

Buy-to-let Mortgage Market Update



Q3 2025

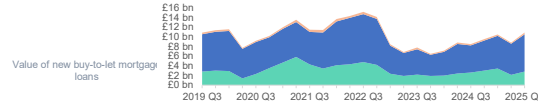
- In Q3 2025 there were 59,467 new buy-to-let loans advanced in the UK, worth £10.9 billion. This was up quite significantly compared with the same quarter in the previous year, 22.7 per cent by number (28.2 per cent by value).
- The average gross buy-to-let rental yield for the UK in Q3 2025 was 7.15 per cent, compared with 6.93 per cent in the same quarter in the previous year.
- The average interest rate across all new buy-to-let loans in the UK was 4.85 per cent in Q3 2025. This was 15 basis points lower than in the previous quarter, and 37 basis points lower than in the same quarter of 2024.
- Reflecting the downwards movement in interest rates, the average buy-to-let interest cover ratio (ICR) for the UK in Q3 2025 was 215 per cent, up from 195 per cent in Q3 2024 and 210 in the previous quarter.
- The number of BTL fixed rate mortgages outstanding in Q3 2025 was 1.44 million, 2.3 per cent up on a year previously. In contrast, the number of variable rate loans outstanding fell by 9.7 per cent to 488,000.
- At the end of Q3 2025 there were 10,420 buy-to-let mortgages in arrears greater than 2.5 per cent of the outstanding balance. This was down 850 from the previous quarter.
- There were 900 buy-to-let mortgage possessions taken in Q3 2025, up 28.6 per cent from 700 in the same quarter a year previously.



UK Finance BTL Mortgage Market Update, 21st January 2026

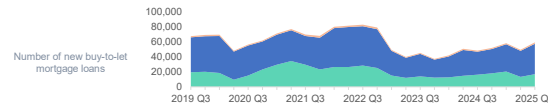
BTL new lending

Value of new BTL lending (UK)



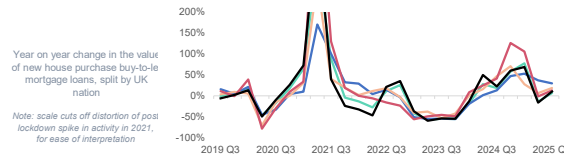
	Latest 2025 Q3	YoY % change
House purchase	£2.8bn	8.2%
Remortgage	£7.7bn	37.4%
Other	£0.4bn	31.1%
Total	£10.9bn	28.2%

Number of new BTL loans (UK)



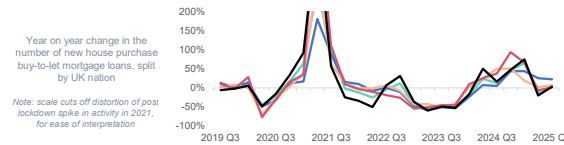
	Latest 2025 Q3	YoY % change
House purchase	16,885	4.1%
Remortgage	40,697	32.3%
Other	1,884	26.6%
Total	59,467	22.7%

Value of new house purchase BTL lending (UK Nations and London)



	Latest 2025 Q3	YoY % change
England	£2,531mn	6.9%
Wales	£86mn	29.6%
Scotland	£154mn	18.8%
Northern Ireland	£41mn	13.0%
London	£691mn	10.2%

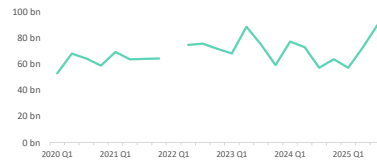
Number of new house purchase BTL loans (UK Nations and London)



	Latest 2025 Q3	YoY % change
England	14,269	3.0%
Wales	715	22.6%
Scotland	1,467	7.7%
Northern Ireland	431	1.5%
London	2,015	3.1%

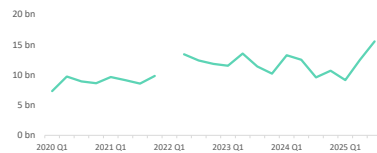
BTL Product Transfers

Number of BTL Product Transfers



	Latest 2025 Q3	YoY % change
	89.9bn	57.0%

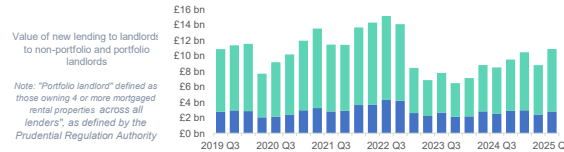
Value of BTL Product Transfers



	Latest 2025 Q3	YoY % change
	£15.5bn	62.0%

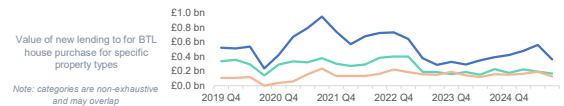
Mortgage characteristics for new lending

Value of total new BTL lending by portfolio size for all loans

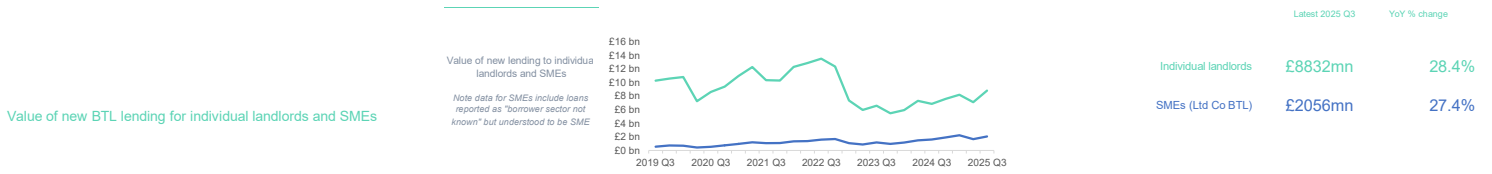


	Latest 2025 Q3	YoY % change
1-3 mortgages (non-portfolio landlord)	£8.1bn	34.7%
>=4 mortgages (portfolio landlord)	£2.8bn	12.7%

Value of new house purchase BTL lending for specific property types

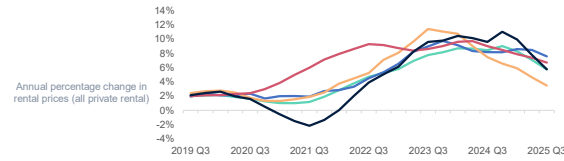


	Latest 2025 Q3	YoY % change
New Build	£172mn	-1.7%
Purpose-built flat	£442mn	5.5%
Houses for Multiple Occupation (HMOs)	£162mn	8.0%

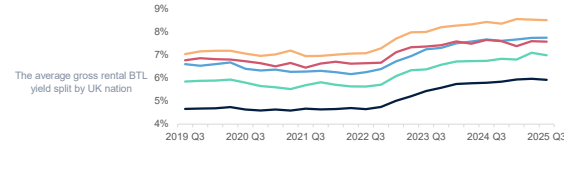


BTL profitability

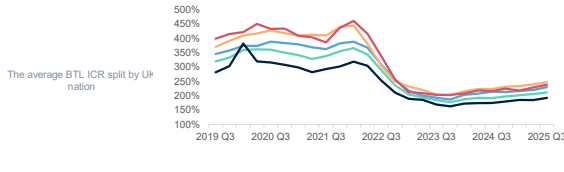
Private rents (ONS)



BTL rental yield

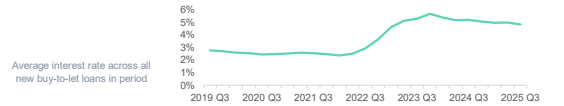


BTL interest cover ratio (ICR)



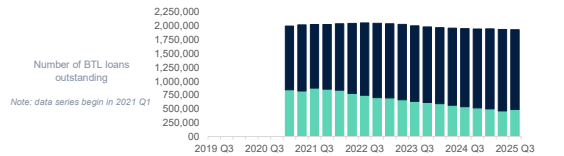
BTL Interest Rate

BTL Interest rate (mean)



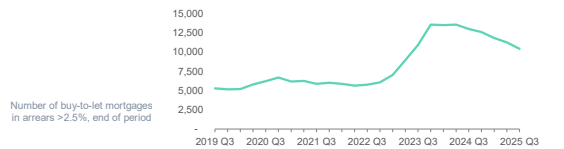
BTL mortgage stock

Number of BTL loans by rate type



BTL arrears and possessions

BTL arrears



BTL possessions



UK Finance

Next update: 15 April 2026

UK Finance
Notes:

1. Data series are shown for the last two years where available, or as far back as data exist otherwise.
2. Complete time series for each of these data series are available to UK Finance members that provide the underlying data in each case.
3. Table codes of the relevant industry data table for each data series, where one exists are provided in the right hand column of this dashboard. All data tables are accessible via the industry data tables page of the UK Finance website at <https://www.ukfinance.org.uk/industry-data-tables>.
4. Dashboard is updated on a quarterly basis.
5. Monthly total values of lending may differ between category due to unclassified loans not being included.