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Buy-to-let investors sit tight

Buy-to-let investors are no longer reviewing the property market on a regular basis and seem content to hold onto their assets for the foreseeable future, figures from the Young Group have revealed.

It found that fewer than a third of residential property landlords are tracking their mortgage options on a regular basis, with just one in ten evaluating the market conditions and possibilities as regularly as every three months.



It is the second quarter in a row that such a low proportion of investors were found to be tracking their options.

Just under a third of respondents said they evaluated their mortgages at least every six months, a huge fall from the 82 per cent who said that was the case in the second quarter of last year.

Respondents said that they expected to hang onto their existing property portfolio for an average of 12 years, up from the figure of ten years that was recorded in the third quarter of last year.

"It seems they may be jaded by the current lending conditions and have taken their eye off the ball when it comes to tracking the mortgage market," said CEO of Young Group, Neil Young.

"There may also be a general assumption that with base rate currently at an all time low, dropping onto a lender's Standard Variable Rate at the end of a deal is the best option, but this may not automatically be the case."

By neglecting the market, landlords are risking losing out on competitive deals, he warned: "Just because there are fewer mortgage products available, investors shouldn't take their eye off the ball.

"Arguably, now is the time to be paying more attention to the mortgage market to avoid the risk of losing out when base rate inevitably rises in the future."