

Buy-to-Let Fact Sheet

Many people are looking for ways to invest in property to let out. There are often different reasons for this, perhaps the most common being to supplement current or future income, retirement provision or increase personal assets.

Whilst all lenders have slightly different criteria for Buy-to-Let mortgages, here are some handy pointers, which should assist you to assess whether this could be of interest to you.

General tips

- Do your own research to make sure there is a strong demand for the type of property you are thinking of buying
- The market for renting and selling property tends to move in opposite directions. Make sure the property you have in mind can be either easily rented out or if necessary easily resold, so that you have a secure investment, regardless of how the market turns.
- Gather information on the likely rents that will be available in the area
- Seek independent financial advice to assess commercial viability and any taxation liabilities
- If this is your first venture in this market, then it may be advisable to use a lettings agency to manage the property for you, especially if it is some distance away from your main residence

Mortgage tips

- Seek independent mortgage advice
- Check that they are qualified - many are not
- Independent Financial Advisers (IFA's) have access to many lenders and schemes not available direct to the public.
- It is sometimes a good idea to get an 'in principle' decision from a lender before you start looking for a property

General lending criteria

- Schemes available up to 85% loan to value (15% deposit required)
- Applications available on either a status or non-status basis (no proof of income)
- Buy-to-Let property needs to 'wash its own face' (self financing)
- First time buyer schemes
- Applications from Limited Companies accepted
- Interest Only or Repayment (be aware of differing taxation liabilities)
- Capped, Fixed, Discount, LIBOR, and Tracker schemes available

If you would like to discuss any of the points above then **Mortgage-Desk** is your single point of contact, call us Freephone or you can visit our website.

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Wellington House, Aylesbury Road, Princes Risborough. Bucks HP27 0JP
Tel: 0845 458 8001 Fax: 0845 458 8007

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