



Mortgage-Desk

*for people moving on in life...*TM



2 Year Fixed Rates Starting From...as of 11.9.2020)

Property Type	Ownership	Value	Loan to value	Mortgage Type	Monthly interest rates starting from	Monthly Mortgage Payments
Buy To Let - Remortgage	Personal name	£150,000	75%	Interest Only (Term 25 Years)	1.59% (1.49%) (APRC 5.03%)	£149
Buy To Let – Single- Purchase	Limited Company	£150,000	75%	Interest Only (Term 25 Years)	2.99% (2.99%) (APRC 4.70%)	£280
Buy to Let – HMO –Purchase	Limited Company	£250,000	75%	Interest Only (Term 25 Years)	3.35% (3.35%) (APRC 4.26%)	£523
Main Residence – Remortgage	Personal Name	£500,000	75%	Repayment (Term 25 Years)	1.28% (1.14%) (APRC 3.26%)	£1461
Overall cost for comparison (APRC)						

5 Year Fixed Rates Starting From ... as of

11.9.2020

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Property Type	Ownership	Value	Loan to value	Mortgage Type	Monthly interest rates starting from	Monthly Mortgage Payments
Buy To Let - Remortgage	Personal name	£150,000	75%	Interest Only (Term 25 Years)	1.94% (1.94%) (APRC 4.49%)	£182
Buy To Let – Single - Purchase	Limited Company	£150,000	75%	Interest Only (Term 25 Years)	3.19% (3.19%) (APRC 4.46%)	£299
Buy to Let – HMO - Purchase	Limited Company	£250,000	75%	Interest Only (Term 25 Years)	3.74% (3.74%) (APRC 4.24%)	£584
Main Residence – Remortgage <small>Overall cost for comparison (APRC)</small>	Personal Name	£500,000	75%	Repayment (Term 25 Years)	1.54% (1.54%) (APRC 2.85%)	£1507



Mortgage Lending

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Evolving Financial Market

- ▶ HMRC Tax return – October - complete 2019-20
- ▶ Self-employed - additional checks
- ▶ Employed – furloughed / review industry sector
- ▶ Refinance – remortgage / Product Switches
- ▶ Bounce back loans / CBIL / Grants – lenders changing stance
- ▶ First Time Buyers – upsurge in enquiries
- ▶ Main Residential – 90% LTV



Mortgage Lending

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Evolving Financial Market

- ▶ Lending still available – RATES STILL generally static for the last month
- ▶ Valuations: automated valuation models (AVMs) / Desk-top
- ▶ Lenders availability – recently returned – Castle Trust, Together, Lendco & now Vida
- ▶ Levels of lending – BTL returning to 80% LTV / 75% HMO/ Main Residential 90%
- ▶ Criteria changes – student lets – affordability – fall back plans
- ▶ Holiday lets – return of a couple of lenders



Buy to let property owners Changes to UK tax relief on finance costs

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- ▶ With all the recent changes, are you up to so speed ?If not then why not?
- ▶ Did you know that a transfer of property by a landlord into a company they control is a disposal at market value for Capital Gains Tax (CGT) purposes?
- ▶ This means that when transferring ownership of their buy to let property into a company, a landlord could incur a tax charge of up to 28% on its market value.
- ▶ But certain reliefs from Capital Gains Tax on transfer of ownership may be available if specialist advice is sought.



Buy to let property owners Changes to UK tax relief on finance costs

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- ▶ I am happy to share with you a guide
- ▶ Please note: This material has been prepared for general information purposes only. Please refer to a specialist tax advisor for specific advice. This does not constitute any means of tax advice provide by Mortgage-Desk
- ▶ If you would like to receive a free guide, then please email me:
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Stamp Duty Changes

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- ▶ The Government's announcement that stamp duty in England won't be paid on the first £500k of a property's value until 31 March 2021 is welcome news for the housing industry.
- ▶ From buyers struggling to get on the housing ladder for the first time to existing homeowners and buy to let landlords, prospective buyers right across the market who may have been putting off moving house due to COVID-19 will now benefit when buying a new home.
- ▶ Even with the **applicable surcharge on buy to let properties, landlords all over the country will still reap the rewards**. For example, Hamptons International has predicted that London-based investors will see their average stamp duty bill fall to £12,520 from £23,220 per property (meaning a saving of 46%), while landlords in the North East could see reductions from £1,390 to £130 on average (saving as much as 91%*).



Stamp Duty Changes

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- ▶ It's even better news for those who were planning to switch their properties to a **limited company** – and save on their rental income long term.
- ▶ Under today's rules, **you'll pay just 3% stamp** duty for properties up to £500,000. It would have cost you 8% before. This could save landlords up to £15,000 in stamp duty **as long as they complete by 31 March 2021**
- ▶ Stamp duty you'd usually have to pay to transfer ownership to a company has been **slashed by 5%**.
- ▶ Companies have to pay less tax on their rental income than individuals do. Today, a **higher rate taxpayer pays 40%** or more, while a limited company pays a **corporation tax of 19%**. There are other costs associated with companies, of course, but significant savings to be made as well.
- ▶ To transfer your property to a company, you have to **pay stamp duty**. That's because technically, it's **treated as a purchase transaction** – as the company is buying the property off you – even if it's your own company



Helping you protect renters

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- ▶ In the last 10 years, the UK private renting market has increased by 63% - yet only 18% say they have protection in place.
- ▶ Trouble is, where homeowners see the need for protection to cover their mortgage, renters may not have considered protection to cover their rent. As a result they may be leaving themselves vulnerable if they became ill or injured and were unable to work.
- ▶ By 2025, 50% of adults under the age of 40 are expected to be renting privately
- ▶ UK rents are expected to climb by 15% over the next five years
- ▶ Renters spend 40% of their income on housing costs, double what owner-occupiers pay
- ▶ Source of data Legal & General

Contacting us

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