

Property as an Investment - UK - May 2018

Report Price: £1995.00 | \$2693.85 | €2245.17

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“The buy-to-let mortgage market is expected to see slower growth in relation to house purchase going forward, reflecting a harsher regulatory climate and less favourable market conditions.”

– **Sarah Hitchcock, Senior Finance Analyst**

This report looks at the following areas:

- **Scope to target first-time property owners**
- **Owning a second home is a popular aspiration, but many could be hampered by a less favourable regulatory and tax environment**

The buy-to-let mortgage market came to a halt in 2016, before experiencing in 2017 the first fall in sales since 2009. Tougher lending criteria, a less favourable tax environment, higher entry costs and declining rental yields have conspired to reduce demand. Yet, in spite of this, many people still view property as a desirable asset and a solid investment, particularly over the long term.

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DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

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Owning a second home is a popular aspiration, but many could be hampered by a less favourable regulatory and tax environment

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The Market – What You Need to Know

Buy-to-let accounts for 17% of all mortgages but lending fell last year...

...due to reduced demand for house-purchase loans...

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The market will continue to be sustained by strong tenant demand

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It's tangible

It's a good long-term investment

It can be passed on

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Becoming a property investor has become much more difficult

Could interest in overseas investment increase?

Significant increase in more serious buy-to-let arrears, but total number still only accounts for a tiny fraction of all mortgages

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...while spreads are predicted to narrow significantly

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More lenders target 'consumer' market

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...while some lenders withdraw support for portfolio landlords

The Consumer – What You Need to Know

5% of UK adults own a second property...

...15% of these inherited their property

39% are expecting to sell a second property in the next two years

Many buy-to-let investors are feeling the pressure

11% of non-owners want to buy a second property within two years

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