

# Buy-to-let Mortgages - UK - April 2017

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## This report looks at the following areas:

- The rise of 'accidental' landlords is distorting demand for buy-to-let mortgages
- 45-54-year-olds could be open to buy-to-let for retirement income

The buy-to-let market is in a state of flux as lenders, intermediaries and landlords grapple with a host of regulatory changes. The introduction of an additional stamp duty in April 2016 levied on additional property purchases caused a topsy-turvy year, in which demand spiked ahead of the change and plunged in the aftermath. Brexit provided cause for even more caution, before demand recovered towards the end of the year. The market did grow in 2016, but this growth rate was down dramatically on the previous year's boom.

With tax relief changes set to begin a phased implementation from April 2017, the market still has plenty of adjusting to do before a clearer picture of its future prospects can emerge. In the meantime, remortgages provide room for growth, particularly with a burgeoning group of accidental landlords in need of support.

This Report analyses the buy-to-let mortgage market, assessing the likely impact of the main regulatory and legislative changes and considers the way the changing shape of demand is influencing product offerings. Mintel's consumer research explores product ownership, intentions when approaching the rental property ownership and attitudes towards investment.



"The buy-to-let market has been rocked by rule changes in the last two years, with little opportunity to adapt before the next change takes place. It will be some time before the market can settle.

Remortgages represent a key competitive ground, particularly for the growing number of 'accidental landlords' and those looking to maximise earnings as a retirement strategy."

– Patrick Ross, Senior

**Financial Services Analyst**  
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- The facts
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- 45-54-year-olds could be open to buy-to-let for retirement income
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## THE MARKET – WHAT YOU NEED TO KNOW

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- Almost half of landlords own at least one property outright
- Rise in accidental landlords muddies the traditional buy-to-let process
- More than half of landlords have no plans for their property in the next year
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