

# UK Mortgages 2010: Buy-to-let Mortgages And The Rental Sector - New Market Report Published

## New report provides detailed analysis of the Finance and Banking market

*Published on May 19, 2010 by Press Offic (Companiesandmarkets.com and OfficialWire) LONDON, ENGLAND*

Gross buy-to-let mortgage lending has collapsed since 2007, as the sector was disproportionately affected by the closure of the wholesale funding markets. The threat of regulation and a continuing lack of finance will limit the prospects for a quick recovery. Nevertheless, demographic factors will continue to drive usage of private rented housing and underpin demand for buy-to-let mortgages.

This report describes the competitive environment for buy-to-let mortgages. Also included is an assessment of the impact of factors such as the funding crisis and prospective regulation on the buy-to-let sector. We set out our buy-to-let gross lending forecasts for the period 2010-2014.

### Highlights

The shortage of funding has forced the withdrawal of most specialist lenders leaving the buy-to-let market dominated by just two providers. The number of available products is over 90% below peak levels. Lack of supply helped to drive down gross lending by over 80% between 2007 and 2009.

The FSA has proposed that the sale of buy-to-let mortgages should be regulated, as they pose a greater risk than that posed by mainstream lending. Many industry sources feel such regulation is unwarranted and would damage the market. They contend that it is the decision on whether to invest in buy-to-let that should be regulated.

The buy-to-let market will be supported in the longer term by strong demand for private rented housing, resulting from factors such as continuing inward migration and a growing student population.

### Reasons to Purchase

\*Review the key factors that are currently having an impact on the buy-to-let sector and that will continue to drive the market in 2010 and beyond.

\*Examine the current state of the competitive environment for buy-to-let mortgages.

\*Use our forecasts to help inform your future plans.