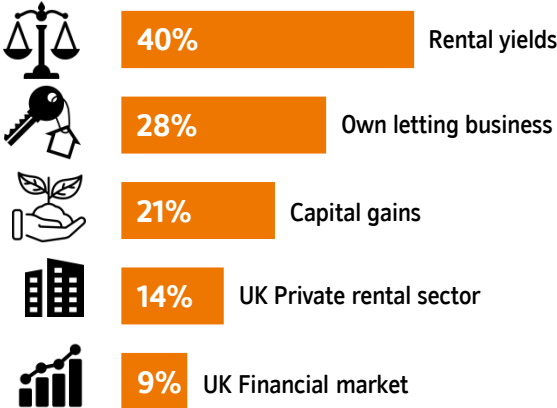


## Overall UK

### Landlords' Outlook & Confidence

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



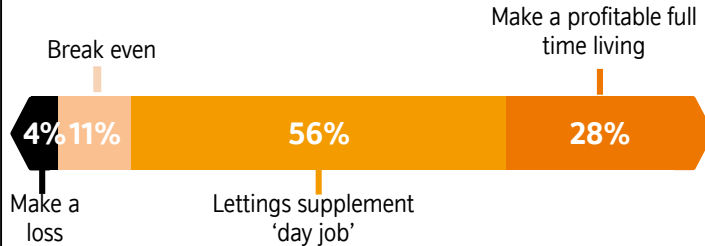
Landlord confidence continues to decline, with 4 of the 5 confidence indices at their lowest levels in 7 years. The only exception is rental yields which is up just 1% from the low recorded in Q2.

Despite this, profitability remains strong, with 84% making a profit in Q3. The average rental yield achieved by landlords is now at 5.6%, which is up slightly from last quarter's 9-year low.

Just under 2 in 3 landlords borrow against their BTL portfolio, with the typical leveraged landlord owing a total of £484k across 6.2 BTL loans.

### Landlords' Balance Sheet

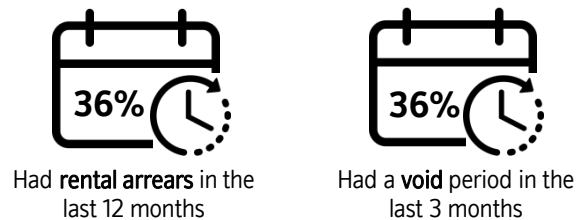
#### Profitability



#### Financials



#### Problems Experienced



### PRS Dynamics



7.7

Properties in the average portfolio



22%

Report increasing tenant demand



7%

Bought a property in the last 3 months



7%

Sold a property in the last 3 months

### BTL Dynamics



£484,000

Total amount owed through BTL mortgage borrowing



6.2

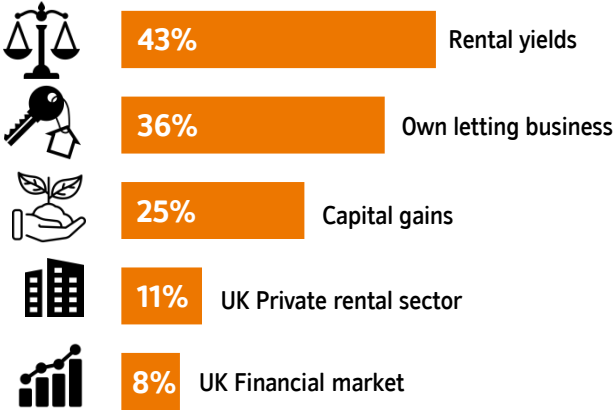
Average number of BTL loans held

the mortgage works

# East of England

## Landlords' Outlook & Confidence

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



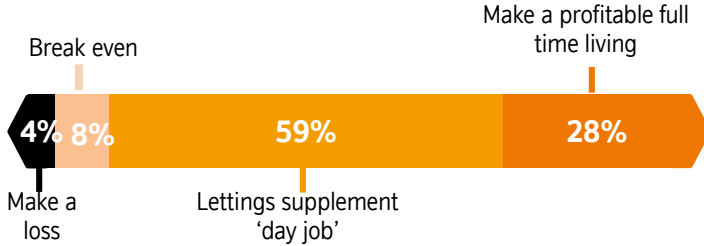
Landlords operating in the East of England are more positive than average about the prospects for their own lettings business (36% vs. 28%). Despite this, they tend to be less optimistic about the prospects for the wider UK private rental sector, with just 8% feeling 'good' or 'very good' vs. 14% overall.

Yields achieved by those operating in the East of England remain below the national average at 5.2%.

East of England landlords are twice as likely as the typical landlord to have bought a property in the last 3 months, at 14%. However, recent sales activity has notably declined, with just 5% selling a property in the last 3 months vs. 18% in Q2.

## Landlords' Balance Sheet

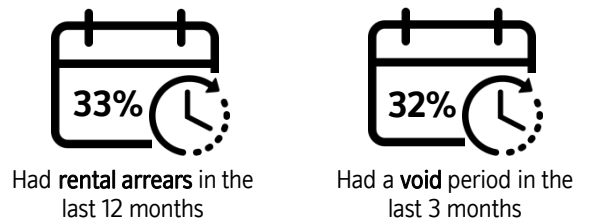
### Profitability



### Financials



### Problems Experienced



## PRS Dynamics



7.8

Properties in the average portfolio



21%

Report increasing tenant demand



14%

Bought a property in the last 3 months



5%

Sold a property in the last 3 months

## BTL Dynamics



£499,000

Total amount owed through BTL mortgage borrowing



6.2

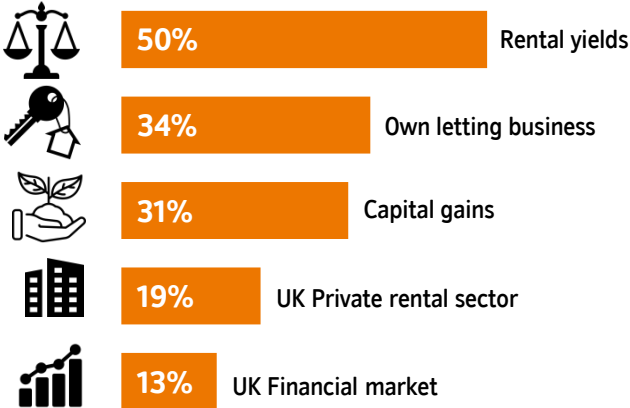
Average number of BTL loans held

the mortgage works

## East Midlands

### Landlords' Outlook & Confidence

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



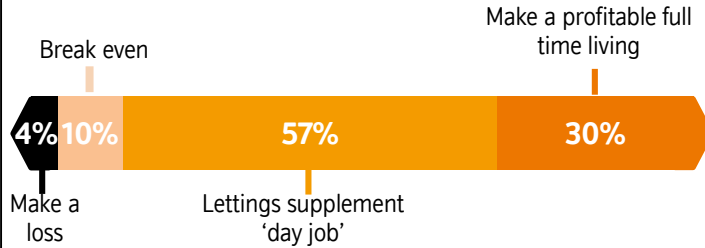
Landlords with rental property in the East Midlands remain more positive than the average landlord, particularly confidence in the prospects for capital gains and rental yields (both +10% vs. the UK average).

Reflecting this, East Midland landlords currently achieve the highest average rental yield of any region, at 6.1%, with fewer reporting having a recent arrear or void vs. Q2.

However, landlords with property in the East Midlands are the least likely to report seeing an increase in tenant demand in the last 3 months (16%).

### Landlords' Balance Sheet

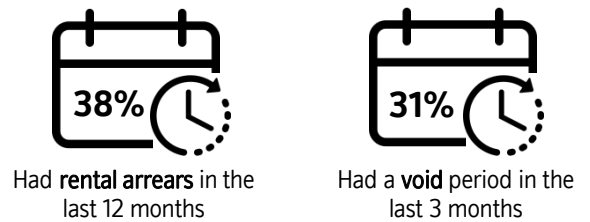
#### Profitability



#### Financials



#### Problems Experienced



### PRS Dynamics



8.3

Properties in the average portfolio



16%

Report increasing tenant demand



10%

Bought a property in the last 3 months



10%

Sold a property in the last 3 months

### BTL Dynamics



£503,000

Total amount owed through BTL mortgage borrowing



6.0

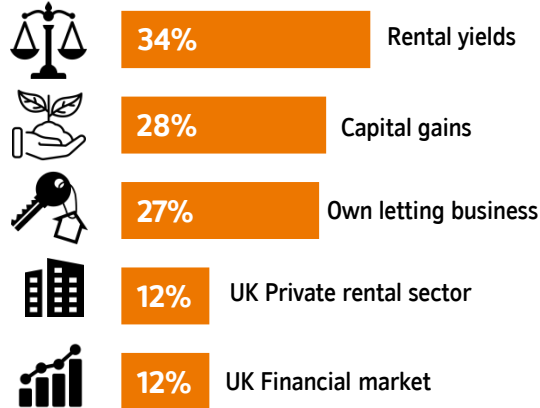
Average number of BTL loans held

the mortgage works

# Central London

## Landlords' Outlook & Confidence

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



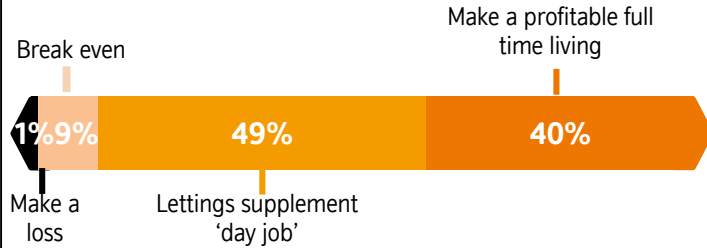
Landlords with property in Central London are the most likely to be making a full time living from their lettings activity (40%), with the lowest incidence of loss making (1%). This is despite the fact landlords in this region tend to achieve the lowest average rental yields (5.1%) and have smaller than average portfolios (6.9 properties).

Central London landlords are least likely to have been active in buying and selling property in the last 3 months, with just 4% adding property to their portfolio and 1% divesting.

The incidence of rental yields remains low amongst those operating in Central London, with recent void periods also slightly less common than average.

## Landlords' Balance Sheet

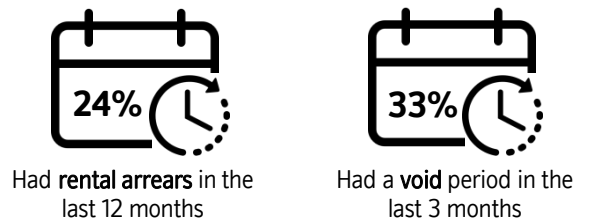
### Profitability



### Financials



### Problems Experienced



## PRS Dynamics



6.9

Properties in the average portfolio



24%

Report increasing tenant demand



4%

Bought a property in the last 3 months



1%

Sold a property in the last 3 months

## BTL Dynamics



£750,000

Total amount owed through BTL mortgage borrowing



5.0

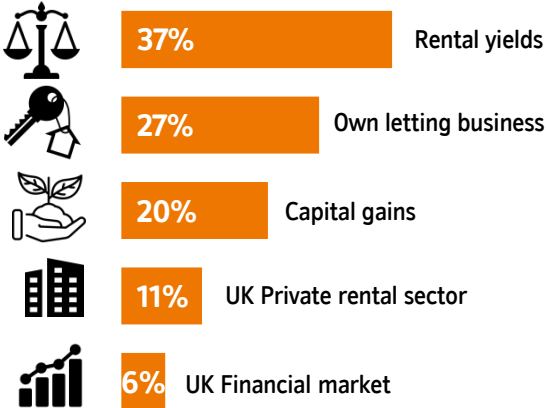
Average number of BTL loans held

the mortgage works

## Outer London

### Landlords' Outlook & Confidence

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



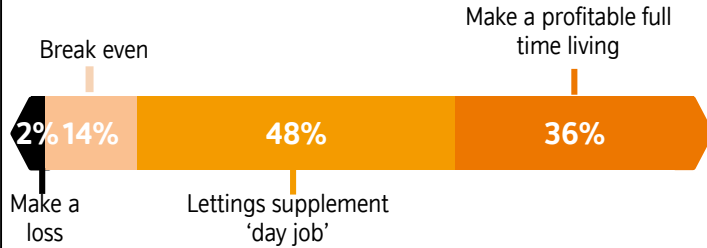
Confidence amongst landlords with property in Outer London has generally edged up in Q3, with most indicators now broadly in line with the national average.

Outer London landlords tend to have portfolio values in excess of the typical landlords (£2.1million vs. £1.4million) with a higher proportion able to make a full time living from their lettings activity (36% vs. 28%). Loss making is also minimal at just 2%.

However, fewer report seeing tenant demand increase recently, with landlords in this region most likely to say they have seen tenant demand fall in the last 3 months (24%).

### Landlords' Balance Sheet

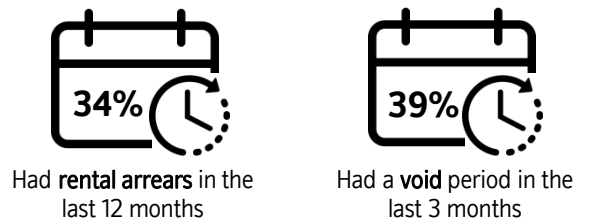
#### Profitability



#### Financials



#### Problems Experienced



### PRS Dynamics



8.6

Properties in the average portfolio



17%

Report increasing tenant demand



8%

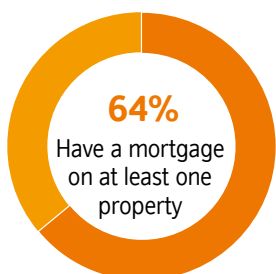
Bought a property in the last 3 months



7%

Sold a property in the last 3 months

### BTL Dynamics



£740,000

Total amount owed through BTL mortgage borrowing



7.2

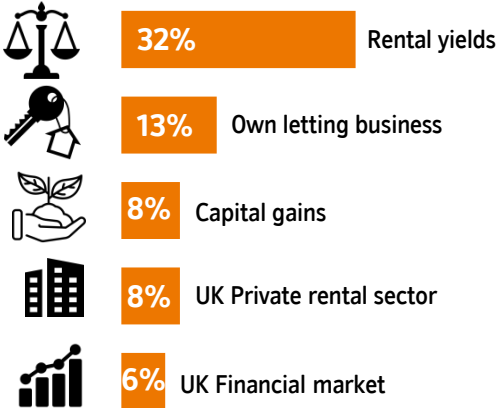
Average number of BTL loans held

the mortgage works

# North East England

## Landlords' Outlook & Confidence

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



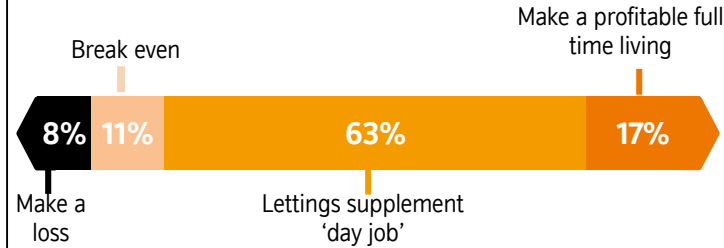
Landlords who have property in the NE are typically less upbeat, recording the lowest levels of confidence on 4 of the 5 measures. The proportion of landlords feeling 'good' or 'very good' about the prospects for their own lettings business is particularly low, at less than half the level of the average landlord (13% vs. 28%).

Factors contributing to this lower confidence include a higher than average incidence of both voids and arrears, fewer seeing a rise in tenant demand and lower than average yields.

North East landlords are also less likely to be making a profit from their lettings activity, with the incidence of those either breaking even or in a loss making situation at almost 1 in 5. As a result, landlords in the North East are twice as likely to have sold a property in the last year.

## Landlords' Balance Sheet

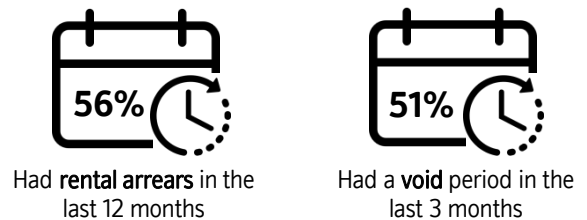
### Profitability



### Financials



### Problems Experienced



## PRS Dynamics



8.3

Properties in the average portfolio



16%

Report increasing tenant demand



10%

Bought a property in the last 3 months



16%

Sold a property in the last 3 months

## BTL Dynamics



£434,000

Total amount owed through BTL mortgage borrowing



6.9

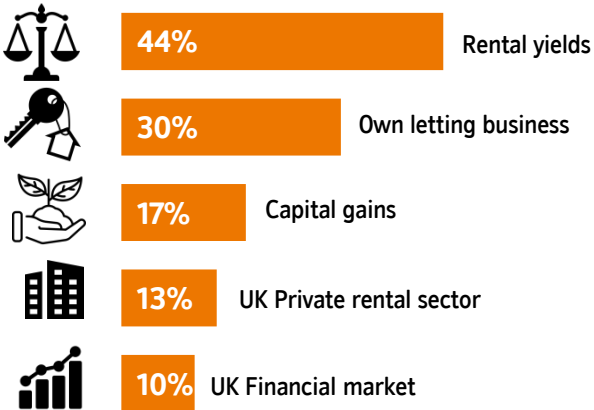
Average number of BTL loans held

the mortgage works

# North West England

## Landlords' Outlook & Confidence

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



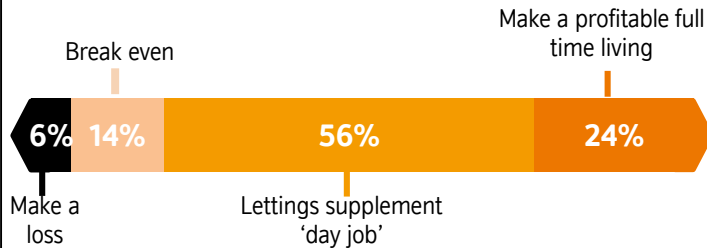
Landlords operating in the North West have the largest portfolios on average, at 9.8 properties. They are also most likely to borrow against their portfolio, with almost 3 in 4 having a mortgage on at least one property.

Likely linked to their larger portfolio size, landlords with property in the North West are more likely to have experience both a recent rental arrear (54%) and / or void period (46%).

Yields remain stable vs. Q2 and slightly above the national average, at 5.9%.

## Landlords' Balance Sheet

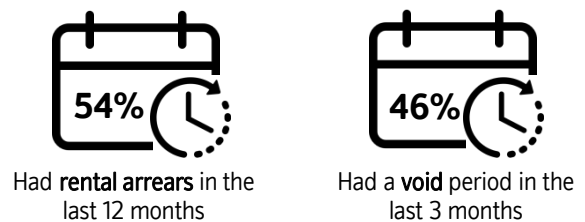
### Profitability



### Financials



### Problems Experienced



## PRS Dynamics



9.8

Properties in the average portfolio



21%

Report increasing tenant demand



8%

Bought a property in the last 3 months



10%

Sold a property in the last 3 months

## BTL Dynamics



£571,000

Total amount owed through BTL mortgage borrowing



8.0

Average number of BTL loans held

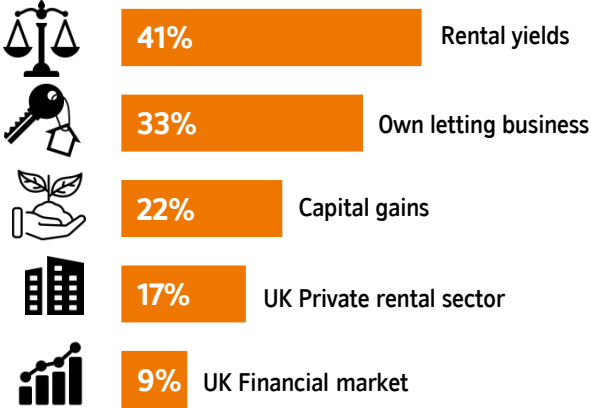
the mortgage works



# South East England

## Landlords' Outlook & Confidence

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



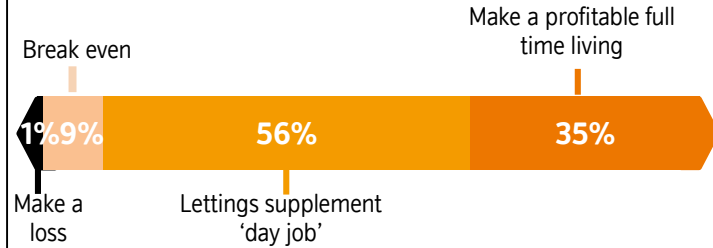
Confidence amongst landlords with property in the South East remains relatively stable in Q3, with both confidence in prospects for their own lettings business and the UK private rental sector slightly above the national average.

South East landlords continue to be less likely to borrow against their portfolio, with just 58% having a mortgage on at least one of their BTL properties.

Relative to the other regions, landlords in the South East are more likely to be making a profitable full time living from their lettings activity, with yields broadly in line with the average.

## Landlords' Balance Sheet

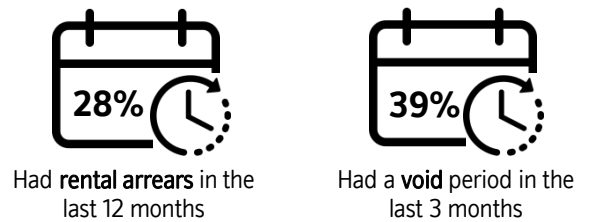
### Profitability



### Financials



### Problems Experienced



## PRS Dynamics



8.0

Properties in the average portfolio



23%

Report increasing tenant demand



5%

Bought a property in the last 3 months



8%

Sold a property in the last 3 months

## BTL Dynamics



£587,000

Total amount owed through BTL mortgage borrowing



Average number of BTL loans held

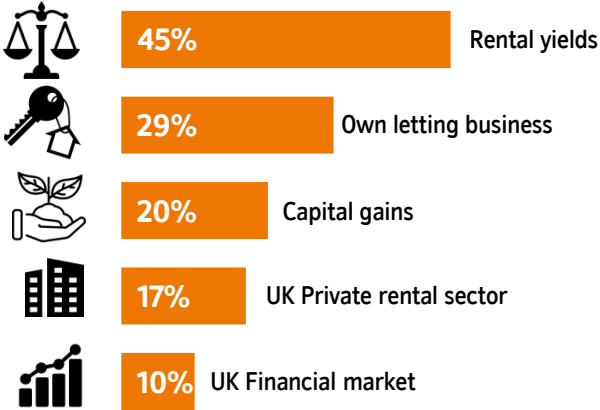
the mortgage works



# South West England

## Landlords' Outlook & Confidence

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



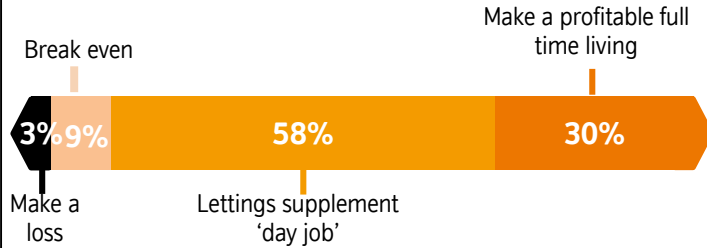
Confidence amongst landlords operating in the South West is broadly in-line with the overall average, although slightly more are feeling positive about the prospects for rental yields (45% vs. 40%).

South West landlords are less likely than the typical landlord to have experienced a recent rent arrear (28% vs. 36%) and more likely to report seeing tenant demand increase (26% vs. 22%).

The South West is also the most active region in terms of both recent buying and selling activity (19% and 21% respectively).

## Landlords' Balance Sheet

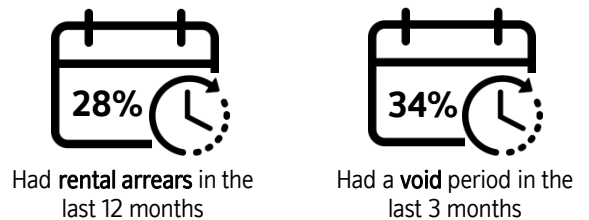
### Profitability



### Financials



### Problems Experienced



## PRS Dynamics



7.5

Properties in the average portfolio



26%

Report increasing tenant demand



19%

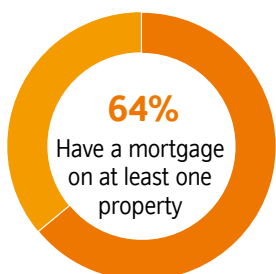
Bought a property in the last 3 months



21%

Sold a property in the last 3 months

## BTL Dynamics



£523,000

Total amount owed through BTL mortgage borrowing



5.4

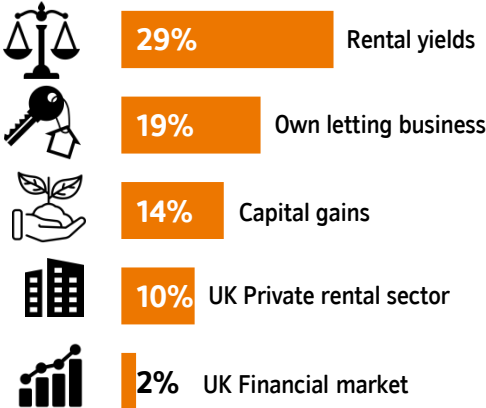
Average number of BTL loans held

the mortgage works

## Wales

### Landlords' Outlook & Confidence

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



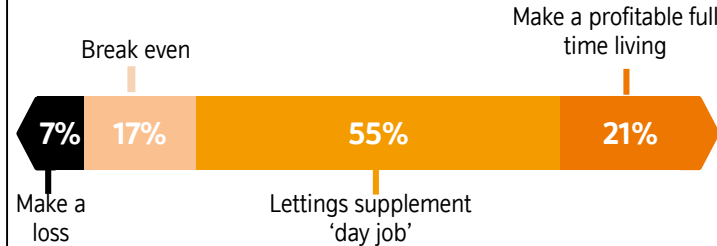
Confidence is generally lower amongst landlords with property in Wales, with fewer than average feeling 'good' or 'very good' about the prospects for rental yields (29% vs. 40%), their own lettings business (19% vs. 28%) and capital gains (14% vs. 21%).

This lower confidence is probably linked to landlords in Wales being most likely to have experienced a rental arrear in the last year, with the incidence of voids also above average.

Additionally, Wales is the region where fewest landlords are currently making a profit, with around 1 in 4 either breaking even or in a loss making position.

### Landlords' Balance Sheet

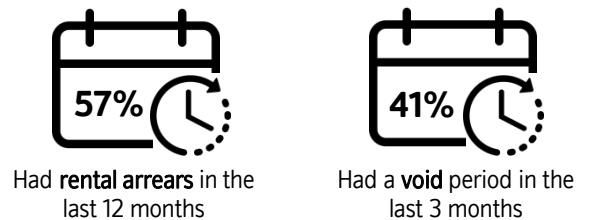
#### Profitability



#### Financials



#### Problems Experienced



### PRS Dynamics



10.6

Properties in the average portfolio



24%

Report increasing tenant demand



7%

Bought a property in the last 3 months



10%

Sold a property in the last 3 months

### BTL Dynamics



£598,000

Total amount owed through BTL mortgage borrowing



6.0

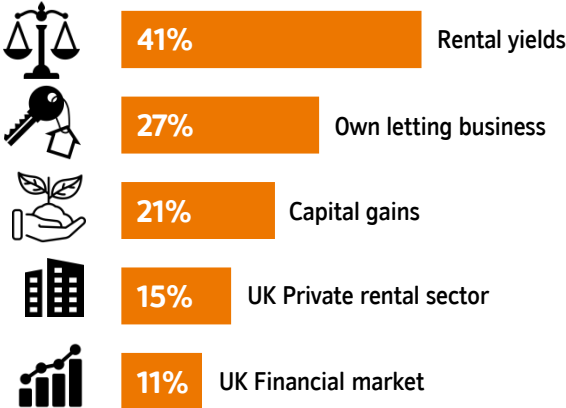
Average number of BTL loans held

the mortgage works

# West Midlands

## Landlords' Outlook & Confidence

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



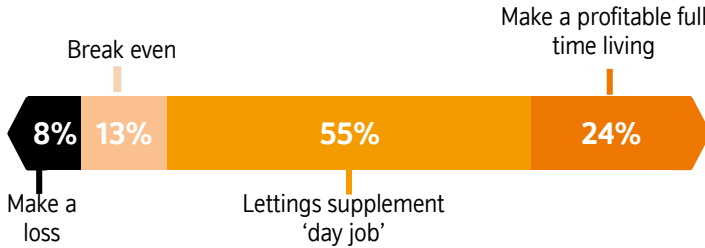
Landlords operating in the West Midlands report confidence levels broadly in-line with the average landlord, although fewer are feeling positive about the prospects for capital gains compared to Q2 (21% vs. 29%).

The proportion of landlords in the West Midland making a profitable full time living from their letting activity continues to fall, with more now saying they either break even or make a loss (21%).

Despite this, West Midlands landlords are least likely to have had a void period in the last 3 months. Although this may be linked to them having the smallest portfolios on average.

## Landlords' Balance Sheet

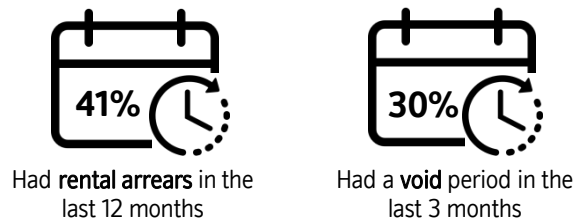
### Profitability



### Financials



### Problems Experienced



## PRS Dynamics



6.6

Properties in the average portfolio



17%

Report increasing tenant demand



4%

Bought a property in the last 3 months



7%

Sold a property in the last 3 months

## BTL Dynamics



£395,000

Total amount owed through BTL mortgage borrowing



5.2

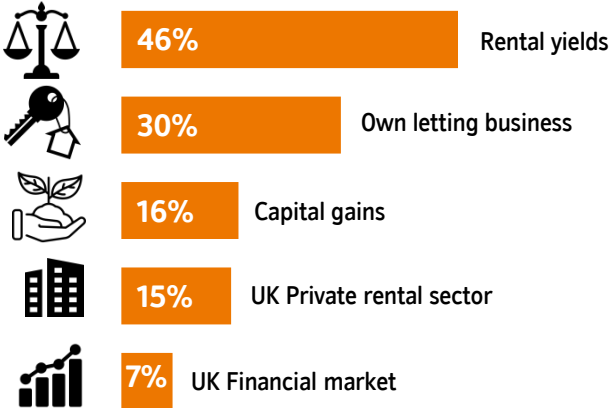
Average number of BTL loans held

the mortgage works

# Yorkshire and the Humber

## Landlords' Outlook & Confidence

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



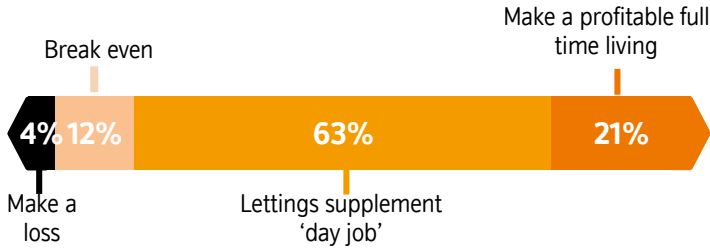
Landlords operating in Yorks & Humber tend to be more upbeat than the average landlord about the prospects for rental yields (46% vs. 40%), but less optimistic about capital gains (16% vs. 21%).

Despite being the region most likely to report increasing tenant demand, those in Yorks & Humber have the highest incidence of voids in the last 3 months, at 56% and an above average experience of arrears (46% vs. 36%).

However, yields are strong at 6.1%, the joint highest of all regions and Yorks & Humber landlords are acquisitive, being twice as likely to have bought in the last 3 months.

## Landlords' Balance Sheet

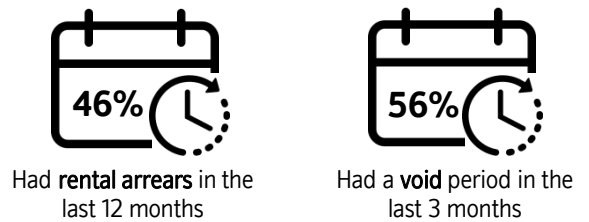
### Profitability



### Financials



### Problems Experienced



## PRS Dynamics



8.6

Properties in the average portfolio



31%

Report increasing tenant demand



17%

Bought a property in the last 3 months



10%

Sold a property in the last 3 months

## BTL Dynamics



£460,000

Total amount owed through BTL mortgage borrowing



8.1

Average number of BTL loans held

the mortgage works