

Buy to Let Market Report 2026

Insights for brokers: Understanding landlords,
renters and the road ahead



Introduction

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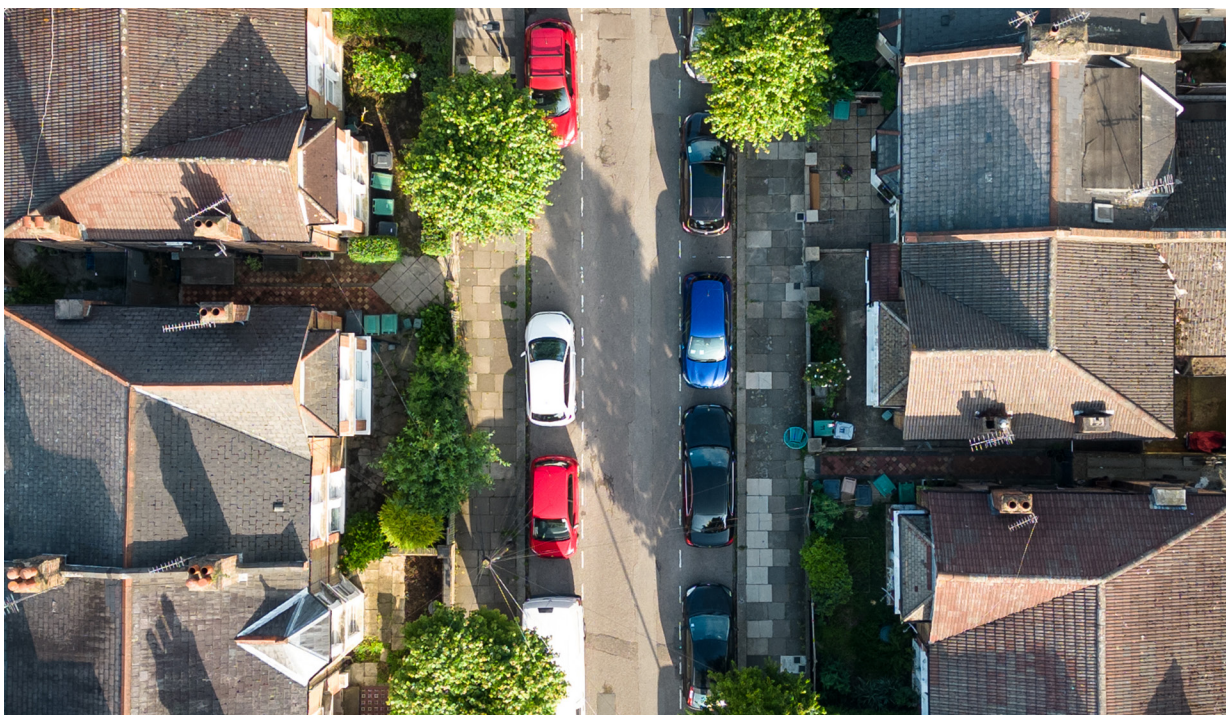
The private rented sector is evolving, and brokers are playing a more important role than ever in helping landlords navigate it.

In today's market, brokers are no longer simply arranging finance. They are trusted advisers helping landlords make sense of regulation, manage portfolios, and plan for long-term investment success.

The conditions may feel more complex than in previous years, but that is exactly when strong partnerships matter most.

At Aldermore, we are your partners in that journey, giving you the tools, flexibility, and understanding needed to help your clients move forward with confidence.

This report brings together insights from landlords and renters to explore the key trends shaping the private rented sector in 2026. It is designed to help brokers interpret the market, identify opportunity, and support clients with clarity.



Key findings

The UK private rented sector enters 2026 in a state of steady change rather than disruption. Landlords are reassessing, but the underlying fundamentals of the market remain strong.

Key findings include:

- **31% of landlords are considering exiting the sector**
- **47% report rising tenant demand**
- **76% increased rents**, with an average rise of **12%**
- **66% support spreading Stamp Duty payments over several years**
- **61% of renters worry they may never be able to buy a home**
- **70% of renters believe rental payment history**

While some landlords are reconsidering their position, most are not leaving the market. Instead, they are adjusting, restructuring, and taking a more cautious long-term view.

For brokers, this creates a clear opportunity to step in as a steadying influence, helping clients interpret change and make informed decisions.



A sector adapting, not retreating

Despite ongoing pressures, the private rented sector remains resilient.

- **64% of landlords believe property is still a good way to make money**
- **56% would recommend being a landlord as an investment**
- The proportion of landlords making losses has fallen to **25% (down from 31%)**

This suggests a market that is evolving rather than contracting.

Landlords are not stepping away from the sector in large numbers. Instead, they are becoming more selective and more strategic. For brokers, this shift is an opportunity to move conversations beyond transactions and into long-term planning.

Why landlords are reassessing

A significant proportion of landlords (31%) are considering exiting the sector. The reasons are consistent and largely structural:

- **43% cite increased regulation**
- **39% cite tax changes**
- **37% cite rising maintenance costs**
- **30% feel unfairly blamed for housing issues**

These pressures are shaping behaviour, even where landlords remain committed to the market.

Much of this is not about property performance alone, it is about confidence. Brokers are in a strong position to help landlords separate perception from reality and focus on practical, controllable decisions.

Portfolio adjustments: caution over exit

Rather than exiting the market, many landlords are adjusting how they operate.

- **22% sold part of their portfolio** (down from 27%)
- **45% say current conditions limit expansion**
- **56% saw property values increase**
- **48% saw rental yields rise**

This points to a market where landlords are pausing, restructuring, or consolidating rather than withdrawing entirely.

This is where brokers add real value, helping landlords refinance, rebalance borrowing, and think about portfolio structure rather than individual properties in isolation.

Tenant demand remains a strong foundation

Demand continues to underpin the sector:

- **47% of landlords report increased tenant demand**
- **76% increased rents over the past year**
- Average rent increases sit at **12%**

This is an important reassurance point for clients. Despite regulatory and political noise, the fundamental demand for rental housing remains strong, which supports long-term investment confidence.

Taxation and landlord sentiment

Tax policy continues to influence decision-making more than almost any other factor.

- **29%** may consider exiting due to Stamp Duty changes
- **55%** are impacted by higher taxes on property and income
- **47%** say being a landlord has become more challenging

Landlords also show clear preferences for more predictable tax structures:

- **66%** support spreading Stamp Duty over time
- **50%** support replacing Stamp Duty with an annual levy
- **59%** say they would reconsider investing if National Insurance applied to rental income

Tax is increasingly central to portfolio decisions. Brokers who can help landlords think through structure and efficiency are becoming even more valuable.



Regulation and political confidence

Landlords are asking for clarity and consistency.

- **58% lack confidence in the Government's approach to the PRS**
- **24% may change their voting behaviour**

However, there is also broad support for improving housing standards:

- **75% support Awaab's Law**
- **73% support extending the Decent Homes Standard**
- **71% support a new property portal**

This suggests landlords are not resisting regulation itself, but want it to be clear, fair, and workable.

The direction of travel is clear: regulation is here to stay. The opportunity for brokers is to help landlords adapt rather than react.



Renter insights: demand, pressure and opportunity

Understanding renters is increasingly important for brokers advising landlords.

Stability

- Average tenancy length has risen to **4.5 years**
- **23%** have lived in their home for under a year

Affordability pressure

- **61%** worry they may never buy a home
- **57%** fear future rent increases
- **51%** report stress linked to rental costs

Experience of landlords

- **70%** say they have a good landlord
- **65%** believe the PRS is essential to housing supply

Mortgage opportunity

- **70%** believe rental payment history should count in mortgage assessments

This is a key long-term theme: renters increasingly see themselves as long-term participants in the rental market, not just temporary occupants. That has implications for both landlord strategy and future lending innovation.



Strategic insights for brokers

Alongside the survey findings, several broader themes are shaping how landlords are thinking about investment decisions in 2026.

1. Investment decisions are moving beyond yield

Yield remains important, but it is no longer the only measure landlords rely on.

Landlords are increasingly considering:

- void periods
- capital growth
- overall long-term return

A high-yield property is not always a high-performing investment over time.

2. Stability is encouraging longer-term thinking

Stronger tenant demand and longer tenancies are contributing to a more stable environment.

This allows landlords to take a longer-term view of their portfolios and reduce short-term reactive decisions.

3. High yield does not always mean low risk

In some cases, high yields can reflect underlying risks such as slower growth or weaker demand stability.

Understanding context is becoming more important than focusing on headline figures alone.

4. Portfolio thinking is becoming more common

Landlords are increasingly viewing portfolios as a whole rather than a collection of individual assets.

This includes balancing:

- location diversity
- price points
- income vs growth potential

5. Regulation is shaping strategy

Regulation is now a core part of investment planning.

Rather than exiting the market, many landlords are adjusting how they structure ownership and manage portfolios.

What this means for brokers in 2026

The broker role continues to evolve.

Brokers are increasingly expected to provide guidance that goes beyond product selection.

Key opportunities include:

- helping landlords interpret market change
- supporting refinancing and restructuring decisions
- advising on portfolio-level strategy
- providing clarity in a complex regulatory environment

At the same time, brokers remain essential in helping landlords maintain confidence in a market that is fundamentally still driven by strong tenant demand.

Aldermore's commitment to brokers

Brokers are central to how the buy to let market functions.

At Aldermore, we see our role as working alongside brokers to support that relationship, not replacing it.

We aim to provide:

- flexible underwriting that reflects real-world cases
- specialist support for complex and portfolio landlords
- clear, responsive communication
- practical expertise that brokers can rely on

We understand that every landlord is different, and so is every case.

That is why our approach is built around partnership, helping brokers deliver the right outcomes for their clients, not just the fastest ones.

The private rented sector will continue to change, but our commitment remains the same:

We are here to support brokers, so they can support their clients.

Closing thought

The private rented sector is not standing still, but it is also not in decline. It is adapting.

For brokers, this is not a market to step back from. It is a market where advice, judgement, and experience matter more than ever.

And at Aldermore, we are proud to stand alongside brokers as partners in that journey.



Survey conducted by Opinium for Aldermore and Lansons among 500 landlords and 2,000 renters, 10–20 February 2026.

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