

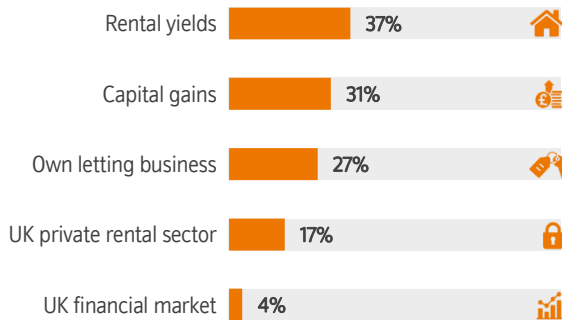
## Overall UK

### Landlords Outlook & Confidence

Q3 has seen landlord confidence fall further across all key optimism indicators, with the biggest drops recorded for Capital Gains (-11%) and the UK PRS (-10%). All indicators have also decreased year on year and now sit on par with the historic lows seen in early 2020.

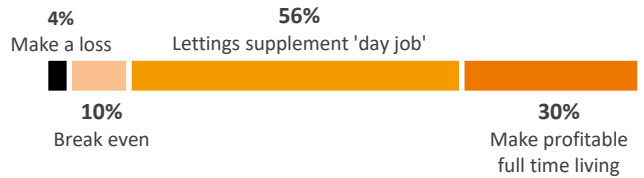
Despite this, underlying business profitability remains strong, with 86% of landlords making a profit from their lettings activity, an increase of 3% vs. last quarter. The proportion of landlords reporting increasing rental demand is also up vs. Q2 (+5%). Despite this, landlords appear more cautious, with twice as many selling property in the last 3 months as buying.

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



### Landlords Balance Sheet

#### Profitability



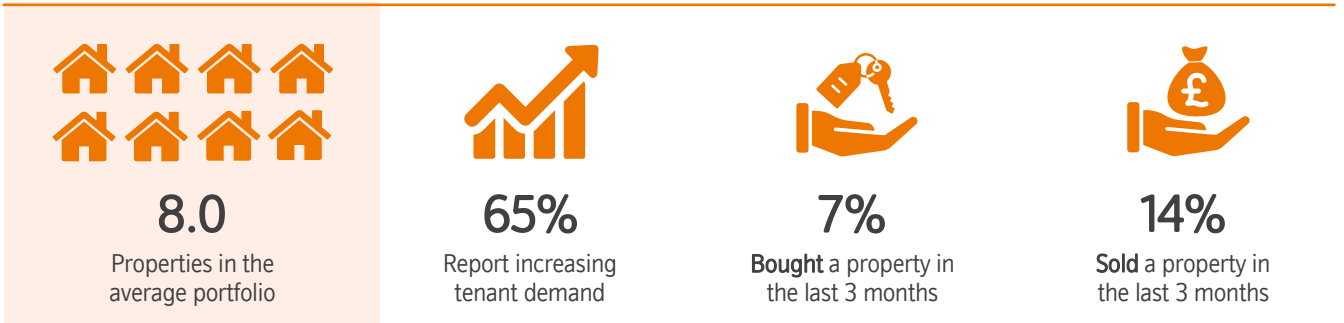
#### Financials



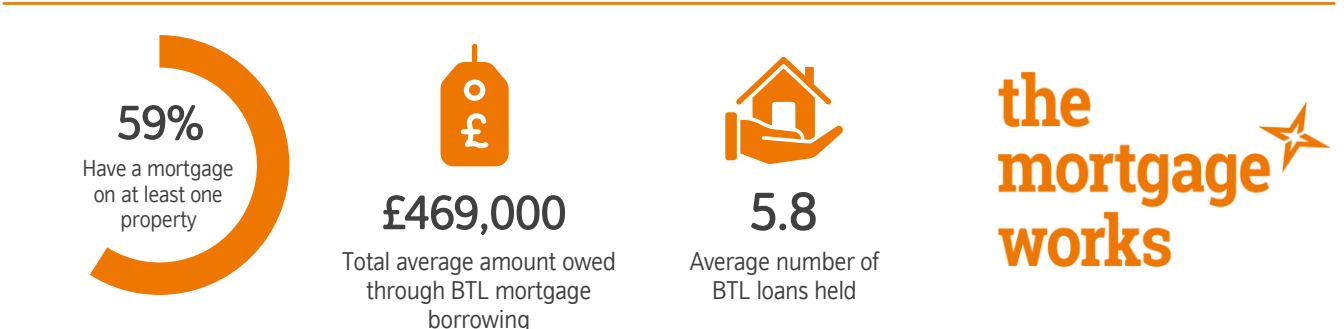
#### Problems Experienced



### PRS Dynamics



### BTL Dynamics



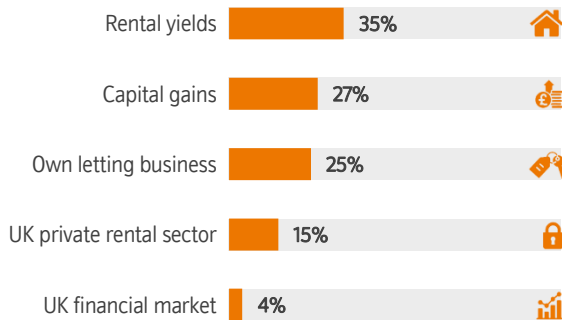
# East of England

## Landlords Outlook & Confidence

Confidence amongst landlords in the East of England remains broadly in line with the national average for all measures except Capital Gains, with all recording a fall in optimism vs. Q2.

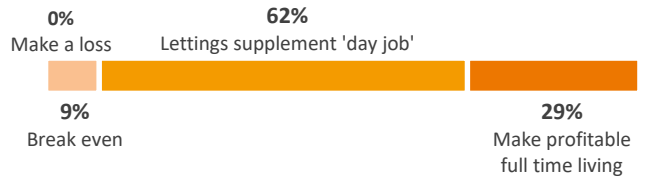
The proportion of landlords making a profit is high at 91%, above the level seen nationally and up 5% vs. Q2. Despite this, landlords in the East of England are slightly less likely to report seeing an increase in recent tenant demand compared to the average landlord (60% vs. 65% nationally). Landlords in this region are also less likely to have made changes to their portfolio in the last 3 months, with only 5% buying and 7% selling.

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



## Landlords Balance Sheet

### Profitability



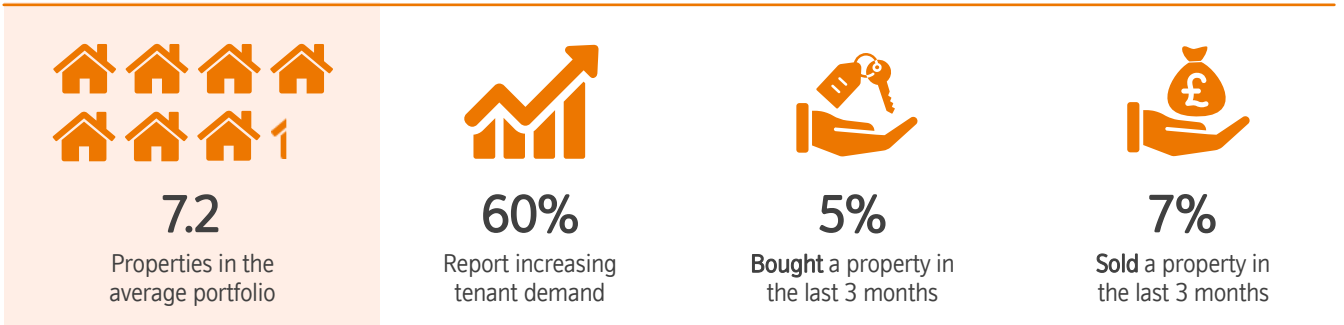
### Financials



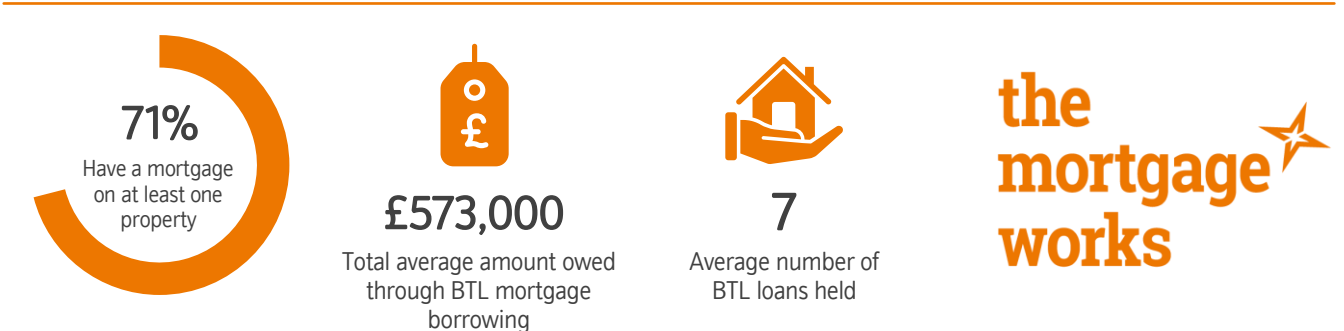
### Problems Experienced



## PRS Dynamics



## BTL Dynamics



## East Midlands

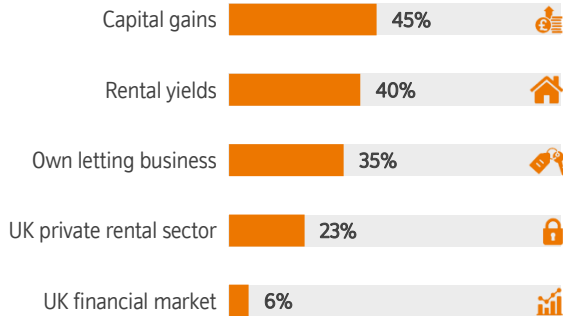
### Landlords Outlook & Confidence

Confidence has fallen across 3 of the 5 key optimism metrics for landlords operating in the East Midlands. The exceptions are confidence in the prospects for Capital Gains, which is unchanged vs. Q2, and Landlord's Own Lettings Business, which is up 4% vs. last quarter.

Compared to Q2, more landlords in this region are making a profitable full time living from their lettings (+5%, to 40%), while reported tenant demand is up by 7%, to 62%.

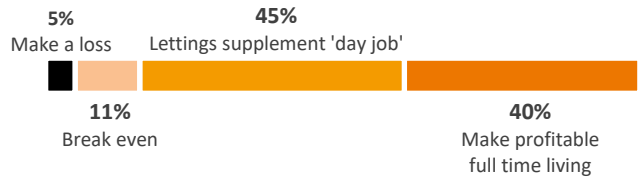
Q3 also sees an uptick in landlord divestment with 22% having sold a property in the last 3 months; a 6% increase vs. Q2 and taking recent sales levels in the East Midlands 8% above the national average.

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



### Landlords Balance Sheet

#### Profitability



#### Financials



#### Problems Experienced



### PRS Dynamics



9.2

Properties in the average portfolio



62%

Report increasing tenant demand



9%

Bought a property in the last 3 months



22%

Sold a property in the last 3 months

### BTL Dynamics



£468,000

Total average amount owed through BTL mortgage borrowing



6.8

Average number of BTL loans held

the mortgage works

Central London

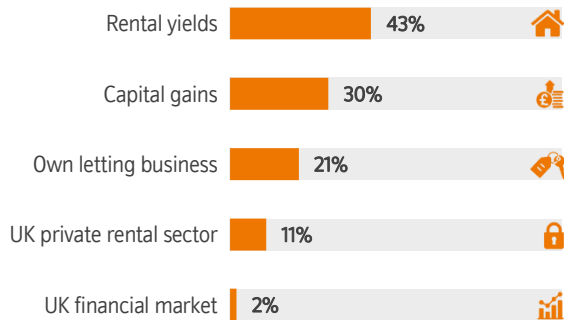
Landlords Outlook & Confidence

Confidence amongst landlords letting in Central London has declined for 4 of the 5 metrics in Q3, with the only exception being optimism around Rental Yields, which is up 9% vs. Q2.

Driving this is likely to be the increased number of landlords in the centre of London who report making a profit vs. Q2 (+9% to 89%), and the considerable reduction in rental arrears compared to last quarter (-12% to 26%).

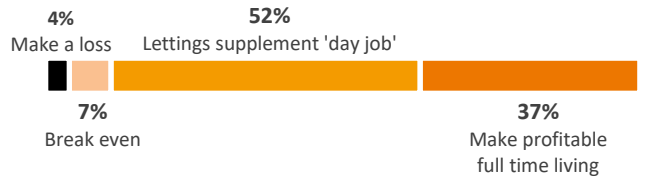
Although in line with the national average, recent divestment from landlords in Central London continues to rise, with the proportion selling in the last 3 months trebling from 4% at the start of the year to 13% in Q3.

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



Landlords Balance Sheet

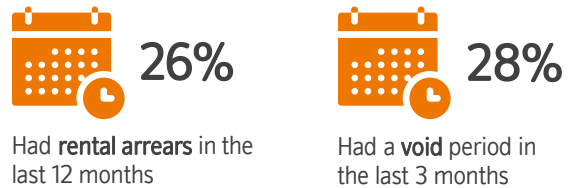
Profitability



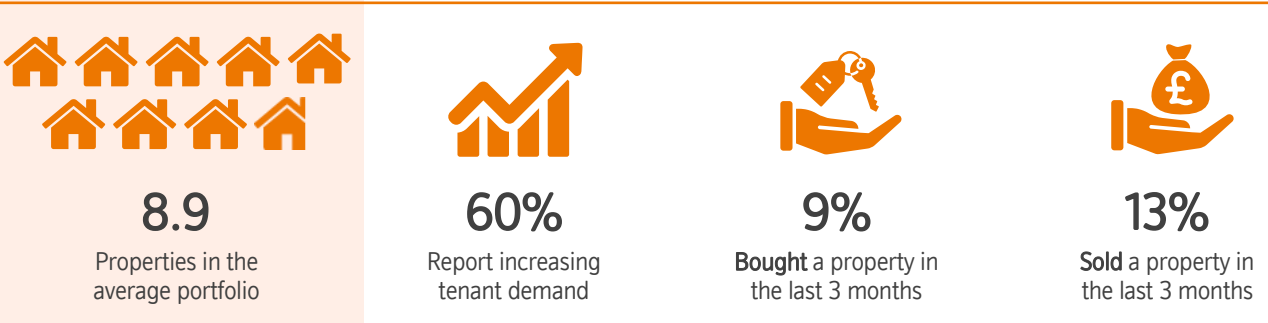
Financials



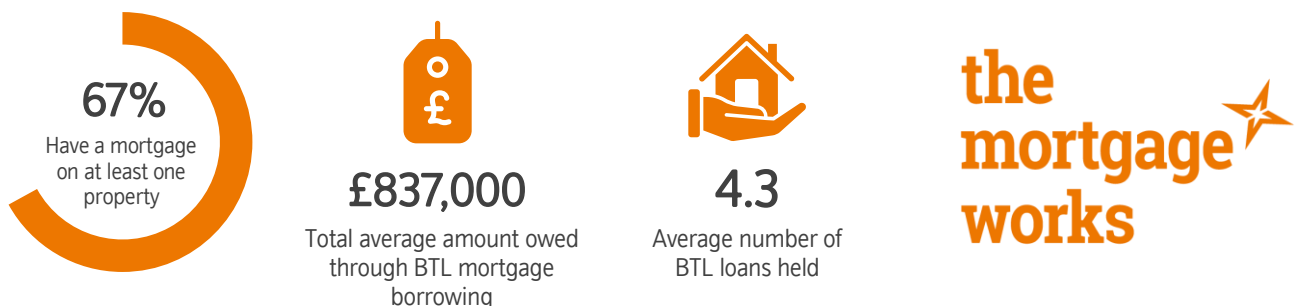
Problems Experienced



PRS Dynamics



BTL Dynamics



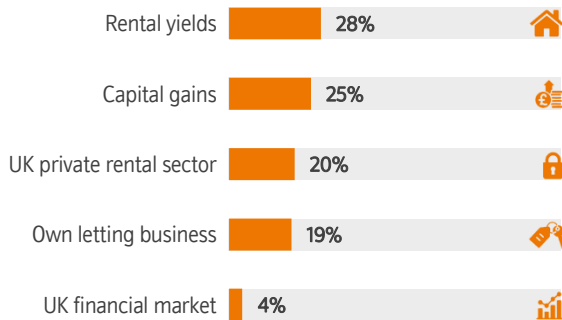
## Outer London

### Landlords Outlook & Confidence

Confidence amongst those operating in Outer London has fallen across all key indicators this quarter, with landlords in this region now more downbeat than their counterparts with property in Central London. The most notable declines vs. Q2 are for confidence in the prospects for Capital Gains (-17%) and Rental yields (-13%).

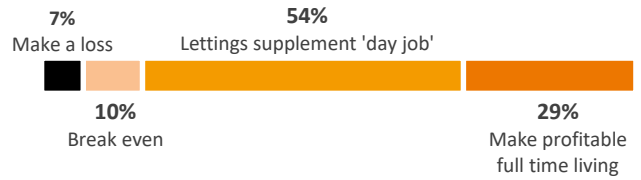
Landlords in this region generate a lower than average rental yield (5.0% vs. 5.8% nationally), with the proportion making a profit from their letting activity also slightly below average at 83% (vs. 86% nationally). Despite this, Outer London landlords are less likely than the typical landlord to have experienced rental arrears in the last year (31%), or to have had a void period in the last 3 months (22%)

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

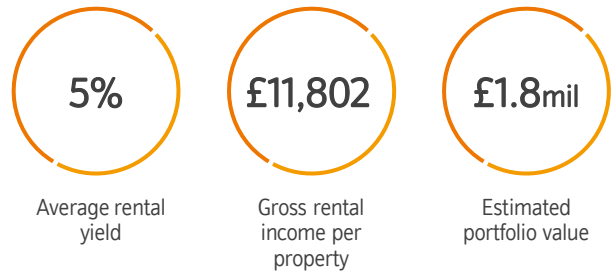


### Landlords Balance Sheet

#### Profitability



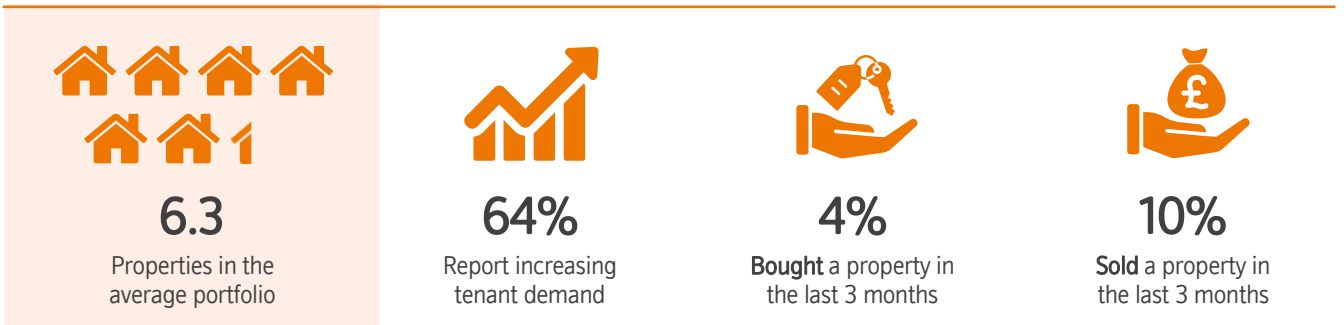
#### Financials



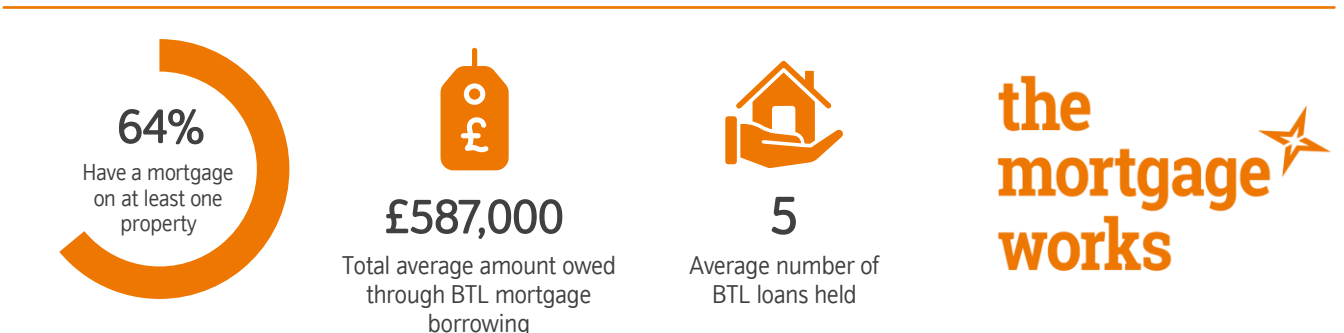
#### Problems Experienced



### PRS Dynamics



### BTL Dynamics



# North East England

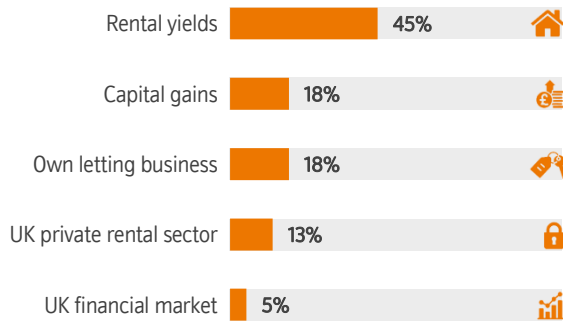
## Landlords Outlook & Confidence

Confidence amongst landlords with property in the North East has fallen considerably across all 5 confidence metrics in Q3, most notably prospects for landlords' Own Lettings Business (-38%) and Capital Gains (-26%).

Driving this is likely to be the 10% increase in those who say they are making a loss from their portfolio, with only 68% now making a profit (vs. 86% nationally). The incidence of voids and arrears also remain significantly above the national average, with rental arrears increasing 16% vs. Q2.

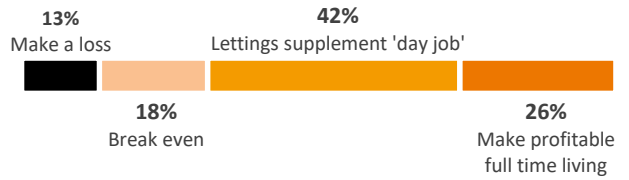
As a result, landlords in the North East are increasingly likely to sell property, with divestment increasing to 29% this quarter (+7%), which is twice the national average of 14%.

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



## Landlords Balance Sheet

### Profitability



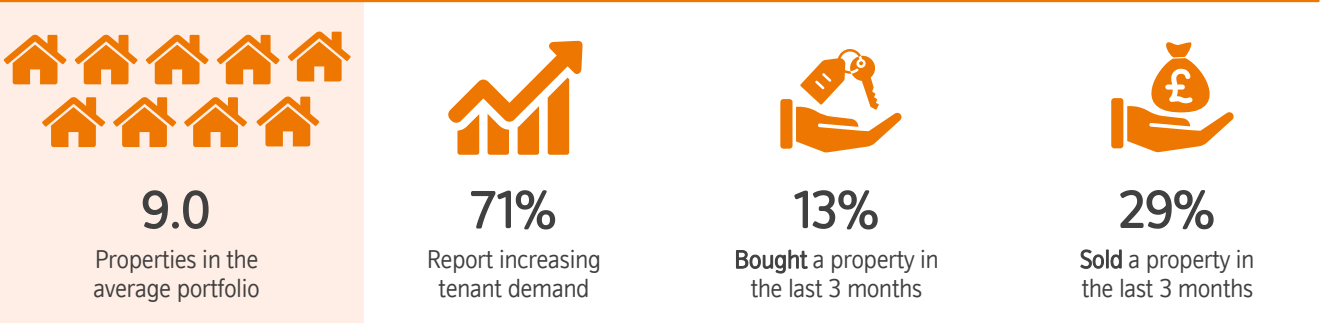
### Financials



### Problems Experienced



## PRS Dynamics



## BTL Dynamics



BASE TOO SMALL TO REPORT OTHER BTL BORROWING DYNAMICS



# North West England

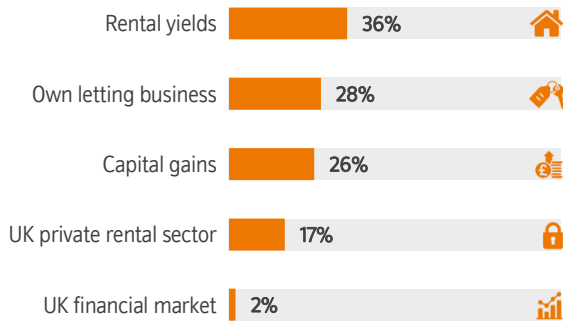
## Landlords Outlook & Confidence

Similarly to many other regions, confidence amongst landlords in the North West is down across all key optimism metrics this quarter, most notably for Capital Gains (-14% vs. Q2) and the UK Private Rental Sector (-12% vs. Q2).

Despite this, profitability has edged up by 3% vs. Q2 to 84%, and the proportion reporting increasing tenant demand has also risen by 3% to 63% in Q3.

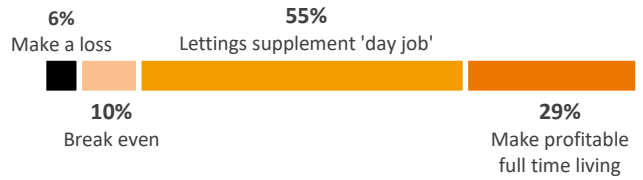
However, recent property divestment has increased considerably amongst landlords in the North West, more than doubling from 10% in Q2, to 21% in Q3. That said, recent purchase activity is also above the UK average at 12% (vs. 7% nationally).

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



## Landlords Balance Sheet

### Profitability



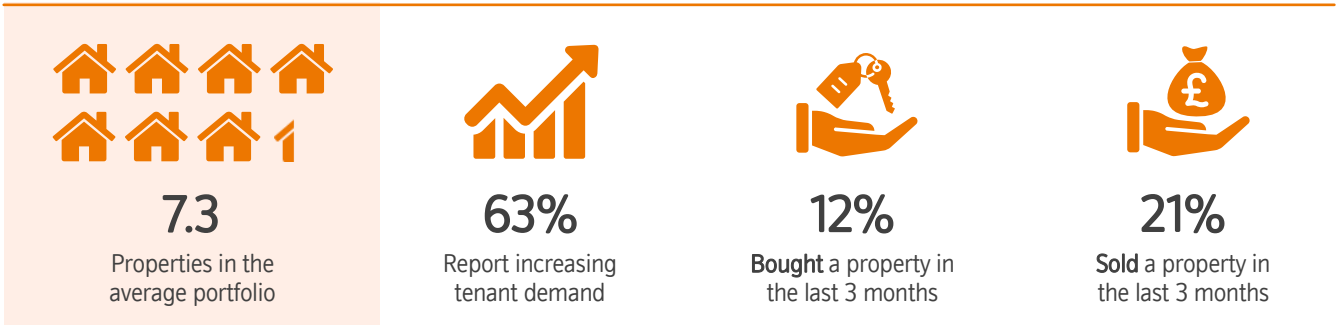
### Financials



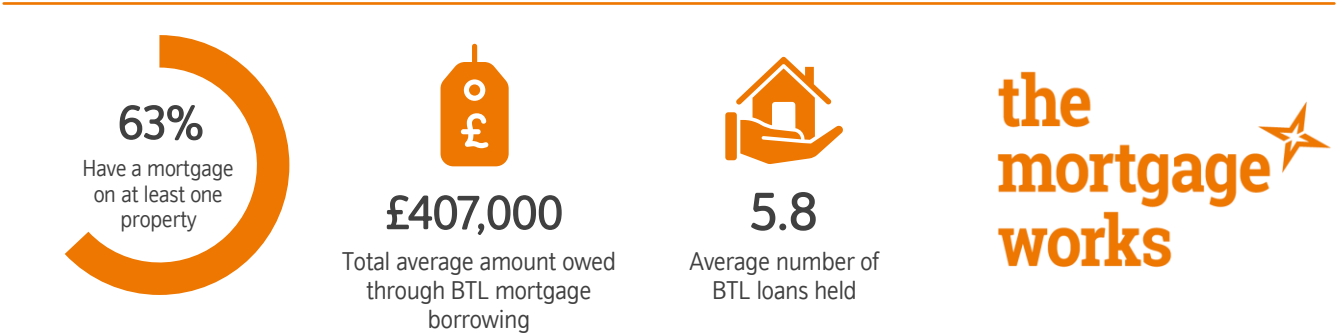
### Problems Experienced



## PRS Dynamics



## BTL Dynamics



## South East England

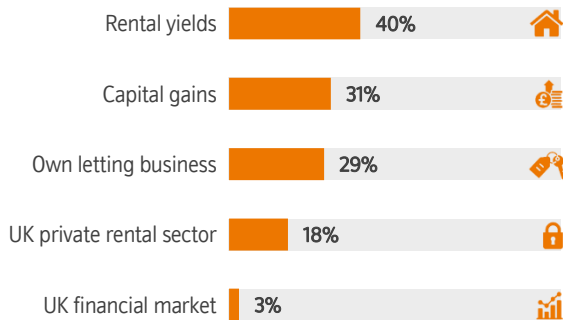
### Landlords Outlook & Confidence

Like much of the rest of the UK, confidence levels amongst landlords with property in the South East are down across all optimism indicators this quarter, with confidence in the outlook for Capital Gains hardest hit (-10%).

Despite this, profitability in the South East is increasingly strong, with an 8% uplift in the proportion of landlords who make a profit from their lettings vs. Q2 (to 92%). This is also accompanied by an increase in those reporting a recent increase in tenant demand which edges up by 3% in Q3.

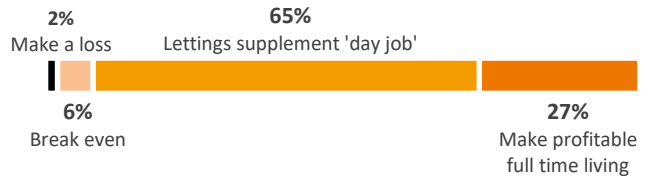
Compared to last quarter the incidence of recent sales has risen to 13% (+4%), although both this and recent purchase activity are broadly in line with the national average.

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



### Landlords Balance Sheet

#### Profitability



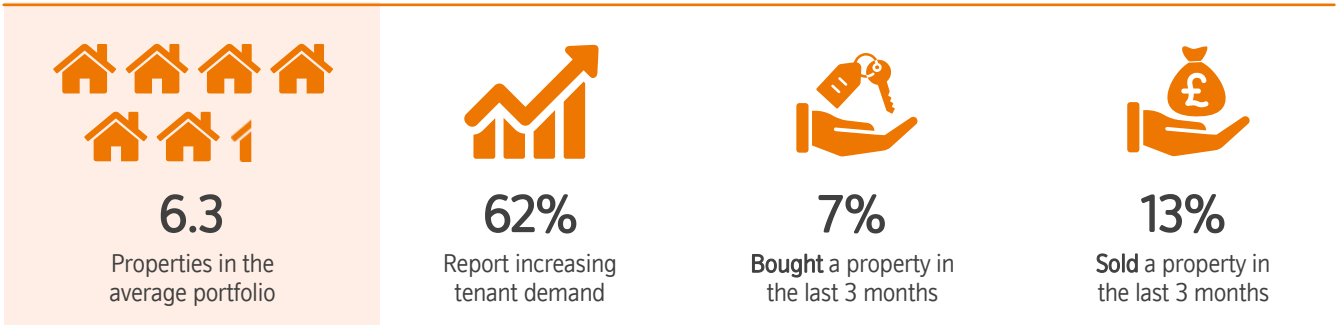
#### Financials



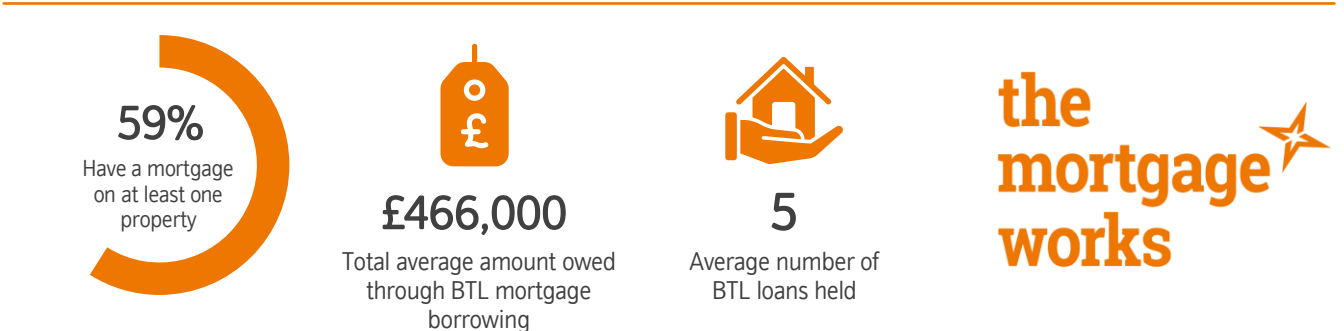
#### Problems Experienced



### PRS Dynamics



### BTL Dynamics





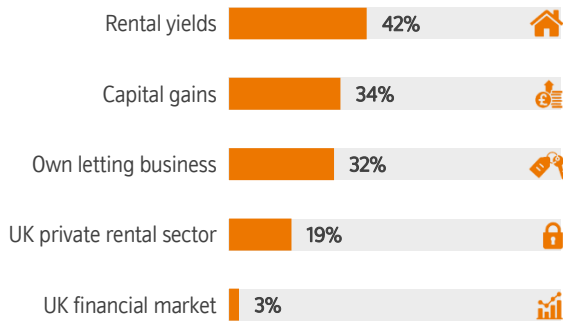
## South West England

### Landlords Outlook & Confidence

Optimism amongst landlords operating in the South West is down for each of the key business indicators this quarter, most notably for Capital Gains (-18% vs. Q2) and landlords' Own Lettings Business (-14% vs. Q2). That being said, most of the indicators are above the UK average, with the exception of confidence in the UK Financial Market.

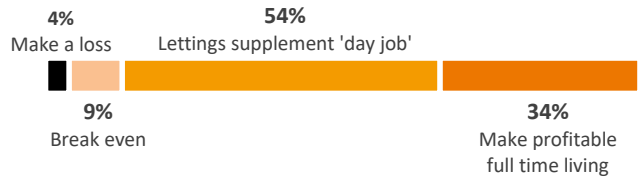
The proportion of landlords in the South West making a profit this quarter has decreased slightly by -4% to 87%, while fewer landlords have bought a property in the last 3 months (-4% vs. Q2), but despite this reported tenant demand sits well above the national average at 79%.

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



### Landlords Balance Sheet

#### Profitability



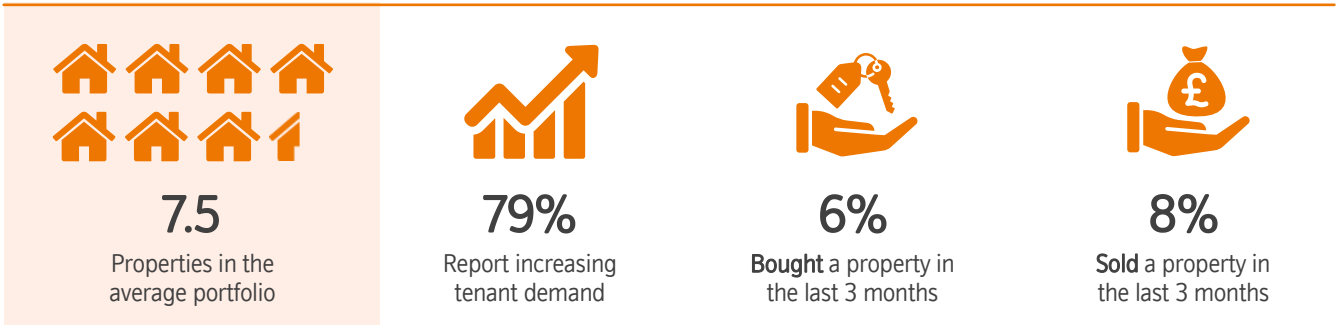
#### Financials



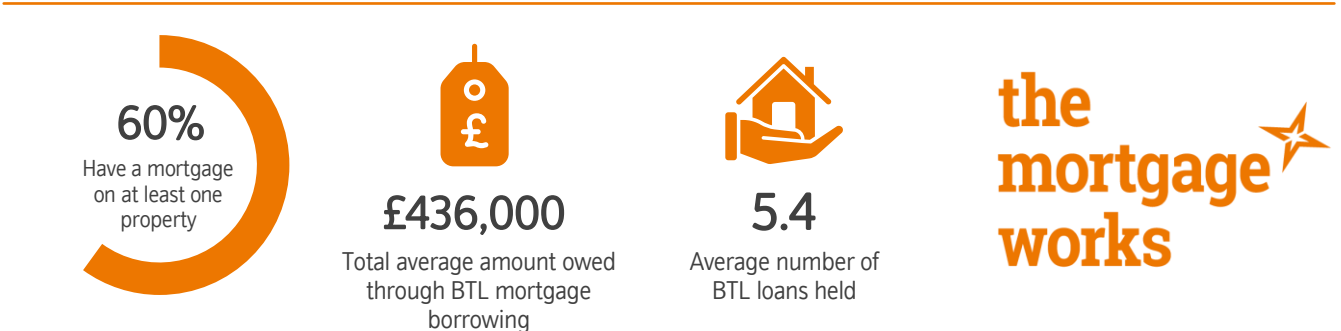
#### Problems Experienced



### PRS Dynamics



### BTL Dynamics



## Wales

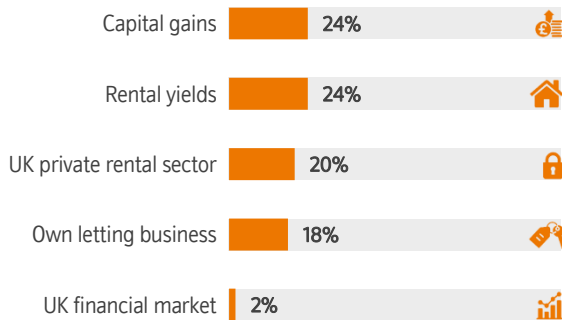
### Landlords Outlook & Confidence

As with many other regions, confidence has fallen across most key business indicators for landlords operating in Wales in Q3, most notably for Capital Gains and landlords' Own Letting Business (-9% and -11% respectively).

Wales remain one of the regions where landlords are least likely to report making a profit from their lettings, with 1 in 4 landlords either breaking even (20%) or making a loss (6%) vs. 14% nationally.

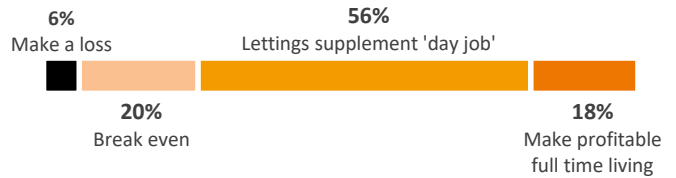
More positively, the incidence of void periods experienced in the last 3 months has decreased by 13% vs. Q2 to 27%, while the proportion reporting increasing tenant demand remains well above the national average at 76%.

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



### Landlords Balance Sheet

#### Profitability



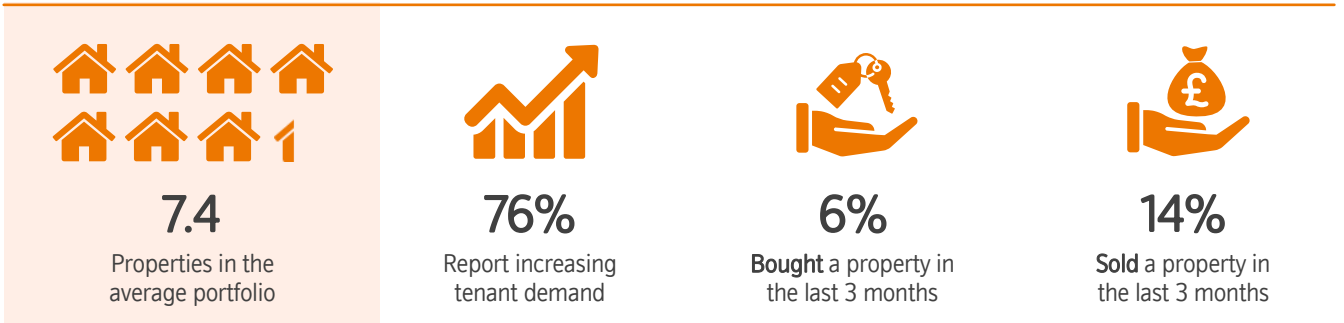
#### Financials



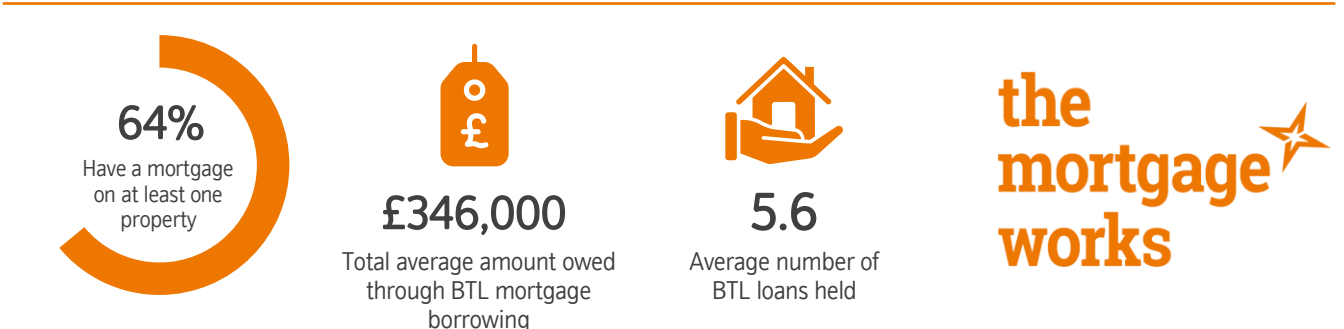
#### Problems Experienced



### PRS Dynamics



### BTL Dynamics



West Midlands

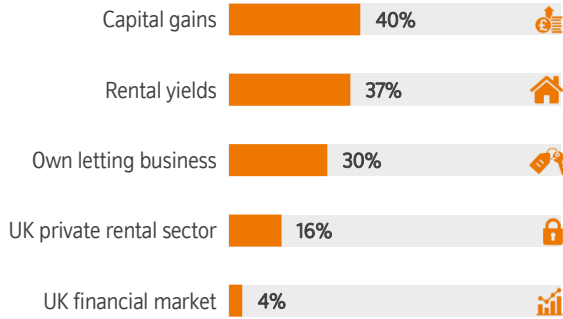
Landlords Outlook & Confidence

Landlords in the West Midlands are generally less upbeat than they were in Q2, with confidence falling across all key optimism indicators apart from landlords' Own Letting Business which remained stable in Q3.

Q3 has seen an increase in recent sales activity amongst landlords operating in the West Midlands, with property divestment increasing from 5% from Q2 to 18%, which is above the national average of 14%. Recent purchase activity is also twice the UK average at 14%.

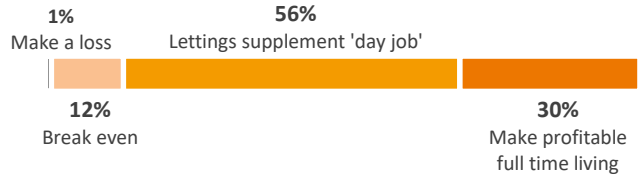
Landlords in this region now report having the largest portfolios, at 13.2 properties, and also have the highest number of BTL mortgages, at 7.9 on average.

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



Landlords Balance Sheet

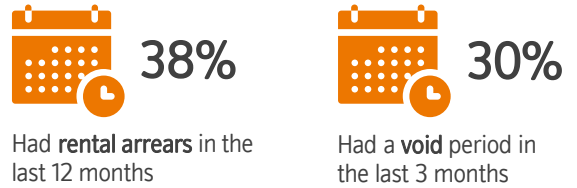
Profitability



Financials



Problems Experienced



PRS Dynamics



13.2

Properties in the average portfolio



59%

Report increasing tenant demand



14%

Bought a property in the last 3 months



18%

Sold a property in the last 3 months

BTL Dynamics



£593,000

Total average amount owed through BTL mortgage borrowing



7.9

Average number of BTL loans held

the mortgage works

# Yorkshire and The Humber

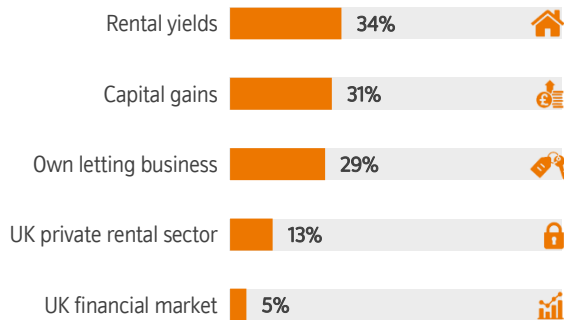
## Landlords Outlook & Confidence

Landlords in Yorks & Humber are much less optimistic across all metrics in comparison to Q2. The most notable drops in confidence are around the prospects for Rental Yields (-23%) and the UK Private Rental Sector (-19%).

Fuelling this is likely to be an increase in the incidence of both rental arrears and void periods vs. Q2 (by 12% and 2% respectively), and fewer landlords reporting a recent increase in tenant demand (-6% to 60%).

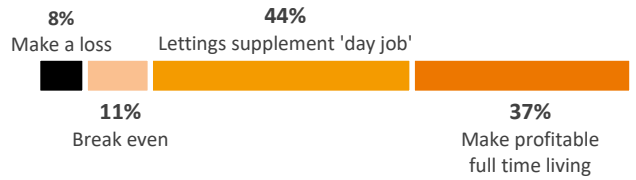
Q3 has also seen a sharp decrease in recent purchase activity from 12% in Q2, to 3% which is below the national average of 7%. In comparison, the level of recent sales is 4% above the national figure of 14%.

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



## Landlords Balance Sheet

### Profitability



### Financials



### Problems Experienced



## PRS Dynamics



12.4

Properties in the average portfolio



60%

Report increasing tenant demand



3%

Bought a property in the last 3 months



18%

Sold a property in the last 3 months

## BTL Dynamics

56%

Have a mortgage on at least one property



£301,000

Total average amount owed through BTL mortgage borrowing



6.7

Average number of BTL loans held

the mortgage works