

Landlord Financials

Rental Income Analysis

Q3 2024



Overall gross rental income

The typical landlord generates an annual gross rental income of £78,000. With the average portfolio size at 8 properties in Q3 '24, this equates to a monthly income of £813 per property.

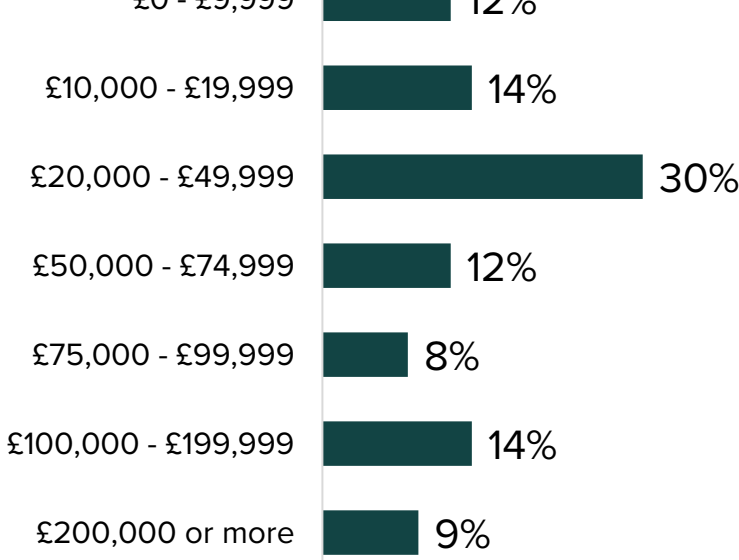
£78,000

Average annual gross rental income



Monthly income per property

Annual gross rental income breakdown

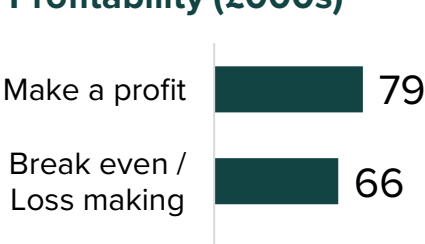


Gross rental income analysis

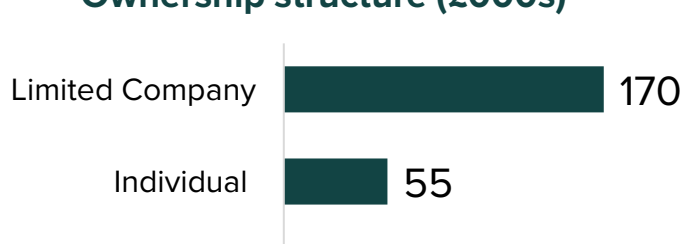
Limited Company landlords generate an annual gross rental income that is more than 3 times higher than those holding property as an individual. Landlords with larger portfolios and those who borrow also achieve an above average gross rental income.

Average annual gross rental income by...

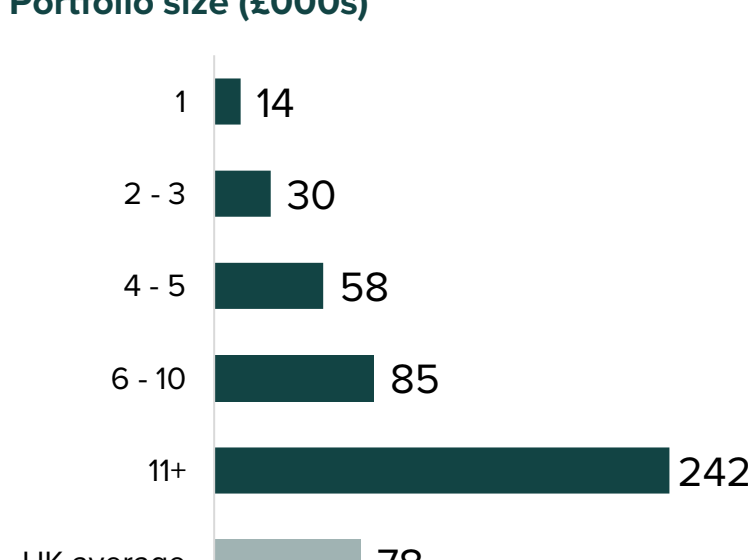
Profitability (£000s)



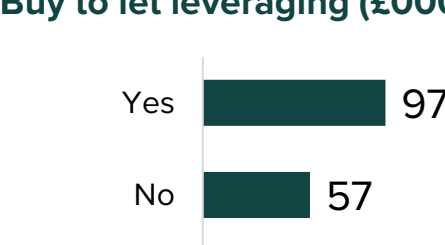
Ownership structure (£000s)



Portfolio size (£000s)



Buy to let leveraging (£000s)



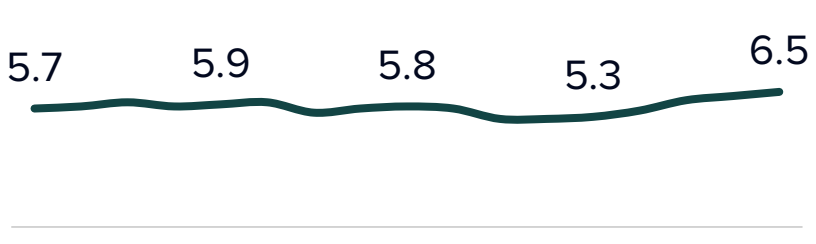
Rental yield analysis

In Q3 '24, the average achieved rental yield is 6.5%, its highest level for 10 years. Yorkshire & The Humber is the strongest region for yields this quarter (7.6%). The East of England (5.5%) and Central London (5.6%) are the weakest.

6.5%

Average rental yield

Rental yield over time

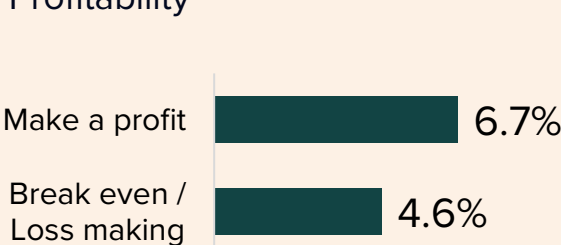


Average rental yield by...

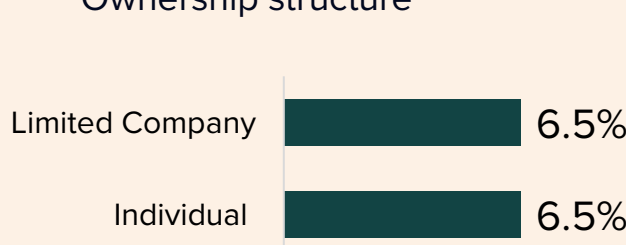
Region



Profitability



Ownership structure



Landlord profitability

Almost 9 in 10 landlords make a profit from their lettings activity. 17% report making a 'large' profit and 70% a 'small' profit; just 4% say they are making some form of a loss. Although overall profitability is similar, those who are unencumbered are over twice as likely as leveraged landlords to say they make a 'large' profit (23% vs. 11%).



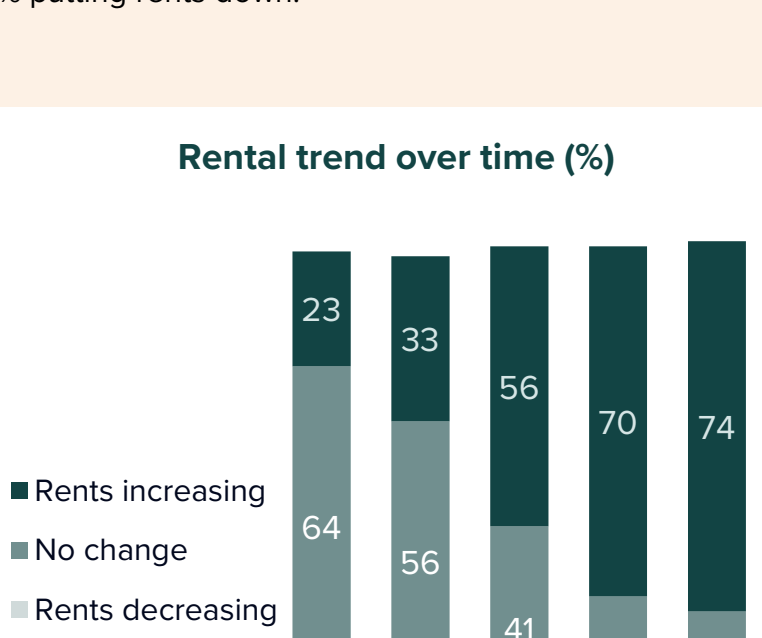
85% Of Buy to Let borrowers make a profit

88% Of unleveraged landlords make a profit

Market dynamics

Rental increases have risen steadily and significantly in the last few years, with 74% putting their rents up in the last 12 months and just 1% putting rents down.

Rental trend over time (%)



74% increased rents in the last 12 months



1% decreased rents in the last 12 months