

Prepared for

**The Association of Residential Letting Agents
& the ARLA Group of Buy to Let Mortgage Lenders**

**ARLA Survey
of
Residential Investment Landlords**

March 2010

Prepared by

O M Carey Jones
5 Henshaw Lane, Yeadon, Leeds, LS19 7RW
March 2010

CONTENTS

	Page
1. INTRODUCTION & BACKGROUND	4
2. METHODOLOGY	5
3. RESULTS	6
3.1 Where do you live? (Q.1)	6
3.2 How old are you? (Q.2)	8
3.3 For how many years have you been a residential landlord? (Q.3)	9
3.4 How many rented residential properties do you currently have in your portfolio? (Q.4)	10
3.5 In the next 12 months, do you expect to sell some or all of your let residential properties? (Q.5 & Q.6)	12
3.6 How long ago did you first become a (Buy to Let) residential investment landlord? (Q.7)	13
3.7 Where are your residential investment properties located? (Q.8)	14
3.8 What proportion of the residential properties you have bought are of each type? (Q.9)	16
3.9 What proportion of the residential properties you have bought fall into each age band? (Q.10)	18
3.10 From original acquisition time, what do you expect to be the average life expectancy of your property investment, before you liquidate your property assets? (Q.11)	20
3.11 Have you seen an increase in the number of tenants struggling to meet rental payments in the last 6 months? (Q.12)	22
3.12 Are you aware/have you seen an increase of tenants haggling over rents in the last 6 months (Q.13)	23
3.13 Do you feel renting is more popular than a year ago? (Q.14)	24
3.14 Do you feel people's attitudes to renting have changed? (Q.15)	25

3.15	Why did you first decide to invest in residential property? (Q.16)	26
3.16	Do you think investor landlords are being tempted back to the market because of the minimal interest on savings rates? (Q.17)	27
3.17	What percentage of a buy to let property do you normally borrow from a lender? (Q.18)	28
3.18	What is the approximate overall loan to value ratio of your rented residential portfolio? (Q.19)	30
3.19	Do you expect/anticipate that you will acquire further (Buy to Let) investment properties during the next 12 months? (Q.20)	32
3.20	What proportion of the properties you let are Houses in Multiple Occupation? (Q.21)	33

1. INTRODUCTION & BACKGROUND

ARLA surveys residential landlords through its Internet website with a view to canvassing the opinions of residential landlords on a number of topics.

During the first quarter of 2010, ARLA conducted the first survey of the year. This survey ran during the month of March 2010.

2. METHODOLOGY

The method by which the data for this research was collected was through visitors to ARLA's web site taking the opportunity presented to complete an on-line questionnaire which included 21 questions.

The questions were devised by ARLA and included questions which were aimed at getting a better understanding of the profile of residential landlords and also at understanding better their views and opinions.

During the period when the questionnaire was available for completion, a total of 382 people went through the process of answering some or all of the questions. These responses were analysed by the software running the survey and tables of data were produced on which this report is based.

3. RESULTS

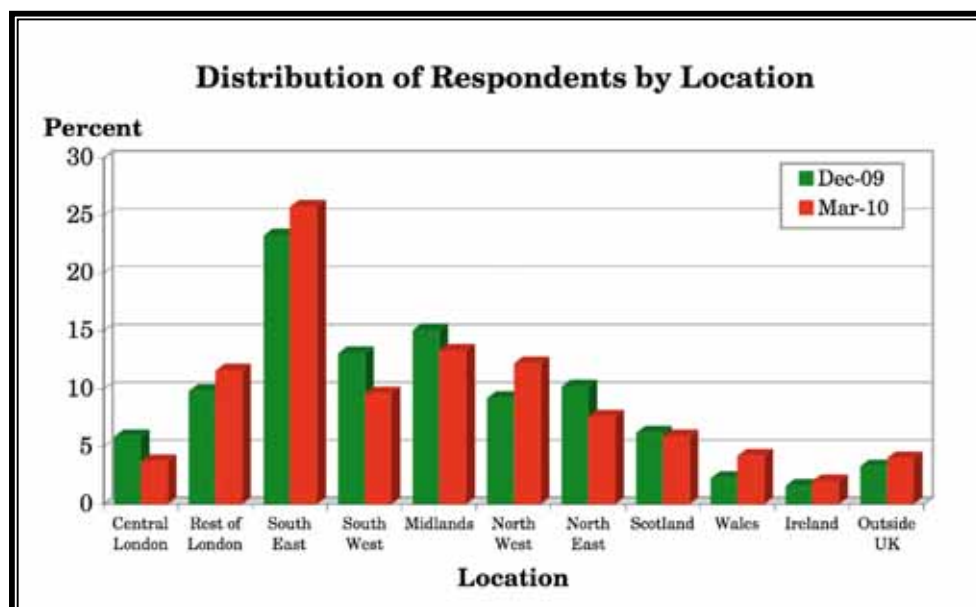
The following sections detail the results of the ARLA survey of residential landlords conducted during the first quarter of 2010.

3.1 Where do you live? (Q.1)

More than four out of ten respondents to the survey (41%) were from the South East of England (including London) with more than one in seven (15%) being from London itself. The Midlands (13%) was the region producing the next highest proportion of respondents.

One in twenty five respondents (4%) were living outside the UK when they completed the questionnaire.

Location	Percent of Respondents (%)		
	Sep 09	Dec 09	Mar 10
Central London	4.5	5.9	3.7
Rest of London (<i>within M25</i>)	15.0	9.8	11.6
South East (<i>outside M25</i>)	22.7	23.3	25.8
South West	10.2	13.1	9.6
Midlands	13.9	15.1	13.3
North West	9.9	9.2	12.2
North East	9.9	10.2	7.6
Scotland	4.8	6.2	5.9
Wales	3.7	2.3	4.2
Northern Ireland	1.1	1.6	2.0
Outside UK	4.0	3.3	4.0
Base: All answering	(352)	(305)	(353)



Compared with the last quarter of 2009, the main differences in the composition of the sample by geographic region are that there were noticeably fewer respondents from Central London (4% compared with 6% three months ago), the South West (10% compared with 13%), the Midlands (13% compared with 15%) and the North East (8% compared with 10%) and noticeably more from the Rest of

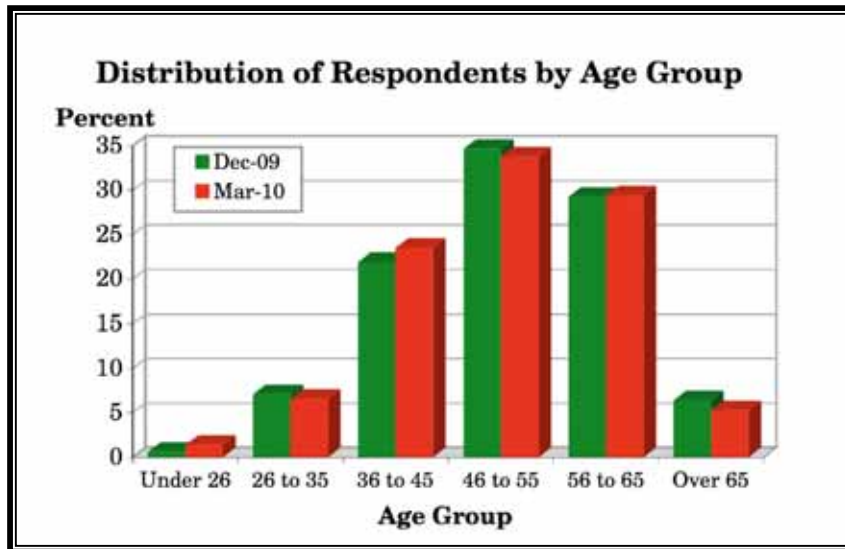
London (12% compared with 10% three months ago), the South East (26% compared with 23%), the North West (12% compared with 9%) and Wales (4% compared with 2%). However, these changes are within the normal variations for this question.

3.2 How old are you? (Q.2)

More than a third of respondents (34%) were aged between 46 and 55 with almost three out of ten (29%) being aged between 56 and 65. Almost another quarter (24%) were aged between 36 and 45.

Only around one in twelve respondents (8%) were aged 35 or under with one in twenty (5%) being over 65 on this occasion.

Age Group	Percent of Respondents (%)		
	Sep 09	Dec 09	Mar 10
Under 26	0.3	0.6	1.4
26 to 35	6.3	7.1	6.6
36 to 45	25.8	21.9	23.5
46 to 55	35.6	34.7	33.8
56 to 65	26.8	29.3	29.4
Over 65	5.2	6.4	5.3
Average (years)	49.8	50.4	49.9
Base: All answering	(365)	(311)	(361)



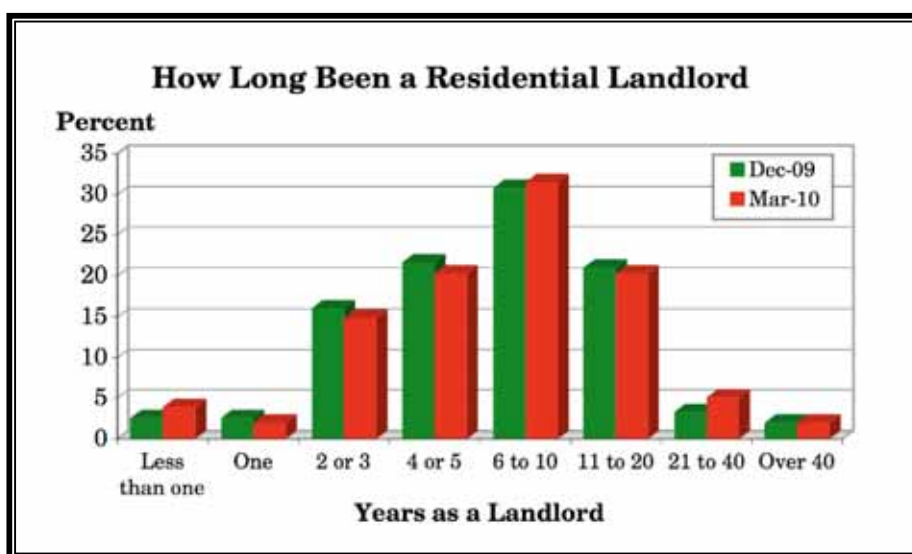
Analysis of the results from this question reveals that the average age of respondents to the survey was 49.9 years, a figure which is down from 50.4 years three months ago but this change merely reverses the change seen then.

3.3 For how many years have you been a residential landlord? (Q.3)

Little more than one in twenty respondents (6%) had been residential landlords for one year or less whilst more than a quarter (27%) had been residential landlords for more than 10 years.

However, the majority, amounting to two thirds (67%) had been residential landlords for between 2 and 10 years.

Years as a Landlord	Percent of Respondents (%)		
	Sep 09	Dec 09	Mar 10
Less than one	2.7	2.6	3.9
One	2.2	2.6	2.0
2 or 3	18.7	16.1	14.9
4 or 5	20.6	21.6	20.3
6 to 10	29.4	30.8	31.5
11 to 20	18.4	21.0	20.3
21 to 40	6.9	3.3	5.1
Over 40	1.1	2.0	2.0
Average (years)	9.2	9.0	9.4
Base: All answering	(364)	(305)	(355)

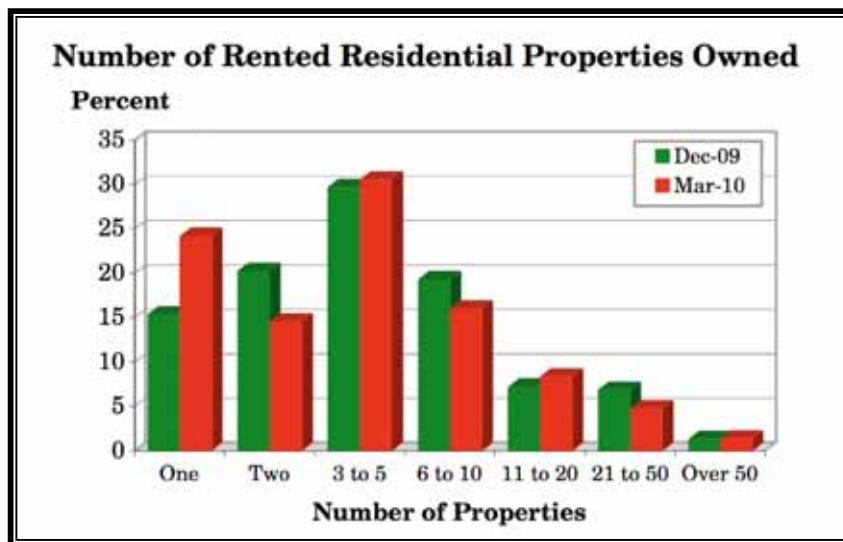


Simple analysis of these figures indicates that the average time for which respondents had been residential landlords was 9.4 years, a figure which is up from 9.0 years three months ago.

3.4 How many rented residential properties do you currently have in your portfolio? (Q.4)

Almost four out of ten respondents (39%) had only one or two properties in their portfolios with less than half as many (15%) having more than ten properties in theirs.

Number of Properties	Percent of Respondents (%)		
	Sep 09	Dec 09	Mar 10
One	20.7	15.4	24.2
Two	16.5	20.3	14.6
3 to 5	32.2	29.7	30.6
6 to 10	15.4	19.3	16.0
11 to 20	9.4	7.2	8.4
21 to 50	4.7	6.9	4.8
Over 50	1.1	1.3	1.4
Average (no. of properties)	7.0	7.8	7.1
Base: All answering	(363)	(306)	(356)



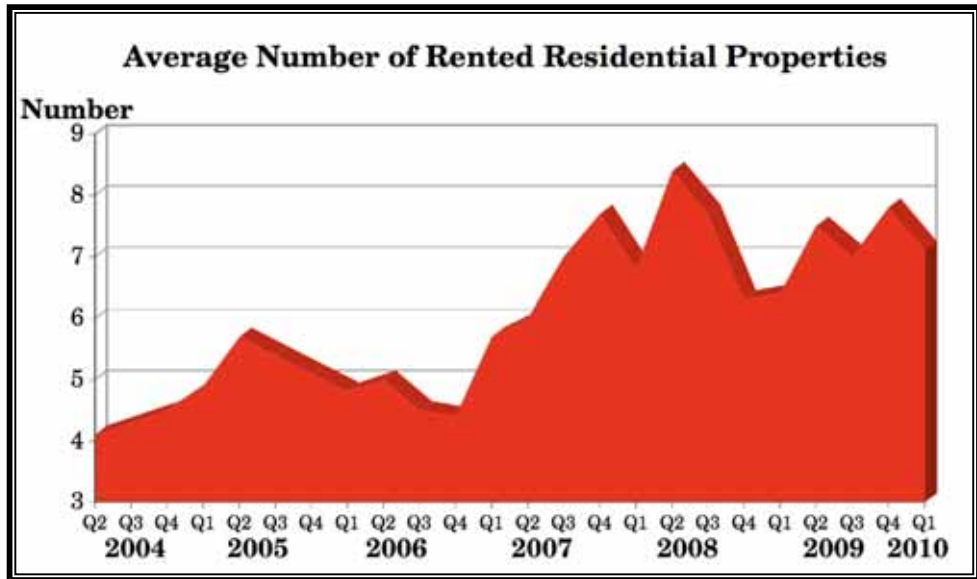
Analysis of these results shows that the average size of respondents' portfolios was 7.1 properties, down from an average of 7.8 properties three months ago but again this merely reverses the change seen then.

As can be seen from the chart below, over the year to June 2005, the average number of properties in respondents' portfolios rose by 40%, from 4.1 to 5.7 properties before falling back to 4.4 properties by the end of 2006.

Throughout 2007, the average rose rapidly but two successive falls in the second half of 2008 took the figure to it's lowest level since the second quarter of 2007.

The results from 2009 showed an increasing number of properties in respondents portfolios although the average number did fluctuate from quarter to quarter.

Despite the quite substantial downturn seen this time, the trend over the last 18 months remains upward.



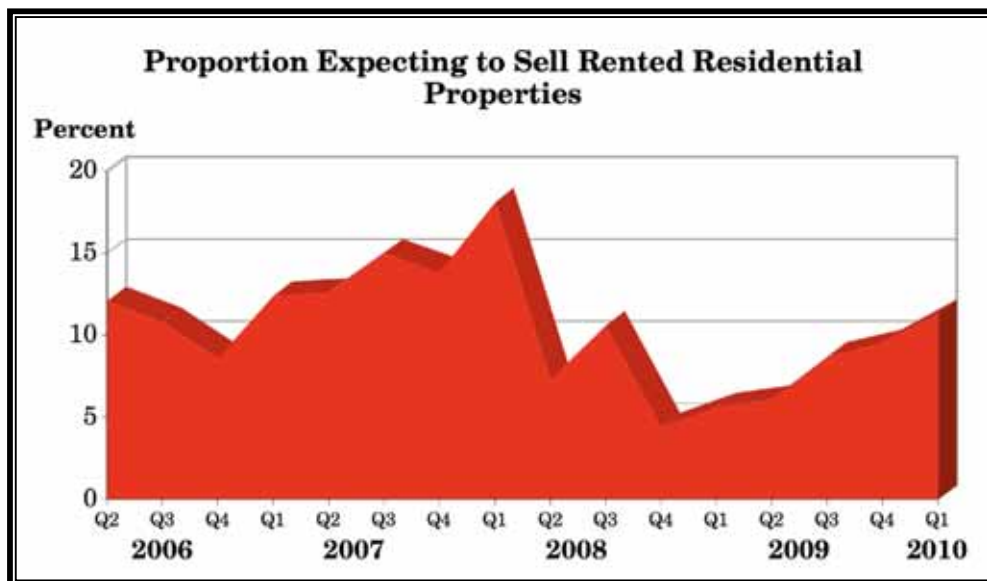
3.5 In the next 12 months, do you expect to sell some or all of your let residential properties? If YES, why? (Q.5 & Q.6)

Nearly eight out of ten respondents to this survey (78%) said that they did NOT expect to sell any of their let residential properties in the next 12 months.

Nevertheless, a small minority of more than one in ten (11%) said they did have such expectations with the same proportion being unsure whether they would be selling any properties or not in the next 12 months.

Response	Percent of Respondents (%)		
	Sep 09	Dec 09	Mar 10
Yes	8.7	9.5	11.3
No	81.3	80.6	77.5
Not sure	10.1	9.9	11.3
Base: All answering	(358)	(304)	(355)

Compared with three months ago, the proportion saying they DO intend to sell some or all of their properties in the next 12 months has risen, as has the proportion saying they are not sure, whilst the proportion saying they do not has fallen to compensate for these increases.



The following question (Q.6) asked of those who had said that they did expect to sell some or all of their let residential properties, why that was their intention.

The only offered options were retiring or other reason and 6 respondents out of 40 gave retiring as the reason for selling let residential properties within the next 12 months with the rest saying there was some other reason. Compared with the survey in the fourth quarter of 2009, the proportion giving retiring as the reason doubled from 7% to 15%.

Amongst the other reasons given the only one to be given by more than five respondents was: to raise capital/realise gain (13 mentions).

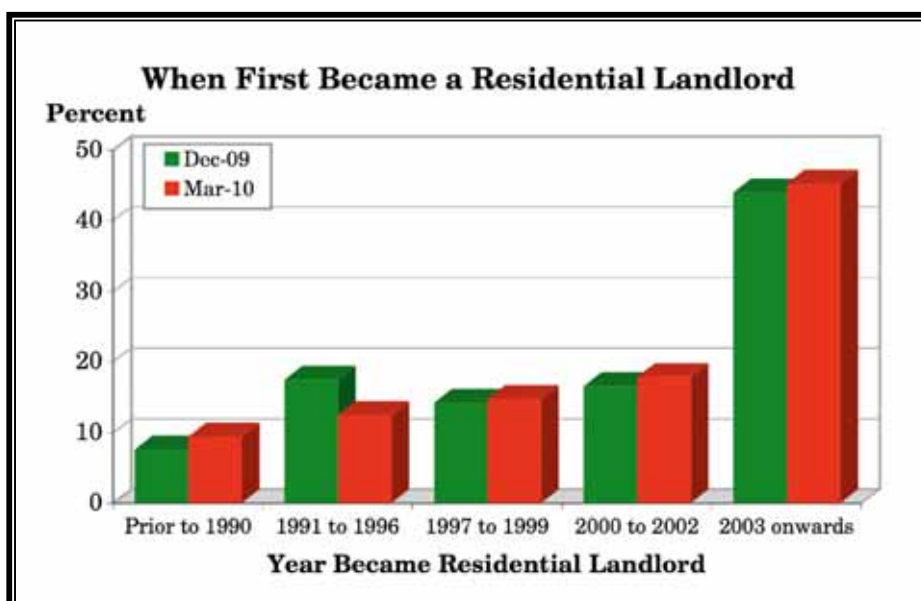
3.6 How long ago did you first become a (Buy to Let) residential investment landlord? (Q.7)

More than six out of ten respondents to this survey (63%) had become residential landlords since the beginning of 2000 with more than four out of ten (45%) having done so since the beginning of 2003.

Nevertheless, nearly one in ten respondents (9%) had first become residential landlords earlier than 1990 and had therefore been landlords for 20 years or longer.

When Became a Landlord	Percent of Respondents (%)		
	Sep 09	Dec 09	Mar 10
Prior to 1990	9.8	7.6	9.4
1991 to 1996	14.8	17.5	12.5
1997 to 1999	14.8	14.2	14.8
2000 to 2002	17.6	16.6	17.9
2003 onwards	43.0	44.0	45.3
Base: All answering	(358)	(302)	(351)

Compared with three months ago, there has been little change with the main changes being that fewer respondents said they had become landlords between 1991 and 1996 (13% compared with 18%) and slightly more said they had done so in each of the other periods.

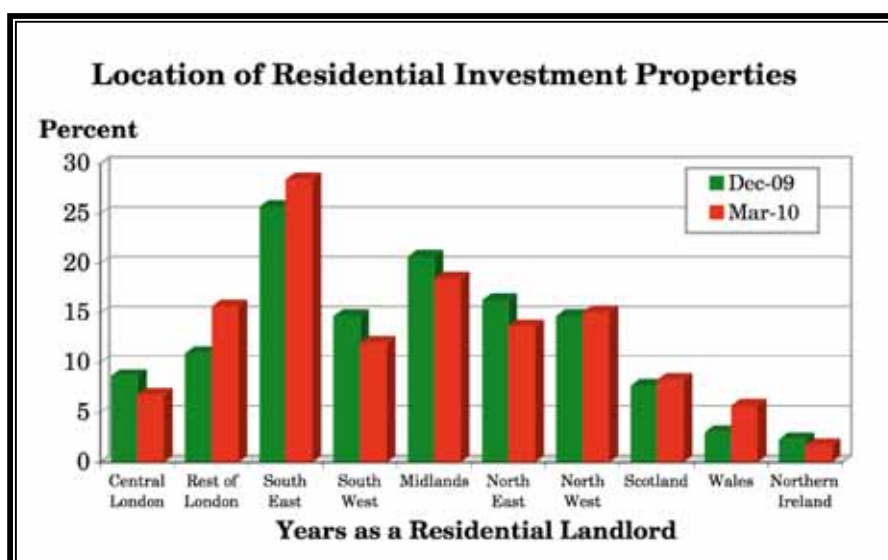


3.7 Where are your residential investment properties located? (Q.8)

More than half of respondents (51%) said that they had properties in the South East (including London) with nearly a quarter (23%) saying they had properties in London itself.

Location	Percent of Respondents (%)		
	Sep 09	Dec 09	Mar 10
Central London	7.2	8.7	6.8
Rest of London (<i>inside M25</i>)	15.1	11.0	15.7
South East (<i>outside M25</i>)	26.0	25.7	28.5
South West	13.0	14.7	12.0
Midlands	19.1	20.7	18.5
North East	14.1	16.3	13.7
North West	14.6	14.7	15.1
Scotland	7.2	7.7	8.3
Wales	4.2	3.0	5.7
Northern Ireland	0.8	2.3	1.7
Base: All answering	(355)	(300)	(351)

Compared with three months ago, the main differences are that there were noticeably more respondents with properties in the Rest of London, the South East and Wales and noticeably fewer with properties in Central London, the South West, the Midlands and the North East.



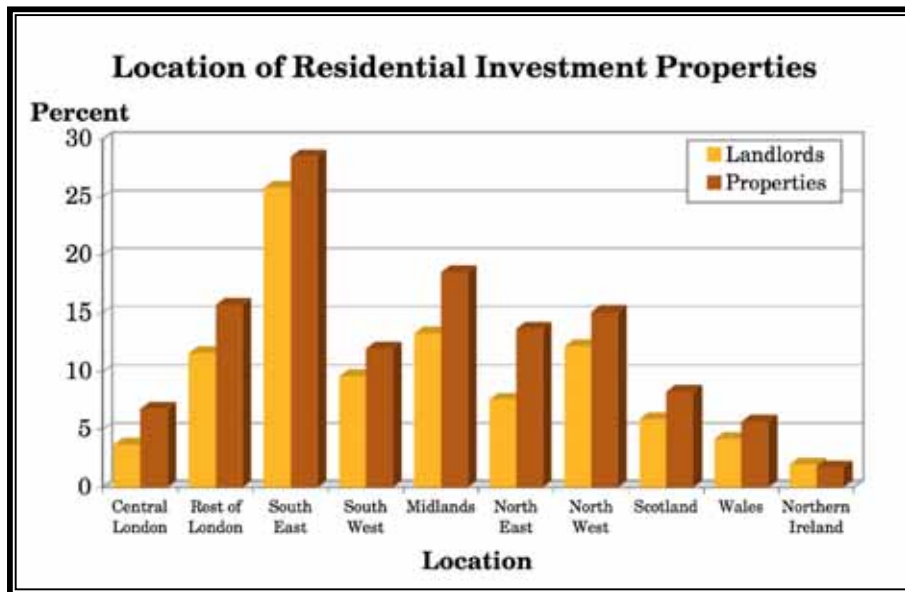
Comparing the distribution of properties with the distribution of respondents shows that, with the exception of Northern Ireland, a higher proportion of landlords said they had properties in every region. This suggests that landlords tend to own properties in more than one region.

The extent to which the proportion of respondents with properties in a region exceeded the proportion of respondents living in that region was greatest, in proportional terms, for Central London, the North East and the Midlands.

Location **Percent of Landlords & Properties – Mar 10 (%)**
Landlords Properties

Central London	3.7	6.8
Rest of London (<i>inside M25</i>)	11.6	15.7
South East (<i>outside M25</i>)	25.8	28.5
South West	9.6	12.0
Midlands	13.3	18.5
North East	7.6	13.7
North West	12.2	15.1
Scotland	5.9	8.3
Wales	4.2	5.7
Northern Ireland	2.0	1.7

Base: All answering (353) (351)



3.8 What proportion of the residential properties you have bought are of each type? (Q.9)

Respondents to this survey were more likely to have bought properties in good condition than any of the other types listed with more than a third of respondents (35%) saying that more than three quarters of the properties they had bought were of this type.

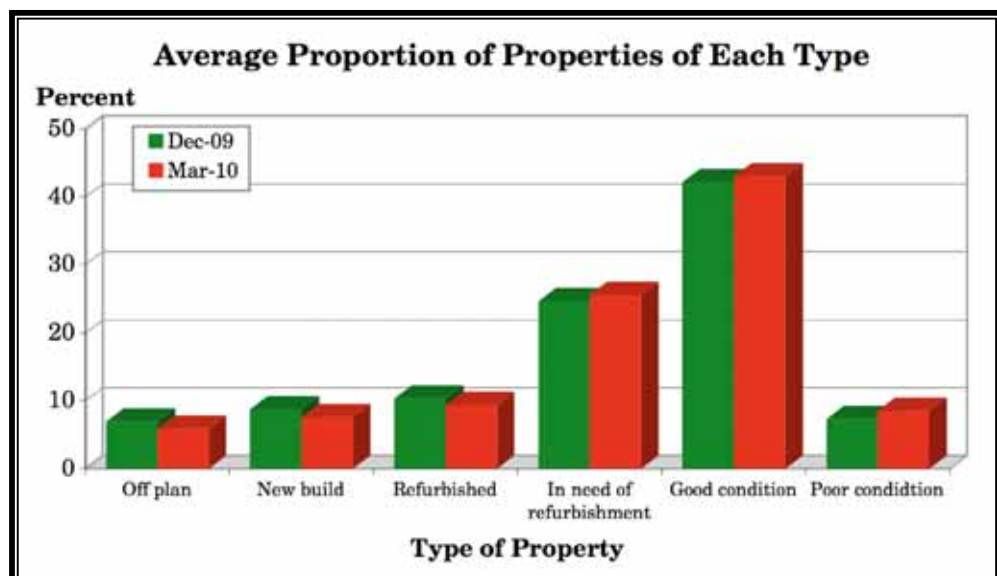
Proportion of Properties	Percent of Respondents - Mar 10 (%)					
	Off plan	New build	Refurb-ished	In need of refurb.	Good cond.	Poor cond.
None	86.3	82.7	79.7	51.5	32.1	79.4
Up to 25%	4.6	7.3	7.0	12.4	9.7	9.1
26% to 50%	4.2	3.3	5.2	11.5	14.3	4.6
51% to 75%	2.1	1.8	2.4	8.2	9.1	2.1
Over 75%	2.7	4.9	5.8	16.4	34.9	4.9

Base: All answering (330)

Analysis of these responses confirms that the most popular type of property with landlords has been those in good condition with, on average, more than four out of ten properties bought (43%) being of that type. Next most popular have been properties in need of refurbishment (26%).

Least likely to have been bought by landlords were properties which have been bought off plan or which have never been occupied and those which were new builds although there was little difference between these and those which were in poor condition or refurbished.

Type of Property	Average Percent of Properties (%)			
	Jun 09	Sep 09	Dec 09	Mar 10
Off plan/never occupied	7.3	6.9	6.9	5.9
New build	9.9	8.5	8.7	7.6
Refurbished	9.2	7.1	10.3	9.4
In need of refurbishment	24.8	25.7	24.6	25.5
Good condition	41.0	44.0	42.2	43.1
Poor condition	8.0	7.9	7.3	8.5
Base: All answering	(403)	(328)	(272)	(330)



Compared with three months ago, there has been little change in the average proportions of each type of property.

3.9 What proportion of the residential properties you have bought fall into each age band? (Q.10)

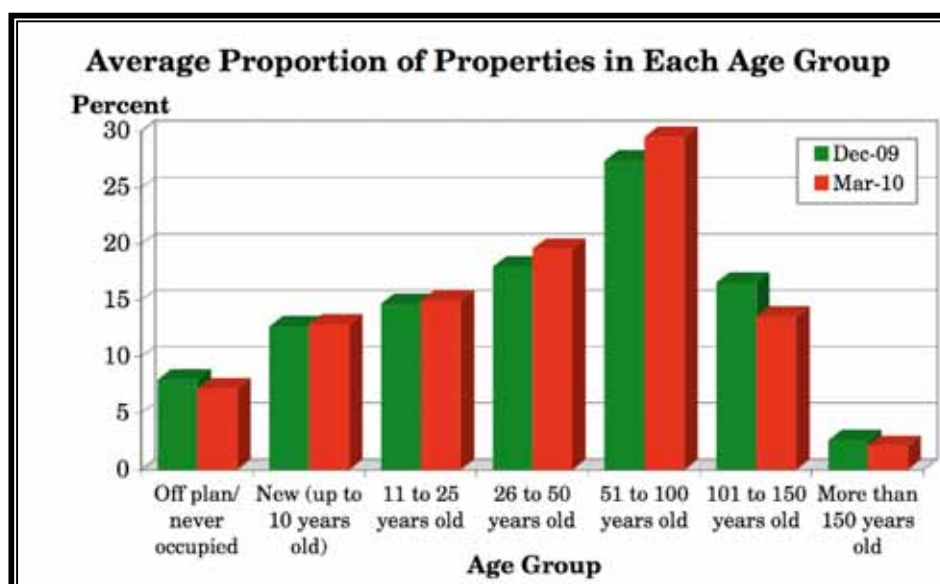
Respondents have tended to favour properties which are between 51 and 100 years old with more than two out of ten (22%) saying that more than three quarters of the properties they have bought have been in this age band. Least popular with landlords are properties over 150 years old with only 1% saying that more than three quarters of their purchases have been in that age band.

Proportion of Properties	Percent of Respondents – Mar 10 (%)						
	Off plan	New (up to 10)	11 to 25	26 to 50	51 to 100	101 to 150	Over 150
None	82.6	72.7	64.2	59.6	48.9	73.4	93.6
Up to 25%	6.4	9.9	14.2	11.0	11.0	6.7	3.5
26% to 50%	5.3	6.4	9.9	12.4	9.9	7.4	1.4
51% to 75%	2.5	1.8	3.2	6.0	8.5	3.9	0.4
Over 75%	3.2	9.2	8.5	11.0	21.6	8.5	1.1

Base: All answering (282)

Analysis of these responses reveals that the most popular properties with landlords have been those which are between 51 and 100 years old (30%) with properties in the other age bands (apart from those at each extreme of the scale) being roughly equally popular (between 13% and 20%).

Age of Property	Average Percent of Properties (%)			
	Jun 09	Sep 09	Dec 09	Mar 10
Off plan/never occupied	9.5	7.2	8.0	7.2
New (up to 10 years old)	15.0	15.6	12.7	12.9
11 to 25 years old	16.9	15.7	14.7	15.0
26 to 50 years old	15.4	18.4	18.0	19.6
51 to 100 years old	26.9	27.9	27.4	29.5
101 to 150 years old	14.4	13.5	16.6	13.6
More than 150 years old	1.9	1.7	2.6	2.1
Base: All answering	(360)	(297)	(249)	(282)



Compared with the survey in the last quarter of 2009, the main changes are that properties which were between 26 and 50 years old and between 51 and 100 years old were more popular and those which were between 101 to 150 years old were less popular.

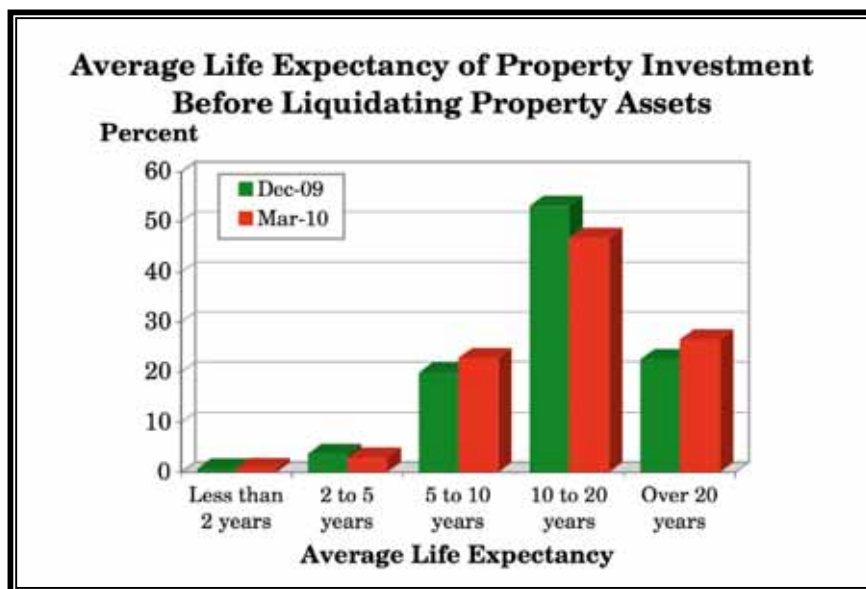
3.10 **From original acquisition time, what do you expect to be the average life expectancy of your property investment before you liquidate your property assets? (Q.11)**

Clearly the vast majority of residential landlords are in the business for the long term with nearly three quarters (73%) saying that the average life expectancy of their property investments is more than 10 years.

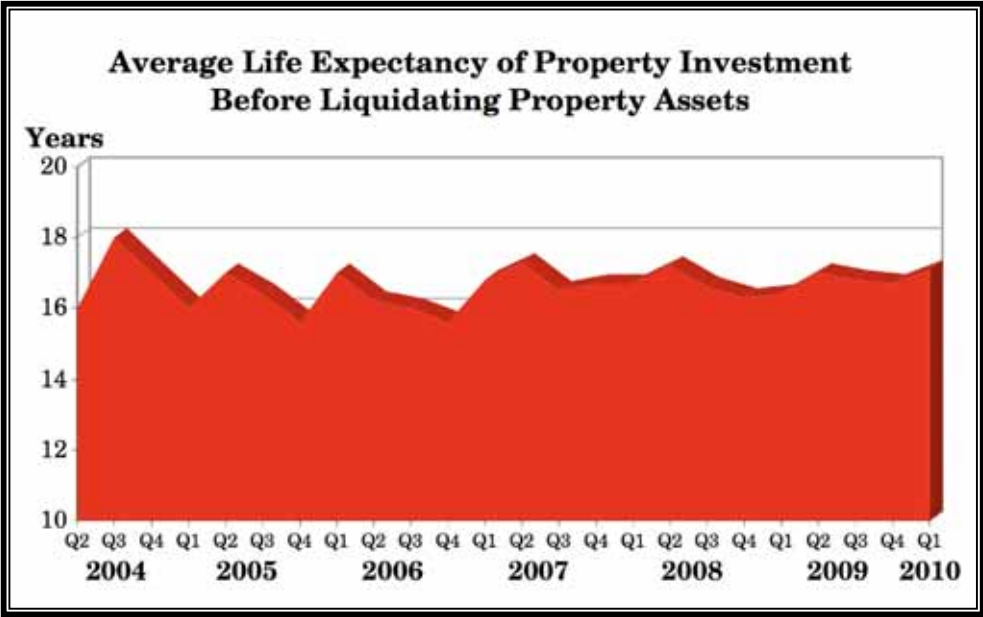
In fact, only one in twenty-five landlords (4%) see their investment as being for 5 years or less and only 1% see it as being very short term (i.e. for less than 2 years).

Average Life Expectancy	Percent of Respondents (%)		
	Sep 09	Dec 09	Mar 10
Less than 2 years	0.6	0.7	0.9
2 to 5 years	4.0	3.7	2.9
5 to 10 years	24.4	19.9	22.8
10 to 20 years	46.1	53.2	46.8
Over 20 years	24.9	22.6	26.6
Average (years)	16.8	16.7	17.1
Base: All answering	(349)	(297)	(342)

Simple analysis of these results reveals that the average life expectancy of their property investments for all respondents is 17.1 years, a figure which is up a little from 16.7 years three months ago.



As can be seen from the chart below, the average life expectancy of respondents' property investments had been declining slowly until the beginning of 2007 when it increased before levelling off at between 16% and 17% where it has remained since mid 2007 although there does appear to have been a slight upward trend over the last 18 months.



3.11 Have you seen an increase in the number of tenants struggling to meet rental payments in the last 6 months? (Q.12)

Three out of ten respondents answering this question (30%) said they had seen an increase in the number of tenants struggling to meet rental payments in the last six months but more than six out of ten (64%) said they had not.

Response	Percent of Respondents (%)		
	Sep 09	Dec 09	Mar 10
Yes	27.9	35.0	29.8
No	64.9	59.3	63.5
Not sure	7.2	5.7	6.7
Base: All answering	(348)	(297)	(342)

Compared with three months ago, the proportion of respondents saying they had seen an increase in the number of tenants struggling to meet rental payments in the last six months was down from 35% to 30%, partially reversing the change seen then.

3.12 Are you aware/have you seen an increase of tenants haggling over rents in the last 6 months? (Q.13)

Almost four out of ten respondents to this question (39%) said they were aware of or had seen an increase in tenants haggling over rents in the last six months but more than half (55%) said that they had not.

Response	Percent of Respondents (%)		
	Sep 09	Dec 09	Mar 10
Yes	44.7	42.9	39.4
No	51.3	54.7	55.3
Not sure	4.0	2.4	5.3
Base: All answering	(347)	(296)	(340)

Compared with the last survey three months ago, the proportion of respondents saying they were aware of or had seen an increase in tenants haggling over rents in the last six months was down for the second time in a row, this time from 43% to 39%.

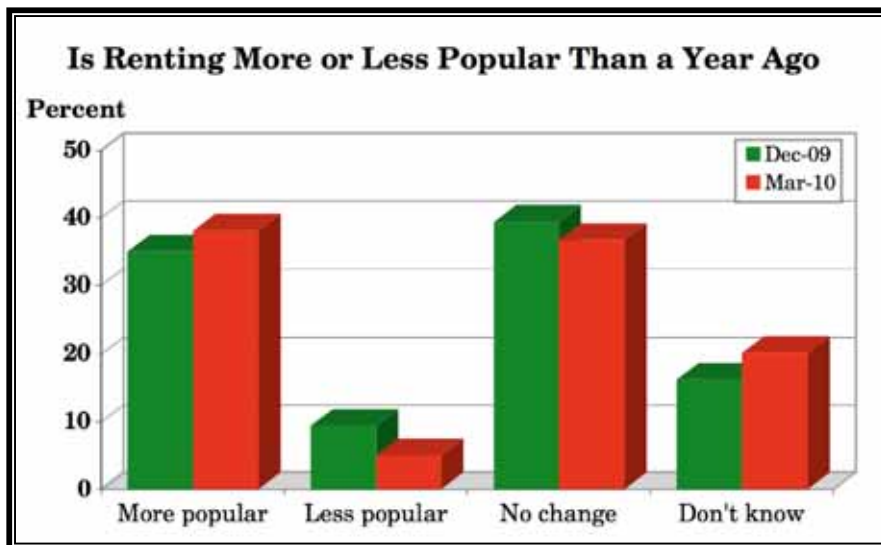
3.13 Do you feel renting is more popular than a year ago? (Q.14)

Nearly four out of ten respondents to this question (38%) said they felt renting was more popular now than a year ago but almost as many (37%) said there had been no change whilst only one in twenty (5%) said they felt it was now less popular.

Change	Percent of Respondents (%)	
	Dec 09	Mar 10
More popular	35.0	38.1
Less popular	9.4	5.0
No change	39.4	36.7
Don't know	16.2	20.2
Base: All answering	(297)	(341)

Compared with three months ago, the proportion saying renting is now more popular than a year ago is up from 35% to 38% but so is the proportion saying they don't know whether it is or not (from 16% to 20%).

Conversely, the proportion saying they feel renting is less popular than it was a year ago is down from 9% to 5% and the proportion saying there has been no change has fallen from 39% to 37%.



3.14 Do you feel people's attitudes to renting have changed? (Q.15)

Almost six out of ten respondents to this question (59%) said they felt that consumers were being forced to rent rather than buy but, interestingly, similar proportions said they felt that consumers would rather buy a house than rent one (6%) or that consumers would rather rent a house than buy one (8%) with more than a quarter (27%) being unsure.

Attitude	Percent of Respondents (%)	
	Dec 09	Mar 10
Rather buy than rent	11.4	5.9
Rather rent than buy	10.1	7.9
Forced to rent	54.2	59.2
Don't know	24.2	26.7
Base: All answering	(297)	(340)

Compared with the last survey in the fourth quarter of 2009, the proportion saying consumers are being forced to rent has risen from 54% to 59% and the proportion saying they don't know has also risen with the result that fewer respondents said either that they thought consumers would rather buy than rent or vice-versa.

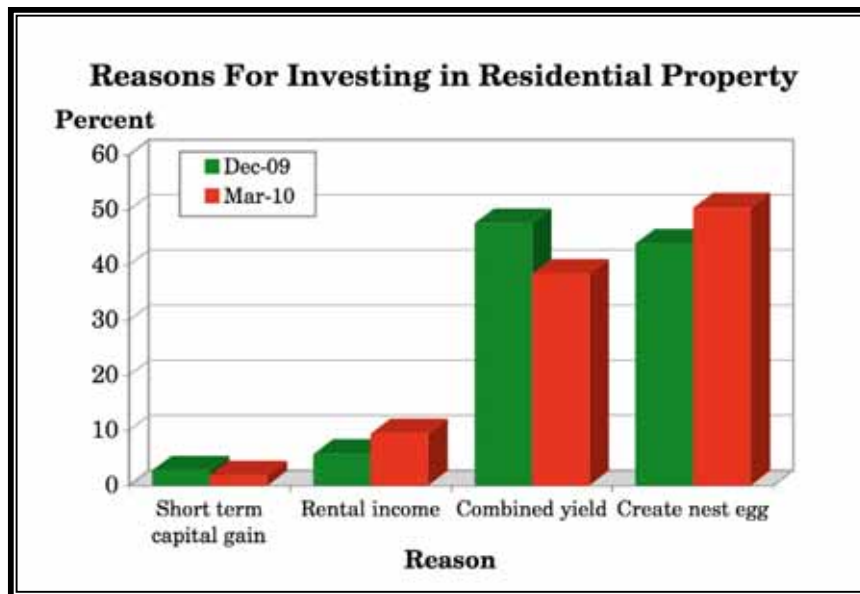


3.15 Why did you first decide to invest in residential property? (Q.16)

Most respondents either said they had become residential landlords in order to create a nest egg for their long term future (50%) or that they had done so in order to achieve a combined yield from rental income and capital appreciation (38%).

Less than one in fifty respondents (1.8%) said they became landlords in order to make a short term capital gain over a period of less than 5 years but five times as many (9.4%) said they had done so in order to obtain a stream of rental income.

Reason	Percent of Respondents (%)	
	Dec 09	Mar 10
Short term capital gain (less than 5 years)	2.7	1.8
Rental income	5.7	9.4
Combined yield from rental income & capital appreciation	47.6	38.4
Create nest egg for long term future	43.9	50.4
Base: All answering	(296)	(341)



Compared with three months ago, there were considerably more respondents who said they had first decided to invest in residential property in order to create a nest egg for the long term future (up from 44% to 50%) and quite a lot fewer saying they had done so to achieve a combined yield from rental income and capital appreciation (down from 48% to 38%).

Also, the proportion saying they had done so in order to obtain rental income increased quite sharply from 5.7% to 9.4%.

3.16 Do you think investor landlords are being tempted back to the market because of the minimal interest on savings rates? (Q.17)

More than four out of ten respondents (43%) said that they thought investor landlords were being tempted back to the market because of the minimal interest on savings rates with less than a quarter (23%) disagreeing and more than a third (34%) being unsure whether they were or not.

Response	Percent of Respondents (%)		
	Sep 09	Dec 09	Mar 10
Yes	38.8	44.6	43.2
No	25.0	25.9	23.1
Not sure	36.2	29.6	33.7
Base: All answering	(348)	(294)	(338)

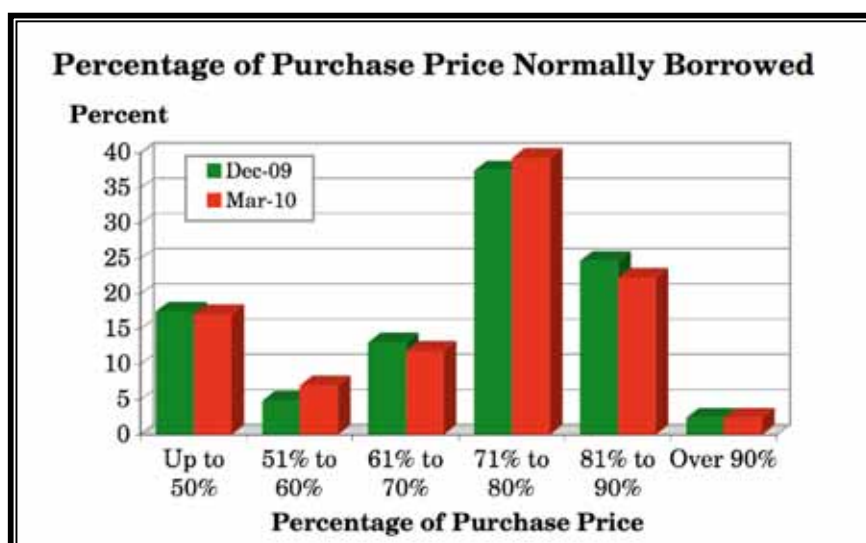
Compared with three months ago, there has been little change although more respondents (34% compared with 30%) said they were unsure and slightly fewer said they thought investor landlords either were or were not being tempted back to the market because of the minimal interest on savings rates.

3.17 **What percentage of the purchase price of a buy to let property do you normally borrow from a lender? (Q.18)**

More than six out of ten respondents (62%) said that they normally borrow between 71% and 90% of the purchase price of a buy to let property. Nevertheless, a sizeable minority of one in six respondents (17%) said they normally borrow less than half of the purchase price.

Analysis of these figures reveals that the average proportion of the purchase price of a buy to let acquisition is currently 67.0%.

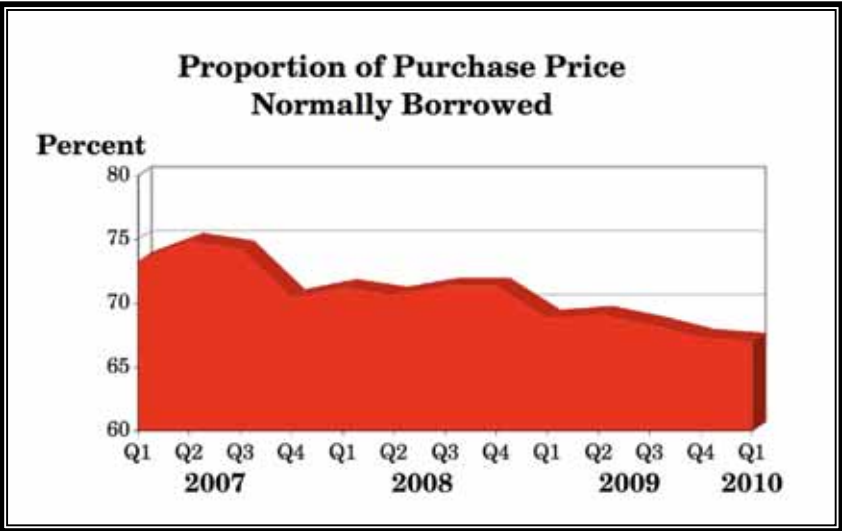
Percent of Purchase Price	Percent of Respondents (%)		
	Sep 09	Dec 09	Mar 10
Up to 50%	14.9	17.5	17.1
51% to 60%	5.7	4.8	7.0
61% to 70%	14.9	13.1	11.9
71% to 80%	37.6	37.5	39.3
81% to 90%	23.9	24.7	22.3
Over 90%	3.0	2.4	2.4
Average (%)	68.3	67.3	67.0
Base: All answering	(335)	(291)	(328)



Compared with three months ago, the average proportion of the purchase price of a buy to let property which respondents normally borrow has changed very little, falling slightly from 67.3% to 67.0%.

As can be seen from the chart below, over the last three years, the average proportion of a property's price which is usually borrowed by respondents rose initially and then fell at the end of 2007 before levelling out at between 70% and 72% throughout 2008.

At the beginning of 2009, the average fell again and, despite an upturn nine months ago, the results from the last three quarters suggest that the average proportion being borrowed is still on a downward trend.

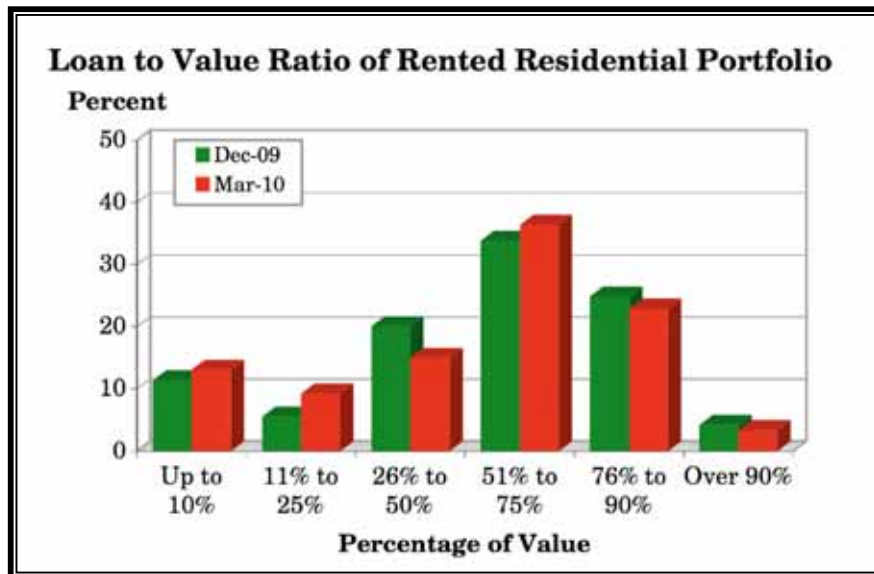


3.18 What is the approximate overall loan to value ratio of your rented residential portfolio? (Q.19)

The largest proportion of respondents, amounting to more than a third (36%) said that the approximate overall loan to value ratio of their rented residential portfolio was between 51% and 75% with nearly another quarter (23%) saying it was between 76% and 90%.

Analysis of these figures reveals that the average loan to value ratio of respondents' portfolios is 53.2%.

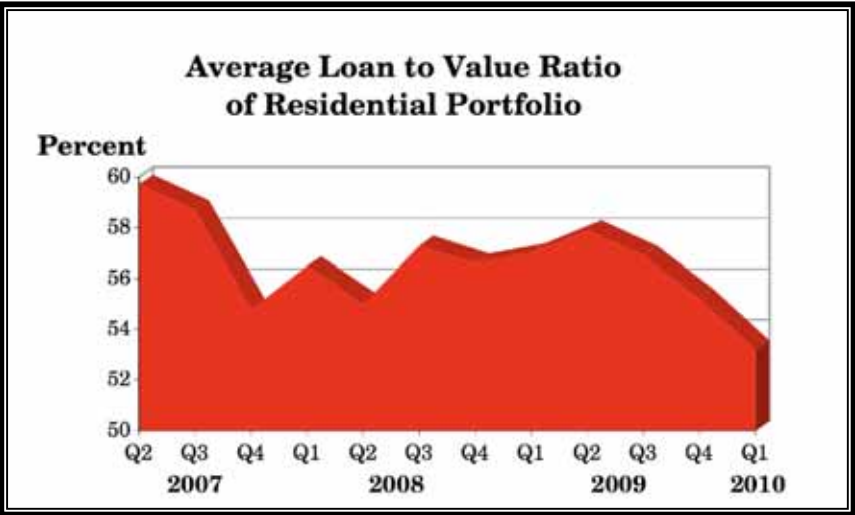
Loan to Value Ratio	Percent of Respondents (%)		
	Sep 09	Dec 09	Mar 10
Up to 10%	7.9	11.4	13.1
11% to 25%	8.2	5.5	9.2
26% to 50%	17.2	20.1	15.0
51% to 75%	37.2	33.9	36.4
76% to 90%	25.4	24.9	22.9
Over 90%	4.2	4.2	3.4
Average (%)	56.9	55.2	53.2
Base: All answering	(331)	(289)	(327)



Compared with the last survey three months ago, the average loan to value ratio of respondents' portfolios is down again, this time from 55.2% to 53.2%.

As can be seen from the chart below, the average loan to value ratio of respondents' property portfolios did tend to fluctuate between 55% and 60% during 2007 and 2008.

However, the trend since the middle of 2009 has been for the average loan to value ratio to decline quite consistently and it has now fallen from 58% in the summer of last year to 53% now.



3.19 Do you expect/anticipate that you will acquire further (Buy to Let) investment properties during the next 12 months? (Q.20)

Three out of ten respondents (30%) said that they did expect to acquire further Buy to Let investment properties during the next 12 months but a higher proportion (51%) said that they did not.

In addition, two out of ten landlords (20%) were unsure whether or not they would acquire further properties in the next year.

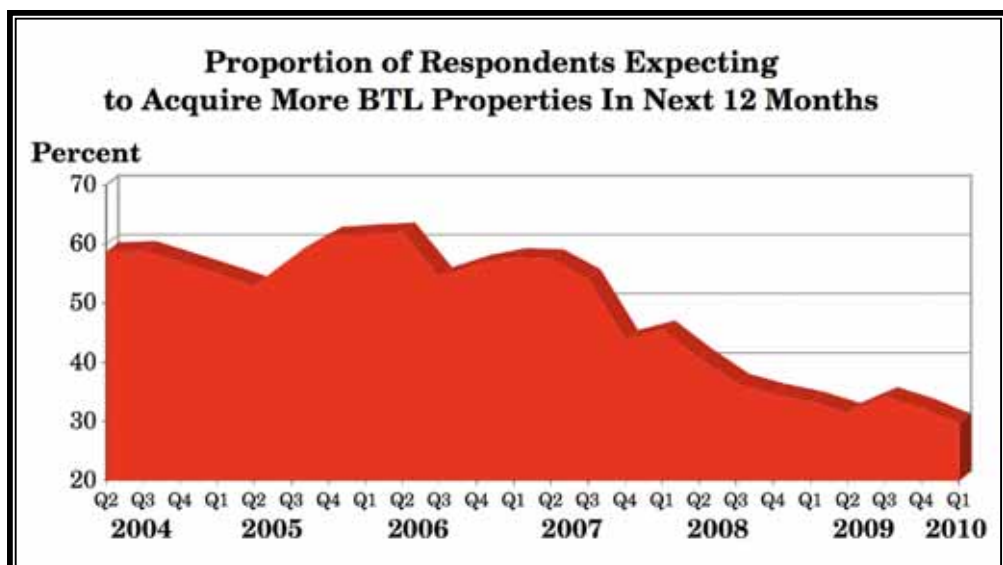
Response	Percent of Respondents (%)		
	Sep 09	Dec 09	Mar 10
Yes	34.2	32.3	29.7
No	49.0	48.0	50.5
Don't know	16.8	19.7	19.8
Base: All answering	(345)	(294)	(333)

Compared with three months ago, the proportion saying they expect to acquire further buy to let property in the next 12 months has fallen from 32% to 30% whilst the proportion saying they will not has risen from 48% to 51%.

As the chart below shows, having declined for a year between June 2004 and June 2005, the proportion of respondents expecting to acquire further BTL properties in the next 12 months rose for the next four quarters. The substantial downturn seen three and a half years ago returned the figure to its former level before it began slowly to increase again.

However, for most of the last three years the proportion has been falling and nine months ago reached it's lowest level since these surveys began six years ago.

The small upturn six months ago hinted at a change in the downward trend in the proportion of respondents expecting to acquire more buy to let property in the year ahead but that has been negated by two subsequent falls including the one seen this time which has taken the figure to another all time low.



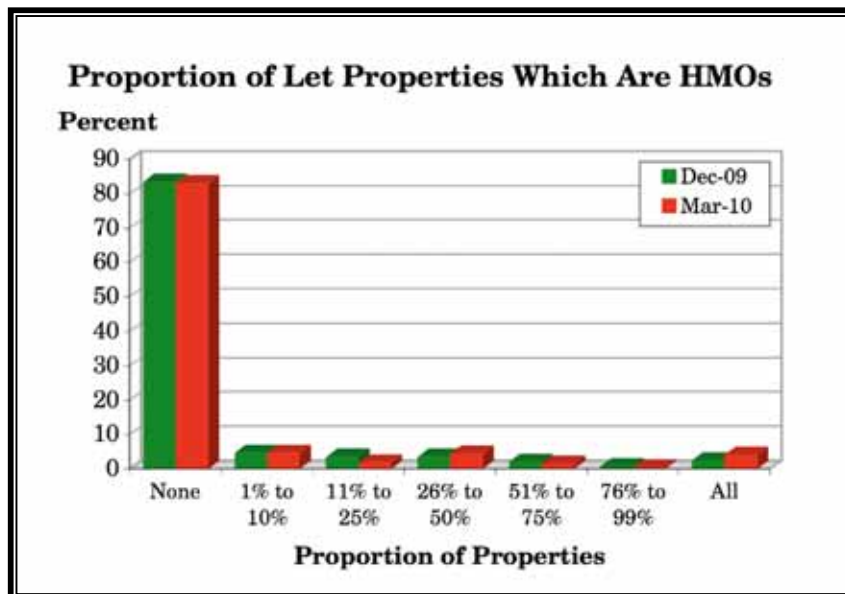
3.20 What proportion of properties you let are Houses in Multiple Occupation (HMOs), i.e. houses occupied by 3 or more unrelated tenants? (Q.21)

Only a minority of respondents (17%) had any let properties which were Houses in Multiple Occupation (HMOs) although there were fourteen (4%) who said that all of their let properties were HMOs.

Simple analysis of these figures reveals that, for respondents to this survey, the average proportion of their properties which are HMOs is 7.6%. However, amongst those who have any such properties at all, the average proportion is much higher at 45%.

Proportion of Properties	Percent of Respondents (%)		
	Sep 09	Dec 09	Mar 10
None	87.3	83.4	83.1
1% to 10%	2.9	4.7	4.7
11% to 25%	2.6	3.4	1.8
26% to 50%	2.6	3.4	4.4
51% to 75%	1.2	2.0	1.5
76% to 99%	0.9	0.7	0.3
All	2.6	2.4	4.1
Average (%)	5.7	6.4	7.6
Base: All answering	(346)	(295)	(338)

Compared with the last survey, the overall average proportion of HMOs is up from 6.4% to 7.6% and the proportion for those with any at all is up from 39% to 45%.



The chart below shows how the average proportion of properties which are HMOs has changed over the last two years and whilst the figure has fluctuated quite a lot, it appears, overall, to have increased a little over the last two years.

