

## BTL landlords avoid house purchases

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Buy-to-let landlords are continuing to sit tight on their investments, according to research from property portfolio managers, the Young Group.

Research for the third quarter of this year of 500 active investors who hold UK investment property, revealed that 98 per cent of investors intend to hold their residential property investments for the next 12 months.

It also demonstrated that fewer than one in three residential property landlords are tracking their mortgage options on a regular basis and only 11 per cent are assessing the market as regularly as every three months.

The Young Group also reported that only 29 per cent of respondents now evaluate their mortgages at least every six months, compared with 82 per cent of investors who were actively tracking new deals in the second quarter of last year.

It was also found that 27 per cent of investors are evaluating their mortgages less frequently than once a year.

The data for this quarter showed that the average length of time that respondents expect to retain a property stands at 12 years, up from an average of 10 years in the same quarter last year.

Neil Young, chief executive of the Young Group, said: "Our research suggests that investors are fully aware of the constricted conditions in the mortgage market; 57 per cent cited difficulties in obtaining mortgage funds as the principal barrier to investment property acquisitions.

"It seems they may be jaded by current lending conditions and have taken their eye off the ball when it comes to tracking the mortgage market."

David Hollingworth, head of communications for Bath-based mortgage brokers London & Country, said: "It comes as no surprise that landlords are finding it harder to get finance. The market is smaller, they need bigger deposits, rates are higher and fees are bigger.

"There are lots of landlords out there who have always viewed property buying as a long-term investment and are not put off by the turbulence in the market."