

## Fifteen per cent of amateur landlords making a loss

Story by: Dominic Welling | Magazine: [FTAdviser](#) | Published Wednesday , January 28, 2009

While 100 per cent of professional landlords have managed to make a profit despite the credit crunch, 15 per cent of amateur landlords have made a loss.

According to new research by Business Development Research Consultants (BDRC), there is significant polarisation in fortunes between 'amateur' private landlords (those who own four properties or less) and 'professional' private landlords (those with more than 20 properties).

In total, 7 per cent of private landlords questioned had been involved in some repossession activity by a lender in Q4 2008. A further 4 per cent had missed at least one mortgage payment in 2008.

Meanwhile, in terms of their expectations for 2009, 8 per cent said they were likely to miss a mortgage payment in the next three months, while 2 per cent believe repossession proceedings against them are imminent.

Comparatively, 100 per cent of professional landlords said they were making a profit and were taking advantage of falling property prices, repossessions, auctions and sale and rent back schemes to add to their portfolios.

Mark Long, client services director at BDRC, said: "The credit crunch has polarised the private rental market. Whilst professional landlords are able to cover their costs and expand their portfolios, the amateur landlords, many of whom 'fell' into letting by accident, are really starting to feel the pinch.

"Our research shows that thousands of private landlords expect to fall behind on mortgage payments in the next three months and a considerable proportion are likely to face repossession on one of their properties."

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