

Lack of finance holding back investors from buying homes

IT IS not surprising that just 26 per cent of landlords from outside London plan to add to their property portfolios over the next 12 months, according to an industry expert.

Tom Entwistle, editor at landlord information website LandlordZONE, claims there are a number of factors holding such professionals back at present.

He highlighted the lack of mortgage finance available at "a reasonable price" for buy-to-let investors, as well as the possibility that house prices will drop again.

"Plus there's the prospect we face of a long, slow recovery, with unemployment likely to go on rising for some time yet," he explained.

Mr Entwistle's comments followed the latest publication of the Young Group's Young Index, which showed that just over a quarter of landlords from outside the capital are looking to buy more properties in the coming year.

On a positive note, the research found that 77 per cent of investors are confident that London house prices will remain the same or improve over the same period.