***Paragon Bank Insight Brief* Title:**

Nearly Nine in Ten Landlords Making a Profit – Hitting a Near Five-Year High Date: September 2025

**Summary Paragraph:**

Paragon Bank’s latest research reveals that 87% of landlords are currently making a profit — the highest level since 2020. This marks a significant rebound in landlord sentiment and underscores the enduring strength of the buy-to-let sector. With yields remaining near decade highs and tenant demand holding firm, brokers are well-positioned to guide clients through a resilient and opportunity-rich market. We encourage you to share this insight across your network.

**Paragon Website Link:**

[**Nearly nine in 10 landlords making a profit, hitting a near five-year high**](https://www.paragonbankinggroup.co.uk/news/news-releases/nearly-nine-in-10-landlords-making-a-profit-hitting-a-near-five-year-high)

**Nearly nine in 10 landlords making a profit, hitting a near five-year high**

[BUY-TO-LET-MORTGAGES](https://www.paragonbankinggroup.co.uk/news/news-releases/buy-to-let-mortgages)

**Wednesday, 13/08/2025**



**Nearly nine in 10 landlords (87%) have reported making a profit, just one percentage point off a five-year high, research undertaken for Paragon Bank has revealed.**

The research, carried out by Pegasus Insight on behalf of Paragon Bank, found that the proportion of landlords who reported making a profit from their lettings activity increased from 84% in the first quarter of 2025 to 87% in the second.

This is just one-percentage point below the five-year high of 88% recorded in Q4 2020. It follows an increase of 10-percentage points in the two years since the same period in 2023, when the 77% reporting a profit was at a five-year low.

While the proportion making a profit has grown since the first quarter of the year, there has been a decline, from 7% to 5%, in those who said that they made a loss. During the same period, the proportion of landlords who broke even remained the same at 8%.

**Louisa Sedgwick, Managing Director of Mortgages at Paragon Bank, said:** “It’s encouraging to see landlord profitability nearing a five-year high, with nearly nine in ten reporting making a profit. This chimes with recent analysis of our own lending data which revealed that yields, a key determinant of profit, remained at almost their highest levels in over a decade.

“As well as reflecting the resilience of the sector, these findings highlight how continued demand for good quality, flexible housing means that buy-to-let property remains an attractive asset for landlords.”

Highlighting the impact that tenant issues can have on lettings businesses, profitability was lower amongst landlords who reported experiencing arrears in the last 12 months (79%), those whose property was damaged (79%) and those who needed to evict a tenant (78%).

**Sedgwick added:**“It’s interesting to see that the data suggests there may be a link between profitability and harmonious relationships between responsible landlords and respectful tenants.

“This shows that it’s not always plain sailing for landlords. We know that they work hard and with the research also showing that, on average, they spend more than a fifth of their gross rental income running and maintaining their properties, the profits they make result from the time and money they put into providing good quality homes for renters.”

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**Notes to editors:**

 Paragon lends to private individuals and limited companies and provides mortgages suitable for single, self-contained properties, as well as HMOs and multi-unit blocks. Paragon can accommodate higher aggregate lending limits and more complex letting arrangements including local authority leases and corporate leases along with standard ASTs.

Paragon Bank PLC is a subsidiary of the Paragon Banking Group PLC which is a FTSE 250 company based in Solihull in the West Midlands. Established in 1985, Paragon Banking Group PLC has over £16 billion of assets under management, helping more than 340,000 customers to achieve their ambitions.