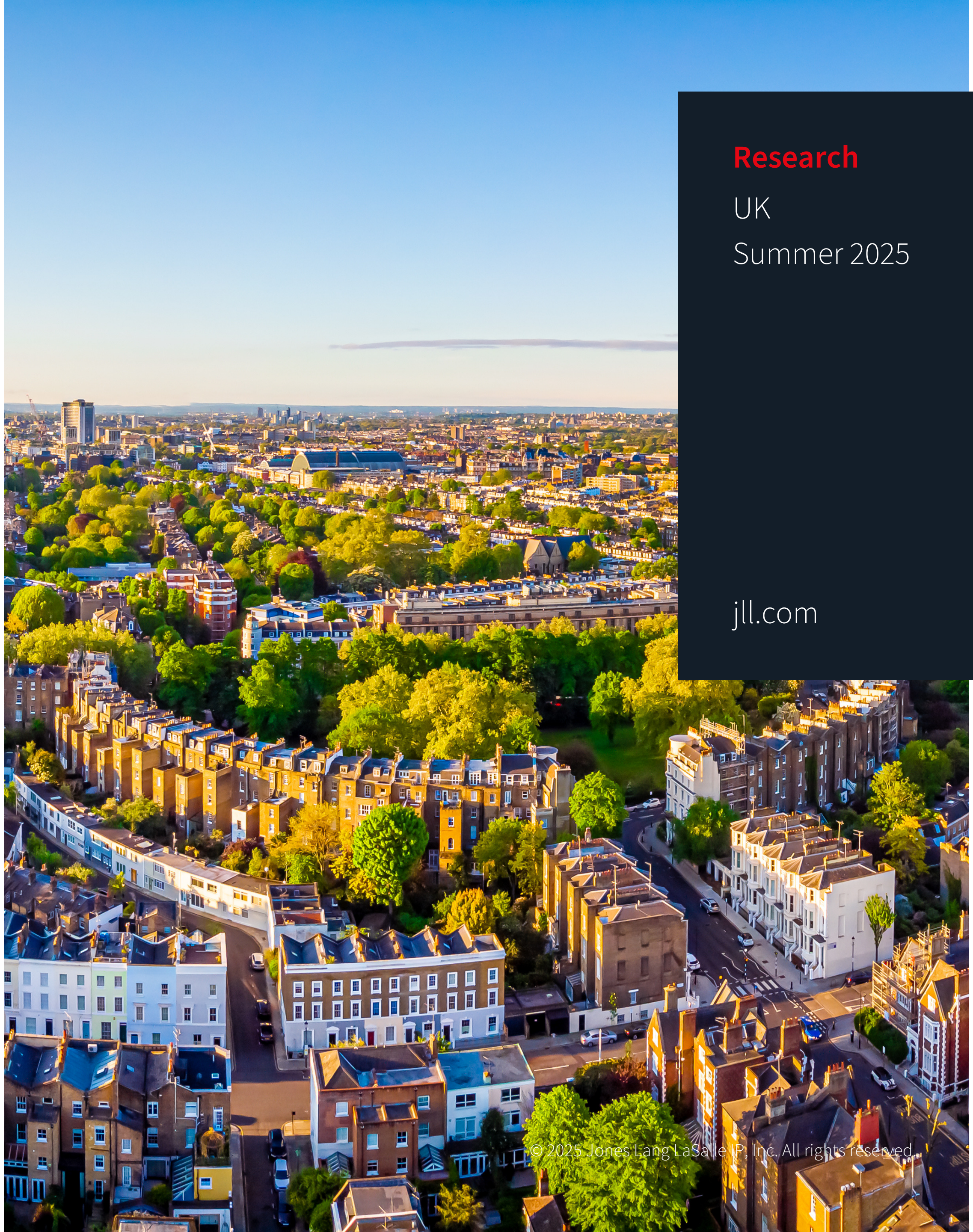
JLL Residential Landlord Survey

2025

JLL SEE A BRIGHTER WAY



Research

UK

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jll.com

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01 Introduction

The 2025 JLL Landlord Survey was conducted to better understand the challenges landlords are currently facing and how these will influence their plans over the short and medium term.

Over 250 landlords responded to the survey, providing insights into their portfolios, investment motivations and future plans. As is representative of the private rented sector across England, the responses were dominated by smaller landlords, 88% of whom own less than five properties.

The private rented sector has doubled in size in the past two decades, with 4.7 million PRS homes in England, accounting for 19% of total households. In London, this rises to over 30% of total households. But numerous changes to regulation and taxation have been applied to the private rented sector in England over the past decade, almost all of which impact private landlords. The Renter's Rights Bill is the latest, currently at report stage in the House of Lords. Both smaller landlords and institutional investors have voiced their concerns over the impact of the bill, with uncertainty around the implications for landlords putting pressure on investment volumes and the supply of rental properties at a time when supply in already stretched.

Key findings

1

Small landlords account for 88% of total responses. These landlords own one to four properties, while just 4% of respondents own 10 or more. This is representative of the wider PRS market, dominated by small landlords (83%).

2

53% of landlords do not plan on changing their portfolio size over the next year. The number who plan on increasing their portfolio rises from 4% over the next year, to 24% over the next five years demonstrating longer term confidence.

There is a near term downsizing focus, with 13% of respondents planning to reduce their portfolio over the next year.

3

Tax burdens are a large deterrent to investment. 61% of respondents said the abolition of higher stamp duty rates for additional properties would make them more likely to invest, while 57% also stated a reduction in Capital Gains Tax would lead them to consider increasing the size of their portfolio.

4

16% of respondents said they plan to sell their properties in response to the 2030 EPC C deadline. Almost half of respondents (46%) said they didn’t need to take any action, while a third have not made any plans yet.

02 Investment portfolios

Small landlords (owning one to four properties) account for 83% of landlords across England.

According to the latest English Private Landlord Survey (EPLS), 45% of landlords own just one property, representing 21% of tenancies.

These results are echoed in the JLL 2025 Landlord Survey, with more than 88% of landlords owning one to four properties. Less than 4% of respondents own ten or more properties.

A third of respondents are new to the sector, having entered in the last five years. Just 10% of landlords have been in the sector for more than 20 years.

The primary reasons for owning investment property include to support pension funds or for additional income. Just 12% of respondents cited owning investment properties as their main income source.

Figure no. 1

How many properties do you own?

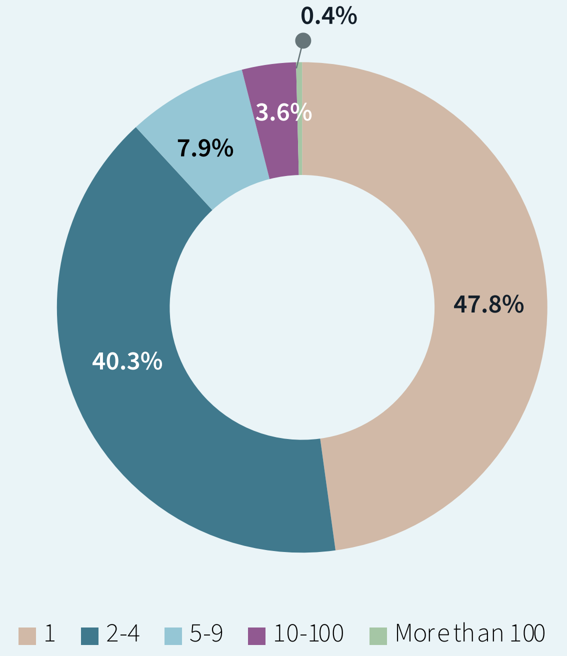


Figure no. 2

How long have you been a landlord for?

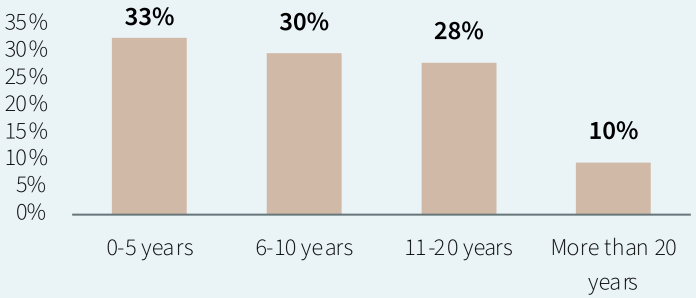
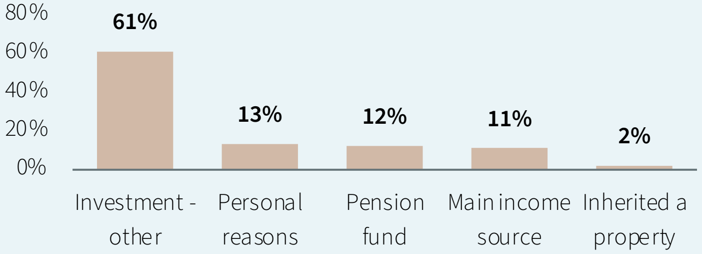


Figure no. 3

Reason for owning investment property



Source: JLL Research 2025, English Private Landlord Survey

03 Property acquisition

Almost half of landlords who answered the survey bought their property/properties using a mortgage, while an additional 13% said they owned properties using a combination of cash (owned outright) and debt.

Just 3% of landlords said they had inherited or were given property, suggesting most are still intentionally entering the sector to seek financial benefits, whether that be additional income, pension contributions or to add to an investment fund.

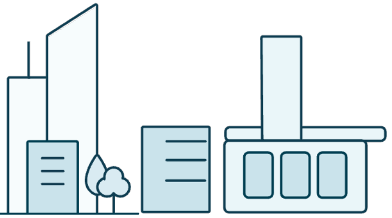
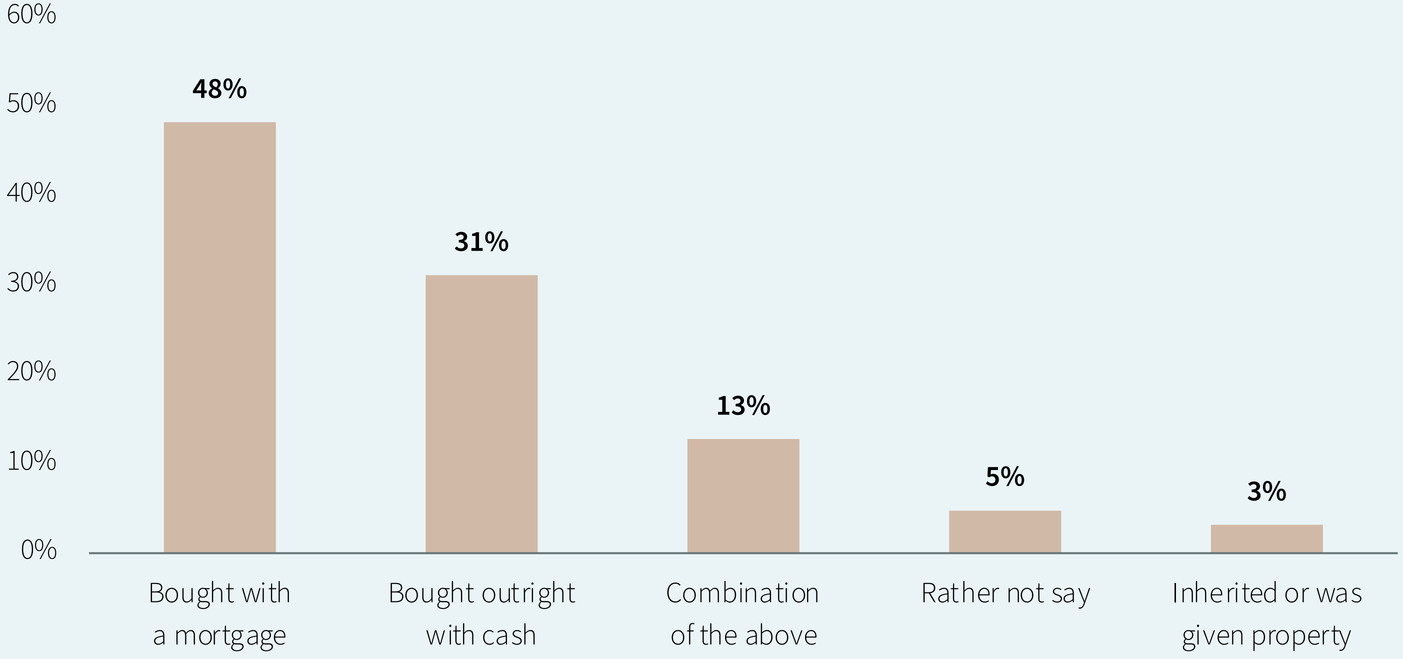


Figure no. 4

How did you purchase your property/properties?



Source: JLL Research 2025

48% of respondents have debt secured against their portfolio.

The number of buy-to-let mortgage advances rose 39.2% in Q4 2024 compared to a year prior, reaching 52,648 new loans across the UK according the UK Finance. The latest statistics show improving sentiment amongst landlords, supported by the downward movement of both interest and mortgage rates over the past year.

However, off the back of a difficult 2023 which saw a sharp rise in but-to-let mortgage arrears and possessions, half of respondents to the JLL Landlord survey said that mortgage rates falling below 3% would incentivise them to invest further.

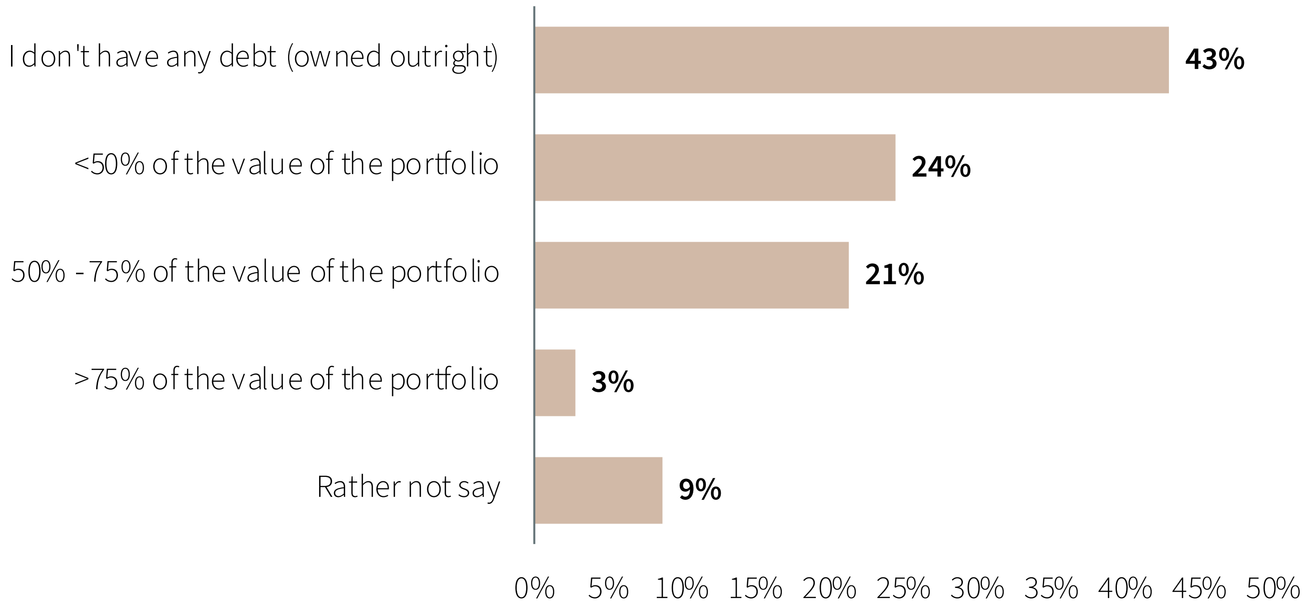
48%

of respondents have debt secured against their properties.

Half of whom have less than 50% of the value of portfolio secured against it. A further 43% of investors do not have any debt secured against their portfolio.

Figure no. 5

How much debt do you have secured against your property/ properties?



Source: JLL Research 2025

04 Planning for the future

Over the past two years, there have been numerous legislative changes making investing in residential property in England more complex. JLL's 2025 Landlord Survey reveals that the adoption of the Renter's Rights Bill will be the most influential deterrent, with 50% of respondents saying that this will discourage them from investing further.

Despite these changes, more than half of respondents to the survey do not plan on changing the size of their portfolio over the next twelve months. Currently, just 4% of investors said they plan on increasing their portfolio over the next year, however this rises to 24% over the next five years, showing improved confidence among investors over the longer term.

There is a near term downsizing focus among investors, with 13% planning to reduce their portfolio size and an additional 7% planning to sell all properties over the next year.

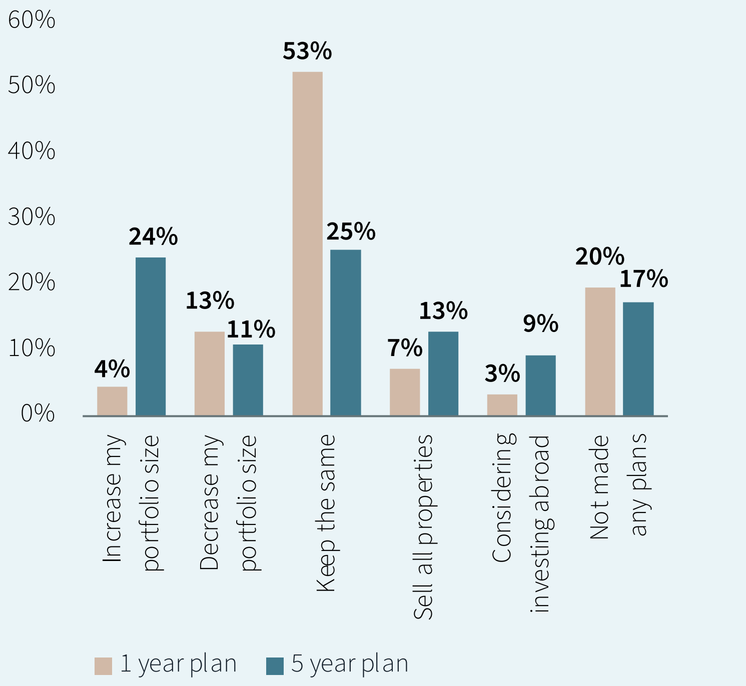
Rising interest in foreign investment is evident, with 9% considering investing overseas in the next five years, up from 3% within the next year.

53%

of landlords do not plan on changing the size of their portfolio over the next twelve months.

Figure no. 6

Landlords plan for the future



Source: JLL Research 2025

Are tax burdens limiting investment in residential property?

Rewind a couple of decades and the substantial capital value gains to be made on residential property, coupled with interest rate and tax relief proved attractive to those looking for additional income or investment options.

Looking ahead it is unlikely that we will see the same level of value growth over the next twenty years. To unlock further investment, does the government need to find alternative financial incentives for landlords?

61%

of respondents said that the abolition of higher Stamp Duty Land Tax (SDLT) rates would make them more likely to invest.

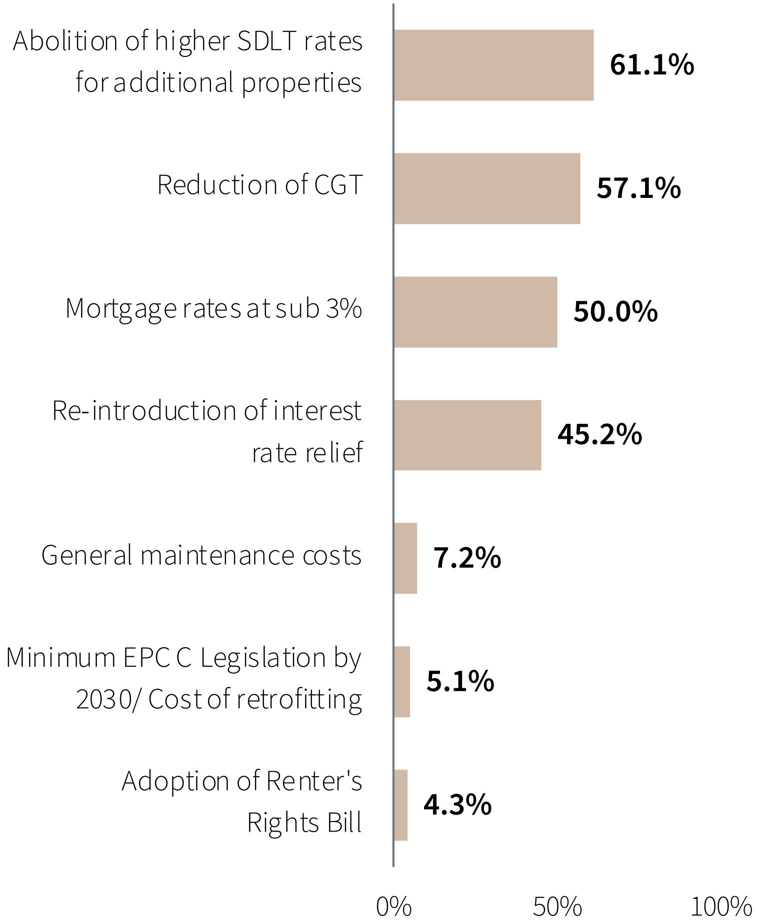
Just over half (57%) said that a reduction in Capital Gains Tax (CGT) rates would incentivise them to invest, suggesting tax-related policy changes are key to unlocking investment into the sector.

Lower mortgage rates would encourage 50% of investors and the re-introduction of interest rate relief would motivate 45% of landlords to invest further.

Financial incentives are arguably critical in encouraging investment into the sector given the most recent policy changes have placed considerable financial burdens onto many landlords, particularly those with only a handful of properties.

Figure no. 7

Policy change that would encourage landlords to invest further



Source: JLL Research 2025

The adoption of the Renter’s Rights Bill proves to be the most influential deterrent into the sector.

General maintenance costs would discourage 44% of investors, while the cost of retrofitting to meet EPC C standards by 2030 would deter 29%. This highlights that long-term and recurring expenses are important considerations for investors.

50%

of respondents said that the adoption of the Renter’s Rights Bill would discourage them from investing further.

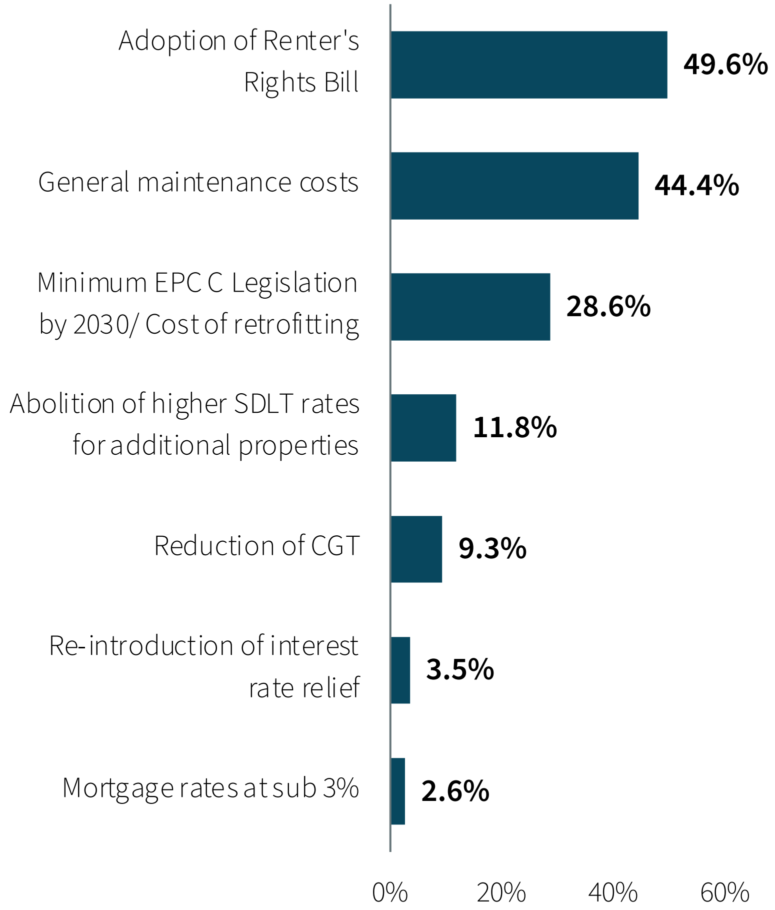
The Bill, currently in the report stage in the House of Lords, is currently the most significant deterrent for landlords. As discussed by John Coddington, Head of Residential Property Asset Management at JLL, “the Bill as a whole is largely aimed at the traditional buy-to-let and Houses of Multiple Occupancy (HMO) market”.

Almost all respondents to this survey would be buy-to-let landlords thus it is unsurprising that most feel this would negatively impact their experience as a landlord.

Of most concern to small landlords would be the movement from fixed-term to rolling tenancies, increasing uncertainty over consistent rental income.

Figure no. 8

Policy change that would discourage landlords from investing



Source: JLL Research 2025

05 How are EPC regulations impacting the industry?

The Energy Performance of Building (EPB) regime was introduced in 2007 with the aim of improving the efficiency of buildings and reducing their carbon emissions. Regulations require an Energy Performance Certificate (EPC) to be produced for certain domestic dwellings.

An EPC has become a key tool for assessing the performance and energy use of buildings although more recently the ‘flaws’ of using EPCs for this purpose have been brought to the forefront of discussions when talking about retrofitting existing housing stock to help meet decarbonisation targets.

In 2010, it was made law that residential properties must have an EPC certificate of E or higher to be let out. The government has since increased this target, with the intention that all residential properties must achieve an EPC C or higher, by 2030.

The challenges in implementing this requirement has been echoed across the industry, most notably the cost of retrofitting a property to reach these standards. But what will the new targets mean for the rental market?

Source: JLL Research 2025

The proportion of EPC A-C rated housing stock has risen from 19% in 2012 to 48% in 2022.

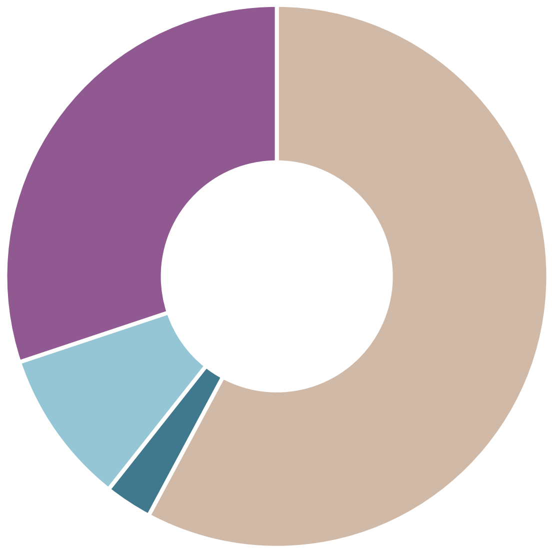
More than half of landlords who responded to the JLL survey said all their properties are currently rated EPC A-C. Just over half of landlords would not need to take action, or plan to retrofit by 2030.

At least 12% of respondents are going to need to act by 2030 if they want to continue to let their properties, rising to 42% if all those unaware of their EPC status are holding assets below an EPC C. A further 16% said they plan to sell by 2030 if EPC C requirements are in place.

58% **of respondents said all the properties in their portfolios are already rated EPC C or above**

Perhaps more pressing is that almost a third if respondents were unsure of what EPC rating their property/properties hold, suggesting greater awareness and education could be part of the solution to improving the energy efficiency of stock.

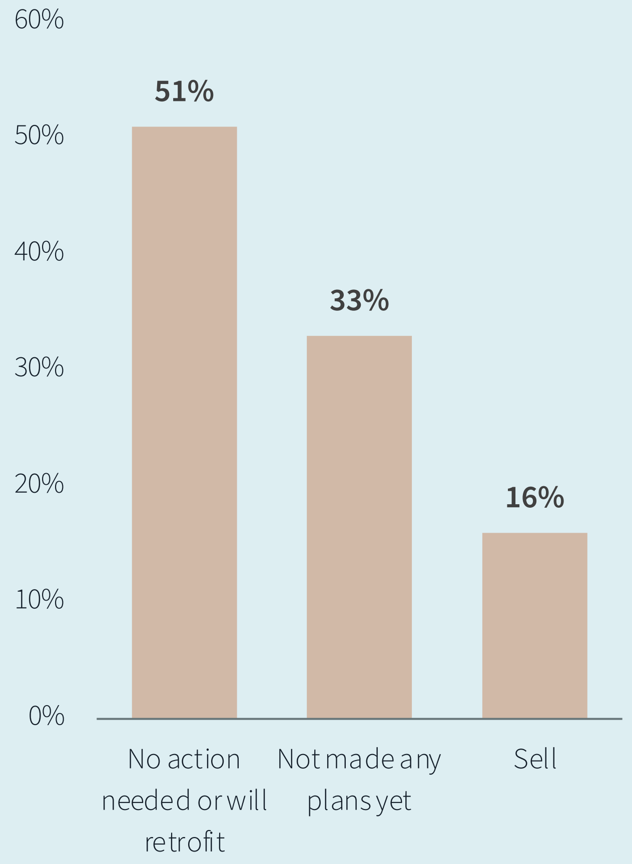
Figure no. 9
Investor portfolio composition



Source: English Housing Survey, JLL Research 2025

Figure no. 10

Response to EPC C by 2030



Source: JLL Research 2025

58%

Of respondents said their portfolios consist entirely of properties rated EPC C or above

33%

Of landlord's are unaware of their properties EPC ratings, suggesting a need for greater awareness and slow progression of change in the future

51%

Of landlord's do not need to take action before 2030, or will retrofit

16%

of respondents plan to sell their properties in response to EPC C requirements, pointing towards a notable increase in stock leaving the rental market.

06 Conclusion

Policy changes over the past decade have made it increasingly difficult for smaller landlords. In the short term we can expect to see more landlords sell than buy, with just 4% of respondents looking to increase the size of their portfolio over the next 12 months compared with 20% expected to sell one of more of their rental homes. Over the next five years the picture appears more balanced, with 24% expected to increase the size of their portfolio, but unless government attitudes towards buy-to-let landlords change we can't see the sector growing.

Landlords remain apprehensive about the impact of the Renters' Rights Bill, with almost half of respondents saying that this would discourage them from investing further into the sector in the short term until they understand the implications.

It is encouraging to see that more than half (58%) of respondents had portfolios where all properties were already at EPC C or above. But with 30% of respondents unsure of the EPC status of their portfolio they is be more work to be done if all landlords need to comply by 2030.

Looking ahead, we expect the imbalance between supply and demand in the rental market to continue. Many landlords are investing for the long term, but to satisfy demand and keep rents affordable we need more stock. Institutional investors have a role to play here but we need to recognise the important role smaller landlords play in providing much needed rental stock too.

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