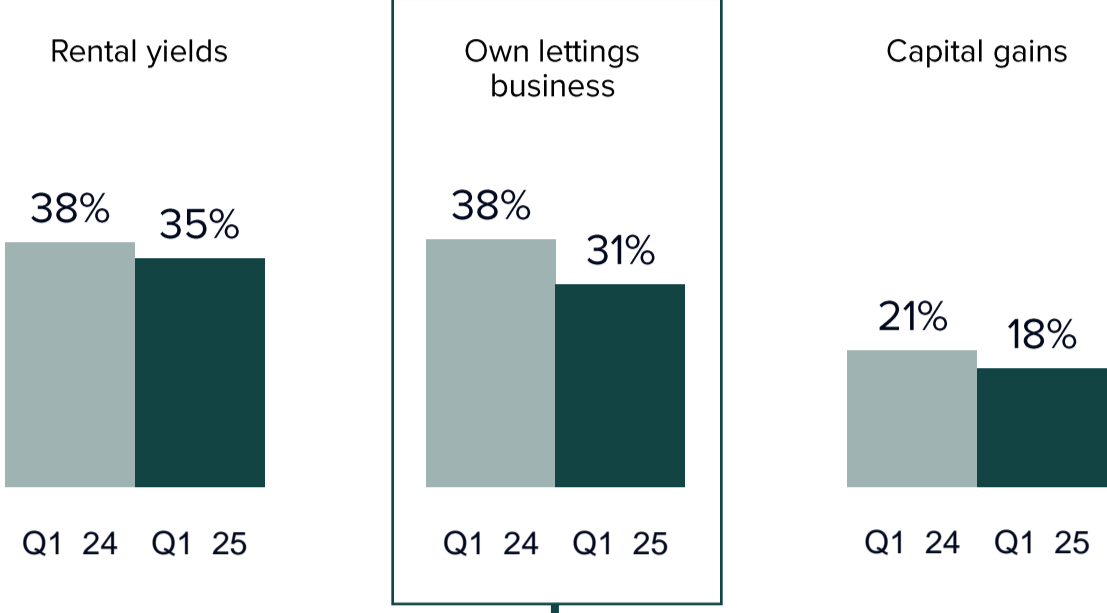


Q1 2025

Landlord confidence

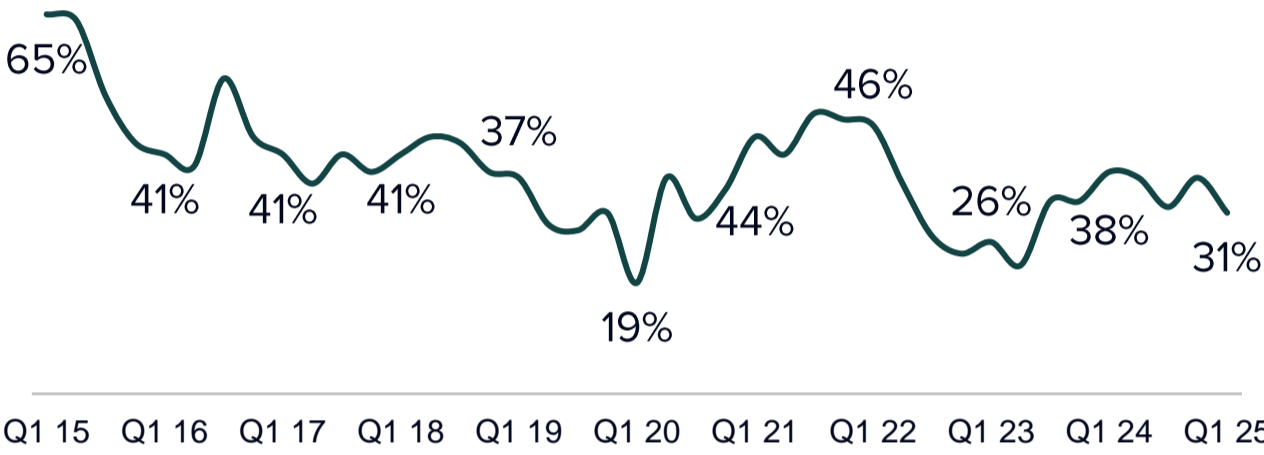
Compared to a year ago, fewer landlords are now upbeat about the near-term prospects for the Private Rental Sector. This is particularly the case for landlord expectations for their own lettings business, with the proportion feeling positive down to 31% (-7%). Other drops in sentiment are more modest, with rental yields and capital gains both recording a 3% fall in optimism vs. Q1 '24.

% 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')



Market dynamics

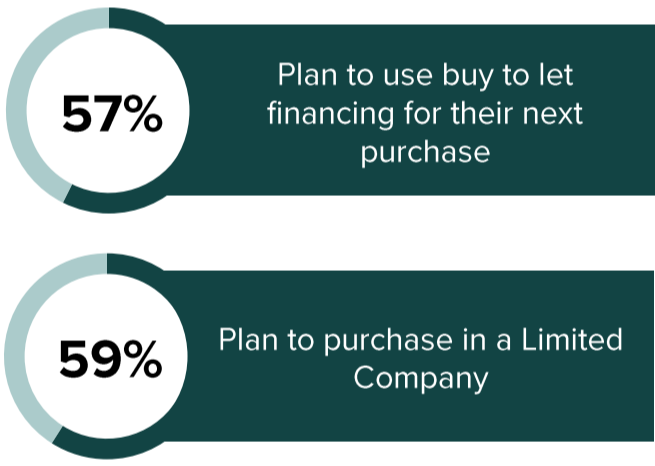
Planned sales activity in the next year is now at over 5 times the level of expected purchasing (38% vs. 7%). Although the incidence of recent rent increases remains relatively high, the proportion of landlords putting rents up has fallen 8% year-on-year (to 70% at the start of 2025). 38% of leveraged landlords will remortgage or take a product transfer in the next year, 20% of these will do so within a Ltd Company.



7% Intend to buy in the next 12 months



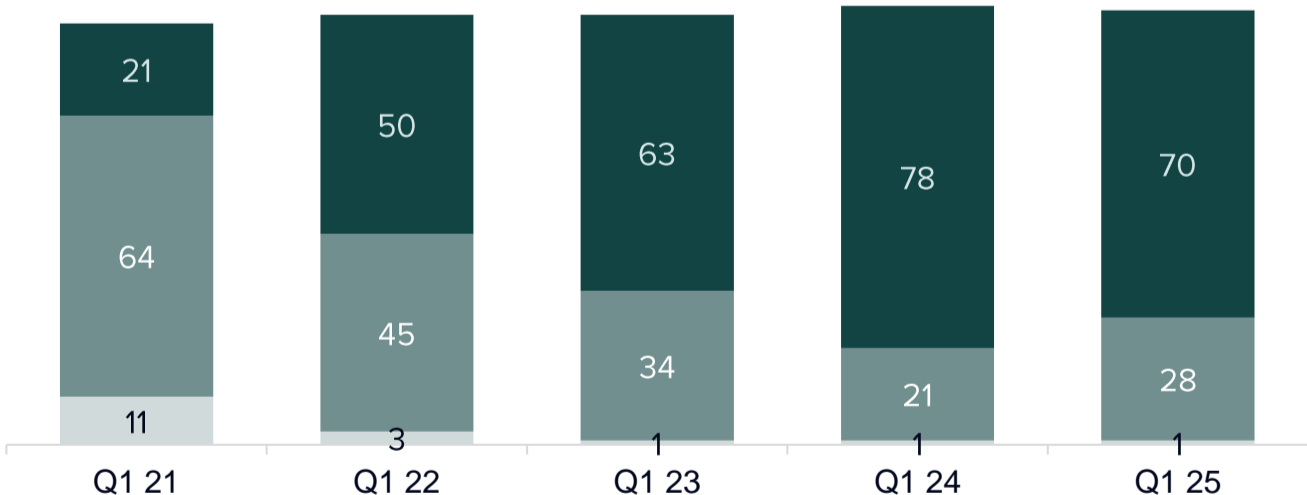
38% Intend to sell in the next 12 months



Rental trend over time

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

■ Rents decreasing ■ No change ■ Rents increasing



38%

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

20%

of these properties will be remortgaged in a Limited Company

Portfolio profile

The typical landlord has 7.3 properties and achieves a gross rental yield of 6.3%. 57% of landlords have at least 1 Buy to Let mortgage, with those who borrow having an average of 5.6 Buy to Let loans.



Properties in the average portfolio

6.3%

Typical rental yield achieved by landlords

57%

Have at least one Buy to Let mortgage, with an average of 5.6 Buy to Let loans held