

Prepared for

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

**ARLA Survey  
of  
Residential Investment Landlords**

**September 2010**

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## 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 third quarter of 2010, ARLA conducted the second survey of the year. This survey ran during the month of September 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 19 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 251 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

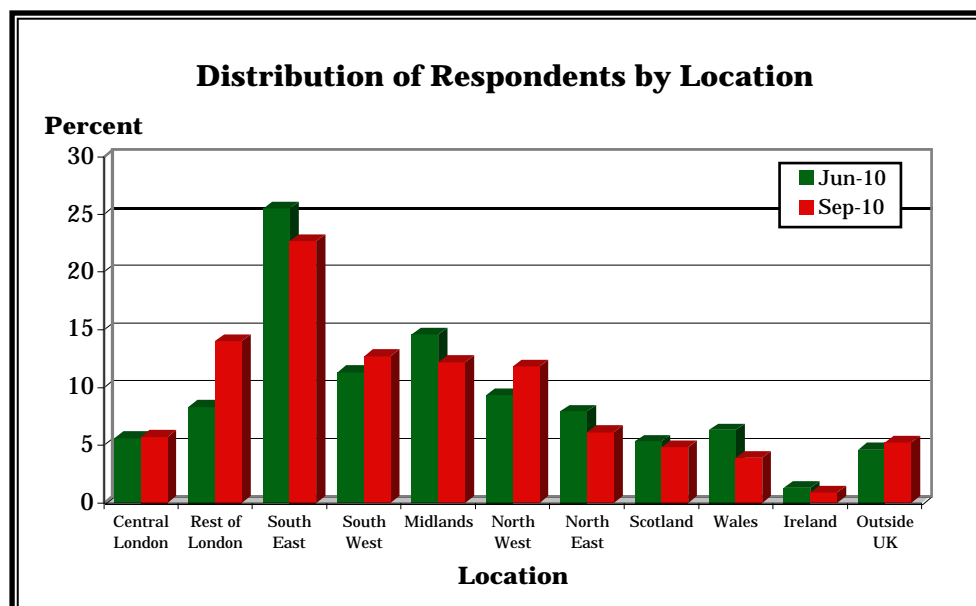
The following sections detail the results of the ARLA survey of residential landlords conducted during the third quarter of 2010.

#### 3.1 Where do you live? (Q.1)

More than four out of ten respondents to the survey (42%) were from the South East of England (including London) with two out of ten (20%) being from London itself. The South West (13%) was the region producing the next highest proportion of respondents followed by the Midlands (12%) and the North West (12%).

One in twenty respondents (5%) were living outside the UK when they completed the questionnaire.

Location	Percent of Respondents (%)		
	Mar 10	Jun 10	Sep 10
Central London	3.7	5.6	5.7
Rest of London ( <i>within M25</i> )	11.6	8.3	14.0
South East ( <i>outside M25</i> )	25.8	25.5	22.7
South West	9.6	11.3	12.7
Midlands	13.3	14.6	12.2
North West	12.2	9.3	11.8
North East	7.6	7.9	6.1
Scotland	5.9	5.3	4.8
Wales	4.2	6.3	3.9
Northern Ireland	2.0	1.3	0.9
Outside UK	4.0	4.6	5.2
Base: All answering	(353)	(302)	(229)



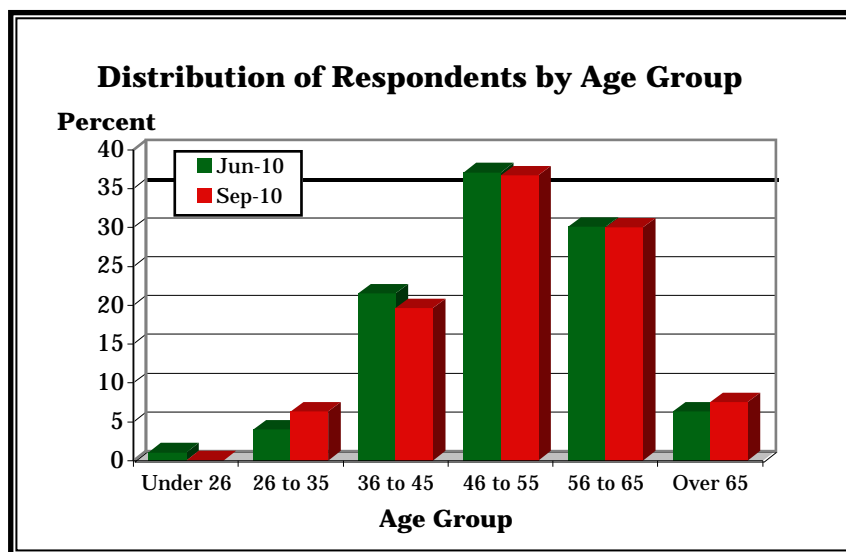
Compared with the second quarter of 2010, the main differences in the composition of the sample by geographic region are that there were noticeably fewer respondents from the South East, the Midlands, the North East and Wales and noticeably more from the Rest of London, the South West and the North West.

### 3.2 How old are you? (Q.2)

Getting on for four out of ten respondents (37%) were aged between 46 and 55 with another three out of ten (30%) being aged between 56 and 65. A further two out of ten (20%) were aged between 36 and 45.

Only a little more than one in twenty respondents (6%) were aged 35 or under with a few more than this (8%) being over 65 on this occasion.

Age Group	Percent of Respondents (%)		
	Mar 10	Jun 10	Sep 10
Under 26	1.4	1.0	-
26 to 35	6.6	4.0	6.3
36 to 45	23.5	21.5	19.6
46 to 55	33.8	37.1	36.7
56 to 65	29.4	30.1	30.0
Over 65	5.3	6.3	7.5
<b>Average (years)</b>	<b>49.9</b>	<b>51.0</b>	<b>51.3</b>
Base: All answering	(361)	(302)	(240)



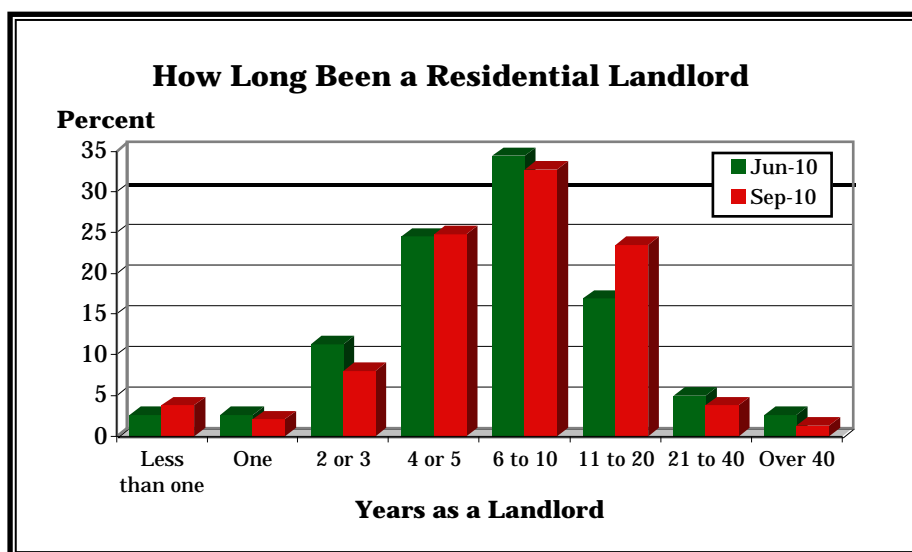
Analysis of the results from this question reveals that the average age of respondents to the survey was 51.3 years, a figure which is up slightly from 51.0 years three months ago.

### 3.3 How long have you owned residential property to let? (Q.3)

A little more than one in twenty respondents (6%) had been residential landlords for one year or less whilst almost three out of ten (29%) had been residential landlords for more than 10 years.

However, the majority, amounting to almost two thirds (66%) had been residential landlords for between 2 and 10 years.

<b>Years as a Landlord</b>	<b>Percent of Respondents (%)</b>		
	<b>Mar 10</b>	<b>Jun 10</b>	<b>Sep 10</b>
Less than one	3.9	2.6	3.8
One	2.0	2.6	2.1
2 or 3	14.9	11.3	8.0
4 or 5	20.3	24.5	24.8
6 to 10	31.5	34.4	32.8
11 to 20	20.3	16.9	23.5
21 to 40	5.1	5.0	3.8
Over 40	2.0	2.6	1.3
<b>Average (years)</b>	<b>9.4</b>	<b>9.5</b>	<b>9.3</b>
Base: All answering	(355)	(302)	(238)



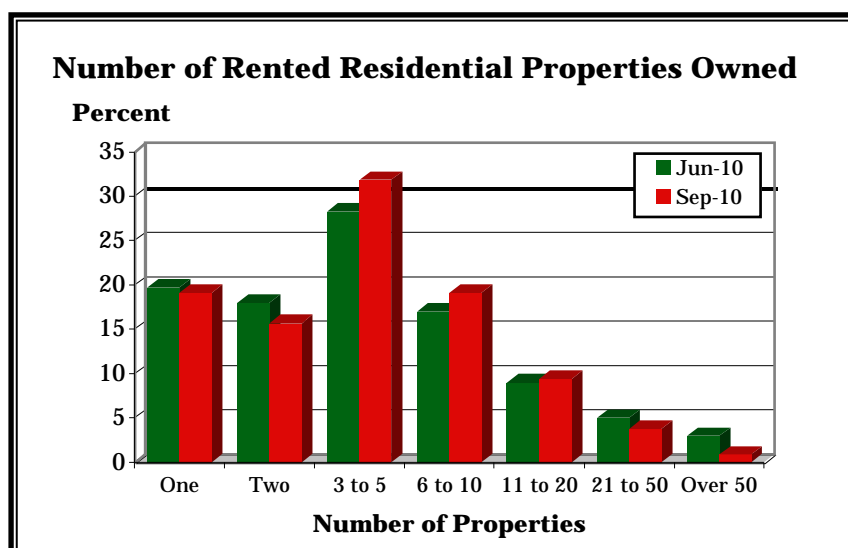
Simple analysis of these figures indicates that the average time for which respondents had been residential landlords was 9.3 years, a figure which is down a little from 9.5 years three months ago, partially reversing the change seen then.



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

More than a third of respondents (35%) had only one or two properties in their portfolios with less than half as many (14%) having more than ten properties in theirs.

Number of Properties	Percent of Respondents (%)		
	Mar 10	Jun 10	Sep 10
One	24.2	19.7	19.1
Two	14.6	18.0	15.7
3 to 5	30.6	28.3	31.9
6 to 10	16.0	17.0	19.1
11 to 20	8.4	9.0	9.4
21 to 50	4.8	5.0	3.8
Over 50	1.4	3.0	0.9
<b>Average (no. of properties)</b>	<b>7.1</b>	<b>8.5</b>	<b>6.8</b>
Base: All answering	(356)	(300)	(235)



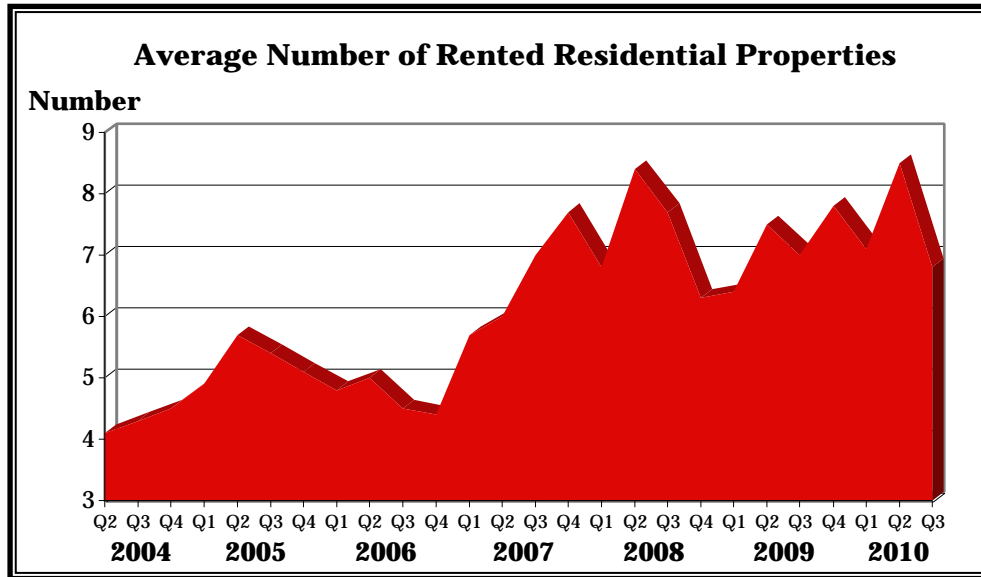
Analysis of these results shows that the average size of respondents' portfolios was 6.8 properties, down quite sharply from an average of 8.5 properties three months ago. This increase more than reverses the change seen then and takes the figure to its lowest level since March 2009, eighteen months ago.

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 its lowest level since the third 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.

During the first half of 2010, the trend remained upwards despite quite large fluctuations but this latest fall may herald a change to the upward trend seen over the last eighteen months.



**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)**

Almost eight out of ten respondents to this survey (79%) 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 more than a further one in ten (11%) being unsure whether they would be selling any properties in the next 12 months or not.

<b>Response</b>	<b>Percent of Respondents (%)</b>		
	<b>Mar 10</b>	<b>Jun 10</b>	<b>Sep 10</b>
Yes	11.3	13.4	11.0
No	77.5	76.3	78.5
Not sure	11.3	10.4	10.5
Base: All answering	(355)	(299)	(237)

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 fallen from 13% to 11% whilst the proportion saying they do not has risen to compensate for this fall. These changes largely just reverse the changes seen three months ago.

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.

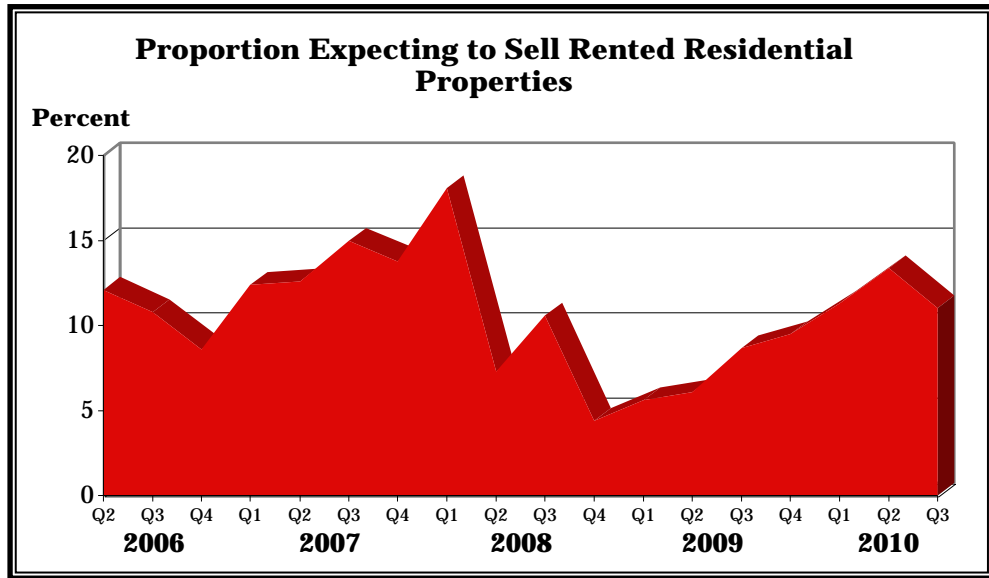
For this survey, the number of options was again adjusted and included those shown in the table below.

<b>Why Intend to Sell Properties</b>	<b>Percent of Respondents (%) Sep 10</b>
Retiring	3.8
My personal circumstances have changed	38.5
Other reasons	57.7
Base: All expecting to sell some or all properties	(26)

The fifteen respondents who said there were other reasons gave a wide range of reasons but four said they were doing so to raise capital and three said they were doing so in order to invest in other things.

As can be seen from the chart below, the proportion of respondents saying they expected to sell residential properties in the next 12 months rose during 2007 and the early part of 2008 before plummeting to a quarter of its former level by the end of 2008.

In 2009 and the first half of 2010, the proportion expecting to sell properties increased steadily but the results from this survey have brought an end to that upward trend with the first fall in the figure for nearly two years.



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

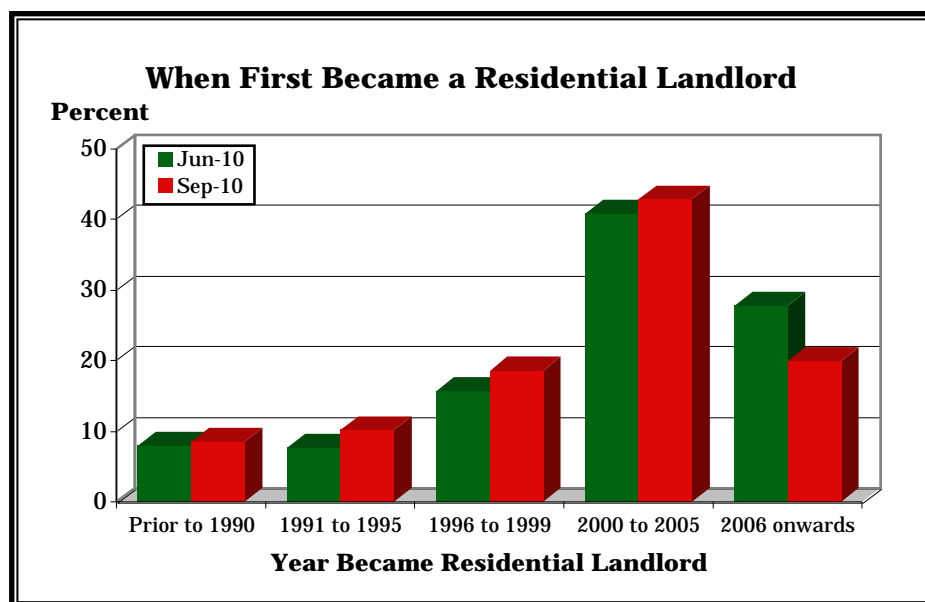
More than six out of ten respondents to this survey (63%) had become residential landlords since the beginning of 2000 with two out of ten (20%) having done so since the beginning of 2005.

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 (%)	
	Jun 10	Sep 10
Prior to 1990	8.0	8.5
1991 to 1996	7.7	10.2
1997 to 1999	15.7	18.6
2000 to 2005	40.8	42.8
2006 onwards	27.8	19.9
Base: All answering	(299)	(236)

Compared with three months ago, the proportion of respondents who said they had become landlords prior to 2000 was up from 31% to 37% and the proportion who said they had become landlords from 2000 onwards was down from 69% to 63%.

The current average length of time since respondents first became landlords, at 9.9 years ago, is up from an average of 9.1 years three months ago.

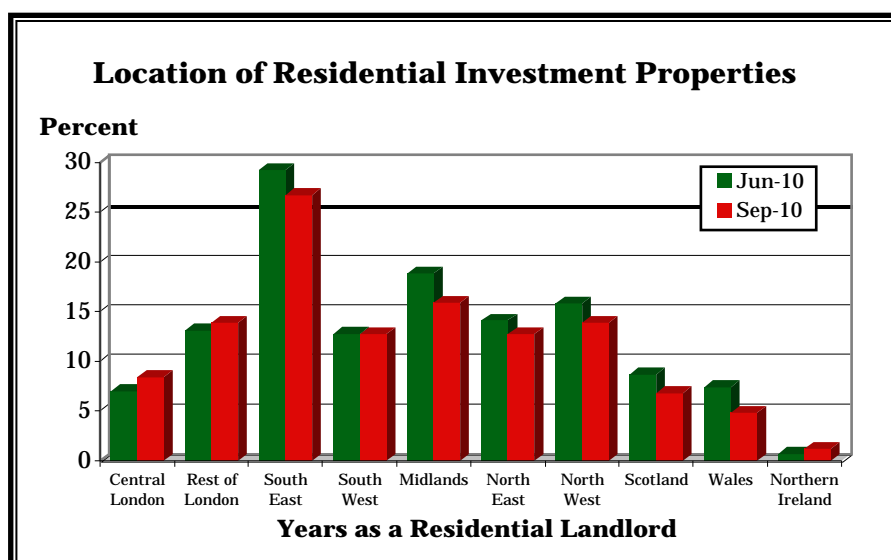


3.7 **Where are your residential investment properties located? (Q.8)**

Almost half of respondents (49%) said that they had properties in the South East (including London) with more than two out of ten (22%) saying they had properties in London itself.

Location	Percent of Respondents (%)		
	Mar 10	Jun 10	Sep 10
Central London	6.8	7.0	8.4
Rest of London ( <i>inside M25</i> )	15.7	13.1	13.9
South East ( <i>outside M25</i> )	28.5	29.2	26.7
South West	12.0	12.8	12.7
Midlands	18.5	18.8	15.9
North East	13.7	14.1	12.7
North West	15.1	15.8	13.9
Scotland	8.3	8.7	6.8
Wales	5.7	7.4	4.8
Northern Ireland	1.7	0.7	1.2
Base: All answering	(351)	(298)	(234)

Compared with three months ago, the main differences are that there were more respondents with properties in Central London, the Rest of London and Northern Ireland and fewer with properties in every other region apart from the South West which was virtually unchanged.



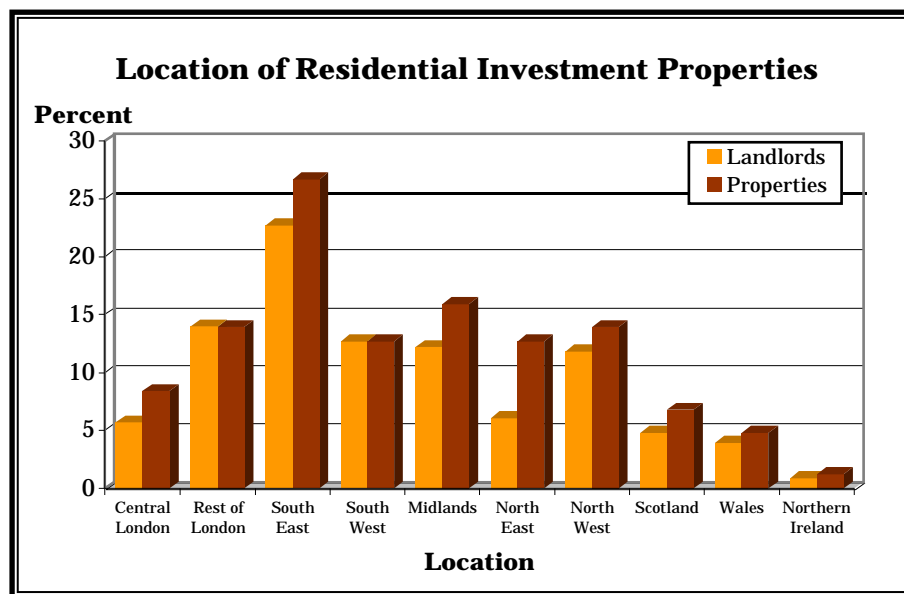
Comparing the distribution of properties with the distribution of respondents shows that, with the exception of the Rest of London and the South West a higher proportion of landlords said they had properties in every region. This suggests that landlords tend to own properties in more than one region.

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 the North East, Central London and Scotland with the Midlands and Northern Ireland quite close behind these three.

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

Central London	5.7	8.4
Rest of London ( <i>inside M25</i> )	14.0	13.9
South East ( <i>outside M25</i> )	22.7	26.7
South West	12.7	12.7
Midlands	12.2	15.9
North East	6.1	12.7
North West	11.8	13.9
Scotland	4.8	6.8
Wales	3.9	4.8
Northern Ireland	0.9	1.2

Base: All answering                      (229)                      (234)



### 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 three out of ten respondents (31%) saying that more than three quarters of the properties they had bought were of this type.

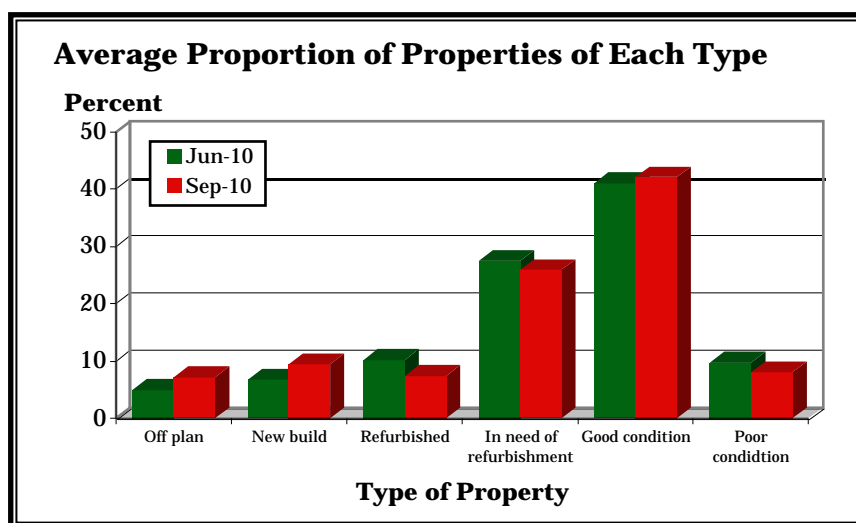
Proportion of Properties	Percent of Respondents - Sep 10 (%)					
	Off plan	New build	Refurb-ished	In need of refurb.	Good cond.	Poor cond.
None	82.0	79.2	82.9	51.5	29.8	79.2
Up to 25%	6.5	7.4	7.9	11.1	11.6	8.8
26% to 50%	6.5	5.5	2.3	13.9	16.2	6.5
51% to 75%	2.3	2.3	2.3	6.0	11.6	1.4
Over 75%	2.8	5.5	4.6	17.6	31.0	4.2

Base: All answering (216)

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 (42%) 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 refurbished although there was little difference between these and those which were in poor condition or new builds.

Type of Property	Average Percent of Properties (%)			
	Dec 09	Mar 10	Jun 10	Sep 10
Off plan/never occupied	6.9	5.9	4.9	7.2
New build	8.7	7.6	6.7	9.4
Refurbished	10.3	9.4	10.2	7.4
In need of refurbishment	24.6	25.5	27.5	25.9
Good condition	42.2	43.1	41.0	42.1
Poor condition	7.3	8.5	9.7	8.1
Base: All answering	(272)	(330)	(276)	(216)



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



**new builds and those in good condition were a little more popular and those which were refurbished, in need of refurbishment or in poor condition were a little less popular.**

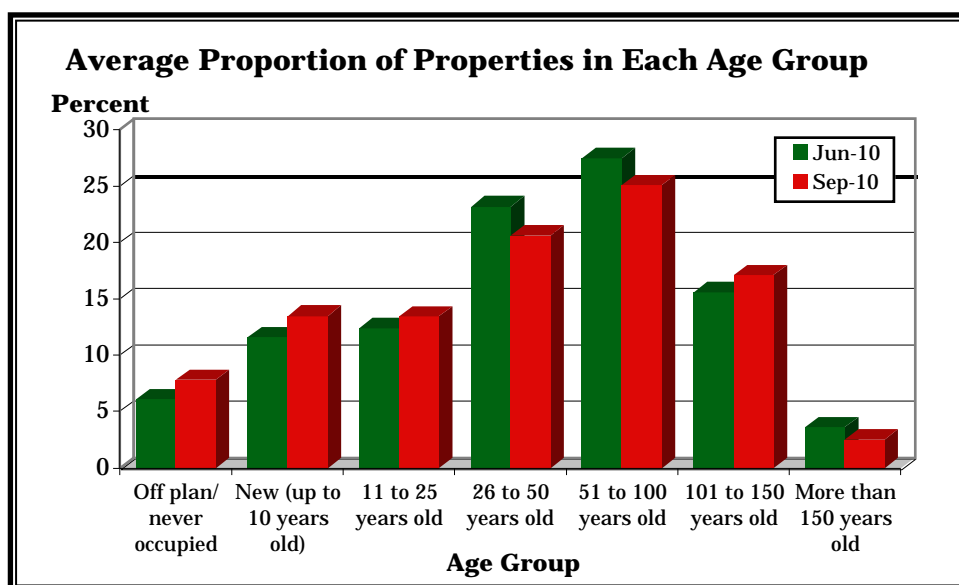
### 3.9 What proportion of the residential properties you have bought fall into each age band? (Q.10)

Respondents have tended to favour properties which are between 51 and 100 years old with nearly two out of ten (18%) 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 2% saying that more than three quarters of their purchases have been in that age band.

Proportion of Properties	Percent of Respondents - Sep 10 (%)						
	Off plan	New (up to 10)	11 to 25	26 to 50	51 to 100	101 to 150	Over 150
None	79.9	69.1	70.7	56.8	52.7	70.2	95.9
Up to 25%	8.2	10.8	10.8	15.9	13.4	5.1	0.5
26% to 50%	6.2	9.3	5.7	7.7	9.3	8.7	1.5
51% to 75%	2.1	3.6	5.7	6.2	7.2	3.6	-
Over 75%	3.6	7.2	7.2	13.4	17.5	12.3	2.1

Base: All answering (194)

Analysis of these responses reveals that the most popular properties with landlords have been those which are between 51 and 100 years old (25%) followed by those between 26 and 50 years old (21%) with properties in the other age bands (apart from those at each extreme of the scale) being roughly equally popular (between 13% and 17%).



Age of Property	Average Percent of Properties (%)			
	Dec 09	Mar 10	Jun 10	Sep 10
Off plan/never occupied	8.0	7.2	6.1	7.8
New (up to 10 years old)	12.7	12.9	11.6	13.5
11 to 25 years old	14.7	15.0	12.4	13.4
26 to 50 years old	18.0	19.6	23.2	20.6
51 to 100 years old	27.4	29.5	27.5	25.1
101 to 150 years old	16.6	13.6	15.6	17.1
More than 150 years old	2.6	2.1	3.6	2.5
Base: All answering	(249)	(282)	(249)	(194)

Compared with the survey in the second quarter of 2010, older properties tended to be a little less popular and newer ones a little more popular.

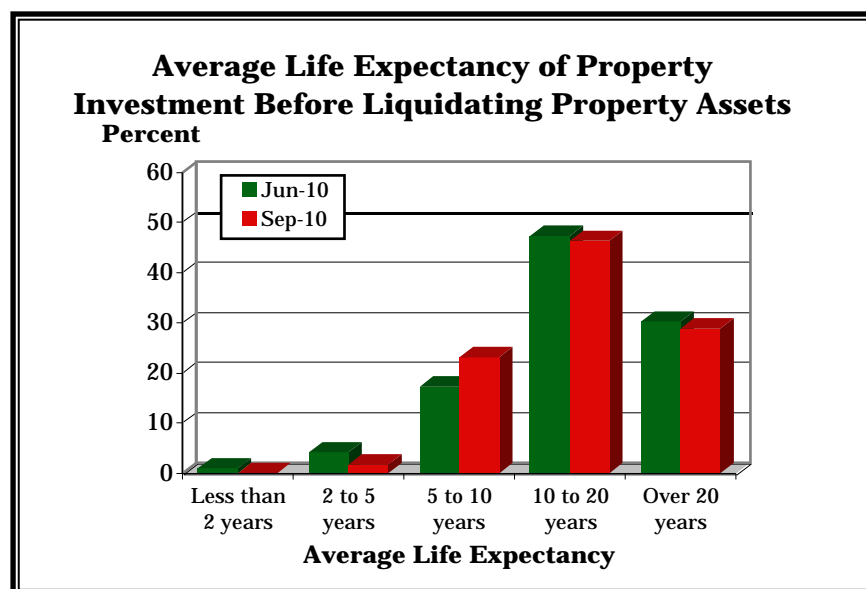
**3.10 From original acquisition time, what do you expect to be the average life expectancy of your property investment before you liquidate your property assets? (Q.11)**

Clearly the vast majority of residential landlords are in the business for the long term with three quarters (75%) saying that the average life expectancy of their property investments is more than 10 years.

In fact, only one in fifty respondents (2%) said they saw their investment as being for 5 years or less and none saw it as being very short term (i.e. for less than 2 years).

<b>Average Life Expectancy</b>	<b>Percent of Respondents (%)</b>		
	<b>Mar 10</b>	<b>Jun 10</b>	<b>Sep 10</b>
Less than 2 years	0.9	1.0	-
2 to 5 years	2.9	4.1	1.7
5 to 10 years	22.8	17.3	23.1
10 to 20 years	46.8	47.3	46.3
Over 20 years	26.6	30.3	28.8
<b>Average (years)</b>	<b>17.1</b>	<b>18.0</b>	<b>17.6</b>
Base: All answering	(342)	(294)	(229)

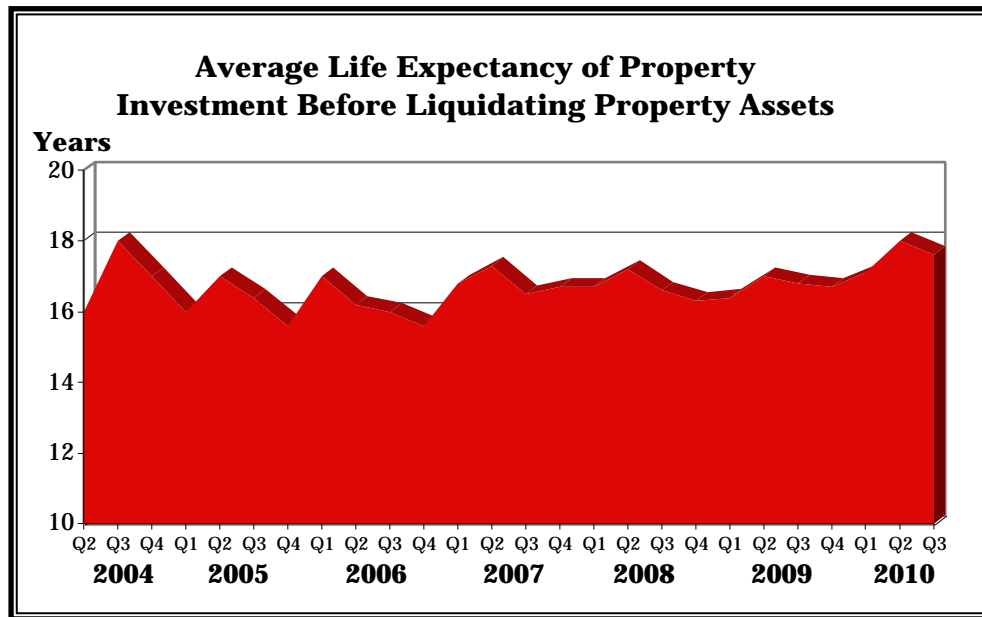
Simple analysis of these results reveals that the average life expectancy of their property investments for all respondents is 17.6 years, a figure which is down slightly from 18.0 years three months ago.



As can be seen from the chart below, the average life expectancy of respondents' property investments declined slowly until the beginning of 2007 despite an increase after every decline of two or three quarters.

After that, it increased for two quarters before levelling off at between 16% and 17% where it remained until this year.

The results from the first half of this year indicated that an upward trend might be beginning to establish itself but the results from this quarter have now brought that into question.



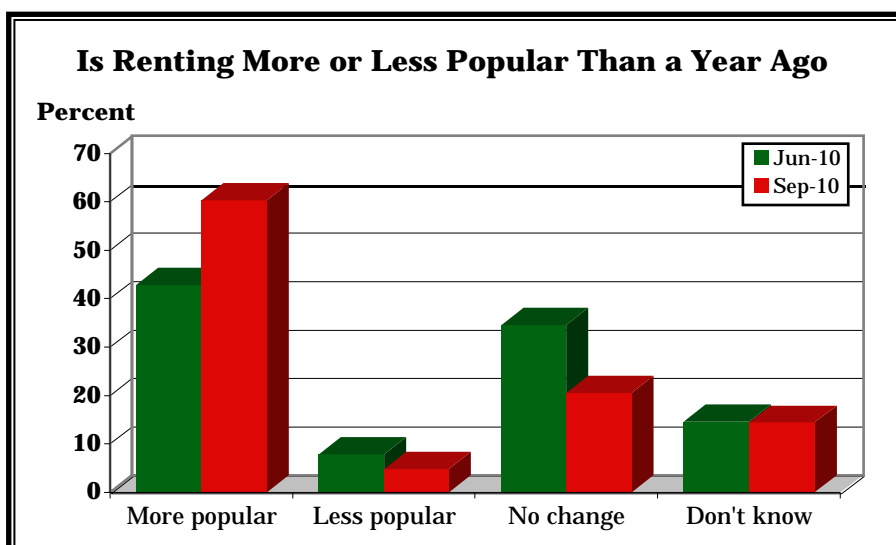
### 3.11 Do you feel renting is more popular than a year ago? (Q.12)

Six out of ten respondents to this question (60%) said they felt renting was more popular now than a year ago whilst more than two out of ten (21%) said there had been no change with only one in twenty (5%) saying they felt it was now less popular.

Change	Percent of Respondents (%)		
	Mar 10	Jun 10	Sep 10
More popular	38.1	42.9	60.3
Less popular	5.0	7.8	4.8
No change	36.7	34.7	20.5
Don't know	20.2	14.6	14.4
Base: All answering	(341)	(294)	(229)

Compared with three months ago, the proportion saying renting is now more popular than a year ago is up again, this time quite sharply from 43% to 60% with the proportion saying there had been no change decreasing from 35% to 21% and the proportion taking the opposite view decreasing from a 8% to 5%.

The proportion saying they don't know whether renting is more popular or not is virtually unchanged at 14%.

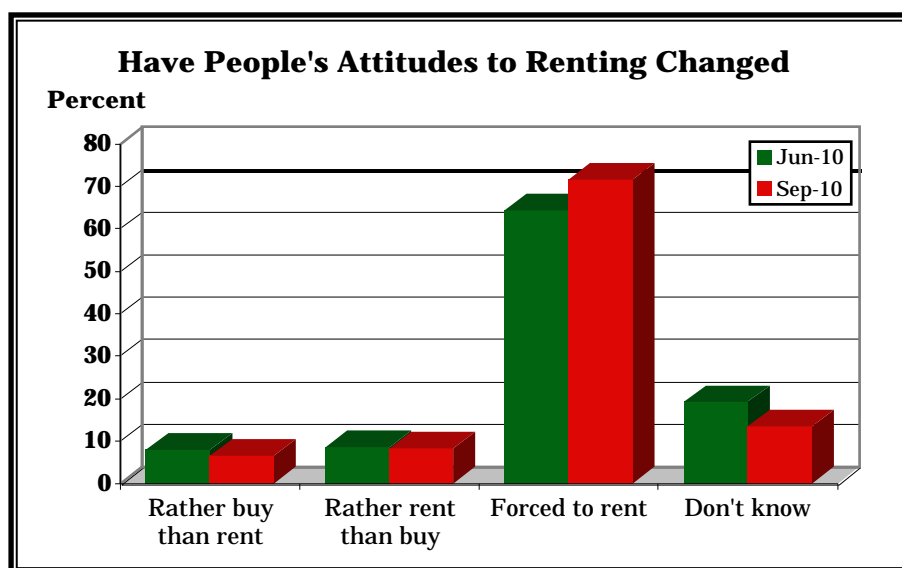


**3.12 Do you feel people's attitudes to renting have changed? (Q.13)**

More than seven out of ten respondents to this question (72%) 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 (7%) or that consumers would rather rent a house than buy one (8%) with almost one in seven (14%) being unsure.

Attitude	Percent of Respondents (%)			
	Dec 09	Mar 10	Jun 10	Sep 10
Rather buy than rent	11.4	5.9	7.9	6.6
Rather rent than buy	10.1	7.9	8.6	8.3
Forced to rent	54.2	59.2	64.4	71.6
Don't know	24.2	26.7	19.2	13.5
Base: All answering	(297)	(340)	(292)	(229)

Compared with the last survey in the second quarter of 2010, the proportion saying consumers are being forced to rent has risen again, this time from 64% to 72% and the proportion saying they don't know has fallen from 19% to 14% with the result that there were only relatively small changes in the proportions who said they thought consumers would rather buy than rent or vice-versa.

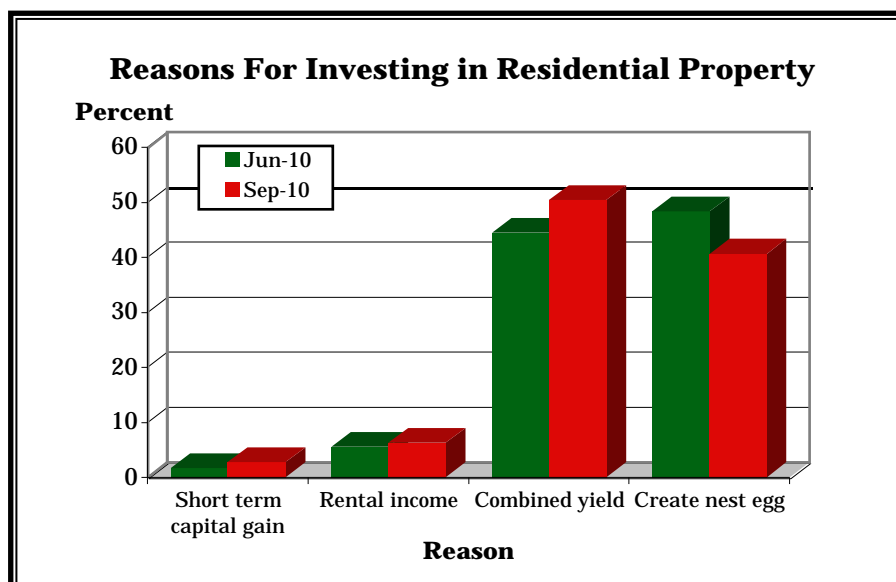


**3.13 Why did you first decide to invest in residential property? (Q.14)**

Most respondents either said they had become residential landlords in order to create a nest egg for their long term future (41%) or that they had done so in order to achieve a combined yield from rental income and capital appreciation (50%).

Only a little more than one in forty respondents (2.7%) said they became landlords in order to make a short term capital gain over a period of less than 5 years but more than twice as many (6.2%) said they had done so in order to obtain a stream of rental income.

Reason	Percent of Respondents (%)	
	Jun 10	Sep 10
Short term capital gain (less than 5 years)	1.7	2.7
Rental income	5.5	6.2
Combined yield from rent & capital apprec.	44.5	50.4
Create nest egg for long term future	48.3	40.7
Base: All answering	(292)	(226)



Compared with three months ago, there were fewer respondents who said they had first decided to invest in residential property to create a nest egg for the long term future (down from 48% to 41%) and more saying they had done so to achieve a combined yield from rental income and capital appreciation (up from 45% to 50%).

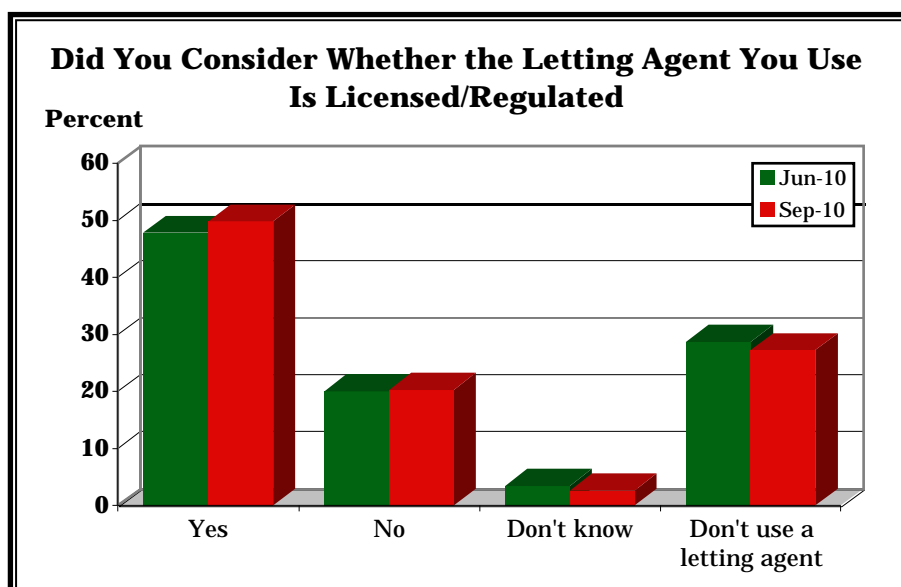
The proportions saying they had done so in order to obtain rental income and those saying they had done so to achieve a short term capital gain both rose slightly but remain at a low level.

Over the past six years since this question was first asked, the proportions of respondents saying that they had first decided to invest in residential property in order to create a nest egg for the long term future and those saying they had done so to achieve a combined yield from rental income and capital appreciation have remained between 40% and 50% with any changes taking place each quarter simply mirroring each other.

3.14 **When you decided which lettings agency to use, did you consider whether the agent is licensed/regulated? (Q15)**

Half of respondents to this question (50%) said they did consider whether an agent is licensed or regulated when they were deciding which lettings agency to use but two out of ten (20%) said they did not, leaving more than three out of ten who either did not know whether they did or not or did not use a lettings agent.

Response	Percent of Respondents (%)	
	Jun 10	Sep 10
Yes	47.8	49.8
No	20.1	20.3
Don't know	3.5	2.6
Don't use a letting agent	28.7	27.3
Base: All answering	(289)	(227)



Compared with three months ago, the proportion saying they do consider whether a prospective lettings agent is licensed or regulated is up a little from 48% to 50%.

When figures are calculated just for those who do use a lettings agent, almost seven out of ten (69%) say they do consider whether the agent is licensed or regulated when deciding which one to use.

Response	Percent of Respondents (%)	
	Jun 10	Sep 10
Yes	66.9	68.5
No	28.2	27.9
Don't know	4.9	3.6
Base: All using agent & answering	(206)	(165)

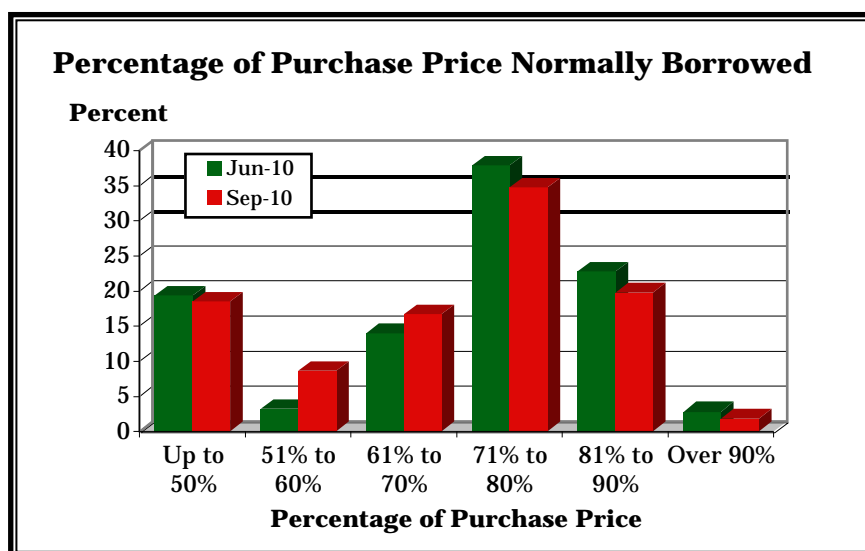


**3.15 What percentage of the purchase price of a buy to let property do you normally borrow from a lender? (Q.16)**

More than seven out of ten respondents (71%) said that they normally borrow between 61% and 90% of the purchase price of a buy to let property. Nevertheless, a sizeable minority of nearly two out of ten respondents (19%) 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 65.1%.

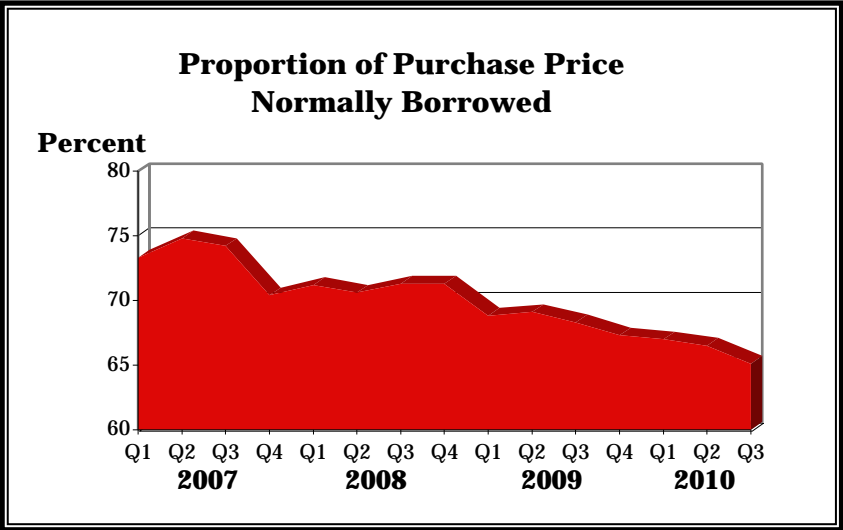
Percent of Purchase Price	Percent of Respondents (%)		
	Mar 10	Jun 10	Sep 10
Up to 50%	17.1	19.3	18.5
51% to 60%	7.0	3.2	8.6
61% to 70%	11.9	14.0	16.7
71% to 80%	39.3	37.9	34.7
81% to 90%	22.3	22.8	19.8
Over 90%	2.4	2.8	1.8
<b>Average (%)</b>	<b>67.0</b>	<b>66.5</b>	<b>65.1</b>
Base: All answering	(328)	(285)	(222)



Compared with three months ago, the average proportion of the purchase price of a buy to let property which respondents normally borrow has fallen from 66.5% to 65.1%.

As can be seen from the chart below, over the last four 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 three months later, since then the average proportion being borrowed has been declining steadily to reach another all time low with the results from this survey.

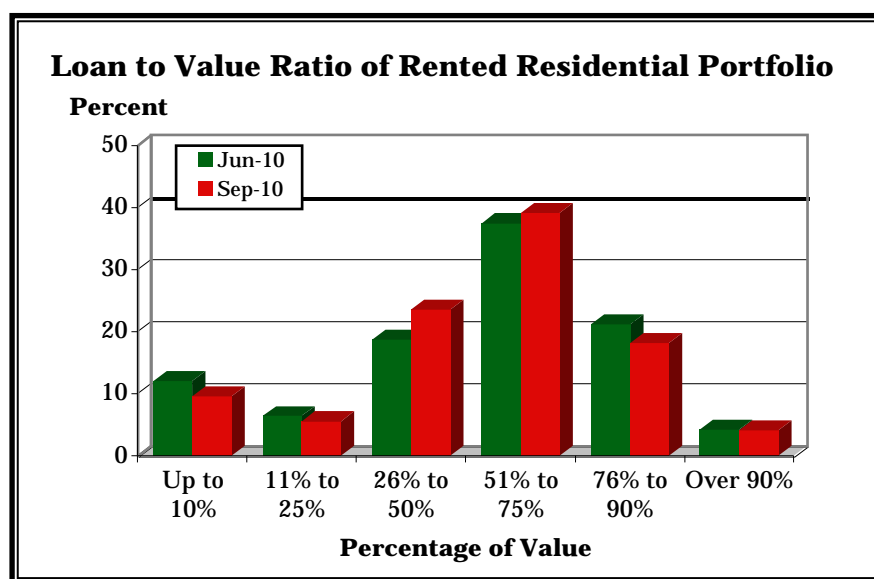


**3.16 What is the approximate overall loan to value ratio of your rented residential portfolio? (Q.17)**

The largest proportion of respondents, amounting to almost four out of ten (39%) said that the approximate overall loan to value ratio of their rented residential portfolio was between 51% and 75% with almost a further quarter (24%) saying it was between 26% and 50%.

Analysis of these figures reveals that the average loan to value ratio of respondents' portfolios is 54.0%.

<b>Loan to Value Ratio</b>	<b>Percent of Respondents (%)</b>		
	<b>Mar 10</b>	<b>Jun 10</b>	<b>Sep 10</b>
Up to 10%	13.1	12.0	9.5
11% to 25%	9.2	6.4	5.5
26% to 50%	15.0	18.7	23.6
51% to 75%	36.4	37.5	39.1
76% to 90%	22.9	21.2	18.2
Over 90%	3.4	4.2	4.1
<b>Average (%)</b>	<b>53.2</b>	<b>54.1</b>	<b>54.0</b>
Base: All answering	(327)	(283)	(220)

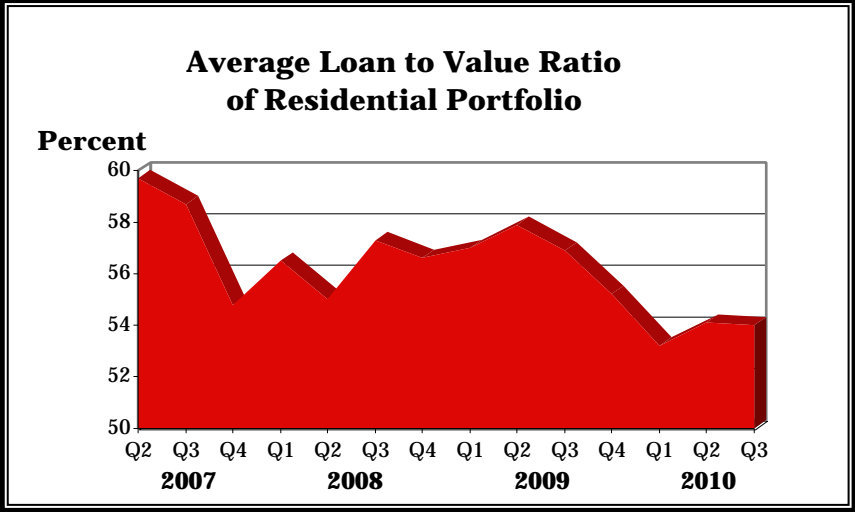


Compared with the last survey three months ago, the average loan to value ratio of respondents' portfolios is virtually unchanged having fallen marginally from 54.1% to 54.0%

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 from the middle of 2009 until the first quarter of 2010 was for the average loan to value ratio to decline quite consistently and it fell from 58% in the summer of last year to 53% six months ago.

Three months ago, this trend came to an end with the first increase for a year and the results from this survey indicate that the average figure has levelled off at around 54%.



**3.17 Do you expect/anticipate that you will acquire further (Buy to Let) investment properties during the next 12 months? (Q.18)**

More than three quarters of respondents (26%) said that they did expect to acquire further Buy to Let investment properties during the next 12 months but more (47%) said that they did not.

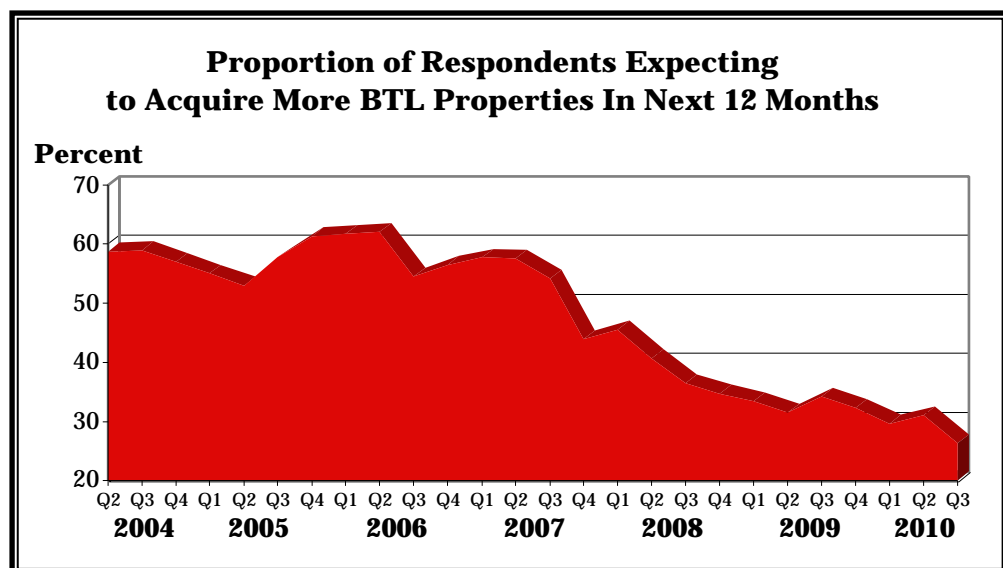
In addition, more than a quarter (27%) were unsure whether or not they would acquire further properties in the next year.

Response	Percent of Respondents (%)		
	Mar 10	Jun 10	Sep 10
Yes	29.7	31.1	26.3
No	50.5	50.5	46.9
Don't know	19.8	18.3	26.8
Base: All answering	(333)	(289)	(228)

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 31% to 26% whilst the proportion saying they will not has also fallen from 51% to 47% with the consequence that the proportion who were unsure rose from 18% to 27%.

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 four 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 with the results from this survey has again reached it's lowest level since these surveys began more than six years ago.



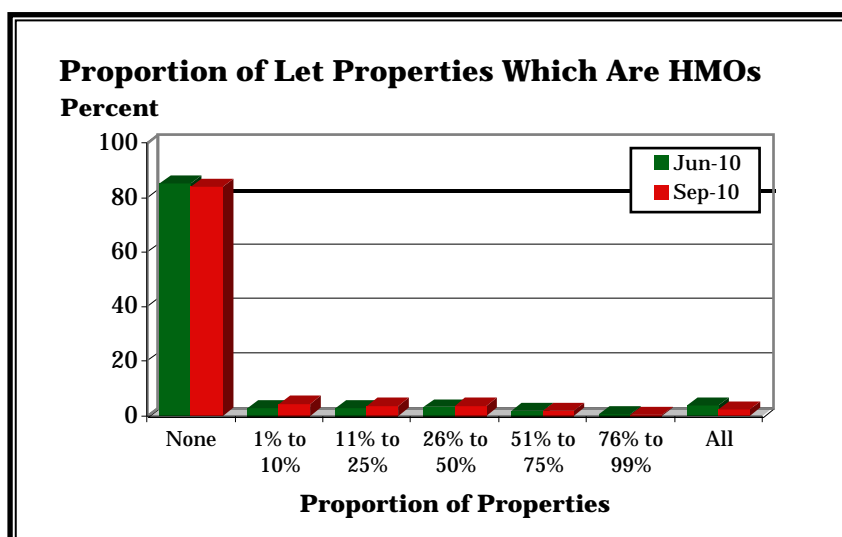
**3.18 What proportion of properties you let are Houses in Multiple Occupation (HMOs), i.e. houses occupied by 3 or more unrelated tenants? (Q.19)**

Only a minority of respondents (16%) had any let properties which were Houses in Multiple Occupation (HMOs) although there were five (2%) 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 6.0%. However, amongst those who have any such properties at all, the average proportion is much higher at 37%.

<b>Proportion of Properties</b>	<b>Percent of Respondents (%)</b>		
	<b>Mar 10</b>	<b>Jun 10</b>	<b>Sep 10</b>
None	83.1	85.2	84.0
1% to 10%	4.7	2.8	4.4
11% to 25%	1.8	2.8	3.6
26% to 50%	4.4	3.1	3.6
51% to 75%	1.5	1.7	1.8
76% to 99%	0.3	0.7	0.4
All	4.1	3.8	2.2
<b>Average (%)</b>	<b>7.6</b>	<b>7.3</b>	<b>6.0</b>
Base: All answering	(338)	(290)	(225)

Compared with the last survey, the overall average proportion of HMOs is down from 7.3% to 6.0% but the proportion for those with any at all is down quite sharply from 49% to 37%.



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

