

# THE MORTGAGE & PROPERTY MAGAZINE

ISSUE 18 - SPRING 2025

## UNLOCKING YOUR PROPERTY'S POTENTIAL

Eight out of ten homeowners are unaware of the true value their property

### THE SPRING STATEMENT 2025

*How will it shape the property and mortgage markets?*

### WILL MORTGAGE RATES FALL THIS YEAR?

*Persistent inflation or global economic shocks could disrupt plans for rate cuts*

### OPENING THE DOOR TO YOUR FIRST HOME

*A guide to first-time buyer mortgages*

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THINK CAREFULLY BEFORE SECURING OTHER DEBTS AGAINST YOUR HOME.

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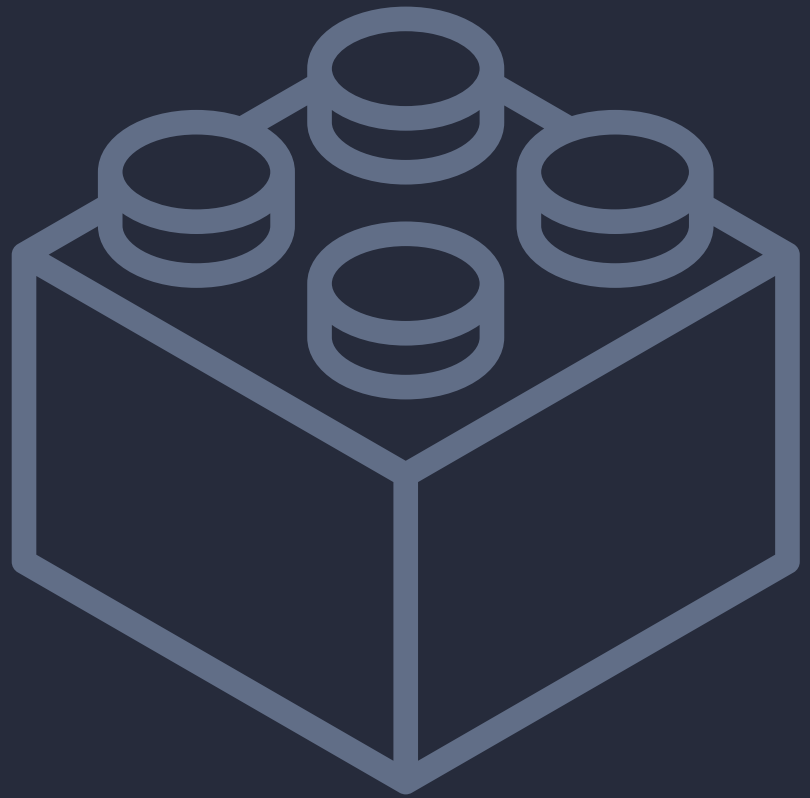
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# HOW CAN I BUILD MY BUY-TO-LET EMPIRE?

Let us find the right property finance to fund your investment portfolio

We can help you whether you're starting or expanding your investment property portfolio. We know a buy-to-let investment can be a big commitment. That's why our dedicated mortgage advisers will help you consider the costs, responsibilities and risks of becoming a landlord.

To find out what you could borrow and what your payments may be, contact us today.

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# Welcome

**WELCOME TO** the Spring 2025 quarterly issue of *The Mortgage & Property Magazine* from Rothesay Bennett Financial Planning.

Two-thirds of these homeowners significantly underestimate its worth, costing themselves substantial financial benefits. Research indicates that this widespread undervaluation leaves many homeowners at a disadvantage when it comes to unlocking their property's potential. The study revealed that 64% of homeowners are unaware of the equity they have accumulated over the years. Additionally, more than one-third undervalued their homes by £100,000 or more. Read the full article on page 68.

The Spring Statement 2025, delivered by Chancellor Rachel Reeves on March 26, has ignited reactions throughout the property and mortgage sectors. On page 76, with the UK economy still facing numerous challenges, we look at the introduction of measures aimed at enhancing housing availability, stabilising market conditions, and addressing affordability. But what does this imply for homeowners and prospective buyers?

Climbing onto the property ladder is a significant milestone. However, for many first-time buyers, grasping the concept of mortgages can feel overwhelming. Turn to page 23 and read our guide to understanding the basics and exploring various options that can

make the process smoother and less intimidating. With a clear plan and appropriate advice, purchasing your first home can become a reality.

Mortgage holders and prospective homeowners in the UK will closely monitor interest rates throughout 2025, hoping for a reduction in borrowing costs following a prolonged period of high rates. The Bank of England has recently provided some insight into its policy direction and outlook. But what does this mean for mortgage rates? Will variable-rate mortgage holders experience any relief? Find out on page 33.

A complete list of the articles appears on pages 03 to 05.

## **ARE YOU LOOKING TO BUY YOUR FIRST HOME, PLAN A MOVE, REFINANCE YOUR MORTGAGE, EXPAND YOUR PROPERTY PORTFOLIO, OR SECURE INSURANCE?**

Our team of skilled professionals is here to support you at every stage. With personalised guidance tailored to your unique needs and objectives, we are dedicated to making the process clear, seamless, and stress-free. We hope you enjoy reading our latest issue. ♦

The team at Rothesay Bennett

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# Navigating mortgage options

Understanding the differences between fixed, variable rate and tracker mortgages



**WHETHER YOU'RE PLANNING** to buy your first home, switch to a new deal, or consider a remortgage, navigating the world of mortgages can feel overwhelming. Fixed-rate, variable-rate, and tracker mortgages are some of the most common options available. Each caters to different financial needs, offering specific benefits and challenges.

But how do you determine the right choice for you? Understanding how each type works and their key differences will help you align your decision with your financial goals.

### **UNDERSTANDING YOUR FINANCIAL SITUATION BEFORE CHOOSING A MORTGAGE**

Before exploring the specifics of mortgage types, it's essential to step back and assess your financial health. A thorough understanding of your budget, goals, and long-term plans will enable you to make the right choice.

#### **Ask yourself these important questions:**

- **What can I afford each month?** Your mortgage repayment should fit comfortably within your monthly budget. Factor in other expenses, including home insurance, utilities, and maintenance.
- **Do I have an emergency fund?** Consider whether you have savings to cover unexpected expenses or increases in your mortgage payments.
- **What are my future plans?** If you plan to relocate within a few years, a short-term deal or a more flexible option, such as a variable mortgage, might be more suitable.
- **How secure is my income?** If your income is stable and predictable, you might consider variable or tracker rates. However, a fixed-rate mortgage offers peace of mind in case of any uncertainty.

Assessing your financial situation will provide a foundation for selecting a mortgage that meets your needs.

### **WHAT IS A FIXED-RATE MORTGAGE?**

A fixed-rate mortgage offers predictable stability. With this type of mortgage, the interest rate is locked in for an agreed period, often spanning two, five, or even ten years. During this term, your monthly payments remain unchanged, regardless of what happens to wider economic factors like the Bank of England base rate or market conditions.

For example, if you secure a five-year

fixed-rate mortgage at 4% interest, you'll pay the same amount every month for those five years. This predictability makes fixed-rate deals popular among first-time buyers or those who prefer the security of knowing exactly how much they'll pay each month.

### **WHAT HAPPENS AFTER THE FIXED TERM ENDS?**

Once the fixed term finishes, your mortgage loan typically reverts to the lender's Standard Variable Rate (SVR). The SVR could be significantly higher than competitive market rates, meaning your monthly payments could rise sharply.

For instance, suppose you had a fixed-rate term of 3%. If your lender's SVR sits at 6%, your payments could double overnight. To avoid this scenario, many homeowners plan ahead and remortgage to a new deal just before their fixed term expires.

### **HOW DO VARIABLE RATE MORTGAGES WORK?**

Unlike fixed-rate mortgages, variable-rate mortgages feature an interest rate that can fluctuate. This means that your payments may increase or decrease during the loan term, depending on your lender's selected rate. These changes often reflect broader economic factors, such as the Bank of England base rate.

The Standard Variable Rate mentioned earlier is the most common type of variable mortgage. However, because SVR rates are controlled at the lender's discretion, monthly payments can quickly increase if rates rise.

### **FLEXIBILITY OR UNPREDICTABILITY?**

Variable rate mortgages often offer added flexibility, such as lower early repayment fees compared to fixed-rate mortgages. If you plan to overpay on your mortgage or relocate within a few years, this flexibility can provide a significant advantage.

On the flip side, variability can be stressful.

If rates increase unexpectedly, your monthly payments may rise sharply, potentially putting a strain on your budget.

### WHAT SETS TRACKER MORTGAGES APART?

A tracker mortgage operates as a specific type of variable mortgage. Instead of being set directly by the lender, a tracker “tracks” an external benchmark, usually the Bank of England base rate.

For example, if your tracker deal is set at “Base Rate + 1%”, and the base rate is 5%, your mortgage rate will total 6%. If the base rate decreases to 4.5%, your rate will drop to 5.5%.

### Example: Imagine two homeowners with similar properties and a £200,000 loan:

- The first homeowner opts for a two-year fixed rate at 4%, paying £1,055 per month, or £25,320 over 24 months. Their payments remain unaffected even if the base rate rises to 5%.
- The second homeowner chooses a tracker mortgage tied to “Base Rate + 1%”. With a starting base rate of 4%, they initially pay £1,000 monthly. If the base rate rises to 5%, their payments increase to £1,166 for the rest of the term.

While tracker mortgages offer transparency and the potential to save when interest rates fall, they also carry the risk of increasing costs.

### TIPS FOR COMPARING MORTGAGE DEALS

When comparing mortgage options, it’s important to look beyond the headline interest rate.

#### Here’s what to keep in mind:

- Look at the APRC (Annual Percentage Rate of Charge): This shows the total cost

of the mortgage, including fees, over its full term.

- Consider arrangement fees: Some lenders charge high upfront fees for certain deals, which could offset any savings from a slightly lower interest rate.
- Check early repayment fees: If you’re likely to repay your mortgage early or remortgage, avoid deals with high early repayment charges.
- Review flexibility options: Can you overpay without penalties? This feature can help you save on interest in the long term.

### THE ROLE OF A PROFESSIONAL MORTGAGE BROKER

Mortgage brokers can help simplify the process of finding the right deal for your situation. They have access to a variety of products and can guide you based on your individual needs.

### WHY USE A MORTGAGE BROKER?

- **Expertise:** Your broker will explain the fine print and complex terms.
- **Access to better deals:** Some brokers have access to exclusive mortgage products that are not available directly to the public.
- **Time-saving:** A good broker does the legwork of comparing deals, so you don’t have to.
- **Tailored advice:** They’ll recommend products based on your specific financial circumstances and future plans.

### COMMON MISTAKES TO AVOID

**When selecting a mortgage, these errors can cost you time, stress, and money:**

1. **Focusing only on the interest rate:** Don’t ignore fees, flexibility, or repayment terms.
2. **Ignoring the SVR:** Failing to plan for what

happens after your initial term could lead to much higher monthly payments.

3. **Not budgeting for rate increases:** Tracker and variable rates offer savings when rates fall, but make sure you can afford payments if rates rise.
4. **Skimping on research:** Relying on a single lender instead of shopping around could mean missing out on better deals.
5. **Overstretching your budget:** Your monthly payments should be affordable now and in the future. Avoid stretching yourself too thin.

### FINAL THOUGHTS

Choosing the right mortgage takes time and careful consideration, but it doesn’t have to be overwhelming. By understanding your financial situation, comparing options, and consulting with a professional mortgage broker, you can make a confident decision that aligns with your goals.

Whether you prioritise the stability of a fixed-rate deal, the potential savings of a variable rate, or the transparency of a tracker mortgage, the right choice comes down to what works best for you and your financial future. ♦

#### >> TIME TO CHOOSE THE RIGHT MORTGAGE WITH CONFIDENCE? <<

Deciding on the right mortgage doesn’t have to be a guesswork process. Whether you prefer fixed, variable or tracker rates, getting professional advice will help you understand the long-term impact of your choice. Contact us today to get started or find out more. Speak to **Rothsay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothsaybennett.co.uk**.

# How much can I afford to borrow for a mortgage?

Your borrowing capacity will depend on several factors that affect your home-buying options



**BUYING A HOME** is one of the most significant financial decisions many of us will make. However, before you start arranging viewings or envisioning where your furniture will go, it's essential to determine how much you can realistically afford to borrow for a mortgage without overstressing your finances. Your borrowing capacity will depend on various factors that influence your home-buying options and impact your financial security in the long run.

Understanding your financial capacity requires thoroughly examining your income, expenses, and personal circumstances. Lenders use this information to assess your financial standing, aiming to ensure that mortgage repayments remain manageable over the long term.

## **WHAT LENDERS TAKE INTO ACCOUNT**

Before approving your mortgage application, lenders require reassurance that you can comfortably meet your monthly repayments. They typically start by examining your income from various sources, including your salary, bonuses, dividends, investment returns, and government benefits. For example, if you earn a salary of £50,000 per year and also receive an annual £5,000 in bonuses, lenders are likely to factor both into their assessments, provided there is a consistent history of those bonus payments.

Debt and outgoing expenses are equally important. Lenders will carefully review your monthly expenditures, including essential

bills, groceries, loan repayments, childcare costs, and subscriptions. This assessment is referred to as your debt-to-income (DTI) ratio. For example, if your monthly income is £3,000 after tax and your expenses total £1,500, your DTI stands at 50%, which some lenders might view as high. Ideally, lenders prefer a DTI ratio below 40%, ensuring you have enough buffer for unexpected financial challenges.

### HOW MUCH DEPOSIT DO YOU NEED?

The deposit you can put down significantly influences how much you can borrow and the terms that lenders will offer. Typically, deposits range from 5% to 20% of the property's purchase price. For instance, if you are considering a property priced at £200,000, a 5% deposit would amount to £10,000, while a healthier 20% would require £40,000.

The size of your deposit often influences the interest rate you're offered. A larger deposit lowers your loan-to-value (LTV) ratio, making your application appear less risky to lenders. For instance, with a £40,000 deposit on a £200,000 property, your LTV would be 80%. This lower LTV not only makes you eligible for better interest rates but also reduces your overall repayment amounts.

Saving for a larger deposit may seem daunting, but it can significantly lower your monthly payments. For example, over a 25-year term at an interest rate of 2.5%, borrowing £180,000 instead of £190,000 can save you thousands in interest.

### CAN YOU GET A MORTGAGE WITHOUT A DEPOSIT?

For prospective buyers who struggle to save, a no-deposit mortgage may seem like a convenient shortcut. Some lenders offer 100% mortgages, meaning you don't need a deposit at all. However, these loans often come with stricter conditions. For example, lenders typically require a guarantor, such as a parent or close relative, to commit to covering the mortgage payments if you fail to do so.

Schemes like Shared Ownership and

the Mortgage Guarantee Scheme may also provide options for buyers with smaller deposits. For instance, under Shared Ownership, you could purchase a share of a property (e.g., 25-75%) while paying rent on the remaining portion. This could mean needing only a 5% deposit on a £100,000 share of a £250,000 property, totalling £5,000 instead of £12,500 if buying outright. However, these arrangements come with their own financial commitments, such as rent and service charges, so it's essential to evaluate them carefully.

### HOW MUCH CAN YOU AFFORD?

The biggest factor in understanding how much you can afford to borrow is your financial profile. Typically, lenders allow you to borrow between 4 and 4.5 times your income, though some may offer more. For instance, with a combined household income of £60,000, you could potentially borrow between £240,000 and £270,000. However, significant debt or a low credit score could reduce this amount.

Using mortgage affordability calculators can help you estimate borrowing limits. For example, inputting an income of £40,000, monthly expenses of £800, and a deposit of £20,000 into a mortgage calculator might show you can borrow a maximum of £160,000. These tools provide a useful starting point but don't replace advice tailored to your unique circumstances.

When planning your mortgage repayments, always account for interest rates and potential increases over time. Opting for a fixed-rate mortgage ensures your monthly payments remain stable, which may be helpful if you're working within a strict budget.

### BORROWING IF YOU'RE SELF-EMPLOYED

The self-employed often face more stringent requirements when applying for a mortgage, but that doesn't mean homeownership is out of reach. Lenders commonly request two to three years of income evidence, such as SA302 forms from

HMRC or professionally prepared accounts. For instance, if your business brings in an annual income of £50,000, an accountant-certified report could reassure lenders that you're financially stable.

To strengthen your chances, ensure your financial records and tax returns are accurate and up to date. Additionally, saving a larger deposit can make your application more appealing. Some lenders also consider retained profits in limited companies when calculating income, so seeking advice from a broker with expertise in self-employed applications can be invaluable.

### TAKING THE NEXT STEPS

Calculating how much you can afford to borrow requires careful planning and a clear view of your financial situation. Scenarios like a growing family or transitioning from renting to buying call for different approaches. Whether you're navigating the complexities of being self-employed or weighing your deposit options, the right mortgage is out there for you.

For tailored advice and personalised guidance, consider consulting a mortgage advisor. They will not only simplify the process but also match you with the right lenders for your specific needs. Contact one today to take that next step closer to owning your dream property. ♦

#### >> ARE YOUR DREAMS OF HOMEOWNERSHIP WITHIN REACH? <<

For tailored advice and personalised guidance, we can simplify the process and match you with the right lenders for your specific needs. Contact one today to take that next step closer to owning your dream property. Speak to **Rothsay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothsaybennett.co.uk**.





# NAVIGATING THE WORLD OF MORTGAGES FOR THE OVER 50S

Understanding what lenders consider and what options are available

**SECURING A MORTGAGE** can feel overwhelming at any age, but for those over 50, the process often involves added complexities. Whether you aim to purchase a property, downsize, release equity, or simply secure better terms on your existing arrangement, understanding what lenders consider and what options are available will position you more strongly.

Unlike younger borrowers, older applicants may undergo increased scrutiny regarding income and affordability, particularly concerning retirement. However, there is a growing range of tailored products designed specifically for this demographic. With proper preparation and advice, you can discover solutions that fit your unique circumstances.

## **FACTORS CONSIDERED BY LENDERS**

When applying for a mortgage, lenders evaluate various factors to assess suitability. One of the most significant factors is your income. For borrowers over 50, income often comes from a mix of different sources. For instance, if you're still employed, your salary is reviewed alongside any self-employed earnings. If retired, private pension payouts, state pensions, and even income from investments or rental properties can all be considered to demonstrate affordability.

For example, an individual who works part-time and receives both state and private pension income might combine these sources to meet lender requirements. Some lenders will accept 100% of a private pension

but may only consider 50% of certain investment incomes. Recognising these nuances can help you clearly present your financial profile.

Your credit history is another critical consideration. A strong credit score, consistent payments on previous loans, and a manageable level of debt underscore your reliability as a borrower. Conversely, late payments, bankruptcies, or substantial debts could adversely impact your chances.

## **IS IT POSSIBLE TO OBTAIN A MORTGAGE AT ANY AGE?**

While there is no universal age limit for mortgages, individual lenders set their own restrictions. Many lenders now offer their products to cater to older borrowers, with



some providing terms that extend to ages 75, 80, or even 85.

However, the maximum mortgage term often shortens with age. For instance, a 55-year-old applying for a mortgage could reasonably secure a 20- or 25-year term, depending on their retirement plans. In contrast, a 65-year-old might only be offered a 10- to 15-year term to align with anticipated affordability during retirement.

Lenders also take into account age-specific expenses. For example, if you are approaching retirement, they may consider lower future income and higher healthcare or living costs. Showing a robust financial plan for retirement is crucial to addressing these concerns.

### **WHERE CAN I FIND MORTGAGES FOR THOSE OVER 50?**

Accessing the right mortgage often requires knowing where to look. Specialist later-life lenders, such as those offering retirement interest-only (RIO) products, specifically cater to borrowers aged 50 and older. Some high street banks have also introduced later-life offerings, although their product ranges may be limited.

Online comparison tools can serve as a useful starting point for exploring rates and terms. Additionally, collaborating with a mortgage broker who specialises in later-life lending could save significant time and effort. This approach can provide access to exclusive deals and offer insider knowledge about what each lender is likely to approve based on specific criteria.

Moreover, housing associations and shared ownership schemes might provide additional options, especially if you're downsizing or relocating to an over-55 community. Investigating these opportunities can expand your choices beyond conventional mortgages.

### **WHAT CAN I DO TO IMPROVE MY CHANCES OF OBTAINING A MORTGAGE?**

Preparing your financial profile is one of the best ways to enhance your chances of mortgage approval. Begin by reviewing your credit report through credit agencies such as Experian or Equifax. Aim to correct inaccuracies, settle outstanding debts, and refrain from making excessive new credit applications in the months leading up to your mortgage application.

For instance, ensuring that all credit cards maintain an outstanding balance below 25% of their limit can showcase responsible usage. Additionally, if you are repaying loans or high-interest debts, settling these early can free up disposable income and lessen your financial commitments.

Consider building a larger deposit. For instance, instead of putting down 20%, choose 30% if your savings or property equity permit. A lower loan-to-value (LTV) ratio minimises risk for lenders and paves the way for more favourable terms.

### **WHAT DO MORTGAGE PROVIDERS REQUIRE FOR MORTGAGES FOR THOSE OVER 50?**

Documentation is a vital aspect of the application process. For individuals over 50, providers generally request proof of income or pension, which may include payslips, pension drawdown statements, or detailed investment returns.

Providers will also request recent bank statements, typically covering the past 3-6 months. These statements highlight your income, expenses, and overall financial stability. For example, a lender might assess whether your usual monthly expenditures would still allow for mortgage payments in the event of unexpected expenses. Clear budgeting and consistent saving can help portray a positive image.

Identification, such as a driver's licence or passport, is essential, along with proof of your current address (e.g., utility bills or council tax statements). The more prepared you are with these documents, the smoother the application process will be.

### **CAN YOU TRANSFER YOUR MORTGAGE WHEN PURCHASING A NEW HOME?**

Porting an existing mortgage can be an

appealing option for borrowers who are downsizing or relocating. For instance, a homeowner might move from a large property valued at £500,000 to a smaller home worth £350,000. By porting the original mortgage, they can retain their current low interest rate, potentially saving thousands of pounds over time.

However, porting isn't guaranteed. Your lender will require you to reapply and undergo affordability checks as if it were a new loan. If the new home requires borrowing additional funds, the extra amount will likely attract different rates and conditions, which could change your overall

### **WHAT SHOULD I DO IF I CAN'T GET A MORTGAGE?**

If standard mortgages are inaccessible, other options may be feasible. Retirement interest-only (RIO) mortgages are a

popular alternative, requiring only the interest payment. For example, a £100,000 interest-only mortgage at 3% annual interest would cost approximately £250 per month, compared to hundreds more with a repayment plan. The remaining balance is settled upon the sale of the property.

Alternatively, equity release schemes allow you to borrow against your property value without needing to make monthly repayments. This option may be suitable for those looking to access funds for home improvements or other expenses while staying in their home. However, it's important to remember that interest compounds, reducing the equity available for inheritance.

It is strongly recommended to always seek professional financial advice when exploring equity release products, as the implications can be significant. Additionally, for those considering renting or shared accommodation instead of property ownership, local housing associations might also offer alternative solutions.

### **TAKE THE NEXT STEP**

Securing a mortgage after the age of 50 might seem daunting, but it's far from impossible. By understanding how lenders evaluate your application, preparing your finances, and exploring alternatives when necessary, you can discover a solution tailored to your needs and goals. ♦

**“Preparing your financial profile is one of the best ways to enhance your chances of mortgage approval.”**



### **>> IS IT TIME TO ACT AND TAKE CONTROL? <<**

If you're evaluating your options or seeking expert advice, don't leave your future to chance. Explore your choices, compare offers, and take confident steps toward securing your dream home or easing financial pressures later in life. Contact **Rothsay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothsaybennett.co.uk**.





# The Bank of Mum and Dad

How to help get your child climb on the homeownership ladder

**WITH RISING PROPERTY** prices and stricter mortgage lending rules, homeownership has become an increasingly distant dream for many young people. For some, the solution lies in the financial support of their parents, often referred to as “The Bank of Mum and Dad.”

This informal institution has become one of the largest lenders in the UK, helping thousands of first-time buyers every year. However, while offering assistance can be incredibly rewarding, it demands a thoughtful and well-informed approach.

Helping your child get onto the property ladder requires consideration of financial, emotional, and even legal implications. Here, we explore the various ways parents can assist, the potential pitfalls, and the factors to ponder before making a commitment.

## **GIFTING A DEPOSIT**

One of the easiest ways to help your child is by gifting all or part of their deposit. This reduces the mortgage amount they need, often unlocking access to lower interest rates due to a higher loan-to-value ratio. For example, if your child is purchasing a home for £250,000 and you contribute £25,000 towards the deposit, this not only assists them in securing a mortgage but may also lead to more favourable terms.

However, you should be aware of the tax implications involved. Under current Inheritance Tax rules, this gift could be included in your estate if you pass away within seven years. To prevent any misunderstandings, it is essential to formally document the gift and provide a letter to the mortgage lender stating that it is non-repayable. This straightforward step can help avoid unnecessary delays during the home-buying process.

## **ACTING AS A GUARANTOR**

If you're unable to provide a lump sum, becoming a guarantor for your child's mortgage is another popular option. This means agreeing to cover their repayments if they cannot fulfil them. For example, if your child earns £25,000 a year and is unable to secure enough to purchase a property,

**“Loaning money to your child, rather than gifting it, can strike a balance between support and maintaining financial security.”**

adding your financial strength to their application could help them access a better mortgage deal.

That said, being a guarantor entails certain risks. You may be required to step in if your child misses payments or defaults on the loan. This could jeopardise your own financial situation and even affect your credit score. Before signing as a guarantor, ensure that you fully understand the agreement and its implications by seeking professional mortgage advice.

**JOINT MORTGAGE ARRANGEMENTS**

For families eager to take a more active role in the buying process, obtaining a joint mortgage can be an attractive solution. This allows parents to combine their income with their child's earnings to secure a larger loan. For example, a parent contributing £30,000 in annual income could enable their child to borrow significantly more, making previously unaffordable properties a possibility.

However, this approach presents its complexities. Joint mortgages entail shared liability, even if the parent does not reside in the property. Furthermore, parents who already own their home might incur capital gains tax on their share if the property is sold at a profit. Ensure you fully understand the legal and tax implications before proceeding and consider consulting a solicitor to formalise the agreement.

**LOANING THE MONEY**

Loaning money to your child, rather than gifting it, can strike a balance between support and maintaining financial security. For instance, you could lend £15,000 for a deposit with an agreement that your child will repay the amount interest-free over five years. This helps them secure a home while allowing you to keep control of your finances.

To avoid potential disputes, always formalise the arrangement. Consider drafting a loan agreement that outlines the amount, repayment terms, and conditions, such as penalties for missed payments. While offering a loan can alleviate financial strain, think carefully about your child's ability to repay and how this might affect your relationship.

**USING SAVINGS OR RELEASING EQUITY**

Another option is to use your savings or the equity in your home to fund your child's purchase. Parents with substantial savings might choose to withdraw a portion for their child's benefit. For example, accessing £20,000 from a high-interest savings account could provide the ideal deposit without the need to borrow. However, ensure that this withdrawal won't affect your future plans or retirement goals.

Alternatively, some parents utilise equity release schemes to access funds tied up in their homes. Equity release enables homeowners to unlock cash while continuing to live in their property. For example, if your home is valued at £400,000 and you release £50,000, you could use this amount to support your child. This approach is ideal for those who are property-rich yet cash-poor, but it carries long-term financial implications, such as reduced inheritance for other family members. Always seek professional financial advice before considering equity release options.

**COMMUNICATING WITH THE FAMILY**

Open communication is essential in any financial arrangement. Begin by having an open discussion with your child about their financial situation and your ability to help.

Discuss areas such as how much you can contribute, whether siblings will receive similar support, and what expectations you may have regarding repayment.

For instance, one family agreed that the parents would lend their son £30,000 for a deposit, but clearly stipulated in the written agreement that he would repay half within ten years. This not only helped the son secure his home but also preserved family harmony by establishing clear boundaries.

**IMPORTANCE OF PROFESSIONAL ADVICE**

Regardless of your chosen route, obtaining professional financial or legal advice is crucial for assessing the risks and benefits of each option, identifying tax implications, and guiding you through the legal requirements. Seeking professional guidance will also safeguard your financial interests and alleviate the stress of the process.

**A BALANCED APPROACH**

While the Bank of Mum and Dad can be instrumental in helping young people achieve their dream of homeownership, any financial assistance must be balanced with your long-term security. By exploring options, seeking advice, and maintaining open communication, you can make a meaningful contribution without jeopardising your future. ♦

**>>ARE YOU READY TO DISCUSS HOW TO HELP YOUR CHILD GET ONTO THE PROPERTY LADDER? <<**

If you would like more detailed information, advice, or wish to discuss your family's specific situation regarding how to support your child in getting onto the property ladder, professional guidance can significantly assist you in navigating this complex process. Contact **Rothesay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**.

# SHOULD I REMORTGAGE NOW?

Expert tips to help you decide if the time is right to save money or secure a better deal



**DECIDING WHETHER TO** remortgage your home is a significant financial decision that requires careful consideration and planning. This process can affect not only your immediate financial situation but also your long-term goals, such as building equity or achieving greater financial independence.

Before proceeding, ask yourself key questions like, “Will remortgaging lower my interest rate or reduce my monthly payments?” or, “Am I prepared for the fees and potential risks involved?”

## **WHY TIMING IS CRITICAL**

Additionally, consider how changes in your property’s value or fluctuations in the economy might impact your available options. Taking the time to understand the broader implications can help you make a choice that aligns with both your short-term goals and future financial stability. Timing is another critical factor that should guide your decision. Market conditions and interest rate trends play a pivotal role in determining whether remortgaging is beneficial. Reflect on whether current rates are likely to rise or fall in the near future and how this could affect your borrowing costs.

## **EVALUATING EACH FACTOR**

Consider your current position within your existing mortgage term. For instance, if you’re nearing the end of a fixed-rate period, it may be a good time to explore



your options. Conversely, if substantial early repayment penalties exist, this could influence your decision. Are you financially prepared to handle the costs of remortgaging, or would waiting allow you to enhance your situation? Evaluating these factors can help you approach the process with clarity and confidence.

### **CAN REMORTGAGING SAVE ME MONEY?**

One of the primary reasons homeowners opt to remortgage is to take advantage of cost-saving opportunities. If your current mortgage deal is nearing its end and you're about to enter your lender's Standard Variable Rate (SVR), it's likely that your monthly repayments will increase. Switching to a new deal with a more competitive interest rate could save you hundreds, or even thousands, of pounds over the lifespan of your mortgage.

#### **Additional ways remortgaging could save you money:**

- **Debt consolidation:** If you have existing high-interest loans or credit card debts, a remortgage might allow you to consolidate these into one monthly repayment. While this can simplify your finances and potentially lower your overall rate of interest, bear in mind that you'll likely repay the debt over a longer period, which could increase the total amount you owe.
- **Reducing your term:** If your finances are in a good place, you might consider remortgaging to a shorter term. While this will increase your monthly payments, it could reduce the total amount of interest you pay overall.

Before proceeding, it's essential to do the sums carefully. Remember to account for any fees associated with switching deals, such as arrangement or legal fees, which could offset some of your savings.

### **REMORTGAGING WHEN YOUR HOUSE VALUE HAS INCREASED**

An increase in your property's value since



you took out your current mortgage could work significantly in your favour when it's time to remortgage. A higher-valued home typically results in a more favourable Loan-to-Value (LTV) ratio, potentially opening the door to improved deals.

#### **For example:**

- If your property was worth £200,000 when you took out an 80% LTV mortgage, you'd have borrowed £160,000. If the property has since risen in value to £250,000, your borrowing now represents just 64% of the home's value. This improved LTV could qualify you for lower interest rates, saving you money.
- If your LTV drops below key thresholds, such as 90%, 80%, or 75%, it simplifies accessing better deals. Keep an eye on these benchmarks and speak with your mortgage broker to see if you qualify.

Even small changes in interest rates can impact your monthly payments, so it's worth tracking market trends and seeking expert advice to maximise your savings.

### **SHOULD I REMORTGAGE NOW OR WAIT?**

Timing your remortgage decision is critical,

as it depends on both market conditions and your personal circumstances.

#### **Consider these factors before deciding whether to act now or wait:**

##### **Current interest rates:**

- If you believe rates are at historic lows but are predicted to rise, acting now could help you secure a lower rate for the future.
- However, if you believe rates have peaked and you expect them to drop in the near future, it may be worth holding off to secure a more favourable deal later.

Always seek professional advice to help you make a well-informed and confident decision.

##### **Remaining term on your deal:**

- If your mortgage deal is within six months of expiring, start shopping around for deals. Many lenders allow you to secure a new rate in advance, ensuring a seamless transition.
- If you're mid-way through a fixed-rate term and wish to switch, check for early repayment charges, as they might outweigh the benefits of remortgaging.

Ultimately, the decision depends on your financial priorities and whether you're satisfied with your existing rate.

### **CAN I APPLY FOR A NEW MORTGAGE DEAL BEFORE THE END OF MY CURRENT ONE?**

Yes, remortgaging before your current deal ends is entirely possible and can be advantageous. Many lenders enable you to lock in a new fixed-rate deal up to six months in advance, providing peace of mind and protecting you from potential rises in interest rates.

#### **However, consider the following:**

##### **Early repayment charges (ERCs):**

- Some fixed-rate mortgages come with ERCs if you exit before the term ends. Assess the financial impact of these fees before switching.
- For example, if your monthly savings on a new deal outweigh the ERC costs, moving early may still make sense.

##### **Flexibility:**

- Check the terms from your new lender. Some deals allow for maximum flexibility and early repayment options should your situation change.

Advance planning helps prevent costly gaps between agreements.

### **SHOULD I FIX MY MORTGAGE?**

A fixed-rate mortgage can be the right choice for those seeking predictability and reassurance in an unpredictable economic landscape. With your interest rate locked in, you won't need to worry about market fluctuations impacting your monthly repayments.

### **SECURING A FIXED-RATE MORTGAGE**

#### **Financial stability:**

- Valuable for budgeting, as your monthly

repayments remain consistent, even if interest rates rise.

- Offers individuals with a steady income the opportunity to gain long-term control over their finances.

#### **Protection from rate hikes:**

- Fixing your interest rate could shield you from increases driven by changes in the base rate.

However, a fixed-rate deal may not suit everyone. You might prefer not to lock in your mortgage if flexibility is important to you. Variable or tracker mortgages could offer lower initial rates than fixed options. These alternatives allow you to take advantage of falling interest rates, thereby reducing your monthly payments.

They provide the ability to adjust your mortgage without incurring penalties, making them ideal for those who are comfortable with some uncertainty and willing to manage potential rate increases.

### **HOW LONG SHOULD I FIX MY MORTGAGE FOR?**

The length of your fixed-rate term is equally important as deciding whether to fix it at all. Options may include two, five, or even ten-year terms, each offering distinct advantages for selecting them.

#### **Two-year fixed rate:**

- Offers flexibility to review your financial situation sooner and adjust if needed.
- However, you'll need to renegotiate comparatively sooner and may incur higher fees every time you switch.

#### **Five-year fixed rate:**

- Provides long-term stability, protecting you from economic uncertainties.
- Ideal for those planning to stay put for the foreseeable future.

#### **Ten-year fixed rate:**

- Ensures security over a decade but often comes with higher ERCs if you need to exit

early. This option is suited to homeowners with a clear long-term plan.

Take time to assess your lifestyle and future plans before deciding on the term length. Being overly cautious can restrict your flexibility, while being too short-sighted might leave you vulnerable to risks.

### **SEEK PERSONALISED MORTGAGE ADVICE**

Remortgaging offers the opportunity to save money, secure better terms, or gain financial peace of mind. But it is not without complexity. Factors like market trends, your financial position, and potential fees make navigating this decision require care and expertise.

- Explore comparison tools to assess potential deals.
- Speak with an experienced mortgage broker to gain access to exclusive offers and professional guidance. ♦

#### **>> READY TO DISCUSS YOUR REMORTGAGE OPTIONS? <<**

Choosing the right remortgage option can feel overwhelming, but you don't have to face it alone. Whether you're considering porting your current mortgage or exploring new alternatives, we're here to guide you. Our experts will help you review your options, compare market deals, and provide advice tailored specifically to your goals and circumstances. Speak to the team at **Rothsay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothsaybennett.co.uk**.



# Opening the door to your first home

A guide to first-time buyer mortgages

**CLIMBING ONTO THE** property ladder is a significant milestone. However, for many first-time buyers, grasping the concept of mortgages can feel overwhelming. Understanding the basics and exploring various options can make the process smoother and less intimidating. With a clear plan and appropriate advice, purchasing your first home can become a reality.

Here's a guide to help you secure your first mortgage and make informed decisions throughout the process.

## **HOW TO APPLY FOR A MORTGAGE FOR FIRST-TIME BUYERS**

Applying for a mortgage involves careful planning, organisation, and a solid understanding of the necessary steps. The first step is to gather all required documents, such as proof of income (payslips or tax returns for self-employed individuals), detailed bank statements, and valid identification. It's also crucial to check your credit score before applying, as this will provide insight into how lenders might assess your creditworthiness.

To enhance your chances of approval, clear any outstanding debts whenever possible and avoid taking on new credit immediately before submitting your application. Once you've accomplished this, the next step is finding a mortgage. We assist first-time buyers through every stage of the process and clarify the available options. Additionally, we outline the various mortgage products available and help you select one that aligns with your financial situation and future plans.

## **DISCOVER YOUR BORROWING CAPACITY**

Determining how much you can borrow is one of the most crucial steps before embarking on your house-hunting journey. Lenders typically assess your borrowing capacity based on a multiple of your annual income. For instance, if you earn £30,000 a year, you might qualify for a mortgage of approximately £120,000 to £150,000, although this can vary based on factors such as your





credit score and monthly expenses.

Lenders will also perform affordability checks to ensure you can comfortably manage your repayments while covering other living costs, utility bills, and unexpected expenses. Using online mortgage calculators can give you an estimate. However, we can provide you with a precise figure tailored to your circumstances.

### **OBTAIN A MORTGAGE IN PRINCIPLE**

A Mortgage in Principle (MIP), also known as a Decision in Principle (DIP), is a written indication from a lender regarding how much they are willing to lend you, based on an initial review of your financial situation. It's important to note that an MIP does not involve a full credit check or final approval; rather, it serves as a preliminary agreement.

Having an MIP is extremely useful when viewing properties. It demonstrates to estate agents and sellers that you're serious and have already taken steps towards securing a mortgage. For example, a seller is more likely

to choose your offer over someone else's if you can show you already have an MIP, as it signals your financial readiness.

### **APPLY FOR YOUR MORTGAGE**

Once your offer on a property has been accepted, it's time to submit a formal mortgage application. This stage involves more thorough checks, so be prepared to share comprehensive financial information, including proof of savings, a breakdown of monthly expenses, and any current credit obligations.

During this phase, you'll also need to choose a type of mortgage. The most common options are fixed-rate mortgages, where your interest rate remains constant for a specified period (ideal if you prefer stability), or variable-rate mortgages, which fluctuate according to market conditions. Alternatively, a tracker mortgage follows the Bank of England's base rate. Whatever option you choose, we'll ensure it aligns with your long-term financial goals.

**“Saving for a deposit is essential when buying your first home. Typically, you’ll need at least 5% to 10% of the property’s value.”**

**WHO IS ELIGIBLE FOR A FIRST-TIME BUYER MORTGAGE?**

You’re considered a first-time buyer if you have never owned residential property in the UK or abroad. Some lenders offer additional benefits to first-time buyers, such as lower deposit requirements or exclusive deals. However, if you have previously owned commercial property or inherited a home, you may need to clarify your status with potential lenders.

Government-backed schemes like shared ownership can support first-time buyers by lowering upfront costs. For instance, with shared ownership, you buy a percentage of the property (e.g., 25% to 75%) and pay rent on the remaining share. This approach can make homeownership more accessible for those with limited budgets.

**WHAT DEPOSIT DOES A FIRST-TIME BUYER NEED?**

Saving for a deposit is essential when buying your first home. Typically, you’ll need at least 5% to 10% of the property’s value. For a £200,000 home, that amounts to between

£10,000 and £20,000. Although saving for a larger deposit may seem daunting, it can significantly lower your monthly payments and open the door to lower interest rates.

For instance, if you save 20% (£40,000) for that same £200,000 home, you will not only need a smaller loan, but you will also lower the lender’s risk, making you eligible for better deals. Think about using budgeting apps or establishing a dedicated savings account to assist you in reaching your goal.

**OBTAINING A FIRST-TIME BUYER MORTGAGE WITH NO DEPOSIT**

Though they are less common, some lenders provide options for buyers without a deposit. Guarantor mortgages are the most typical type in this category. In this arrangement, a family member or someone close to you agrees to act as security for the loan, often by depositing savings in a linked account or offering equity in their own property.

While this can help buyers enter the property market more quickly, it’s essential to understand the risks involved. If you fail to make repayments,

the guarantor may encounter financial repercussions. Before choosing a no-deposit option, seek professional financial advice to evaluate the pros and cons and consider all possible alternatives.

**SAVING STRATEGIES AND PRACTICAL ADVICE**

Saving for a deposit doesn’t have to involve drastic changes; small adjustments can accumulate over time. Create a realistic budget, reduce non-essential spending, and explore ways to increase your income, such as freelancing or selling unused items. Research government initiatives, like the Lifetime ISA, which offers up to a 25% bonus on your savings for purchasing your first home.

Additionally, remember to consider other costs, such as stamp duty (although many first-time buyers are exempt up to a certain amount), solicitor fees, and home surveys. Being financially prepared will facilitate a smoother transition into homeownership.

**NEED HELP MOVING FORWARD?**

Buying your first home is one of life’s most rewarding milestones, and understanding your mortgage options is essential for making it a reality. By planning carefully, seeking professional advice, and staying informed, you can embark on that exciting journey with confidence. ♦



**>> ARE YOU READY TO TAKE THE FIRST STEP TODAY AND UNLOCK THE DOOR TO YOUR DREAM HOME? <<**

If you need guidance or have any questions about the process, we will assist you in finding the right option for your circumstances and support you through every stage of the application process. Take the first step today and unlock the door to your dream home. Speak to **Rothsay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothsaybennett.co.uk**.

# Understanding a Mortgage in Principle

How to significantly enhance your property-buying experience



**PURCHASING A HOME** is one of life's major milestones, and understanding your financial position before your search begins is crucial. One particularly useful option for aspiring homeowners is obtaining a Mortgage in Principle. Whether you're a first-time buyer or a seasoned homeowner looking to upsize or downsize, this document can significantly enhance your property-buying experience.

A Mortgage in Principle, also known as an Agreement in Principle or Decision in Principle, is essentially a written estimate from a lender detailing the amount they'd consider lending to you. It's not a guarantee or legally binding, but it offers invaluable clarity about what you can afford. It also signals to property sellers and estate agents that you're a serious buyer, ready to proceed when the perfect home comes along.

## WHY A MORTGAGE IN PRINCIPLE MATTERS

Imagine you've found a charming three-bedroom semi-detached house listed for £300,000 that ticks all your boxes. You call to arrange a viewing, only for the estate agent to ask if you have a Mortgage in Principle. Without one, they may prioritise other buyers who can present proof they're financially viable. Worse, if you make an offer and then can't secure financing, you risk wasting everyone's time – including your own.

Having a Mortgage in Principle ensures situations like this are far less likely to occur. You'll know the realistic upper limit of your budget and can narrow your search

to properties you're more likely to afford. Avoiding heartbreak over falling in love with a property outside of your financial reach streamlines the process and keeps things both practical and positive.

## GAINING CONFIDENCE IN A COMPETITIVE MARKET

A Mortgage in Principle doesn't just benefit you; it also reassures sellers. Imagine you're bidding on a property, and a competing buyer has a similar offer to yours but no Mortgage in Principle. There's a good chance the seller will perceive you as the safer bet. Sellers want smooth, reliable transactions with buyers who won't have financing delays, and this document reflects how prepared and capable you are to deliver.

For buyers in particularly competitive areas, such as London or other sought-after postcodes, providing a Mortgage in Principle can sometimes be the difference between securing a property viewing or being excluded from the list. By demonstrating that a lender has pre-assessed your ability to borrow, you're showing you're ready to act – a point that resonates in fast-paced housing markets.

## HOW DOES IT WORK?

Getting a Mortgage in Principle is easier than many anticipate and doesn't take long to arrange. Our expert mortgage team will request a snapshot of your financial details, including your salary, monthly expenses, loan repayments, credit card balances, and any other commitments you may have. For instance, this could involve someone earning



£45,000 per year with a £200 monthly car loan and an £800 rent commitment. Based on these figures, the lender determines the maximum amount they are willing to consider lending.

The lender will also conduct a soft credit check during the process to better understand your creditworthiness. Soft checks won't affect your credit score, allowing you to apply for a Mortgage in Principle without worrying about any negative impact. Once approved, you'll receive documentation outlining the provisional maximum lending amount. For instance, a lender might confirm they're willing to lend up to £270,000, subject to a full assessment.

### WHAT IT DOESN'T COVER

While having a Mortgage in Principle is undoubtedly useful, it's important to understand its limitations. Since this stage doesn't involve a detailed assessment of your documentation, the full mortgage application may yield a different outcome. For example, if you've had irregular income over the past year that wasn't disclosed initially, the lender may reduce the amount they're willing to offer.

Equally, the validity of a Mortgage in Principle is limited. Most are valid for 30 to 90 days, so timing is essential. If you're not actively searching for a property in the near future, it may be worth holding off until you're ready to start viewing homes. By doing so, you'll avoid needing a reissue, which can unnecessarily complicate the process.

### THE VALUE OF REAL-WORLD EXAMPLES

Consider Oliver and Emily, a couple looking to purchase their first home. They applied for and received a Mortgage in Principle stating they could borrow up to £220,000. Using this figure, they focused their search on properties priced between £210,000 and £230,000, depending on their ability to negotiate. This proactive approach saved them time and prevented disappointment. Sellers were impressed by their preparation,



and when they made an offer, it was accepted promptly because they already had the lending support in place.

Another case is Florence, a single homebuyer navigating a competitive local market. When she found a two-bedroom flat she loved, the estate agent asked for proof of her finances as two other offers were already on the table. Amy shared her Mortgage in Principle, which confirmed she could borrow up to £300,000. Her quick action won the seller's confidence, and her offer was prioritised.

### WHEN SHOULD YOU APPLY FOR ONE?

The best time to apply for a Mortgage in Principle is just before you start actively property hunting. This ensures the information provided to the lender is up-to-date and the validity period aligns with when you're looking at properties. Our team can help you decide the right timing and approach lenders on your behalf.

It's also worth noting that some estate agents require a Mortgage in Principle

before they'll arrange viewings, particularly at the higher end of the market. Having this handy document removes any roadblocks and allows you to proceed without unnecessary delays. ♦

### >> NEED MORE GUIDANCE ON YOUR MORTGAGE OPTIONS? <<

Securing a Mortgage in Principle is often the first essential step to buying your dream home. It gives you clarity on what you can afford, confidence when approaching sellers, and credibility in competitive situations. If you're ready to take the next step or would like expert advice on navigating mortgages, get in touch with our team today. Together, we'll help you move closer towards owning the keys to your new home. Contact **Rothsay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothsaybennett.co.uk**.

# How to get a mortgage with bad credit

With the right approach, you can turn that dream of homeownership into a reality



**FOR MANY PEOPLE**, owning a home is the ultimate dream. However, having bad credit may make this seem like an impossible goal. It's important to remember that while bad credit can complicate securing a mortgage, it is not out of reach. With careful planning, professional mortgage advice, and the right approach, you can turn that dream of homeownership into a reality.

A poor credit score may result from missed payments, financial defaults, bankruptcy, or excessive overall debt. While conventional lenders often view bad credit as a risk indicator, specialist mortgage providers in the UK are more inclined to assist individuals in these circumstances. They look beyond the numbers and consider the broader context.

## **UNDERSTAND WHAT LENDERS ARE LOOKING FOR**

When lenders review a mortgage application, they aim to assess whether the borrower can reliably repay the loan. Mainstream lenders often rely heavily on credit scores, which consider payment history, current debts, and other financial behaviours. For someone with bad credit, that score can be a major roadblock.

However, specialist lenders adopt a more flexible approach. They may prioritise factors such as your deposit size, the nature of your income, and whether your financial difficulties are resolved. Keep in mind, though, that these options often come with higher interest rates to compensate for the perceived risk.

## “After you’ve cleaned up your report, focus on improving your credit score.”

### PREPARING YOUR FINANCIALS FOR SUCCESS

If you want to obtain a mortgage despite having bad credit, it’s crucial to organise your finances. Begin by acquiring a copy of your credit report. Mistakes, outdated information, or inaccuracies can result in unjust scoring. Utilise free resources such as Experian and Equifax to access your credit details and contest any errors.

After you’ve cleaned up your report, focus on improving your credit score. Small steps- like paying off smaller debts, reducing your current credit usage, and making all payments on time- can lead to notable improvements. Even just a few months of positive changes can significantly affect how lenders view your application.

### SAVE FOR A LARGER DEPOSIT

Accumulating a substantial deposit is another way to enhance your chances of mortgage approval. By providing a larger deposit, you minimise the lender’s risk. For applicants with poor credit, deposits of 15% to 20% or more of the property’s value are often necessary.

Larger deposits not only persuade hesitant lenders more effectively, but they may also help you secure better terms. A substantial deposit reflects financial discipline and indicates that you’re truly committed to ownership.

### SEEK PROFESSIONAL GUIDANCE

Navigating the complexities of bad credit mortgages can be overwhelming. This is where our support and advice prove invaluable. We have access to a wide network

of lenders, including those who specialise in clients with adverse credit histories.

With the support of your expert broker, you gain access to their expertise and industry relationships. They will recommend the best products for your needs, strengthen your application, and help save you time and stress. For many, our broker’s assistance can be pivotal when securing a mortgage.

### KNOW YOUR MORTGAGE OPTIONS

Not all mortgages are created equal; some products may better suit borrowers with bad credit. For example, fixed-rate mortgages eliminate the risk of unpredictable rate increases by locking in an interest rate for a set duration. In contrast, variable-rate mortgages can fluctuate but may initially provide lower rates.

Specialist adverse credit mortgages are also available, though they may involve fees or higher initial interest rates. Before choosing a product, ensure you fully understand the terms, paying attention to affordability to prevent any future financial difficulties.

### BOOST YOUR CREDIBILITY WITH POSITIVE FINANCIAL HABITS

Lenders appreciate consistency and responsible financial habits. Show stability by staying in steady employment, avoiding unnecessary credit applications, and registering to vote at your current address. These actions build credibility and give reassurance to lenders.

Improving your credit score, even gradually, can lead to better mortgage deals over time. Whether you’re currently applying or planning for the future, positively influencing your financial behaviour is always advantageous.

### HOW TO GET A MORTGAGE WITH BAD CREDIT

**If you’re ready to take the first steps to secure a mortgage, here’s a simple checklist to guide you:**

- 1. Review your credit report** – Carefully examine your report for any inaccuracies or outdated information.
- 2. Pay off outstanding debts** – Begin with smaller debts to demonstrate progress and lower your debt-to-income ratio.
- 3. Stay up to date on payments** – Make sure to fulfil all your financial obligations punctually.
- 4. Save for a larger deposit** – A substantial deposit decreases lender risk and may enhance your chances of approval.
- 5. Register to vote** – Being on the electoral roll verifies your address and enhances your credit score.
- 6. Avoid acquiring new credit** – Steer clear of applying for additional loans or credit cards before receiving mortgage approval.
- 7. Prepare proof of income** – Have recent payslips, tax returns, and bank statements ready to prove affordability.
- 8. Be realistic about affordability** – Ensure the property you’re buying and the mortgage repayments fit comfortably within your means.

### TAKING THE NEXT STEPS

Securing a mortgage with bad credit may seem challenging, but with the right preparation, it’s possible to find the right deal and get on the property ladder. From improving your financial profile to working with one of our brokers, every step you take puts you closer to achieving your goal. ♦

#### >> ARE YOU READY TO EXPLORE YOUR MORTGAGE OPTIONS? <<

If you would like additional guidance or personalised advice on your mortgage options, please feel free to discuss your needs with our team for assistance. Contact us now to explore your choices!  
**Rothesay Bennett Financial Planning**  
 – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**





# Applying for a holiday let mortgage

Everything you need to know to get started



**“The mortgage application process typically takes 3 to 6 weeks to complete, from the initial submission to receiving an offer.”**

involve different lending criteria. Securing the right mortgage type ensures that your property is financed appropriately, compliant with regulations, and optimised for generating income.

**WHY YOU MIGHT NEED A HOLIDAY LET MORTGAGE**

Purchasing a property outright isn't financially viable for most people, especially in sought-after holiday locations like the Lake District, Cornwall, or the Cotswolds. A holiday let mortgage provides a practical way to invest in a second home that not only serves as a personal retreat but also generates additional income by letting it out to travellers. For instance, a quaint two-bedroom stone cottage in the Cotswolds could rent for as much as £200 a night during peak seasons. This income may help offset mortgage costs while also building equity in the property.

Additionally, holiday rentals may qualify as Furnished Holiday Lets (FHLs) under UK tax rules, which unlock certain benefits. For instance, if your property is available for letting for at least 210 days a year and rented out for a minimum of 105 days, you may be able to offset your mortgage interest against your earnings. You may also qualify for capital allowances on furnishings and other equipment, providing you with further financial leverage.

**HOW TO APPLY FOR A HOLIDAY LET MORTGAGE**

Obtaining a holiday let mortgage involves several requirements. Deposits are typically higher than those for residential mortgages—often ranging from 25% to 30% of the property's value. For example, on a £300,000 countryside cottage, you would generally need a deposit of £75,000 to £90,000. This is because lenders perceive holiday lets as higher-risk

investments due to fluctuating income and potential vacancy periods.

Lenders will also require evidence of the property's rental potential. This typically includes projected weekly income during both off-peak and peak tourist seasons. For instance, if a seaside townhouse in Devon is expected to generate £1,500 in weekly income during the summer and £800 weekly in winter, lenders will assess whether the high-season profits offset the lower earnings during quieter months. To strengthen your case, you can present data from local letting agents or industry reports on holiday rental demand in the area.

**KEY CONSIDERATIONS BEFORE APPLYING**

Managing a holiday rental is not a passive activity, and it's vital to consider how much responsibility you're willing to assume. Will you handle bookings, clean after guests, and ensure the property is maintained to a high standard? Or will you hire a holiday lettings agency to manage the workload? While agencies can take care of everything from guest check-ins to marketing, they typically charge between 15% and 25% of your rental income, which affects your overall profitability.

Another vital factor is insurance. Traditional home insurance policies won't suffice for a holiday rental due to the increased risk of damage related to guests. Instead, you'll need specialist holiday let insurance, which includes public liability coverage. For instance, it can protect you if a guest is injured on the property, or if damage makes the property uninhabitable during bookings.

**CHOOSING THE RIGHT LOCATION AND PROPERTY**

The success of your holiday rental largely

**OWNING A HOLIDAY** home is a lifelong dream for many, but turning it into a viable business opportunity requires more than just scouting locations and searching for properties. If you're considering investing in a holiday rental property, it is essential to understand how to finance it through a specialised holiday let mortgage. Here's everything you need to know to get started.

Unlike standard residential mortgages, holiday let mortgages cater specifically to properties rented out on a short-term basis to holidaymakers. These typically cannot be covered by buy-to-let mortgages, as they



depends on the property's location. Coastal regions like Cornwall, charming tourist hotspots like Bath, and scenic getaways like the Scottish Highlands are all prime destinations. However, conducting market research is crucial. You should explore occupancy rates, peak seasons, and competition in your chosen area. For example, although a five-bedroom farmhouse in the Yorkshire Dales may seem attractive, factors such as proximity to amenities, demand for large group accommodation, and road accessibility must also be considered.

In addition to location, the property style should resonate with your target market. Unique properties, like converted barns or riverside chalets, often command higher rental income than standard homes. For instance, a converted mill house with scenic views may not only attract families during school holidays but also couples seeking romantic getaways, enabling you to maximise your year-round bookings.

### MAKING YOUR PROPERTY STAND OUT

The holiday rental market is competitive, so your property must stand out. High-quality furnishings and desirable amenities can significantly enhance both your nightly rate and occupancy. For example, offering features like a private hot tub, an outdoor barbecue area, or dog-friendly accommodations could help you attract more guests and secure excellent reviews. High-speed Wi-Fi and smart TVs are particularly valued by guests seeking both leisure and work-friendly environments.

Equally important is the visual presentation of your property. Professional photography should showcase the space in its best light, while home staging techniques can enhance its appeal. For example, a holiday home advertised with rustic decor, warm lighting, and cosy throw blankets could attract families seeking a winter retreat.

### CONSIDERING YOUR LONG-TERM GOALS

Setting your goals before buying will shape how you approach your investment. Do

you plan to use the property for personal vacations, or do you intend to maximise rental income? Perhaps it's a combination of both. For instance, if you plan to spend summers at the property, you'll need a strategy to balance personal use with occupancy requirements to meet FHL criteria.

Finally, holiday lets represent an active investment. Managing guest expectations, maintaining the property, and ensuring it remains competitive in the market requires time and effort. Even if a professional agency oversees the daily logistics, you'll still need to monitor financial performance and market trends. Ensure you're prepared for the commitment before embarking on this exciting venture.

### YOUR HOLIDAY LET MORTGAGE CHECKLIST

**To simplify your holiday letting adventure, here's a quick checklist covering all your key steps and considerations:**

#### Financial planning

- Assess your budget and determine how much deposit you'll need (typically 25%–30% of the property's value).
- Research potential rental income for properties in your chosen area and season.
- Calculate additional costs such as legal fees, renovations, furniture, and insurance.

#### Location research

- Identify high-demand areas, such as coastal, countryside, or tourist hotspots.
- Check for year-round appeal and occupancy potential in your chosen location.
- Consider proximity to key amenities, attractions, and transport links.

#### Property selection and management

- Choose a unique or desirable property style, such as a converted farmhouse or riverside lodge.
- Decide whether to manage bookings and maintenance yourself or hire an agency.
- Budget for additional management fees if using a letting agency.

#### Legal and tax considerations

- Confirm that the property meets Furnished Holiday Let (FHL) requirements.
- Investigate tax relief options, such as offsetting mortgage interest and eligible capital allowances.
- Ensure compliance with local safety and health regulations.

#### Insurance and risk management

- Purchase specialist holiday let insurance, including public liability cover.
- Prepare a plan for handling periods of vacancy or unexpected maintenance requirements.

#### Marketing and presentation

- Invest in professional photography to highlight the property's appeal online.
- Offer amenities that attract bookings, such as Wi-Fi, pet-friendly options, or luxury touches.
- Establish an outstanding presence on holiday letting websites and local platforms. ♦

#### >> ARE YOU READY TO TAKE THE NEXT STEPS? <<

If you're ready to turn your dream of owning a holiday rental into reality, speak with our expert team. They will assist you in assessing your options and guide you through the lending process. By taking the first steps today, you'll be much closer to creating a rewarding and successful venture. Contact **Rothsay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothsaybennett.co.uk**.



# WILL MORTGAGE RATES FALL THIS YEAR?

Persistent inflation or global economic shocks could disrupt plans for rate cuts



**THE UK'S MORTGAGE** holders and prospective homeowners will closely monitor interest rates throughout 2025, hoping for a decrease in borrowing costs after a prolonged period of high rates. The Bank of England, which has been overseeing inflation and economic growth, recently provided some insight into its policy direction and outlook. But what does this mean for mortgage rates? Will variable-rate mortgage holders find any relief?

## INTEREST RATES AND THEIR FUTURE TRAJECTORY

The Bank of England's Bank Rate was maintained at 4.5% during the Monetary Policy Committee (MPC) meeting in March. While the Bank observes significant progress in reducing inflation from its 11% peak in late 2022, uncertainties remain. The Consumer Price Index (CPI) inflation is still above the 2% target and is projected to temporarily rise to 3.7% by the third quarter of this year. This trajectory, influenced by fluctuations in global energy prices and domestic policy decisions, has prompted a more cautious approach regarding further rate cuts.

Encouragingly, there have already been three reductions in the Bank Rate since

late 2024—from 5.25% to 4.5% in March. Looking ahead, experts predict that rates may gradually decrease further, provided inflationary pressures continue to ease and economic conditions remain stable. However, this process is likely to be slow and deliberate, as the Bank seeks to balance inflation control with economic growth.

## WHAT DOES THIS MEAN FOR FIXED AND VARIABLE MORTGAGE RATES?

Fixed-rate mortgage holders have largely been shielded from previous interest rate increases during their fixed terms. However, many are nearing the end of their contracts and facing higher refinancing costs. The good news is that, due to recent Bank of England rate cuts, many new fixed-rate deals now present more attractive rates. Still, they are higher than pre-pandemic levels, reflecting broader economic pressures.

For variable-rate mortgage holders, changes to the Bank Rate have an almost immediate impact. With the March rate at 4.5%, borrowers with tracker mortgages or lenders' Standard Variable Rates (SVRs) have already experienced some reductions in their payments. This easing offers some relief, although the extent of this benefit depends on individual borrowing agreements.

## BROADER ECONOMIC CONTEXT

The UK economy continues to face challenges, including uncertain global trade policies, modest growth, and ongoing supply disruptions. Business investment and consumer confidence have remained subdued; however, the housing market has shown signs of recovery. According to

the Bank of England, mortgage approvals have stabilised, and house price growth is returning, albeit cautiously.

The Bank of England's balancing act between stimulating growth and controlling inflation will be crucial in shaping the interest rate environment. The MPC's approach remains data-driven, with every decision influenced by factors such as employment rates, domestic spending, and global market developments.

## A GRADUAL PATH AHEAD

While the trajectory of mortgage rates in 2025 suggests gradual declines, borrowers should manage their expectations. Fixed-rate mortgage deals may become more competitive, but variable-rate customers might experience substantial improvements more slowly. The Bank of England's cautious stance underscores that persistent inflation or global economic shocks could disrupt plans for rate cuts. ♦

### >> IS IT TIME TO OBTAIN EXPERT ADVICE ON YOUR MORTGAGE OPTIONS? <<

Navigating the mortgage market in a fluctuating rate environment can be challenging. Whether you are a homeowner seeking to remortgage or a first-time buyer planning your next steps, personalised advice can make all the difference. To explore your options, contact **Rothesay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**.

# Can I remortgage if I'm in the middle of my mortgage deal?

Exploring the options and considerations with examples



**YES, REMORTGAGING DURING** an existing mortgage deal is possible, and sometimes it's even beneficial, depending on your circumstances. You might consider remortgaging partway through a deal for several reasons, such as consolidating debt, securing a better interest rate, or releasing equity from your home for renovations or other financial needs.

While it may appear to be an appealing option, it's essential to thoughtfully consider the financial and practical implications before making a decision. Remortgaging during a deal can incur additional costs and complexities. Below, we explore the options and considerations with examples to help you gain a better understanding of the potential benefits and challenges.

## **EARLY REPAYMENT CHARGES**

The first major factor to consider is whether early repayment charges (ERCs) will apply if you leave your current mortgage deal before it concludes. These charges are typically associated with fixed-rate and discounted variable mortgages and can range from 1% to 5% of your outstanding balance. For instance, if you have a £200,000 mortgage with an ERC of 3%, you would need to pay £6,000 to exit early.

However, there are cases where remortgaging might still make sense. Imagine you have two years left on your fixed-rate mortgage at 5% interest, but you're eligible for a new deal at 3%. If this new rate saves you £250 per month or £6,000 over two years,

## “One compelling reason to seek professional mortgage advice is to access products that aren’t readily available to the general public.”

the savings could offset the ERC. Our highly experienced team can help you run these calculations and determine whether it’s financially worthwhile.

### EVALUATING NEW MORTGAGE RATES

Another critical consideration is the rate you could secure on a new deal compared to your current one. Interest rates are constantly shifting, and there could be an opportunity to switch to a lower rate that reduces your monthly repayments. For example, if you’re currently paying £1,000 a month on a 4% interest rate, switching to a 3% rate could lower that to £800, saving you £200 monthly.

However, you must also account for associated costs such as arrangement fees, which can range from £500 to £2,000. If these upfront costs outweigh the savings, it might not be the right time to remortgage. Brokers are invaluable in guiding you through these comparisons, ensuring all costs are factored into your decision.

### BORROWING ADDITIONAL FUNDS

Some homeowners may choose to remortgage mid-deal to unlock equity for specific needs, such as renovating their kitchen, building an extension, or consolidating high-interest debt. For example, if your home is worth £300,000 and your outstanding mortgage balance is £150,000, you might be able to access up to £60,000 in equity (depending on the lender’s criteria) by remortgaging.

However, borrowing more will increase your debt and monthly repayments. Taking out an additional £60,000 could mean your repayments rise by £300 to £400 per month, depending on the interest rate and term. It’s important to ensure any additional borrowing aligns with your long-term financial goals and remains manageable within your household budget.

### PORTING YOUR MORTGAGE

If early repayment charges make

remortgaging impractical, another option is to consider porting your mortgage. This allows you to transfer your existing deal to a new property, enabling you to move without facing significant financial penalties. For instance, if you’re relocating due to a job change or need more space, porting could provide a seamless solution.

However, porting isn’t always straightforward. Lenders may require you to reapply for the mortgage under current affordability criteria, which could be challenging if your financial situation has changed. Before making any plans, we can check your lender’s terms and conditions and discuss your options.

### ACCESS TO EXCLUSIVE DEALS

One compelling reason to seek professional mortgage advice is to access products that aren’t readily available to the general public. Lenders often reserve their best rates for borrowers working with mortgage brokers, meaning you might secure a deal that’s not listed on comparison sites or advertised directly.

For example, if you’re looking for a five-year fixed rate, we might find you one at 3.2%, while the best deal you can find online is 3.5%. Over the term of your mortgage, this difference could save you thousands of pounds. We also handle much of the paperwork, saving you time and effort during the remortgaging process.

### PRACTICAL EXAMPLES OF TIMING

Timing plays a crucial role in deciding whether to remortgage mid-deal. Imagine you’re 18 months into a five-year fixed-rate deal, but interest rates have dropped significantly, and your financial situation has improved. By making accurate calculations, you might find that switching now saves you thousands even after factoring in any ERCs and fees. Alternatively, if rates are rising and your fixed deal ends in six months, it might

make sense to wait to avoid unnecessary costs.

Conversely, if you need funds urgently—for instance, to fund unexpected major repairs in your home or consolidate high-interest loans that are stretching your budget—that urgency might justify making the move sooner rather than later.

### WHEN TO OBTAIN PROFESSIONAL MORTGAGE ADVICE

Deciding whether to remortgage during an ongoing mortgage deal is rarely straightforward. It pays to consult a mortgage broker. We can assess your circumstances, explore every angle, and provide tailored advice. Additionally, we can help you understand all the costs involved, source the best deals, and guide you through the application process.

If you’re feeling unsure, remember that we specialise in helping people make sense of situations exactly like these. Our expertise will ensure you’re making a well-informed choice, whether you remortgage now, wait, or consider alternative options. ♦

#### >> TIME TO TAKE CHARGE OF YOUR REMORTGAGE OPTIONS? <<

If you’re considering remortgaging and want to determine whether it’s the right choice during your current deal, seeking professional advice is invaluable. We can evaluate your financial situation, clarify your options, and help you decide the best course of action for your personal and financial goals. Contact **Rothesay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**.



# Simplify your next move with the free HMRC app

A digital assistant with features designed to streamline your move

**MOVING HOMES CAN** be one of life's greatest upheavals. From finding a new place to packing your belongings, it's a process filled with both excitement and stress.

Amid all the chaos, managing your finances and important paperwork can feel like an overwhelming task. But what if you had a handy tool to assist with this? Enter the free HM Revenue & Customs (HMRC) app, a digital assistant equipped with features designed to make your move seamless.

Here's how the HMRC app could assist you in managing your next move while keeping your tax and financial information just a tap away. Whether you're preparing for a new chapter or are in the midst of your moving administration, this guide will highlight the benefits of using this tool throughout the process.

### PLAN AHEAD WITH CONFIDENCE

Staying organised is essential when moving house, particularly regarding financial planning. The HMRC app allows you to stay proactive by providing access to various money-related features. With the app, you can view details of your employment income, forecast upcoming payments, and even verify that your tax code is accurate.

These tools help home movers feel confident about their finances. It offers financial preparation without stress, allowing you to focus on the more pressing task of packing before the big day arrives.

### PREPARE FINANCIALLY FOR A MORTGAGE

If your move involves purchasing a property, you're likely already navigating the mortgage process. Mortgage lenders often require proof of your income and tax status, and this is where the HMRC app becomes invaluable. The app allows you to view your income and employment history from the last five years, access your tax records instantly, and even obtain details such as your Child Benefit amounts, all of which can streamline the mortgage application process.

Having these details easily accessible can save you time when completing paperwork, determining eligibility, or discussing options

with your mortgage adviser. It removes the hassle of organising financial documentation.

### KEEP YOUR NATIONAL INSURANCE NUMBER WITHIN REACH

It's easy to misplace essential documents during a house move. Accessing your National Insurance number, however, is often crucial for setting up new services or accounts at your new address. Fortunately, the HMRC app securely stores your National Insurance number in your digital wallet, allowing you to access it anytime—even offline.

This feature removes the hassle of searching for old payslips or going through physical files. Whether you need them for employment purposes or administrative tasks, the app ensures they are always at your fingertips when you need them most.

### OPT FOR A PAPERLESS FUTURE

Packing heaps of paperwork can burden your move both physically and mentally. Why not use the HMRC app to ease the load by going paperless? Through the app, you can access all your HMRC messages and tax letters online, as well as track the forms you've submitted.

And it doesn't stop there. Opting for paperless services goes beyond just taxes. For example, you can organise paperless vehicle tax reminders through the DVLA's online account. It's a small step that can make a significant difference in keeping everything digital and clutter-free.

### CHANGE YOUR ADDRESS WITH EASE

Updating your address is easier than ever with the HMRC app. One of the most tedious tasks when moving is informing countless organisations about your change of address, but this app allows you to update your tax records in seconds. Just enter your new address through the app, and HMRC will be notified without the need to call or wait for letters to arrive.

This feature is particularly important for receiving benefits such as Child Benefit, ensuring that there are no interruptions to payments during your relocation. Additionally, you'll have one less thing to

consider while you're busy unpacking and settling in.

### GO BEYOND YOUR MOVE

While the HMRC app is invaluable during a house move, its benefits extend beyond that. Once you're settled, you can continue using the app to manage your taxes and finances effectively. From checking your State Pension forecast to tracking tax refunds or identifying gaps in your National Insurance contributions, it's a tool that helps you maintain control long after your boxes are unpacked.

The app's convenience, coupled with its secure and user-friendly interface, has already reached over 7 million downloads on the App Store and Google Play. Setting it up takes only minutes and can save you hours of hassle.

### TAKE THE STRESS OUT OF MOVING

If you're planning to move or are already preparing for it, the HMRC app can streamline your financial and administrative tasks. It's free, secure, and offers instant access to vital information. Moving house can always present challenges, but you can stay one step ahead with the right tools. ♦

#### >> GOT QUESTIONS OR NEED SOME HELP? <<

Whether you need help understanding the steps or navigating your mortgage, our highly experienced team is here to support you and ensure your home-buying and selling experience is smooth and stress-free. Contact **Rothesay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**.





# DEMYSTIFYING THE HOME-BUYING PROCESS

Insights and tips designed to make your property purchase smoother and more manageable





**BUYING A HOME** is one of the most significant financial decisions you'll make in your life. This process combines excitement with challenges, often requiring careful planning and informed decision-making. Whether you're a first-time buyer or moving up the property ladder, understanding each stage is crucial to ensure everything proceeds smoothly.

From establishing your deposit fund to receiving your keys on completion day, this comprehensive guide provides step-by-step insights and practical tips aimed at making

your home-buying experience smooth and enjoyable.

### SAVING FOR YOUR DEPOSIT

Your deposit is the foundation for your property purchase, and the amount you save can affect the mortgage deals available to you.

- Aim for a deposit of at least 5% of your property's price, although 10% or more can secure better mortgage rates.
- If applicable, consider opening a Lifetime ISA (LISA) to boost your savings by 25%, with contributions up to £4,000 a year.
- Set a monthly savings goal and use financial tools like budgeting apps to monitor progress.
- If family or friends are providing support, agree on clear terms to avoid miscommunication.
- Partnering with a friend or partner to buy could increase borrowing potential, but consult a solicitor to formalise agreements.

A larger deposit often leads to reduced monthly mortgage payments, so prioritise saving wherever possible.

### EXPLORING GOVERNMENT SCHEMES AND FINANCIAL OPTIONS

Navigating various home-buying schemes can help make the process more accessible.

- Investigate schemes like Shared Ownership, where you buy a portion of a property and rent the remainder.
- If you're a first-time buyer, you might be able to purchase a home for 30% to 50% below its market value. The home must be your primary residence. This offer, known as the First Homes Scheme and is available only in England.
- Use online mortgage calculators to get an idea of how much you can afford based on

your salary and monthly expenses.

- Check if you qualify for special lender schemes tailored to first-time buyers.

Understanding your financial standing will ensure you know exactly what you can afford before starting your search.

### GETTING A MORTGAGE BROKER

A mortgage broker is a valuable ally, especially in more complex situations.

- Consult a broker if you're self-employed, have a fluctuating income, or are concerned about bad credit.
- Use their expertise to explore trusted lenders and compare mortgage options.
- Set aside funds for additional purchasing costs like legal fees, stamp duty, and surveys, which can add up to 15% of your budget.

If you're worried about navigating the mortgage process alone, an experienced broker can provide much-needed clarity and support.

### SECURING A MORTGAGE IN PRINCIPLE

A Mortgage in Principle (MIP) is sometimes also known as an 'Agreement in Principle (AIP)', a 'Decision in Principle' or a 'mortgage promise'. It indicates how much a lender is willing to lend based on your financial circumstances.

- Apply for an MIP early as proof of financial preparation; it strengthens your position as a serious buyer.
- Be aware that your final mortgage offer may differ slightly from the MIP amount, depending on property valuation.
- Keep this document ready for when you start negotiations with sellers.

An MIP is not an official offer but demonstrates your readiness to proceed to the next step.



### SEARCHING FOR THE RIGHT PROPERTY

Finding the perfect home takes time, patience, and smart decision-making.

- Make a list of your priorities, including location, number of bedrooms, outdoor space, and proximity to amenities.
- Communicate your requirements to local estate agents and sign up for listing alerts online.
- Attend multiple viewings and compare property prices within the area.
- Check whether the property is freehold or leasehold, as leasehold homes come with additional costs like ground rent.
- Visit at different times of day to gauge traffic, noise, and activity levels in the neighbourhood.

Keeping a record of properties you visit helps you evaluate your options before making an offer.

### MAKING AN OFFER

When you've found a property you love, submitting a competitive and strategic offer is key.

- Research recent sale prices in the area to understand market conditions.
- Decide your maximum budget and be prepared to negotiate with the seller.
- Make your first offer slightly below the asking price to allow for negotiation.
- Highlight your position as a first-time buyer or cash buyer in your offer to improve its attractiveness.
- For sealed bids, seek advice from your estate agent and weigh risks carefully.

Stay calm during negotiations, but be ready to move on if the price exceeds your agreed budget.

### NAVIGATING GAZUMPING AND GAZANGING

Even after an offer is accepted, the unpredictable nature of the property market can pose challenges.

- Gazumping occurs when a seller accepts a higher offer from another buyer after agreeing with you.
- Gazanging happens when a seller withdraws their property entirely, leaving you without recourse.

- Invest in Home Buyers Protection Insurance to cover survey, legal, and other costs if the purchase falls through.
- Keep open communication with the seller and estate agent to ensure transparency during the process.

Though frustrating, these risks can be mitigated with due diligence and planning.

### APPLYING FOR A MORTGAGE

Once your offer is accepted, you'll need to formally apply for your mortgage.

- Submit required documentation promptly, including proof of income and bank statements.
- Be aware of the possibility of a down valuation, where the lender values the property lower than the agreed price.
- Aim to settle additional arrangements like life insurance to protect your financial investment.

Your lender's valuation will determine the final loan offered, so ensure everything is accurate and aligns with your budget.

### APPOINTING A CONVEYANCING SOLICITOR

Handling the legal elements of your purchase requires a reliable solicitor or licensed conveyancer.

- Choose a professional with solid client reviews and transparent fees.
- Respond promptly to requests for paperwork to avoid unnecessary delays.
- Expect searches, like Local Authority Searches, which may highlight potential issues like planning permissions or flood risks.

Your solicitor ensures all the legal bases are covered for a smooth exchange of contracts.

### GETTING A PROPERTY SURVEY

Though not compulsory, a thorough survey can save you significant stress and money.

- Opt for a homebuyer survey or building survey depending on the property's age and condition.
- Use survey findings to renegotiate the price or request repairs from the seller.
- Remember that mortgage valuations aren't as detailed as independent surveys.

A property survey provides peace of mind by uncovering hidden defects before purchase.

### EXCHANGING CONTRACTS AND PREPARING FOR COMPLETION

Exchanging contracts legally binds both parties to the sale, paving the way for completion.

- Expect to pay your deposit, usually around 10% of the purchase price, at this stage.
- Arrange buildings insurance, as you're now responsible for the property.
- Finalise the completion date, typically set within 2-4 weeks of exchanging contracts.

This stage ensures that all paperwork and finances are in order, leading you to ownership.

### COMPLETION DAY AND MOVING INTO YOUR NEW HOME

Completion day marks the end of your home-buying process and the beginning of a new chapter.

- Transfer the remaining balance, and your solicitor will register the property under your name.
- Collect your keys and ensure utilities like water, gas, and broadband are set up in advance.
- Settle the solicitor's remaining fees and update documents like your driver's licence or insurance.

Congratulations! You're now the proud owner of a new home.

### FEELING CONFIDENT ABOUT THE PROCESS

While purchasing a home can feel daunting, preparation and the right support will make it manageable and rewarding. Take each step at a pace that works for you, seek professional advice when needed, and remember that this process brings you closer to your dream home.

Buying a property is an achievement worth celebrating, so take pride in your planning and efforts. If you're ready to begin, start today with confidence and excitement for the future ahead. ♦

**“While purchasing a home can feel daunting, preparation and the right support will make it manageable and rewarding.”**

**>> LOOKING FOR EXPERT HELP FOR YOUR JOURNEY? <<**

For assistance or personalised advice on finding the perfect mortgage option and purchasing your first or next home, feel free to contact our experienced team. Having the right team by your side will make all the difference. Happy house hunting! Contact **Rothsay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothsaybennett.co.uk**.



# Navigating your property journey

What to consider when preparing for your next move



**SELLING YOUR HOME** and preparing for your next move can sometimes feel daunting, whether it's your first time or you're experienced in property sales. Key factors, such as current market conditions, your personal circumstances, and long-term goals, all influence the process.

With proper planning and expert guidance, this experience doesn't have to be overwhelming. Adopting a proactive approach can turn what seems complex into a more manageable and rewarding journey.

## FIRST IMPRESSIONS ARE EVERYTHING

When selling your property, the appearance of your home to potential buyers is crucial. Start by decluttering and making minor repairs to ensure the space looks well-maintained. Small changes, such as fresh paint or updated decor, can make a significant difference. Consider staging your home to highlight its best features, which cannot only attract more interest but also potentially increase the sale price.

Once you have prepared your property, choosing the right estate agent becomes a priority. Select a local agent who understands the nuances of the market in your area. Their expertise can be invaluable in pricing, marketing, and navigating the negotiation process.

## TAILORING YOUR HOME TO MEET BUYER NEEDS

Understanding your target audience is another key step. Knowing what potential buyers seek can help you position your property more effectively. For instance, a

family may prioritise being close to schools, while young professionals might value excellent transport links. These details can also offer valuable insights for future sales when you're ready to move again.

Speaking of moving, deciding where to go next is a highly personal choice. Factors such as family changes, work commitments, and lifestyle aspirations all play a role. Whether you're upsizing, downsizing, or relocating, your next property should reflect your evolving needs and priorities.

## THE BENEFITS OF DOWNSIZING

Downsizing is a popular choice for those seeking a simpler and more manageable lifestyle. A smaller property typically leads to reduced living expenses, including lower mortgage payments, bills, and maintenance costs. For those looking to free up financial resources for retirement, travel, or other endeavours, downsizing can provide an effective solution.

Additionally, less space can mean less cleaning and maintenance. It's an appealing choice for empty nesters or those looking to simplify their daily routine without the burden of caring for a larger home.

## DRAWBACKS OF DOWNSIZING

Despite these advantages, downsizing has its challenges. Moving to a smaller property often necessitates a significant reduction in belongings, which can feel emotionally overwhelming. Parting with cherished items or furniture that doesn't fit the new space may require time and effort.

Another consideration is adjusting your



lifestyle. A smaller property means less space for entertaining or hosting family and friends. It's also important to consider whether the reduced space will meet your needs in the future.

**WHY UPSIZING COULD BE YOUR NEXT MOVE**

Upsizing, on the other hand, provides the luxury of increased living space. This can be especially advantageous for growing families, individuals transitioning to remote work, or anyone seeking greater comfort and functionality in their home. An additional bedroom, a roomy kitchen, or a dedicated home office can all elevate your quality of life.

Moreover, upsizing can enhance convenience and flexibility in daily life. You'll have space to host guests, explore new hobbies, or simply enjoy a more spacious and adaptable environment.

**DOWNSIDES TO UPSIZING**

While the benefits of upsizing are appealing, it's essential to be realistic about the associated costs. A larger home usually entails higher mortgage repayments, utility bills, and maintenance expenses. Ensure you are financially ready for these increases

before committing to a larger property.

Keep in mind that more space requires more upkeep. From cleaning to repairs and garden maintenance, larger properties demand more effort over time. It's essential to consider these factors carefully as you think about your long-term plans.

**TIMING YOUR MOVE**

Timing is another consideration that can significantly impact your property sale. Many consider spring to be the ideal season for selling. From February to May, the property market tends to be more active, as buyers aim to secure their next home before the summer months. The longer days and blooming gardens also make homes appear more inviting, enhancing their curb appeal.

Ultimately, the timing you select should align with your personal circumstances. Whether you aim to sell quickly or prefer a more measured approach, discussing your options with a knowledgeable estate agent can help you plan effectively.

**WHEN CHOOSING YOUR NEXT HOME**

Finding the perfect property requires balancing various factors. Location is undoubtedly crucial. Take into account

proximity to work, family, schools, and essential amenities like public transportation or shops. Residing in an area that aligns with your daily routine can greatly improve your quality of life.

Don't forget to think ahead. The future growth potential of your chosen area can provide significant financial rewards down the line. Will the property's value likely appreciate over time? Additionally, consider your specific needs. Are you looking for urban energy, tranquil green spaces, or a sense of community in a quiet village? Select a location that suits your lifestyle.

**MAKE THE MOST OF VIEWINGS**

Once you start viewing properties, take the opportunity to assess more than just aesthetics. Each visit allows you to explore the property's layout, condition, and potential. It's often helpful to bring a list of priorities to evaluate how well the home aligns with your goals.

Ultimately, collaborating with a local estate agent and mortgage broker will certainly streamline the process, offering expert guidance on selling, buying, and navigating any challenges you may encounter along the way. ♦



**>> STARTING YOUR SEARCH FOR THE RIGHT MORTGAGE? <<**

Securing the right mortgage for your new home is a crucial step in your property journey. Whether you're purchasing your first home or planning to move up the property ladder, making an informed decision is essential.

Our dedicated mortgage experts are here to assist you. With personalised advice tailored to your aspirations and financial goals, we ensure you have the support needed to make one of life's biggest decisions with confidence.

Contact **Rothsay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothsaybennett.co.uk**.

# HOW TO PREPARE YOUR HOME FOR VIEWINGS TO POTENTIAL BUYERS

Many buyers decide within moments of entering a home whether it's right for them



**WHEN IT COMES TO** selling your home, planning ahead can significantly impact the process. Timing also plays a crucial role, with spring being a prime season for sales. While this trend is generally applicable, it's important to acknowledge that regional variations exist. What works well in one part of the UK may not be suitable for another. That said, spring typically brings increased activity across England, Wales, and Scotland, presenting an opportunity to capitalise on buyer interest.

However, selling your home entails more than merely listing it and waiting for offers. Every aspect of your property must create a positive, lasting impression. Since many buyers make their decisions within moments of entering a home, preparation is crucial.

Investing time in presentation can elevate your home's appeal and increase its chances of selling. From enhancing kerb appeal to refining interior touches, here are some key considerations to make your property stand out.

## **BOOSTING YOUR HOME'S KERB APPEAL**

The exterior is the first thing buyers will see, and first impressions count. A clean, well-maintained front can entice buyers and set a positive tone for the rest of the viewing.

- Cut the lawn, trim hedges, and weed flowerbeds for a tidy appearance.
- Power-wash driveways and pathways to remove grime and moss.



- Add potted plants or flower boxes near the doorway for a splash of colour.
- Repaint the front door with a classic, inviting colour such as navy, red, or black.
- Polish or replace worn-out hardware like door handles and house numbers.

Even subtle details, such as a clean doormat or a swept porch, communicate care and attention to buyers.

### DECLUTTER AND DEPERSONALISE

Inside the property, clutter can make spaces look cramped and uninviting. Removing unnecessary possessions allows your home's best features to stand out.

- Clear all surfaces like kitchen counters and tables of excess items.
  - Pack away personal decorations, family photos, and bold artwork.
  - Arrange cupboards and wardrobes neatly; buyers often check for storage space.
  - Remove bulky furniture where possible to make rooms appear larger.
  - Consider using temporary self-storage for seasonal items or packed boxes.
- A neutral and minimalist aesthetic helps

buyers imagine themselves living in the home, making it feel welcoming.

### FOCUS ON CLEANLINESS AND REPAIRS

A sparkling clean home tells buyers it has been well-maintained. Deep cleaning should go beyond quick tidying to include often-overlooked areas.

- Dust shelves, baseboards, and light fixtures thoroughly.
- Deep-clean carpets, rugs, and hardwood floors to remove dirt or stains.
- Polish kitchen appliances, taps, and hardware for a fresh look.
- Use a window cleaner for streak-free glass, allowing maximum natural light into rooms.
- Scrub grout in bathrooms and reapply sealant if necessary.

Complete minor repairs to avoid detracting from the overall impression of the property.

- Fix leaking taps, squeaky doors, or peeling wallpaper.
- Paint over scuffed walls with neutral tones like ivory or grey.

- Replace chipped tiles or cracked wood trim to show attention to detail.

### HIGHLIGHT YOUR HOME'S KEY FEATURES

Showcase the unique aspects of your property to help it stand out to buyers. Intentional staging adds personality to every room while demonstrating its purpose.

- Arrange furniture to emphasise focal points like a fireplace or bay window.
- Use mirrors strategically to reflect light and create an airy, open feel.
- Style shelving with a mix of books and small decorative items.
- Lay a dining table with neutral tableware to suggest entertaining possibilities.
- Use lightweight curtains or blinds to maximise natural light.

For rooms lacking a defined purpose, stage them thoughtfully. For instance, place a desk and lamp in an empty corner to imply a home office.

### SET THE MOOD FOR A VIEWING

Small additional touches on the day of the viewing can help create a warm and inviting atmosphere.

- Open curtains and turn on lights to create a bright, welcoming space.
- Light subtle scented candles or use natural fragrances like lavender.
- Place fresh flowers in vases or set out a bowl of fruit for added charm.
- Adjust the indoor temperature for seasonal comfort.
- Play soft background music to enhance the ambience, keeping it unobtrusive.

Effortlessly incorporating these details ensures viewers experience your home at its best.

### CREATE AN OUTDOOR OASIS

Well-maintained outdoor areas can boost a property's appeal, especially to buyers seeking additional living space.

**“Well-maintained outdoor areas can boost a property’s appeal, especially to buyers seeking additional living space.”**



- Remove clutter such as tools, bins, or children’s toys.
- Mow lawns and trim bushes to maximise overall neatness.
- Plant colourful, seasonal flowers to brighten up garden beds.
- Add outdoor furniture like a table and chairs to highlight usability.
- Use outdoor string lights or lanterns for a soft glow during evening viewings.

For large outdoor areas, define specific zones—for example, a dining area, a play area for kids, or a vegetable garden. Buyers will appreciate how the space can cater to different needs.

#### **MAKE YOUR HOME VIEWING-READY**

An inviting home makes a strong emotional connection with potential buyers. Whether it’s freshening up the interiors or sprucing the exterior, preparation is crucial.

By following these suggestions and incorporating the additional bullet points, you can significantly improve your home’s market readiness. Small, consistent actions like decluttering, cleaning, and staging make all the difference. ♦

#### **>> LOOKING FOR GUIDANCE IN YOUR JOURNEY TO CONFIDENTLY OWN YOUR NEXT DREAM HOME? <<**

Our dedicated team of mortgage experts is here to guide you every step of the way. Don’t miss the opportunity to make your homeownership aspirations a reality. We can help you find the right mortgage solution tailored to your needs. Speak to the team at **Rothesay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**.





# HOW CAN I FIND THE RIGHT MORTGAGE FOR ME?

Talk to our experienced team today. We're here to get you moving

We understand how important making the decision to get a mortgage is. It's not just about taking out a mortgage, it's about getting the keys to your new home, improving the one you've got or arranging your finances for the future.

Whether you want to buy your first or new home, remortgage your current property, borrow more or buy-to-let – we're here to help.

To find out what you could borrow and what your payments may be,  
contact us today.

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Contact **Rothesay Bennett Financial Planning**

– telephone: 01676533692

– email: [enquiries@rothesaybennett.co.uk](mailto:enquiries@rothesaybennett.co.uk)

– website: [www.rothesaybennett.co.uk](http://www.rothesaybennett.co.uk)

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THINK CAREFULLY BEFORE SECURING OTHER DEBTS AGAINST YOUR HOME.

YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE.

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# The art of accepting an offer on your property

Why choosing which offer to accept can be more complex than it seems

**SELLING YOUR PROPERTY** is a major milestone that brings both excitement and anxiety. After navigating countless viewings and assessing feedback, receiving an offer signifies a crucial turning point in the journey. However, deciding which offer to accept can be more complicated than it appears. Your approach at this stage can affect your timeline, financial outcome, and peace of mind. A thoughtful strategy will assist you in making the right decision.

Here's how to ensure you're fully prepared to evaluate, accept, and move forward with the right offer for your situation.

## LOOK BEYOND THE NUMBERS

It's easy to concentrate solely on the offer price, but this is just one aspect of the equation. A higher offer may not benefit you if it comes with conditions that create risks or delays.

For example, consider a buyer who offers above your asking price but needs ample time to organise their finances. If you're on a tight timeline to purchase your next home, this could lead to complications. In contrast, a cash buyer might propose a slightly lower price but provides immediacy and certainty.

**Actionable Tip:** Create a list prioritising your needs before accepting any offer. Take into account your financial goals, timeline, and negotiation flexibility. A "perfect" offer meets as many criteria as possible—not solely the monetary aspect.

## UNDERSTAND THE BUYER'S POSITION

Understanding your buyer's position can prevent surprises down the line. Are they first-time buyers, experienced investors, or part of a buying chain? Each type of buyer presents unique advantages and risks.

### Key buyer types to consider:

- **Cash buyers:** They don't rely on a mortgage, minimising the risk of deal collapse.
- **First-time buyers:** Typically have no chain, which allows for quicker transactions.
- **Chain buyers:** If they need to sell their current property to buy yours, delays or complications in their sale can impact your transaction.

Additionally, check if the buyer has a Mortgage in Principle (MIP), which is sometimes referred to as an 'Agreement in Principle (AIP)', 'Decision in Principle', or 'mortgage promise.' This financial pre-approval from their lender assures that they can proceed with the purchase. A lack of this may signal potential delays or financing hurdles in the future.

**Actionable Tip:** Request your estate agent to confirm a buyer's financial status before making your decision. This allows you to differentiate serious buyers from less reliable ones.

### HANDLE MULTIPLE OFFERS WITH CONFIDENCE

Receiving multiple offers can be exciting yet overwhelming. How do you select the best one? Having several offers gives you leverage for negotiation, but it also needs careful management to uphold trust and momentum.

#### Steps to Manage Multiple Offers:

- 1. Review all offers fairly** by taking time to compare the details—not just the price. Consider the buyer's position, contingencies, timing, and terms.
- 2. Communicate clearly:** Be transparent by informing all interested parties of deadlines for decisions. This ensures the process remains fair and professional.
- 3. Leverage competition:** If your property is in high demand, buyers may be inclined to raise their offers or enhance terms to finalise the deal. Be receptive to renegotiation, while maintaining an ethical approach.
- 4. Work with your agent:** Your estate agent can help you weigh options and suggest ways to maximise your outcome while minimising stress.

**Example:** Imagine you receive two offers. One is from a cash buyer at £245,000, while the other is for £250,000 but depends on a lengthy chain. If short-term certainty is vital for you, the cash buyer may be the better choice.

### IMPORTANCE OF LEGAL AND MORTGAGE ADVICE

Once you receive an offer that feels right,

do not rush into a decision. The acceptance process is not just about enthusiasm; it is a business choice with lasting consequences.

Your solicitor or conveyancer will play a crucial role at this stage. They will review the terms of the sale and ensure there are no issues in the contract. Similarly, your mortgage broker can help you understand how the deal aligns with your broader financial goals, especially if you are purchasing another property simultaneously.

**Actionable Tip:** Keep open communication with your agent, solicitor, and mortgage broker. This collaborative approach ensures that every aspect of the sale is thoroughly scrutinised before proceeding.

### EVALUATE CONDITIONS AND CONTINGENCIES

Offers can sometimes carry conditions or contingencies that might complicate the process. Examples include requests for repairs, the inclusion of specific fixtures, or clauses such as "subject to sale."

Understanding these conditions is crucial. Some may delay the sale, incur unexpected costs, or impact your profit margin. Discuss these conditions thoroughly with your estate agent and solicitor to determine if they are acceptable or require further negotiation.

**Actionable Tip:** Compile a list of non-negotiables and preferences before entering negotiations. This will provide clarity on the compromises you are willing to make.

### PREPARING FOR NEXT STEPS AFTER ACCEPTANCE

Once you've accepted an offer, the process doesn't end there! A smooth transition relies on proactive planning for the next steps.

- 1. Secure your buyer's commitment:** Request a Memorandum of Sale that outlines the agreement, confirms the intentions of both parties, and details the key aspects of a property sale after an offer has been accepted.
- 2. Organise your documents:** Ensure that property deeds, warranties, and guarantees are easily accessible. Buyers and solicitors

will want to access these sooner rather than later.

- 3. Stay flexible:** Be ready for negotiations to evolve, including adjustments that may come from surveys or valuations.
- 4. Plan your move:** Begin preparing for your transition as the sale progresses. Schedule removal services, notify utility companies, and start forwarding your mail.

If the buyer's survey flags minor roofing repairs, they may request concessions. Be prepared to negotiate a discount or resolve the issue promptly.

### FINAL THOUGHTS

Accepting an offer is a crucial step in your property-selling process, but it doesn't have to be daunting. By approaching the decision systematically, understanding your buyer's perspective, and relying on legal and professional advice, you'll set yourself up for a successful sale.

Whether managing multiple offers or navigating challenging conditions, remember that your decisions should closely align with your personal and financial goals. Take your time, consult the appropriate experts, and trust your instincts. ♦

#### >> WOULD YOU LIKE TO LEARN HOW WE CAN ASSIST YOU WITH YOUR MORTGAGE? <<

Selling your property is both an emotional and financial milestone. With the right preparation, support, and mindset, you'll not only accept an offer you feel confident about, but also take the next step in your property journey with ease. To discuss your mortgage requirements, contact **Rothesay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**.

# SIMPLIFYING THE CONVEYANCING PROCESS FOR SELLERS

A clear understanding of what to expect can save you time, money, and stress



**SELLING A PROPERTY** can be a significant life event. Amid the to-do lists and moving arrangements, understanding the conveyancing process is essential. Conveyancing refers to the legal transfer of property ownership from one person to another, and for sellers, it ensures that the transaction is completed smoothly and legally. While qualified solicitors or licensed conveyancers handle much of the process, having a good understanding of what to expect can save you time, money, and stress.

One of the first steps in the process is to provide the important details that buyers will require. Your conveyancer will ask you to complete several key questionnaires that disclose information about your property. These documents are vital, as they provide

buyers with confidence and clarity, helping to avoid potential disputes down the line.

## IMPORTANCE OF SELLERS' QUESTIONNAIRES

When selling a property, you will often need to complete forms such as the TA6 Property Information Form. This comprehensive document includes details about boundaries, planning permissions, services, and any outstanding disputes or claims. If your property is leasehold, you will also need to complete the TA7 Leasehold Information Form, which outlines crucial details like ground rent and service charges. Meanwhile, the TA10 Form lists fixtures, fittings, and contents, clarifying what is included in the sale.

It's essential to be honest and thorough when completing these questionnaires. Any inaccuracies or omissions could result in delays, additional costs, or a breakdown in trust with potential buyers. Take the time to review the forms carefully and provide all the necessary supporting documents to your conveyancer.

## APPOINTING THE RIGHT CONVEYANCER

Choosing a skilled and experienced conveyancer or solicitor is one of the most crucial decisions you'll make during the process. A good conveyancer doesn't just manage the legal paperwork; they actively strive to resolve issues, meet deadlines, and ensure clear communication with the buyer's legal team.

To find the best fit, seek recommendations from friends, family, or your estate agent. Research online reviews and feedback from previous clients, and inquire about the pricing structure of any shortlisted firms. Be cautious of hidden costs and ensure their services are transparent and tailored to your needs.

## ROLE OF YOUR ESTATE AGENT

Your estate agent plays a crucial role in the conveyancing process, acting as the link between the buyer, seller, and their respective legal teams. They can help resolve initial issues, negotiate on your behalf, and ensure smooth communication. Their experience can also speed up tasks such as exchanging documents or facilitating inspections.





Your estate agent understands the local market and can accurately value your property. They can also advise you on the right pricing strategy, marketing plan, and negotiation approach. Maintaining clear and prompt communication with all parties involved will significantly influence the sale.

### PREPARING FOR THE SALE

Before your property is officially listed on the market, it's essential to have all necessary paperwork organised. This includes deeds, planning permissions, and certificates for work completed on the property, such as extensions or installations. If you cannot provide certain documents, discuss this with your conveyancer regarding alternatives.

Address any known issues with the property early, such as structural problems, dampness, or boundary disputes, instead of allowing buyers to discover them mid-process. Taking remedial action upfront builds trust and can reduce the likelihood of hiccups closer to completion.

### COMMUNICATION IS KEY

The conveyancing process often involves several parties, including buyers, sellers, estate agents, and legal representatives. Efficient communication among these parties is essential to avoiding misunderstandings and delays. Respond to queries promptly and

provide information when requested.

Set realistic timelines to manage the process smoothly. Conveyancing can sometimes take longer than expected due to the complexities of property sales. Maintaining open communication channels will help ensure everyone is aligned.

### COMMON PITFALLS TO AVOID

One common mistake is underestimating the time needed to complete the process. Don't assume that conveyancing will adhere to a strict timeline, as factors such as surveys, legal checks, and mortgage arrangements can lead to delays. Similarly, being unprepared with incomplete forms or missing documents often delays the transaction.

Another issue to watch for is failing to disclose problems with the property. Buyers are likely to conduct their own surveys, and undisclosed issues may not only cause a sale to fall through but can also lead to future legal disputes. Transparency is essential for building trust and fostering a smooth process.

### CONVEYANCING PROCESS CHECKLIST FOR SELLERS

**To help you remain organised and prepared, refer to the following checklist to navigate the process efficiently:**

- 1. Choose your conveyancer.** Select a trusted conveyancer or solicitor early in the process.
- 2. Organise your paperwork.** Gather deeds, permissions, warranties, and other relevant documents.
- 3. Complete sellers' forms.** Provide clear and accurate information on the required questionnaires.
- 4. Market the property.** Work with an experienced local estate agent to attract the right buyer.
- 5. Negotiate the terms.** Agree on the specifics of the sale, including price and any contingencies.
- 6. Address buyer queries.** Respond quickly to any questions or concerns raised during the process.
- 7. Finalise completion day.** Liaise with your conveyancer to complete payments, transfer ownership, and hand over the keys.

### THE FINAL STEPS

Once contracts are exchanged, the sale becomes legally binding, and a completion date is set. Funds are transferred on the agreed date, and ownership of the property officially passes to the buyer. Your conveyancer will notify you when everything has been finalised, allowing you to focus on your next steps, whether moving into a new home or completing other arrangements. ♦

#### >> ARE YOU READY TO DISCUSS YOUR PERSONALISED MORTGAGE OPTIONS? <<

Our expert mortgage team is here to assist you. With personalised mortgage options tailored to your needs, we'll collaborate with you to find the perfect fit for your lifestyle and financial goals. Contact the team at **Rothsay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothsaybennett.co.uk**.



# What documents do you need to sell your home?

How to ensure a smoother process and help avoid potential delays

**SELLING YOUR HOME** can be overwhelming, but proper preparation makes all the difference. Collecting the necessary documents ensures a smoother process and helps avoid potential delays. Whether it's your first time or you're experienced, having the right paperwork in order is essential.

Here is a comprehensive checklist of the essential documents you need to prepare, along with clear explanations for each.

### PROOF OF IDENTITY

Your solicitor or estate agent will request proof of identity as part of anti-money laundering checks. This is mandatory for all property sales.

- **What you'll need:** A valid passport or driving licence to verify your identity. Also, include a recent utility bill, bank statement, or council tax bill (dated within the last three months) that shows your current address.
- **Why it's important:** This document verifies who you are and ensures that you comply with legal obligations designed to combat fraud.

### PROPERTY TITLE DEEDS

The property title deeds prove you are the lawful owner of the house.

- **What you'll need:** Ideally, you'll already have the title deeds for your property. If they are not in your possession, they may be held with your mortgage provider if you have an outstanding mortgage. Alternatively, your solicitor can request them from HM Land Registry.
- **Why it's important:** Without these deeds, you cannot legally proceed with the sale. Sorting this early can save valuable time.

### ENERGY PERFORMANCE CERTIFICATE (EPC)

An EPC is a legal requirement for selling any property and indicates the energy efficiency of your home.

- **What you'll need:** If your property doesn't already have a valid EPC, you'll need to arrange an assessment by an accredited domestic energy assessor. Prices for this assessment generally vary, so shop around for competitive quotes.
- **Why it's important:** The EPC shows buyers the efficiency of the property and potential

running costs. A poorly rated home could deter buyers or give them grounds to negotiate.

### COPY OF LEASE (IF LEASEHOLD)

If your property is leasehold, a copy of the lease is essential.

- **What you'll need:** Your current lease document outlining the terms, remaining lease period, ground rent, and service charges. The management company or freeholder will usually provide this if you don't already have it.
- **Why it's important:** Buyers need to know what obligations they are taking on. Missing or unclear lease details could cause delays or even lost sales.

### FITTINGS AND CONTENTS FORM (TA10)

The TA10 form outlines what is included in the sale of the property.

- **What you'll need:** Complete the form with details of what you will be leaving behind, such as kitchen appliances, light fittings, or garden furniture.
- **Why it's important:** Misunderstandings about what's included can sour negotiations or lead to disputes post-sale.

### PROPERTY INFORMATION FORM (TA6)

This form provides detailed information about your property to potential buyers.

- **What you'll need:** Fill in the TA6 form as accurately as possible. It includes details about boundaries, disputes with neighbours, services and utilities, and any works carried out on the property.
- **Why it's important:** A well-completed TA6 enables buyers to make informed decisions. Providing false or incomplete information could result in costly legal issues down the line.

### BUILDING REGULATIONS CERTIFICATES

If you've made any changes to the property, such as extensions or structural alterations, you'll need certificates showing the work complies with building regulations.

- **What you'll need:** Building control completion certificates or approvals

for changes, such as loft conversions or replacement windows.

- **Why it's important:** Buyers want assurances that changes have been done to standard. Missing certificates might require you to take out indemnity insurance or lead to failed negotiations.

### WARRANTIES AND GUARANTEES

Any warranties or guarantees for your property and its contents should be provided to the buyer.

- **What you'll need:** These could include guarantees for double glazing, warranties for a boiler, or documentation for other improvements. Ensure that they are still valid and transferable.
- **Why it's important:** It reassures buyers that major items, like the boiler or windows, are still covered for repairs or replacement, making your home more attractive.

### STAY ORGANISED AND ON TOP OF THE SALE

Selling your home is a detailed process, but organisation can make it much smoother. Create a folder (either physical or digital) to keep all your documents secure and easily accessible. Double-check with your solicitor or estate agent for any additional paperwork specific to your property.

If you're feeling uncertain or require professional help to sort through the finer details, our team is here to assist. We'll offer advice tailored to your needs and expert support to ensure your sale is as smooth as possible! ♦

#### >> SEEKING PERSONALISED MORTGAGE ADVICE FOR YOUR SPECIFIC SITUATION? <<

If you're ready to review your mortgage options and want to eliminate the stress of your next move, our mortgage team is here to provide personalised advice tailored to your unique situation and help you make an informed decision. Contact **Rothesay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**.



# Selling your home this spring

A seasonal advantage that should not be overlooked



**WHEN IT COMES** to selling your home, timing plays a crucial role in determining how quickly and profitably your property sells. Spring has established itself as the prime season in the property market, offering a distinct set of advantages for sellers. Whether you're ready to upsize, downsize, or relocate to a new neighbourhood, this season presents an exceptional opportunity to sell your property.

The mild weather, vibrant greenery, and longer daylight hours of spring create the ideal backdrop for home sales. Buyers often experience a renewed sense of energy and motivation after winter, making them more active and eager to explore their options. If you have been considering putting your property on the market, spring offers a seasonal advantage that shouldn't be overlooked.

## **WHY SPRING STANDS OUT**

Spring has long been linked to fresh starts, resonating with buyers anticipating significant life changes. For example, families with school-aged children often schedule their moves to coincide with the academic calendar. Most aim to secure a home early in the year, providing ample time to settle in before the summer holidays.

The longer days and better weather also encourage prospective buyers to attend more open houses and view properties. The warmer temperatures create a relaxed atmosphere, making the buying process enjoyable rather than stressful. Buyers are more inclined to envision themselves living in a home that feels bright and inviting, which the spring season naturally enhances. The aesthetic appeal of properties peaks during spring as well.

Gardens burst into bloom with vibrant flowers and abundant greenery, creating a visually captivating backdrop for your home. A beautiful garden can leave a lasting first impression, often giving your property an advantage in a competitive market. Homes that look great from the outside naturally attract more attention, increasing the likelihood of multiple offers and strong buyer interest.



### BENEFITS OF SELLING IN SPRING

The heightened interest among buyers in spring often results in increased foot traffic and multiple viewings for sellers. Buyers are more engaged during this time, eager to make decisions that align with their personal or family timelines. This surge in activity can lead to competitive offers, helping sellers achieve a higher price compared to quieter seasons.

Historically, spring often achieves a perfect balance between demand and supply. Although more properties are listed during this season, the number of buyers actively searching increases simultaneously. This creates a dynamic and energetic market where well-prepared properties are likely to draw significant attention.

For example, imagine you are selling a three-bedroom family home in a suburban neighbourhood. During the spring, your target buyers may include young families looking to upgrade their space or new homeowners entering the market. These buyers are motivated not only by the desire to seize seasonal opportunities but also by practical considerations such as transitioning before summer starts.

### WHAT YOU NEED TO CONSIDER

While spring provides a natural advantage, preparation is crucial to surpass the competition. The market may be brimming with eager buyers, but other sellers will also take advantage of the season. To distinguish your home, it must leave a memorable impression from the instant it's listed.

Begin with the fundamentals, like thoroughly cleaning every corner of your property. Dust, grime, and smudged windows can diminish the charm of even the most beautiful homes. Focus especially on fostering a sense of brightness and cleanliness. Gleaming windows, tidy carpets, and well-kept surfaces reflect a level of care that buyers will appreciate.

Decluttering is an important step. Overcrowded rooms can feel smaller and more cramped, which reduces the home's perceived



space. Remove personal items, excess furniture, and anything that doesn't enhance the room's appearance. Think about how each room can be staged to showcase its best features, such as creating a cozy seating area by the fireplace or highlighting a sunlit reading nook in the living room.

Outdoor spaces shouldn't be overlooked. A well-maintained garden or patio can significantly enhance curb appeal and overall interest in your property. Simple actions like trimming hedges, planting colourful flowers, or adding outdoor seating can elevate buyers' perceptions of your home, potentially increasing its market value.

Pricing is another critical element to consider. While spring can attract serious buyers, they tend to be well-informed. Armed with comparable listings and local data, they expect a fair price. Collaborate closely with a knowledgeable estate agent to determine a listing price that reflects current trends while allowing room for negotiation. Overpricing can discourage buyers, while underpricing might leave you with regrets, so it's important to find the sweet spot.

### CHECKLIST TO GET YOUR HOME SPRING-READY

**To make the most of this prime selling season, follow this spring-specific checklist to ensure your property is market-ready:**

- **Tidy up your garden:** Mow the lawn, trim shrubbery, and remove dead plants for a polished outdoor appearance. Aim for

vibrant, healthy-looking greenery to enhance curb appeal.

- **Declutter your interiors:** Minimise clutter, rearranging furniture, and storing personal items to create an airy and spacious feel. A neutral, minimalist approach allows buyers to envision themselves in the space.
- **Deep clean all areas:** Sweep through often-overlooked spaces such as baseboards, light fixtures, and windowsills. Any signs of neglect can hinder the home's appeal.
- **Enhance kerb appeal:** Place vibrant potted plants by the entrance or repaint your front door to achieve an instant refresh. Think about upgrading your doormat or mailbox for an inviting touch.
- **Repairs and refreshing:** Address minor flaws like leaky faucets, squeaky doors, or chipped paint. Simple fixes can make a noticeable difference.
- **Highlight seasonal appeal:** Stage outdoor spaces with patio furniture and incorporate fresh, spring-themed decor like light-coloured cushions or floral arrangements indoors.
- **Work with a trusted estate agent:** Choose an agent with expertise in your local market and a proven record of springtime success to help you strategise and maximise your property's potential. ♦

### >> ARE YOU LOOKING FOR EXPERT GUIDANCE ON YOUR NEXT MORTGAGE? <<

If you're ready to explore your mortgage options and build a solid financial foundation, our team is here to assist you. Speak to us today for personalised advice and support tailored to your unique circumstances. Contact **Rothesay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**.

# SHOULD YOU OVERPAY YOUR MORTGAGE?

A savvy approach to protect your financial future!

**DECIDING WHAT TO** do with your spare money is rarely straightforward. For many people, the first thought is to save for holidays, plan for retirement, or build a financial

safety net for unexpected events. However, if you have a mortgage with a low interest rate, overpaying could be a savvy way to safeguard your future finances—especially as you near

the end of a fixed-rate deal.

If interest rates rise in the future, and with many current mortgage products linked to limited-time terms, taking proactive steps now could significantly affect the future. Overpaying your mortgage—even by small amounts—can help ease financial strain when it's time to remortgage or handle higher interest rates.

will pay less interest over time and, in many cases, could pay off your mortgage balance years earlier than intended. However, be sure to carefully review the terms of your mortgage. Lenders typically impose limits on how much extra you can repay each year without incurring penalties.

## **UNDERSTANDING THE BENEFITS**

Overpaying reduces the principal loan amount, which directly impacts the total interest you'll pay over your mortgage term. For example, if you have £150,000 remaining on your mortgage at a 2% interest rate and you overpay by £200 each month, you could save thousands in interest over the life of the loan.

Overpaying also provides peace of mind. With reduced debt, you are better equipped to manage any changes in your financial situation, such as a decrease in income or rising

## **WHAT DOES OVERPAYING YOUR MORTGAGE MEAN?**

Overpayments occur when you pay more than your regular monthly mortgage instalments. Depending on your lender, this can usually be done in two ways. Regular overpayments allow you to add a little extra to your monthly payments. Alternatively, you can make one-off lump sum payments, often referred to as ad-hoc overpayments.

Both methods reduce the amount owed on your mortgage. This means you





living costs. You are essentially purchasing some breathing room for the future.

**WHY THIS COULD BE A SMART TIME TO ACT**

You're in a fortunate position if you have a low-rate, fixed-term mortgage deal. Current fixed deals often provide better affordability than the variable rates you might encounter when the term ends. Overpaying while benefiting from low payments allows you to seize this opportunity to reduce your mortgage loan more quickly.

When your current deal concludes, you'll likely need to remortgage. However, if rates rise—as they have in the past year—even a modest decrease in your outstanding balance at the time of remortgaging could save you significantly. By acting now, you can mitigate the financial impact of transitioning to a higher rate.

**DON'T FORGET ABOUT EARLY REPAYMENT CHARGES**

While overpaying can be financially prudent for many, some mortgage agreements include early repayment charges (ERCs). These fees are charged by lenders when you overpay beyond a certain limit, usually expressed as a percentage of the remaining loan balance.

For example, a lender may permit overpayments of up to 10% of the outstanding balance each year without incurring any penalties. Exceeding this limit may result in charges that reduce or even eliminate the financial advantages of overpaying. Always consult your lender to clarify the specific terms and conditions of your mortgage.

**BUILD A STRONG FINANCIAL FOUNDATION FIRST**

Before committing more funds to your mortgage, ensure your financial safety

net is established. Experts recommend maintaining an emergency fund that covers at least three to six months' worth of essential expenses. This buffer provides protection against unforeseen events such as job loss or medical emergencies.

Remember, your home is a valuable asset, but it's also illiquid. Once funds are used to overpay a mortgage, they become tied up in your property. This can restrict your financial flexibility if you need money for other purposes.

**IS OVERPAYING RIGHT FOR EVERYONE?**

The decision to significantly overpay depends on your individual circumstances and financial goals. For those looking to reduce their debt more quickly, minimise interest payments, and protect themselves from future rate increases, overpaying can be a very effective strategy. However, it's not a one-size-fits-all solution.

If you have high-interest debt, like credit card balances or personal loans, paying these off first generally makes more

financial sense. This is also true for individuals with little or no savings, as having access to cash usually takes priority over reducing mortgage debt.

**SEEKING EXPERT ADVICE**

If you're unsure whether overpaying your mortgage is the right choice, consulting a professional can provide clarity. Our expert mortgage brokers can evaluate your situation, review your options, and guide you toward a decision that aligns with your long-term financial goals.

Mortgage overpayments are an important aspect of broader financial planning, so don't hesitate to seek the guidance necessary to feel confident in your choices.

**TAKE CONTROL OF YOUR FINANCIAL FUTURE**

Paying more than necessary on your mortgage can effectively manage your debt, shield you from increasing interest rates, and provide financial peace of mind. However, weighing the potential benefits against alternative uses of your funds and any costs related to early repayments is crucial. ♦

**>> LOOKING FOR MORTGAGE ADVICE IN A CHANGING MARKET? <<**

If you would like more personalised mortgage advice, contact our team to explore your options. Take charge of your future today by determining what works best for you. Reach out to **Rothesay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**.

# THE END OF THE STAMP DUTY HOLIDAY

Why prospective homeowners must carefully assess their budgets

**ON 31 MARCH**, the Stamp Duty holiday in England and Northern Ireland ended, bringing significant changes for property buyers. This temporary measure was introduced in July 2020 to mitigate the financial impact of the pandemic. Designed to stimulate the housing market, it offered substantial tax savings for homebuyers during an uncertain economic period.

The Stamp Duty holiday temporarily increased the threshold at which buyers began to pay tax on residential properties. Initially raised from £125,000 to £500,000, then tapered down to £250,000, this relief incentivised transactions and allowed thousands of buyers to save significant amounts. However, with the holiday's conclusion,

thresholds have reverted to pre-pandemic levels, prompting buyers to reassess their financial plans.

## NEW THRESHOLDS AND THEIR IMPLICATIONS

The end of the holiday means that anyone buying a residential property worth £125,000 or more must now pay Stamp Duty. Compared to the pandemic-era threshold of £250,000 for all buyers, this represents a narrow margin of tax relief, especially for those targeting mid-market properties. For instance, a buyer purchasing a £300,000 home would now pay £5,000 in Stamp Duty, rather than £2,500 during the extended holiday period.

This change is particularly relevant for buyers facing financial constraints, such as rising mortgage rates

and economic uncertainty following the pandemic. Prospective homeowners must carefully assess their budgets, considering both property prices and the new tax liabilities that apply.

## ADJUSTMENTS FOR FIRST-TIME BUYERS

First-time buyers, a key demographic in the housing market, also face significant challenges. Under the holiday measures, first-time buyers were exempt from Stamp Duty on properties valued up to £425,000. This threshold has now reverted to its pre-pandemic level of £300,000. While they preserve some savings compared to other buyers, those purchasing higher-value properties will face additional costs.



For example, consider a first-time buyer purchasing a £350,000 property. Under the former system, they would have paid Stamp Duty on only £25,000 (£350,000 minus £325,000)—which would amount to £250. Now, they are required to pay £2,500 (£50,000 subject to the 5% rate).

## REASSESSING THE PROPERTY LADDER

Buyers moving up the property ladder will likely feel the greatest impact. Those stepping into homes valued above £500,000 benefited significantly from the tapering relief provided during the pandemic. For





instance, a couple purchasing a £600,000 home during the holiday period would have saved £5,000 compared to current rates. The removal of this umbrella could result in fewer transactions at the upper end of the market, with some sellers adjusting asking prices to attract buyers.

The return to previous tax thresholds emphasises long-term planning and savings, especially for those looking to upgrade their homes. With fewer tax breaks, climbing the ladder becomes more challenging, particularly in light of rising living costs and stricter lending criteria.

#### **REGIONAL VARIATIONS ACROSS SCOTLAND AND WALES**

It is important to emphasise that property buyers in Scotland and Wales operate under completely different systems. Scotland's Land and Buildings Transaction Tax (LBTT) and Wales's Land Transaction Tax (LTT) each have their own thresholds and rates, which can sometimes benefit or disadvantage buyers compared to those in England and Northern Ireland.

In Scotland, LBTT applies to properties valued over £145,000 (£175,000 for first-time buyers). Similar to Stamp Duty, LBTT increases incrementally

across specific price bands. For instance, a home worth £300,000 in Scotland incurs £4,600 in LBTT. This contrasts with England, where Stamp Duty on the same property is £5,000. This small difference often influences buyers' decisions on where to purchase, especially near regional boundaries.

Wales's LTT thresholds diverge further, with primary

residences taxed at £225,000 and above. However, additional homes are subject to taxation starting from as little as £40,000. Tax rates also increase steeply for properties exceeding £345,000, making high-value purchases in Wales more expensive compared to England. Understanding these regional disparities is crucial for anyone considering a move. ♦

#### **>> ARE YOU IN SEARCH OF A MORTGAGE? <<**

If you're considering purchasing a property or exploring your mortgage options, please reach out to **Rothesay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**.

# Labour's new Planning and Infrastructure Bill

What does it mean for the property market?





**“A key feature of the new legislation is its focus on revitalising neglected urban areas, particularly through the redevelopment of brownfield sites. According to the government across the UK, an estimated 26,000 hectares of brownfield land currently lie dormant, often in prime urban locations.”**

**ON 11 MARCH**, Labour introduced its new Planning and Infrastructure Bill, marking a bold step to overhaul the UK’s planning system. The proposed legislation has ignited significant debate among property professionals, local councils, and aspiring homeowners. In addition to streamlining the planning process, the bill aims to boost housing supply, modernise infrastructure, and encourage more sustainable communities. But how might the property market respond to these sweeping changes, and what could this mean for you?

The bill aims to achieve three primary objectives: expediting housing development approvals, minimising delays in infrastructure projects, and enhancing transparency and accountability in planning decisions. Whether you’re a first-time buyer looking for your dream home, a landlord growing your portfolio, or a developer dealing with new regulations, the effects of this legislation could be significant.

#### **A FAST-TRACK FOR NEW HOMES**

At the core of the Planning and Infrastructure Bill lies Labour’s commitment to cutting through bureaucratic red tape to expedite housing construction. Overhauling the current planning process could facilitate the quicker delivery of much-needed homes,

contributing to the solution of the pressing housing crisis. Under the new measures, developers whose proposals meet high-quality standards, such as energy-efficient designs and minimal environmental impact, could obtain quicker planning approval.

For instance, a development in Greater Manchester intended to meet local affordable housing quotas and utilise sustainable building materials may transition from concept to construction much more quickly than under prior regulations. This expedited approval system could benefit not only developers but also contribute to stabilising property prices, as an increased supply alleviates market pressure.

Additionally, the bill could promote a stronger emphasis on affordable housing. With government incentives for incorporating lower-cost homes into larger developments, first-time buyers and renters may discover greater accessibility to housing options. This could ultimately help ease growing concerns about rising property prices, especially in urban hotspots like London and Birmingham.

#### **REVIVING UNDERUSED URBAN SPACES**

A key feature of the new legislation is its focus on revitalising neglected urban areas, particularly through the redevelopment

of brownfield sites. According to the government across the UK, an estimated 26,000 hectares of brownfield land currently lie dormant, often in prime urban locations. Unlocking this potential could have a transformative effect on local economies and housing capacity.

The bill grants councils increased authority to ensure that land designated for construction is utilised efficiently and proactively. This aims to reduce ‘land banking’ by developers, a controversial practice where land is acquired and left undeveloped to drive future profits. For instance, in cities like Liverpool, underused industrial sites could be transformed into mixed-use developments featuring modern housing, independent businesses, and public spaces.

This reimagining of urban landscapes does more than offer housing; it makes living closer to workplaces, schools, and amenities far more feasible. By emphasising compact, sustainable living, these initiatives can result in shorter commutes, improved air quality, and lively local neighbourhoods that seamlessly integrate residential and commercial needs.

#### **INFRASTRUCTURE IMPROVEMENTS TO BOOST CONNECTIVITY**

Labour’s bill also proposes upgrades to infrastructure aimed at supporting



the creation of new communities and enhancing existing ones. The focus is on green transport solutions, which include electrified railways and improved bus networks, alongside investments in renewable energy infrastructure to achieve sustainability goals.

In the property market, enhanced connectivity frequently leads to greater demand. For example, the introduction of new rail links connecting previously overlooked towns in Northern England to key employment centres like Manchester and Leeds may render these smaller towns appealing to commuter buyers, thereby elevating local property values.

Regions that have historically been overlooked by developers may receive renewed attention, especially areas where infrastructure gaps have previously hindered investment. Updated utility networks, improved broadband access, and renewable energy initiatives could transform affordable yet remote locations into property hotspots.

#### ADDRESSING POTENTIAL CHALLENGES

While the proposed reforms are encouraging, the bill has faced criticism. Concerns about diminishing local

decision-making powers are central to the backlash. Fast-tracked approvals, although efficient, may pressure local councils to accept developments that do not align with community standards or requirements. This tension will require careful management to ensure that planning efficiency does not undermine trust or compromise quality.

Additionally, smaller developers may struggle to meet the increasing environmental and structural demands that larger firms can easily accommodate. The government might need to offer financial support or incentives to ensure equitable participation across the sector.

On the consumer side, buyers and investors may encounter confusion as regulations evolve. Adapting to these changes promptly will be crucial for navigating the shifting landscape. Clear communication will be essential to ensure all stakeholders feel informed and heard.

#### A SIGNIFICANT STEP FOR HOUSING AND SUSTAINABILITY

Labour's Planning and Infrastructure Bill represents a step toward addressing the UK's longstanding housing and infrastructure challenges. By streamlining

processes, repurposing urban spaces, and prioritising sustainability, the proposed measures aim to foster a more equitable and accessible property market.

For buyers, renters, and developers alike, this bill offers both challenges and opportunities. Whether the reforms will fulfil their promise depends on coordinated efforts and a strategic vision across all levels of government and industry. ♦

#### >> WANT TO DISCUSS YOUR MORTGAGE REQUIREMENTS? <<

If you want to explore how these legislative changes might affect your future plans, investments, or property choices, we are here to assist you. Our team will also help if you'd like more personalised advice or need support navigating these changes and exploring your mortgage options. Contact **Rothsay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**.





# LOOKING FOR EXPERT MORTGAGE ADVICE?

Let us arrange the perfect mortgage for you

Whether you're investing in a buy-to-let property or looking to buy your first home, we can help. Our expert professional mortgage advice will find you the best mortgage deal, whether you're buying a property investment or home.

Your dedicated mortgage adviser will learn about your situation and needs before narrowing down your mortgage options.

**To find out what you could borrow and what your payments may be, contact us today.**

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Contact **Rothesay Bennett Financial Planning**

– telephone: 01676533692

– email: [enquiries@rothesaybennett.co.uk](mailto:enquiries@rothesaybennett.co.uk)

– website: [www.rothesaybennett.co.uk](http://www.rothesaybennett.co.uk)

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# How does part exchange work?

Simplifying the process of buying your next home

## NAVIGATING THE PROPERTY

**LANDSCAPE** can be daunting, particularly when selling your home while searching for a new one. The challenges of synchronising two transactions can be overwhelming, especially when property chains are involved.

This is where part exchange comes into play to simplify the process. But what does part exchange mean, and how does it actually function?

## WHAT DOES PART EXCHANGE MEAN?

Part exchange enables homeowners to trade their current property as partial

payment for a new one. Consider it similar to trading in your car when purchasing a new model. The value of your existing property is subtracted from the price of the new home, easing both the financial burden and the complexities of selling on the open market.

This arrangement is often provided by property developers and homebuilders, especially for newly constructed homes. By accepting their offer for your current property, you effectively simplify the process of moving into your next home. With part exchange, you don't have to worry about locating a buyer first or facing the uncertainties of the housing market.

## HOW DOES THE PROCESS BEGIN?

The first step is to check whether your chosen developer offers part exchange and if your property meets their criteria. Once confirmed, the developer will assess the market value of your current property. This assessment is conducted through independent valuations, often carried out by two or more estate agents, to ensure a fair and accurate offer.

Once an offer is made, you will have the opportunity to review it and decide whether to accept. Developers generally act as cash buyers for your existing property. If you agree to the terms, the framework for purchasing your next home is established quickly, enabling you to reserve your chosen property and proceed without delay.

## THE LEGAL PROCESS

The legal aspects of part exchange resemble those of a traditional purchase and sale, although the process is typically faster. Your solicitor will manage the transfer of contracts, ownership, and financial arrangements for both transactions. Since the developer is your direct buyer, the risks linked to fragile property chains are removed.

This simultaneous process ensures there are no gaps between your sale and purchase, providing a more seamless experience. Many developers strive to complete transactions in a short timeframe, making part exchange a faster route to your new home.

**WHO IS ELIGIBLE FOR PART EXCHANGE?**

Part exchange schemes are not universally available and often have specific eligibility requirements. Developers typically limit their offers to properties that are in good condition, situated in desirable or saleable areas, and valued within a certain range. For example, in many instances, your property must be worth no more than 70% of the asking price of the new home.

Additionally, the scheme focuses on minimising risk for the developer. If your home is older, needs extensive repairs, or is situated in an area with low market demand, it may not qualify. However, if your property does meet the criteria, part exchange schemes can be an excellent solution for moving forward swiftly.

**UNDERSTANDING THE PROS AND CONS**

Part exchange provides numerous benefits, especially for homeowners seeking efficiency and convenience. Imagine skipping viewings, prolonged negotiations, and the stress of waiting for a buyer. By greatly eliminating the property chain, part exchange significantly reduces delays and the risks associated with failed sales.

However, there are trade-offs. Developers typically offer slightly less than the open-market value of your current home to account for their risk and the convenience they provide. While this may not be ideal if your goal is to secure every penny, the streamlined process can be invaluable in time-sensitive situations.

**EXAMPLES OF WHEN PART EXCHANGE WORKS WELL**

Consider a family planning to relocate before the school term starts. Waiting for a private buyer or encountering setbacks could jeopardise their timeline. By opting for part exchange, they can secure their new home and move without delay, ensuring they meet school enrolment deadlines.

Likewise, retirees looking to downsize frequently encounter the stress of handling a property sale as they prepare for their next chapter. With part exchange, they can sidestep the need to coordinate a chain, experience minimal hassle, and transition smoothly into appropriate housing.

**COULD PROPERTY CHAINS BE YOUR BIGGEST CHALLENGE?**

Buyers familiar with the anxiety of property chains collapsing will appreciate the stability offered by part exchange. For instance, even if the buyer of your home withdraws at the last moment, a developer's part exchange scheme ensures that your sale remains secure, enabling you to proceed with confidence.

However, this may not suit everyone. If

you're looking to maximise the profit from your current home or can afford to wait for the best deal on the open market, part exchange might not offer the best value for you.

**IS PART EXCHANGE YOUR BEST SOLUTION?**

Whether part exchange is the right move for you depends on your priorities. If speed, convenience, and a certainty of sale are paramount, it may facilitate a stress-free transaction. However, if the value offered varies significantly from your expectations, consider comparing all available options.

It's always beneficial to seek advice from estate agents, developers, and solicitors to gain a comprehensive perspective before making a decision. Understanding the trade-offs and identifying a scheme that best fits your situation will help ensure you make the most informed choice.

**GET PROFESSIONAL ADVICE TO GUIDE YOUR NEXT STEPS**

If part exchange sounds like a solution worth exploring, take the time to speak with a developer offering these schemes. They can guide you through their eligibility criteria, provide a property valuation, and address any concerns about the process.

Whether part exchange is your preferred option or better alternatives are available, expert guidance will ensure a smooth and confident property transition. ♦



**>> ARE YOU LOOKING TO TALK ABOUT THE RIGHT MORTGAGE SOLUTION FOR YOUR NEEDS? <<**  
If you need further advice or guidance on your mortgage options, contact **Rothsay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothsaybennett.co.uk**.



# LOOKING FOR WAYS TO REDUCE HOUSEHOLD EXPENSES?

Apps that help track spending, stick to budgets,  
and even save money effortlessly



**MANAGING HOUSEHOLD FINANCES**

can sometimes feel overwhelming, especially with rising living costs. Fortunately, a variety of apps are available that can help you track spending, stick to budgets, and even save money effortlessly.

Whether you're looking to understand where your money goes or seeking simple ways to reduce expenses, these apps offer a variety of features to meet your needs. From budgeting to bill tracking, here are some top recommendations.

**EMMA – YOUR FINANCIAL ASSISTANT**

Emma is an intuitive budgeting app that consolidates all your financial accounts in one place, making it easy to monitor your spending.

**Key features:**

- Links to bank accounts, credit cards, and subscriptions.
- Automatically categorises transactions to reveal spending patterns.
- Highlights unnecessary expenses, such as forgotten subscriptions.

This app is particularly useful for identifying unused services, such as a long-forgotten gym membership, and encourages you to cancel them. Try Emma by visiting their website at [emma-app.com](http://emma-app.com).

**MONEY DASHBOARD – SIMPLIFY YOUR BUDGET**

Money Dashboard has established a solid reputation as one of the UK's most dependable budgeting tools.

**Key features:**

- Consolidates all your accounts into one dashboard.
- Categories spending into clear, visual charts.
- Forecasts how much money you'll have left before payday.

The app's forward-looking features give you a clearer overview of your financial

situation at a glance. Discover more at [moneydashboard.com](http://moneydashboard.com).

**SNOOP – SAVE WHILE YOU SPEND**

Snoop helps you save money and identify opportunities for better deals based on your spending habits.

**Key features:**

- Notifies you about cashback offers, affordable utilities, and savings tips.
- Recommends affordable options for broadband and other services.
- Notifies you when your spending exceeds national averages, helping you make informed decisions.

Snoop's proactive approach guarantees that you always receive the best value for your money. To discover Snoop, visit [snoop.app](http://snoop.app).

**HYPERJAR – A SMARTER WAY TO BUDGET**

HyperJar provides a creative and visual approach to managing your finances by enabling you to budget with digital jars.

**Key features:**

- Allocate funds into specific jars for groceries, bills, or leisure.
- Supports shared jars for managing joint expenses with family or flatmates.
- Earn rewards when you prepay into certain partner businesses.

This app helps you achieve financial goals in a practical and rewarding way. Find more information at [hyperjar.com](http://hyperjar.com).

**PLUM – AUTOMATE YOUR SAVINGS**

Plum uses AI technology to make saving money easy while providing investment options for long-term growth.

**Key features:**

- Analyses spending habits and saves small amounts automatically.

- Accumulated micro-savings can turn into meaningful amounts over time.
- Offers investment options to grow your money or earn interest.

Plum is ideal for individuals aiming to minimise unnecessary spending while gradually building wealth. Learn more at [withplum.com](http://withplum.com).

**YOLT – TAKE CONTROL OF YOUR MONEY**

Yolt merges simplicity with robust tools to provide you complete control over your finances.

**Key features:**

- Links all bank accounts for easy financial tracking.
- Allows you to set personal savings goals.
- Suggests areas to save on regular expenses like bills or shopping.

Yolt's real-time updates and savings tips make it a flexible option for users seeking both clarity and practical advice. Visit [yolt.com](http://yolt.com) to learn more.

**TAILOR THE PERFECT APP FOR YOU**

Each app in this selection offers unique benefits that help you effectively manage your household expenses. Whether your focus is on budgeting, automatic savings, or bill monitoring, there's an app to meet your preferences and financial goals. ♦

**>> COULD YOU OBTAIN A MORE COMPETITIVE MORTGAGE DEAL? <<**

If you need advice on whether you can secure a more competitive mortgage deal, we are here to provide the guidance and support you seek! To discuss your options, please contact **Rothesay Bennett Financial Planning** – telephone **01676533692** – email [enquiries@rothesaybennett.co.uk](mailto:enquiries@rothesaybennett.co.uk).

# UNLOCKING YOUR PROPERTY'S POTENTIAL

Eight out of ten homeowners are unaware of the true value of their property

**DID YOU KNOW** that eight out of ten homeowners are unaware of the true value of their property? Two-thirds of these homeowners significantly underestimate its worth, costing themselves substantial financial benefits. Research by Zoopla indicates that this widespread undervaluation leaves many homeowners at a disadvantage when it comes to unlocking their property's potential.

The study revealed that 64% of homeowners are unaware of the equity they have accumulated over the years. Additionally, more than one-third undervalued their homes by £100,000 or more, which resulted in unexpected cash windfalls when they finally decided to sell. Imagine discovering that your house is worth far more than you thought just as you're handing over the keys to its new owner. While it's a pleasant surprise, it's almost too late to fully capitalise on that kind of insight.

## LONG-TERM OWNERSHIP LEADS TO BETTER VALUATIONS

Homeowners who have held onto their properties for decades are much more attuned to

market values than the average property owner. Those who have owned their homes for 30 years or longer are twice as likely (31%) to know their real worth compared to the overall average of 22%. Their experience stems from years of navigating fluctuating house prices and closely monitoring trends. On average, these seasoned homeowners check their property values approximately four times a year.

It's not merely intuition or market awareness driving increases in home value. Many long-term owners have benefited from favourable external factors. Approximately 33% reported that their neighbourhood's growing popularity enhanced their property's appeal. The same percentage attributed the significant value addition to the renovations, extensions, or upgrades they completed. Meanwhile, 29% identified increased demand for homes like theirs as a key factor.

## REGIONAL GAPS HIGHLIGHT A STARK DIVIDE

Where you live matters for understanding property values, and the North-South

divide remains significant. The research highlights that homeowners in the North East are particularly prone to undervaluing their homes, with a staggering 81% making errors in valuation. Among Scottish homeowners, 78% underestimated their property's worth, while the figure in the South West was 74%. This indicates that homeowners in these regions are either overly modest, disconnected from market trends, or both.

By contrast, homeowners in Northern Ireland appear to be closely attuned to the market, likely aided by a 7.2% annual increase in house prices. With greater awareness of their property value, they are less likely to leave significant sums on the table when selling.

## OVEROPTIMISTIC VALUATIONS CREATE CHALLENGES

While undervaluation is common, overvaluing properties can also lead to problems. Around 13% of homeowners felt let down by agent valuations that, on average, fell short of their expectations by £46,866. Whether driven by wishful thinking or outdated market perceptions,

overvaluation can place sellers in a challenging position.

Nearly half of overvaluing homeowners (49%) simply assumed that rising market prices would work to their advantage, while a quarter discovered the hard way that their property improvements didn't increase value as much as expected. For these individuals, misjudging their home's worth resulted in financial stress, with many stretching their budgets to purchase their next property or facing shortfalls in their retirement funds.

## DISAGREEMENTS WITH ESTATE AGENTS RESULT IN LONGER SALES

The research highlights an important truth for anyone looking to sell their home: ignoring professional advice could cost you both time and money. Disagreements over asking prices are common among those who overvalue their homes, with 28% of these sellers insisting on listing their properties at inflated prices.

The outcome? Only 16% secured offers that met their expectations. The majority either accepted lower offers than they hoped for or reduced



the asking price entirely. For these stubborn sellers, it took an average of 60% longer to sell (45 days compared to 28 days for more reasonably priced homes). Alarmingly, over 10% failed to complete a sale altogether, leaving their property languishing on the market.

**WHY UNDERSTANDING YOUR HOME'S VALUE MATTERS**

For most of us, our home isn't just where we live – it's our most valuable asset. Understanding its true worth is crucial whether

you're looking to move up the property ladder, downsize, or plan for retirement. Despite this, too many homeowners remain unaware of their property's value, putting themselves at an unnecessary disadvantage.

Accurately pricing a home isn't just an art; it's supported by current market knowledge, local expertise, and thoughtful analysis. If you're considering selling, don't leave it to chance. A trusted estate agent or property expert can offer a precise valuation and guide you toward a successful sale. ♦



**>> ARE YOU READY TO BEGIN YOUR HOME-BUYING JOURNEY? <<**

We're here to help you begin your journey today. Whether you're taking the first step or planning your next move, everything you need starts here. Don't wait—make it happen now! Contact **Rothesay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**.

# SELLING AN INHERITED HOME

## What you need to know about probate properties

**DEALING WITH THE** loss of a loved one is an incredibly difficult experience. When this loss also involves inheriting a property, you may feel overwhelmed by the responsibilities it entails. While inheriting a home may seem like a financial windfall, it often brings legal, financial, and practical challenges.

Selling an inherited property, especially one in probate, involves a unique set of complexities. Understanding the process is essential for making the best decisions based on your individual circumstances.

A probate property is one that becomes part of a deceased person's estate. Before such a property can be sold, it typically needs to go through the probate process. This legal procedure involves the court validating a Will (if one exists) and granting the executor legal authority to manage the estate. The selling process cannot begin without this step being completed.

### WHAT IS PROBATE, AND WHY IS IT IMPORTANT IN THE UK?

Probate is a crucial process in the UK that ensures the estate of the deceased is distributed according

to their will or, in its absence, according to intestacy rules. When property is involved, this step can be more complex than initially anticipated. The duration of probate can vary, often lasting anywhere from six months to over a year, depending on factors like disputes among beneficiaries or the complexity of the estate.

For example, if you inherit your late uncle's home located in Birmingham and are named the executor, you will need a Grant of Probate before you can list the property for sale with an estate agent. Without this legal document, neither potential buyers nor the solicitor handling the conveyancing will be able to proceed.

### COSTS AND LOGISTICS OF PROBATE IN THE UK

The cost of applying for probate in England and Wales currently amounts to £273 for estates valued over £5,000. Estates valued at less than £5,000 are exempt from fees. However, additional costs can arise, such as solicitor fees or property valuations and other assets. The Probate Registry may also require professional valuations if the home is to be sold.

Property values can fluctuate based on market demand, making it essential to obtain an accurate valuation for probate purposes as well as tax calculations.

For instance, a period terrace home in East London may have significantly increased in value, potentially affecting Inheritance Tax liabilities.

### PREPARING THE PROPERTY FOR SALE

Inherited properties often vary in condition. Many homes haven't been updated for years, particularly when owned by an elderly relative. Some properties may require deep cleaning, decluttering, or more extensive renovations. At the very least, a professional cleaning and minor cosmetic updates, such as repainting and repairing broken fixtures, can make the property more appealing to buyers.

For example, inherited homes in older areas like Bath or York, known for their period features, may benefit from modern updates that preserve these features while enhancing the home's functionality. Such refurbishments help maximise the sale value while maintaining the charm of the property.

However, remember that extensive renovations could slow down the selling process, which may not be ideal if settling the estate quickly is a priority.

### NAVIGATING UK TAX LAWS FOR INHERITED PROPERTIES

One of the most complex aspects of selling an inherited property is managing the various tax obligations. If the total value of the deceased's estate exceeds £325,000 (the current Inheritance Tax threshold 2025/2026), you will likely incur a 40% Inheritance Tax on the amount that surpasses this figure. However, this threshold can increase to £500,000 if the property is bequeathed to a direct descendant, such as a child or grandchild.

Capital Gains Tax (CGT) could also pose an issue if the property's value increases between the time of inheritance and its eventual sale. For instance, if you inherit a property in Bristol valued at £400,000 but sell it a year later for £450,000, CGT may apply to the £50,000 gain. Consulting a tax adviser or solicitor is essential for understanding these obligations and ensuring compliance with UK tax laws.





### SELLING, RENTING, OR KEEPING THE PROPERTY?

Deciding what to do with an inherited home is not only a financial decision but often an emotional one. Selling is typically the simplest option for dividing the value among beneficiaries, but renting the property can provide a steady income stream in high-demand areas. For instance, a one-bedroom flat in central Manchester could yield significant monthly rental income due to the city's increasing popularity.

However, if you decide to keep the home and it becomes your primary residence, your tax obligations may change. For instance, you might avoid paying additional stamp duty if you already own a home and choose to designate this property as your main residence. Carefully weighing these options and discussing them with a professional adviser, if needed, can help prevent costly mistakes.

### HOW A PROFESSIONAL TEAM CAN STREAMLINE THE PROCESS

The practical and emotional demands of managing inherited property can be substantial.

Professionals such as probate solicitors, estate agents, financial planners, and surveyors provide invaluable guidance throughout the process. Their expertise can save significant time and reduce the stress of navigating unfamiliar legal and financial obligations.

For instance, a local estate agent familiar with the Sheffield housing market could provide an accurate valuation of your inherited home by considering trends specific to the area. Likewise, a chartered surveyor could identify structural issues in the property, such as subsidence or damp, and produce written reports to facilitate the sale. Experienced solicitors specialising in probate law can efficiently draft the necessary

paperwork, ensuring compliance with all legal requirements.

### NEED SUPPORT WITH SELLING AN INHERITED PROPERTY?

Selling an inherited home in the UK, especially one associated with probate, can feel overwhelming. With

proper planning and the right professional guidance, you can navigate the process with greater confidence and success. Whether you wish to sell, rent, or simply need advice on inherited property taxes, expert advice tailored to your specific situation is invaluable. ♦

### >> LOOKING TO RENT OUT THE PROPERTY AND EXPLORE MORTGAGE OPTIONS? <<

If you need support navigating the complexities of probate or selling an inherited home, feel free to discuss this with our team. Additionally, if you'd like information about your mortgage options while considering whether to let the property, we're here to guide you every step of the way. To discuss your requirements, contact **Rothesay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**.

# CULTIVATING A MORE SUSTAINABLE GARDEN THIS SPRING

The perfect time to make impactful changes to your outdoor space

## CULTIVATING A

**SUSTAINABLE GARDEN** is a responsible and rewarding way to care for our environment.

With the arrival of spring, a season of renewal, it's the perfect time to make impactful changes to your outdoor space. These small steps can help combat climate change while promoting biodiversity in your own garden.

A sustainable garden operates in harmony with nature, minimises waste, conserves water, and serves as a sanctuary for local wildlife. Whether you're starting from scratch or enhancing an existing plot, here are some practical tips to make your garden more eco-friendly this spring.

## CHOOSE NATIVE PLANTS AND START SPRING PLANTING

Spring is the perfect time to plant native species that flourish in your local environment. Plants like bluebells, cowslips, and daisies are not only visually striking but also beneficial for local ecosystems. Opt for plants that draw in early pollinators

such as crocus and lungwort, ensuring food sources for bees and butterflies as they emerge from hibernation.

Spring bulbs and perennials are a great investment for a sustainable garden. Daffodils, snowdrops, and tulips brighten your borders while requiring minimal maintenance. Native plants naturally adapt to the local climate and soil, needing less water and care compared to exotic varieties.

## PREPARE YOUR SOIL AND START COMPOSTING

Spring is a time to rejuvenate soil, creating a nutrient-rich foundation for growth. Begin with a soil test to determine its pH and nutrient levels. Avoid synthetic fertilisers and use homemade organic compost instead. This is the perfect time of year to start a compost bin if you don't already have one. Kitchen scraps like vegetable peels and eggshells, combined with garden waste such as grass clippings, can be transformed into what gardeners fondly call "black gold."

If you prefer minimal disturbance, consider no-dig gardening, a technique ideal for spring planting. Simply place organic matter, such as compost or manure, directly on the soil's surface without turning it. This method maintains soil structure, promotes healthy microorganisms, and minimises carbon loss.

## WELCOME EARLY WILDLIFE AND CREATE SHELTERS

Spring brings new life to the garden, making it a vital time to support wildlife. Create habitats for beneficial creatures, such as solitary bees, by installing bee hotels or leaving patches of bare soil for ground-nesting species. Early bloomers like hellebores and winter heather are abundant in nectar and provide essential resources for emerging pollinators.

In addition to planting, consider adding nesting boxes for birds. Many species begin preparing their nests as early as March. A small pond or even a dish of water left in your garden can also act as a vital resource for frogs, toads, and



other creatures awakening from winter hibernation.

Minimise waste and utilise upcycled materials.

Spring often inspires a fresh start, so why not repurpose materials while enhancing your garden? Transform old wooden pallets into vertical planters for herbs or create garden borders using reclaimed bricks. Upcycling materials not only reduces waste but also adds character to your garden design.

When purchasing new items, opt for sustainable





choices. Biodegradable pots made from coconut coir or bamboo serve as excellent replacements for plastic ones, while reusable wooden plant labels provide a great alternative to disposable tags.

#### **CONSERVE WATER WITH SMART IRRIGATION**

Spring showers may alleviate the strain on your water supply, but preparing for drier months is essential for sustainability. Installing a rainwater harvesting system now will ensure you're ready for summer. Rainwater butts can gather hundreds of litres of water, offering a free and eco-friendly resource for your gardening needs.

Drip irrigation systems are also worth considering. They deliver water directly to the plant roots, minimising evaporation and waste while ensuring your plants remain well-hydrated throughout the growing season.

#### **PLAN FOR BIODIVERSITY AND YEAR-ROUND APPEAL**

Designing your spring garden with diverse plantings ensures a healthy, vibrant space that evolves throughout the seasons. Incorporate a variety of shrubs, wildflowers, and early vegetables such as peas and lettuce. This diversity attracts a broader range of beneficial insects and animals, enriching your garden's biodiversity.

Mulching is another essential task this season. Apply natural mulch, such as bark or straw, around your plants to conserve moisture and suppress weeds. As it decomposes, it will also nourish the soil, preparing it for the bounty of summer.

#### **MAKE GRADUAL CHANGES AND GROW YOUR IMPACT**

Sustainable gardening isn't about achieving perfection overnight. Begin small, perhaps by introducing native flowers or committing to chemical-free pest control. Spring provides the momentum of nature's renewal, offering the perfect opportunity to develop lasting habits. ♦

**>> ARE YOU READY TO FIND AND APPLY FOR THE RIGHT MORTGAGE WITH OUR GUIDANCE? <<**

Whether you want to take that first step or plan your next move, your search starts here. If you'd like further information, please contact **Rothsay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothsaybennett.co.uk**.

# A wise savings option for future home buyers

Boost your savings while keeping your future homeownership goal clearly in sight

**IF YOU DREAM** of owning your own home, saving for a deposit can feel like an overwhelming challenge. Fortunately, for eligible savers in the UK, the Lifetime Individual Savings Account (ISA) can help make achieving this dream more manageable. This government-backed scheme provides a generous boost to your savings while keeping your future homeownership goal clearly in sight.

Introduced in 2017, the Lifetime ISA is intended for first-time buyers and those saving for later life. It rewards savers with a government bonus, providing a valuable boost as you save for your first home. But how does it work, and could it be the right option for you?

## UNDERSTANDING THE LIFETIME ISA

A Lifetime ISA is a savings account available for individuals aged 18 to 39. It allows you to set aside money for the dual purpose of buying your first home or saving for retirement. The account offers a government bonus of 25% on your contributions, meaning that for every £100 you save, the government adds an additional £25.

You can currently contribute up to £4,000 each tax year into a Lifetime ISA, meaning the maximum government bonus you could receive in one tax year is £1,000. These savings grow tax-free, whether you earn interest in a cash ISA or benefit from investment growth in a stocks and shares ISA.

## HOW HOME BUYERS CAN BENEFIT

The Lifetime ISA is specifically designed for first-time buyers. If you plan to purchase your first home, you can use the funds saved in your account, including the government bonus, toward your deposit. The

property must cost £450,000 or less and be located in the UK to qualify.

It's important to note that you must hold your Lifetime ISA for at least 12 months before you can use the money to purchase a home. This requirement indicates that early planning and consistent saving are essential to fully benefiting from the scheme.

## ELIGIBILITY CRITERIA YOU SHOULD KNOW

To open a Lifetime ISA, you must be between the ages of 18 and 39. Once you have opened your account, you can continue adding funds and claiming the government bonus until the age of 50. If you are saving for a home, you must also be a first-time buyer, meaning you cannot have previously owned property in the UK or elsewhere.

The account offers flexibility in that you are not required to save each year. However, missing contributions may result in losing the annual maximum bonus, so consistent saving can result in a greater reward over time.

## CASE STUDY 1

Consider Sarah, a 27-year-old first-time buyer who contributes £4,000 each year to her Lifetime ISA for three years. By the end of this period, Sarah will have saved £12,000, and her account will have received an additional £3,000 in government bonuses. That amounts to £15,000 towards her first home, excluding any interest or investment growth.

## CASE STUDY 2

Alternatively, consider James, who saves £2,000 each year for five years. During this time, he contributes £10,000, and the government adds £2,500 to his







savings, giving him a total of £12,500 to invest in his future property. Both examples emphasise the significant impact of consistent saving and fully utilising the government bonus.

#### **POINTS TO CONSIDER BEFORE OPENING AN ACCOUNT**

While the Lifetime ISA offers significant advantages, it is essential to be aware of some drawbacks. If you withdraw funds for reasons other than purchasing a home, reaching the age of 60, or in cases of terminal illness, the government will impose a 25% withdrawal charge. This effectively recoups the bonus and a portion of your own contributions, making it crucial to use the account as intended.

Additionally, if you're unsure whether to choose a Cash Lifetime ISA or a Stocks & Shares Lifetime ISA, consider your savings timeline and risk tolerance. Cash ISAs are straightforward and low-risk, while stocks and shares ISAs may offer higher returns over time but come with greater risk.

#### **IS THE LIFETIME ISA RIGHT FOR YOU?**

A Lifetime ISA can serve as an effective savings tool if you're eligible and intend to purchase your first home. By combining your contributions with the government's generous bonus, you can enhance your deposit fund and take a significant step toward property ownership. However, whether this account suits your specific circumstances depends on your financial goals and needs.

If you're unsure about how best to make the Lifetime ISA work for you, it's essential to obtain professional financial advice to guide your decision-making. ♦

#### **>> NEED MORE INFORMATION OR ASSISTANCE? <<**

If you're ready to start saving or simply need more information about Lifetime ISAs, we are here to help. It's never too early to plan for your future home, so take action today to ensure you are on the right path to making your dream a reality. Contact **Rothesay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**.

# The Spring Statement 2025

How will it shape the property and mortgage markets?

**THE SPRING STATEMENT 2025**, delivered by Chancellor Rachel Reeves on March 26, has ignited reactions throughout the property and mortgage sectors.

With the UK economy still facing numerous challenges, the statement introduced measures aimed at enhancing housing availability, stabilising market conditions, and addressing affordability. But what does this imply for homeowners and prospective buyers?

## MORTGAGE RATES AND FINANCIAL PLANNING FOR HOMEOWNERS

One of the key highlights of the statement was the government's outlook on inflation and interest rates. Since the general election, the Bank of England has implemented three rate cuts, keeping the base rate at 4.5% as of March 2025. According to the Bank of England, inflation is expected to gradually decline, with a projected drop to 2.1% in 2026, eventually reaching the 2% target by 2027. This provides predictability for homeowners looking to remortgage in the near future.

However, mortgage interest rates are expected to remain

high, possibly reaching an average of 4.7% by 2028. For buyers and those refinancing, this highlights the importance of financial preparation. Securing competitive rates will require careful planning, especially as borrowing costs are anticipated to stay elevated.

## STAMP DUTY SHAKE-UPS AND AFFORDABILITY CONCERNS

Another significant policy shift involves Stamp Duty Land Tax (SDLT) adjustments. Effective from 1 April 2025, the thresholds have returned to pre-2022 levels. First-time buyers have seen the threshold decrease from £425,000 to £300,000, while other buyers have experienced a drop from £250,000 to £125,000. This reversion imposes additional costs on buyers of properties exceeding these amounts, raising the financial barriers to homeownership.

This adjustment, aimed at restoring fiscal balance, may slow market activity in high-priced areas. Coupled with persistently high mortgage rates, it adds further pressure on

first-time buyers. For many, the increased upfront costs could make homeownership feel even more unattainable.

## STRENGTHENING HOUSING SUPPLY

The government reaffirmed its commitment to building 1.5 million homes by 2030 as part of its strategy to alleviate the housing shortage. A £2 billion investment has been allocated to facilitate the construction of up to 18,000 social and affordable homes. Additionally, planning reforms aim to reduce bureaucratic delays by prioritising underused land for development, streamlining approval processes, and empowering local decision-makers.

Despite these initiatives, the Office for Budget Responsibility (OBR) estimates that 1.3 million homes will be built by 2030, which falls short of the target. Many commentators suggest that the measures may not adequately address the ongoing demand-supply imbalance. While social housing support is appreciated, it is likely insufficient to resolve the broader affordability concerns.

## PLANNING REFORM AND WORKFORCE INVESTMENT

Changes to the National Planning Policy Framework were another focal point of the Spring Statement. By delegating planning decisions to professional officers and introducing national development priorities, the government aims to promote quicker construction processes. This is anticipated to improve development and unlock new housing supply.

To address labour shortages in construction, the government has allocated £600 million to train 60,000 workers through education and apprenticeships. While this funding provides a much-needed boost, industry voices have expressed concerns about whether it will be sufficient to close the skills gap that continues to affect the sector.

## REACTIONS FROM THE INDUSTRY REGARDING THE SPRING STATEMENT

The property industry's response has been cautiously optimistic, yet it remains heavily overshadowed by lingering concerns. Although streamlined planning processes





and commitments to increase housing supply were met with approval, many believe that the measures fell short of fully addressing affordability challenges.

The rollback of SDLT thresholds has heightened industry frustrations, sparking concerns that it could reduce buyer activity when confidence in the market is already fragile. Amid these mixed reactions, industry leaders have emphasised the importance of providing strong support for first-time buyers and addressing rental market shortages to genuinely improve housing accessibility.

#### HOW YOU CAN PREPARE FOR THE ROAD AHEAD

For prospective buyers and current homeowners, these announcements emphasise the importance of staying informed and proactive. Increased borrowing costs and larger tax liabilities indicate that careful financial planning is essential. Whether you're considering purchasing your first home, remortgaging, or expanding your property portfolio, now is the perfect time to thoroughly explore your options. ♦

#### >> ARE YOU PREPARED TO TAKE YOUR NEXT STEPS IN THIS EVOLVING PROPERTY LANDSCAPE? <<

If you have questions about how the changes in the Spring Statement may affect you, we can help you make confident decisions and plan your next steps in this evolving property landscape. Contact **Rothesay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**.

# COULD YOU FALL IN LOVE WITH A HOME WITHOUT SEEING IT?

One in five Britons say they would rely entirely on their vivid imagination and the power of words

**FINDING THE PERFECT HOME** can often feel like falling in love. The sense of connection, the excitement, and the dream of a new future all play a part. But can you truly fall head-over-heels for a property without setting foot inside? According to new research, one in five Brits (22%) believe they could fall for their dream home based solely on a well-written description or floor plan. No photos, no physical viewing – just vivid imagination and trust in the power of words.

It's a fascinating statistic that raises questions about how much people rely on emotions while house-hunting. However, when it comes to actually committing to a property purchase under such circumstances, buyers are understandably more cautious. Only 3% of survey respondents said they'd feel comfortable purchasing a property they'd never physically viewed or even seen photographs of, relying solely on a detailed description.

## **THE POWER OF WORDS IN PROPERTY LISTINGS**

Descriptive language is a powerful tool for creating property listings that resonate with buyers. For the 22% who admitted they

could be drawn to a home by a compelling description alone, it underscores how the right choice of words can conjure vivid images. Effective property descriptions don't just list facts; they evoke emotion, allowing potential buyers to envision themselves living there.

For example, rather than just stating “three-bedroom semi-detached house with a garden,” a description that creates an image can make all the difference. Something like, “A charming three-bedroom family home with a spacious garden ideal for summer barbecues and children's play, situated in a peaceful cul-de-sac,” is much more engaging.

Phrases such as “light-filled living spaces” or “a cosy, inviting lounge with a roaring fireplace” can capture the hearts of prospective buyers even before they have seen a photo. However, although the written word can ignite interest, striking photography often provides the final push needed to solidify that emotional connection.

## **WHY GREAT PHOTOS MATTER**

It's an undeniable truth in property marketing that images speak louder than words. Properties with more than five high-

quality photos are proven to sell, on average, four days faster than those with fewer images. This highlights the significance of a visual component that complements a written description.

Imagine browsing properties online. Would you be more attracted to a blurry, poorly lit image or a professionally taken photograph that showcases every detail of a beautifully staged living area? The latter immediately captivates you, creating a vision of how you might arrange your furniture or spend evenings relaxing in the space.

Professional photography captures not just the structure of a home, but also its atmosphere. Effective lighting, wide perspectives, and careful staging can elevate a listing from ordinary to irresistible. Sellers seeking an advantage should consider collaborating with an agent who prioritises high-quality visuals.

## **IMPORTANCE OF FLOOR PLANS IN BUYING DECISIONS**

Floor plans, though often underestimated, play a critical role in property marketing. They offer clarity and assist buyers in visualising the layout and flow of the





home, something that words and images alone can't always convey.

For example, a family seeking an open-plan kitchen and dining area will naturally be attracted to a floor plan that clearly illustrates the layout they desire. Similarly, understanding the dimensions of each room enables buyers to determine whether their modern sectional sofa or beloved piano will fit.

Research shows that listings with a floor plan experience a 10% increase in buyer interest compared to those without it. This statistic demonstrates how impactful a seemingly small addition to a listing can be. Sellers should prioritise including this detail to ensure their home stands out in the competitive property market.

**ADVICE FOR SELLERS TO STAND OUT**

For sellers looking to attract serious buyers, attention to detail can make or break a property listing. This begins with heeding your estate agent's recommendations. Experienced agents will advise on everything from how to stage each room to highlight its strengths, to tidying outdoor spaces for maximum kerb appeal.

Besides staging, agents often organise professional photography sessions to ensure your home looks its absolute best. For example, small adjustments like removing personal items, adding fresh flowers, or enhancing prominent windows with light curtains can all influence the appeal of the final images.

Investing time and effort to get these elements right is worthwhile. After all, your goal is to make potential buyers fall in love at first sight and schedule a viewing. While very few people purchase a home without visiting it, capturing their imagination through exceptional marketing is the first step in driving interest.

**PROPERTY MARKETING THAT INSPIRES TRUST AND IMAGINATION**

While the idea of purchasing a home sight unseen appeals to only a small fraction of Britons, this research highlights how we connect with homes today. House-hunting is not just a practical process; it is an emotional one. The right combination of well-crafted descriptions, captivating photography, and detailed floor plans can help even the most sceptical buyer feel an emotional connection.

Properties aren't just bricks and mortar; they're spaces where memories are forged, futures are envisioned, and lives are constructed. Emphasising this emotional aspect of property marketing not only fosters trust but also sparks daydreams – and sometimes, love at first sight. ♦

**>> ARE YOU READY TO MAKE YOUR MOVE? <<**

If you're considering purchasing a property and want to explore your mortgage options, don't hesitate to seek professional advice. Secure the right deal for your future by contacting **Rothesay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**.

**Source data:**

[1] The survey responses were collected within Rightmove's research panel, 'The Living Room'. 1386 respondents took part in February 2025.

# Tips to maximise space in a small bedroom

Even the smallest spaces can turn into cosy and attractive retreats

**A SMALL BEDROOM MAY** initially feel limiting, but it presents a unique opportunity to blend functionality with creative design. While the scarcity of space might seem restrictive at first, it encourages you to think innovatively, transforming a compact area into a carefully curated haven. The key is to approach the space with thoughtful planning and a mindset ready to maximise every corner and surface.

When designed effectively, even the smallest bedrooms can become a comfortable retreat tailored to your needs, showcasing not only your style but also your creativity. By incorporating multifunctional furniture and clever storage solutions, small bedrooms can transform into cosy, streamlined, and visually appealing spaces that optimise functionality for you.

Here are practical tips, along with examples, to help you maximise every aspect of the space.

## **START WITH SMART STORAGE SOLUTIONS**

Storage is often the most challenging aspect of a compact room, but it's also an opportunity for creativity. Multifunctional furniture becomes your best ally. Consider ottomans that open to store blankets, beds with pull-out drawers underneath, or bedside tables that serve as storage units with shelves or hidden compartments.

For example, under-storage divans can be a lifesaver for bulky items like winter coats or spare linens. If you're lacking wardrobe

space, consider hanging organisers that can fit into vertical spaces or even door-mounted hooks for bags, belts, or scarves. Keep clutter at bay without sacrificing style or accessibility.

## **THINK VERTICALLY**

When floor space is limited, consider going vertical. Tall, narrow wardrobes make excellent use of vertical space without taking up too much of your room's floor area. Wall-mounted shelves are another great option for storing items like books, plants, or ornaments.

For example, think about installing floating shelves above your bed or along a wall. Use them for both decor and storage. A hanging rail for clothing can also serve as a design statement when placed just below a shelf where accessories or hats can rest. This way, even your storage solutions reflect your personal style.

Choose furniture that fits your space

One of the most common mistakes in small rooms is choosing furniture that is too large or inappropriate for the room's proportions. Instead, select streamlined, space-saving pieces. A platform bed is an excellent choice for a minimalist aesthetic while eliminating unnecessary bulk.

Don't overlook modular furniture that adapts to your needs. A Murphy bed—which folds up during the day—creates more usable space, while foldable desks or tables offer instant multi-functionality. Small doesn't have to mean cramped if the furniture works smarter, not harder.

## **BE CLEVER WITH MIRRORS**

Mirrors are a simple yet powerful way to open up a small space. When placed strategically, they can create the illusion of a larger room by reflecting light and giving a sense of depth.

For instance, think about incorporating a large statement mirror on one wall or mirrored sliding wardrobe doors to blend functionality with visual expansion. Additionally, you can arrange smaller mirrors in a gallery-style layout for a stylish decorative accent. Positioning a mirror across from a window will enhance natural light, making the room feel more illuminated and welcoming.

## **KEEP IT LIGHT AND NEUTRAL**

Light colours naturally make spaces feel more open and airy. Stick to a palette of whites, creams, soft greys, and pastel shades for your walls and larger furniture. For instance, creamy white walls paired with a light oak bed frame create a serene visual balance.

To prevent your room from feeling bland, incorporate splashes of colour through textiles such as throws, cushions, or rugs. Artwork and houseplants can also add personality without overwhelming the visual space.

## **MAXIMISE NATURAL LIGHT**

Lighting can transform how a room feels, particularly in smaller spaces. Heavy, dark curtains may make a space feel confined, so choose sheer fabrics or lightweight blinds that let natural light pour in.



If privacy is a concern, frosted window films or café curtains that cover only the lower half of the window strike the perfect balance. For artificial lighting, consider installing LED strip lights beneath shelves or using soft uplighting to create a warm and inviting atmosphere.

#### **DECLUTTER RUTHLESSLY**

A small bedroom requires organisation and minimalism. The simplest way to make a space feel larger is to eliminate unnecessary clutter. Begin by sorting items into categories such as keep, donate, or store.

Maintain surfaces as clear as possible for a neat appearance. For instance, swap traditional table lamps for stylish wall-mounted sconces. Bedside storage trays or a sleek charging station can also enhance the organisation of your sleeping area.

#### **OPT FOR DUAL-PURPOSE DÉCOR**

When space is limited, ensure that every item serves a purpose. Decorative elements

like wicker baskets and stylish trunks can also serve as storage for items like bedding or books.

Consider investing in versatile furniture, such as a dressing table that doubles as a workspace, or a statement bench at the foot of your bed that includes storage. This ensures that every corner of the room enhances both its aesthetics and functionality.

#### **USE EVERY NOOK AND CRANNY**

Unused spaces in a small bedroom represent missed opportunities. Corners and awkward alcoves can become valuable additions. For example, a slim desk can fit perfectly into a dead corner, creating a mini workspace without overwhelming the room.

Consider installing hooks or pegboards to hang items on narrow walls, or adding slim drawers beneath your bed. Even unconventional spaces, such as the wall above a door, can accommodate a shelf for books, shoes, or lightweight décor elements.

#### **KEEP FURNITURE PLACEMENT PRACTICAL**

Thoughtful arrangement of your furniture can greatly enhance the flow of your bedroom. Steer clear of overcrowding high-traffic areas, such as the entrance or the pathway to the window, with bulky items.

For example, positioning the bed against one longer wall frees up floor space on either side, while an elevated loft bed can create room underneath for a desk or lounge chair. This practical approach maximises the limited floor space available and ensures the room remains functional and visually appealing.

#### **PERSONALISE WITHOUT OVERCROWDING**

Finally, remember to add a personal touch. Just because the room is small doesn't mean it can't tell your story. Incorporate meaningful décor such as framed family photos, a statement piece of art, or souvenirs from your travels.

To maintain a dynamic atmosphere without overwhelming, rotate seasonal favourites. For instance, exchange cushions, throws, or small decorative items to refresh the room throughout the year without adding too many items to manage. ♦

**>> ARE YOU LOOKING TO RELEASE FUNDS FROM YOUR PROPERTY FOR HOME IMPROVEMENTS? <<**

To learn more or to get guidance on finding the right mortgage product for your needs, speak with a member of our experienced team today. Contact **Rothesay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**.

# How many properties should you view before buying?

Exploring practical approaches for viewings and maximising each visit

**BUYING A HOME** is likely one of the most significant financial commitments you will make in your lifetime. However, the process can seem overwhelming, especially when trying to determine how many properties to view before making a decision.

Is it better to visit as many options as possible, or can you fall in love with the first one you see? While there's no definitive answer, finding the right balance between being thorough and decisive is crucial for making an informed yet timely choice.

Some buyers find their dream property early in the search, while others sift through multiple options before feeling confident. To assist you on this journey, this guide explores practical approaches for home viewings, how to maximise each visit, and when to trust your instincts and conclude the search.

## START WITH CLEAR PRIORITIES

The key to reducing stress during your search is preparation. Before you begin scheduling viewings, create a detailed list of what you need and want in a home. Your non-negotiables might include factors like a certain number of bedrooms, proximity to schools or transport links, or outdoor space. Conversely, preferences such as having a

fireplace or a south-facing garden can be included in a 'nice to have' list.

Once your wish list is ready, conduct your research thoroughly. Concentrate on properties that align with your criteria as closely as possible by assessing photos, descriptions, and floor plans online. Initially narrowing your search to a shortlist of 5 to 10 properties can save time and energy. However, this may vary based on your budget, the local housing market, and the complexity of your requirements.

## DO YOUR HOMEWORK BEFORE VIEWING

A little research can greatly enhance the productivity of your viewings. Beyond just checking online listings, invest time in exploring the neighbourhoods of potential properties. Are there nearby amenities, such as shops or parks? What's the overall vibe of the area, and can you envision yourself living there?

It's also crucial to understand the current state of the market. If you're purchasing in an area where demand exceeds supply, you may need to act quickly and prioritise thoroughly viewing fewer properties, rather than scheduling numerous appointments.

Conversely, slower-moving markets provide buyers the luxury of more time and choices.

## HOW FIRST IMPRESSIONS CAN GUIDE YOUR DECISION

A property's emotional appeal plays a larger role than many of us are willing to admit. Often, you instinctively know if a property feels 'right' the moment you walk in. However, while first impressions are important, it's also essential not to overlook practical needs. A stunning kitchen offers little value if the layout doesn't suit your lifestyle or the house requires repairs that exceed your budget.

When viewing a property, adopt a comprehensive approach. Inspect practical aspects such as the condition of windows, roofing, and heating systems. If possible, inquire about insulation and energy efficiency ratings. Ensure you check the flow of natural light throughout the rooms and how well the space aligns with your priorities.

## STRIKE A BALANCE BETWEEN THOROUGHNESS AND EFFICIENCY

Viewing too few properties may leave you feeling uncertain about your decision, while looking at too many can lead to decision



fatigue. A good rule of thumb is to view between 5 and 8 properties seriously before making a bid. However, this isn't a strict rule; you should adjust based on your confidence level after each visit. Don't hesitate to add more to your list if you feel unsure about your options.

Another factor to consider is whether you're searching in a fast-moving market. For example, buyers in London often need to act quickly to avoid missing out due to intense competition. Conversely, regional areas may offer more time and flexibility to evaluate options thoroughly.

#### MAKE EVERY VIEWING COUNT

Maximising the efficiency of each viewing is just as important as the number of houses you visit. Always carry a checklist, and make sure to jot down crucial details or points of concern during the visit. If permitted, take photos or short videos of the property to compare later when making your decision.

Visiting the same property multiple times is a wise choice if you're giving it serious thought. Consider scheduling viewings at various times- during rush hours, on weekends, or after sunset- to gain a comprehensive understanding of factors like parking difficulties, traffic noise, and natural light.

#### HOW TO NOTICE DEAL-BREAKERS EARLY

Identifying a dealbreaker early can save you considerable time and effort. Foundation damage, water stains, or signs of mould may signal expensive repairs in the future. Likewise, an unresponsive or evasive seller could suggest that issues are being intentionally concealed. Keep in mind, it's better to walk away if something feels wrong than to rush into a purchase you might regret later.

Consider how the property aligns with your daily routine. Does the layout suit your lifestyle? Will renovations be necessary



right away? By remaining vigilant and asking specific questions, you'll be able to quickly distinguish between viable options and unsuitable ones.

#### EXAMPLES OF BUYING SUCCESS STORIES

##### CASE STUDY 1

Learning from others' experiences can provide valuable insights. For instance, Jessica and Mark in Manchester realised after their fourth viewing that they had found the perfect place. "The house was cosy yet modern, and the location allowed us to walk everywhere we needed to go," Mark explained.

##### CASE STUDY 2

Conversely, Claire from Surrey viewed nearly 15 homes, consistently questioning her shortlist until a townhouse unexpectedly stood out and met every criterion.

#### YOUR UNIQUE CIRCUMSTANCES

It's crucial to remember that the ideal number of viewings varies from person to person. Whether it's three or thirteen, trust

your instincts when you feel a property aligns with your wish list and lifestyle. The number of houses you should view before buying depends on your unique circumstances, preferences, and the housing market in your selected area.

Balance is essential. Approach the process using both logic and intuition, while maintaining your priorities and budget. Whether you seek market insights or guidance for viewings, we are here to ensure your home-buying experience is as smooth and successful as possible. ♦

>> NEED PROFESSIONAL MORTGAGE ADVICE AND GUIDANCE TO GET YOU MOVING? <<

For those seeking further information on mortgages for home-buying or remortgaging, speak to **Rothesay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**.

# Understanding property title deeds

Proof that you have the legal right to occupy,  
sell, or modify the property



**OWNING A PROPERTY IS** a significant milestone, but it comes with various legalities, one of which is the property title deed. A title deed is a crucial document that verifies your legal ownership of a property. It serves as proof that you have the legal right to occupy, sell, or modify the property.

Without this document, disputes over property rights can arise, making it crucial for homeowners to understand what title deeds are and their importance in property ownership. In this article, we explore everything you need to know about title deeds in the UK.

#### **WHAT EXACTLY IS A TITLE DEED?**

A title deed is essentially a legal record of ownership. It typically includes detailed information about the property, such as its boundaries, any rights of way, and restrictions tied to the land. If you purchased property in England or Wales after 1990, your property is likely registered with HM Land Registry, meaning that physical title deeds are no longer essential. Instead, electronic records contain the key data.

However, for unregistered properties—those that have not been sold or mortgaged since 1990—the original title deeds remain essential. These include conveyances, mortgages, and other legal documents that prove ownership.

#### **HOW ARE TITLE DEEDS CREATED AND STORED?**

When a property changes ownership, a solicitor or conveyancer typically creates a new title deed to document the change. For registered properties, this information is recorded digitally by HM Land Registry, which eliminates the need for homeowners to keep paper documents safely.

Despite this modern convenience, many individuals still keep paper deeds for historical or sentimental reasons. For unregistered properties, protecting title deeds is essential, as losing these documents can complicate future sales.

#### **WHY ARE TITLE DEEDS IMPORTANT?**

Title deeds play a crucial role in safeguarding property rights. They provide evidence of ownership during legal disputes or fraudulent claims. Moreover, they indicate any financial obligations on the property, such as mortgages, or limitations on its usage, like conservation area regulations.

If you want to make changes to your property boundary or sell part of your land, the title deed provides a legal framework to ensure a smooth process. Similarly, buyers rely on these records to verify clear ownership and the absence of any unresolved issues.

#### **TITLE DEEDS FOR REGISTERED VS UNREGISTERED PROPERTIES**

For properties registered with HM Land Registry, keeping the title number and staying updated about your digital record is sufficient in most cases. You can request a copy of your title deeds online through the Land Registry website for a minimal cost.

Owners of unregistered properties must take proactive steps. Important documents should be stored securely, and if title deeds are lost, it may be necessary to obtain a statutory declaration from a solicitor to prove ownership.

#### **WHAT IF YOU LOSE YOUR DEEDS?**

Misplacing title deeds can lead to complications, especially for unregistered

properties. Fortunately, for registered properties, losing physical deeds isn't disastrous, as ownership details are digitised with the Land Registry.

If unregistered and your deeds are missing, a solicitor can compile supporting evidence to apply for formal registration or draft a replacement deed. Taking preventative steps to store deeds securely can save both time and legal expenses.

#### **TRANSFERRING OR CHANGING OWNERSHIP**

Title deeds are essential for transferring ownership or modifying property rights following events such as marriage, divorce, or inheritance. A legal professional typically supervises updates to ensure compliance with property law.

Whether adding a new co-owner or removing a name, keeping title deeds up to date helps avoid potential disputes or delays in the future. It is advisable to seek legal advice to ensure all legal requirements are correctly followed. ♦

**>> WOULD YOU LIKE TO DISCUSS YOUR MORTGAGE AND HOMEOWNERSHIP OPPORTUNITIES? <<**

Speak to our expert team for personalised advice on mortgages and homeownership and discover the ideal home for you and your smart gadgets. Contact **Rothsay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**.



# SHARED OWNERSHIP VS RENTING

Understanding the differences can help prospective tenants or buyers make an informed choice

**WHEN IT COMES** to housing, many Britons face a crucial question: Is it better to rent or pursue shared ownership? Both options offer unique advantages and challenges, and understanding these differences can help prospective tenants or buyers make an informed choice.

The decision often depends on individual financial circumstances, future goals, and lifestyle preferences. For someone prioritising flexibility or who cannot save a substantial deposit, renting may appear to be the natural choice. However, for those eager to step onto the property ladder but unable to afford the initial costs of full home ownership, shared ownership could be a viable alternative.

## APPEALING OPTION FOR RENTING

Renting provides the freedom to live without a long-term commitment. It is an appealing option for many, particularly younger individuals or those who appreciate the ability to relocate quickly due to changing careers or personal circumstances. Additionally, rental properties are often available fully or partially furnished, which makes transitioning into a new home easier.

However, one downside of renting is that tenants are essentially paying for a home they will never own. Rent payments can often be as high as, or even higher than,

a monthly mortgage, without the benefit of building equity over time. Additionally, tenants may face restrictions on personalising the rented space or keeping pets, depending on the landlord's policies.

## UNDERSTANDING SHARED OWNERSHIP

Shared ownership schemes were created to bridge the gap between renting and full home ownership. With shared ownership, you buy a share of a property (ranging from 25% to 75%) and pay rent on the remaining portion. Over time, you can purchase a larger share, a process known as staircasing, until you eventually own 100% of the property.

One of the key advantages is the lower upfront costs. Deposits are calculated based on the share you are purchasing, making it far more attainable for first-time buyers. For example, instead of needing a 20% deposit on a £250,000 home (£50,000), if you buy a 50% share, your deposit would be £25,000 on a reduced purchase price of £125,000. However, it's important to note that, along with rent, shared owners still need to cover maintenance and service charges.

## FINANCIAL IMPLICATIONS

Commentators often emphasise that rising rents can make it difficult to save for a deposit. According to government



figures, more than 50% of renters in the UK currently spend over a third of their income on housing costs, which can limit opportunities to invest in property later. Conversely, renting can sometimes be a more manageable financial commitment since tenants are not responsible for property maintenance or unexpected repair expenses.

For shared ownership buyers, affordability requires careful consideration as well. Although shared ownership lowers the barrier of a hefty deposit, ongoing costs must also be taken into account. Rent on the unsold share, in addition to mortgage payments, can accumulate into significant expenses. Furthermore, shared ownership properties are typically leasehold, indicating that longer-term costs, such as lease extensions, may apply.





### WHICH OPTION SUITS YOUR LIFESTYLE?

Renting may appeal to those who embrace a nomadic lifestyle or work in fields that necessitate frequent relocation. For instance, young professionals in cities like Manchester or London might find that renting apartments near their workplaces is a more practical option. Additionally, renting enables you to reside in areas where purchasing could be cost-prohibitive, such as prime urban locations.

On the other hand, shared ownership provides the stability of homeownership while distributing the financial burden. For families, the opportunity to establish themselves in a permanent residence with the potential for full ownership over time makes shared ownership attractive. However, buyers should consider how long they intend to stay in the property, as

shared ownership schemes often come with restrictions on selling.

### WEIGHING THE PROS AND CONS

It's essential to consider your long-term financial and personal goals thoughtfully. Renting allows you to keep your options open, but over the years, you could spend tens of thousands on rent without accumulating equity. Shared ownership, while a route to homeownership, entails a commitment and potential costs that renters do not encounter.

Deciding between renting and shared ownership will likely depend on prioritising what is most important to you now and in the future. Factors such as job security, family plans, and budget all influence ensuring you enter into an arrangement that best meets your needs. ♦

### >> ARE YOU READY TO EXPLORE MORTGAGE OPTIONS FOR YOUR NEW HOME? <<

Whether you're stepping onto the property ladder for the first time or considering your next move, knowing your options is essential. For more information or personalised advice and insights on gaining clarity on your mortgage options, contact **Rothesay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**.

# HOW TO ATTRACT YOUR IDEAL TENANT

Aligning your choice with your financial goals, property type, and location

**CHOOSING THE RIGHT TYPE** of tenant is a vital step for landlords aiming to maximise their rental income and safeguard the long-term value of their property. Different tenant groups, whether families, students, or young professionals, offer unique opportunities and challenges. The key to success lies in aligning your tenant choice with your financial goals, property type, and location.

For instance, understanding the needs and preferences of your target tenants will not only guide your property search but also help you customise the home to exceed expectations. By going the extra mile, you can attract dependable





tenants who appreciate your property and are more likely to stay for the long term.

### **WHY FAMILIES COULD BE A PERFECT FIT**

If long-term capital growth is your primary focus and you own a property in a family-friendly neighbourhood, renting to families could be an excellent option. Families typically look for spacious properties with gardens, proximity to quality schools, and access to local amenities such as parks and shops.

Consider a semi-detached home with three bedrooms and a landscaped garden in a suburban location. A property like this is likely to attract a young family, and since families often stay for longer durations, it could result in fewer vacancy periods and lower turnover costs for you as a landlord.

Furthermore, a high demand for family housing frequently results in significant capital appreciation, which could be advantageous for you when it's time to sell.

**Tip:** Highlight features such as safety (secure fencing and childproofing), storage space, and energy-efficient appliances. A prospective family tenant is more likely to think long-term, so anything that adds comfort or reduces running costs could win them over.

### **TARGETING PROFESSIONALS FOR STEADY RETURNS**

City-centre apartments or compact starter homes often attract young professionals seeking convenience and style. This group of tenants typically prioritises properties with modern interiors, excellent connectivity, and access to vibrant leisure options. These homes are ideal if your budget doesn't allow for larger properties or if you're eager to secure a steady supplementary income.

For instance, a stylish one-bedroom apartment close to major transport links and surrounded by cafés and gyms would meet all the criteria for working professionals. Equipping the property with modern and practical furniture can further boost its attractiveness.

**Tip:** Provide extras such as high-speed internet or include utilities in the rent for added convenience. Offering flexibility in tenancy agreements, such as shorter leases, could also attract a broader range of professional tenants who appreciate options.





### MAXIMISE YIELDS WITH HMOS AND STUDENT HOUSING

For landlords prioritising high yields, Houses of Multiple Occupation (HMOs) or student housing can be an excellent route. These properties typically involve renting out fully furnished rooms to individuals who share communal areas such as the kitchen, living room, and bathroom. Universities are great target locations, with demand remaining consistent year after year.

For example, envision a three-story, five-bedroom terraced house near a university. Converting this property into individual rental units could produce two to three times the rental income of a single let. Both students and young professionals often favour such properties because they are affordable, convenient, and fully equipped.

**Tip:** Ensure compliance with local HMO regulations, including fire safety measures and proper licences. Offering all-inclusive rent packages (which cover utility bills, WiFi, and TV licences) is another strategy to attract and retain tenants in this market.

### UNDERSTANDING TENANT EXPECTATIONS

Every tenant type has specific needs and desires, and fulfilling these expectations is essential for a successful rental venture. Important factors for tenants include location, quality of accommodation, price, and additional value.

- Families seek stability. They look for quiet neighbourhoods, green spaces, and homes

where they can establish roots.

- Young professionals prioritise convenience, style, and access to cultural hotspots.
- Students require practical layouts, affordability, and easy access to their campus.

**Tip:** Investing in small upgrades, such as repainting walls in neutral colours or installing new carpets, can significantly enhance your space. An appealing first impression may be what secures that initial viewing.

### WORK WITH EXPERTS TO MAKE THE RIGHT CHOICE

Navigating tenant preferences while balancing them with your financial goals can be challenging, especially given changes in rental regulations. Seeking guidance from a qualified letting agent can save you time, frustration, and potentially costly mistakes. They offer valuable insights into market demands, enabling you to market your property effectively while remaining compliant with legislation.

For example, the Renters' Reform Bill introduces significant changes, including the removal of Section 21 evictions. Professional agents will evaluate tenants, create tenancy agreements, and ensure adherence to new laws.

**Tip:** Property management agents can manage daily responsibilities, alleviating stress while protecting your investment.

By carefully aligning your property, target tenant group, and investment goals, you can create a successful and profitable rental portfolio. ♦

#### >> ARE YOU SEEKING TO SECURE A MORTGAGE FOR YOUR NEXT PROPERTY? <<

If you're ready to take your next step as a landlord or want to refine your strategy, we're here to help. Our experienced team offers personalised advice and tailored mortgage solutions to suit your property goals. Contact **Rothsay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothsaybennett.co.uk**.



# Sustainability is no longer just a buzzword

How landlords can create a more sustainable rental property



**SUSTAINABILITY HAS EVOLVED** from a mere buzzword into a top priority for tenants, playing a vital role in enhancing a property's value. For landlords, upgrading rental properties to boost energy efficiency is a strategic move that benefits both the environment and their bottom line. Improving your property's Energy Performance Certificate (EPC) rating is an excellent

starting point—but where should you direct your efforts?

With the government aiming to raise the minimum EPC rating for existing rental properties in England and Wales to C by 2028, the pressure to act is mounting. These changes are more than mere regulatory hurdles. A higher EPC rating can lower tenants' energy bills, enhance marketability, and offer

landlords the potential for increased rental income. Here's a breakdown of how to make your rental property greener while benefiting from its value.

## START WITH AN ENERGY ASSESSMENT

To start, you need an accurate understanding of your property's current energy performance. A professional energy assessment, typically

costing between £50 and £120, can identify crucial areas for improvement. This includes finding poor insulation, inefficient windows, and outdated heating systems.

Having a clear roadmap will help you prioritise upgrades that deliver maximum impact. For instance, simple fixes like draught-proofing may cost little but yield noticeable improvements. A professional assessment can also save you money by steering you away from unnecessary or ineffective upgrades.

## INSULATION IS A GAME-CHANGER

Insulation is often the most effective way to improve energy efficiency. For instance, loft insulation costs about £400 for a typical three-bedroom house, yet it can prevent up to 25% of heat loss. Likewise, adding cavity wall insulation, at an average cost of £1,000, leads to noticeable improvements.

Don't overlook small but significant details. Draught-proofing materials for doors and windows range in cost from £100 to £200. Although relatively inexpensive, these changes can make your property much more comfortable during winter and decrease overall heat loss.

## UPGRADE HEATING SYSTEMS

Heating consumes a substantial amount of energy, which is why investing in an efficient system is crucial. If your property has an outdated boiler, consider replacing it with a modern



condensing model. Although the initial cost ranges from £2,000 to £4,000, tenants will benefit from lower energy bills, making your property more attractive.

To take it a step further, consider installing renewable energy systems such as air source heat pumps or solar panels. Heat pumps, which cost between £7,000 and £10,000, along with solar panels, priced at approximately £5,000 to £8,000, can significantly enhance your EPC score. Even better, these installations may qualify for the government's Boiler Upgrade Scheme or similar incentives, thereby reducing the financial burden.

#### MODERNISE LIGHTING AND APPLIANCES

Switching to LED lighting is one of the quickest and most effective upgrades you can make. With costs ranging from £100 to £200

for an entire property, LEDs consume up to 90% less energy than traditional bulbs and have a significantly longer lifespan.

Additionally, consider offering energy-efficient appliances if your property includes white goods. Choose items with A+ ratings or higher, as they often feature advanced energy-saving technologies. Although newer appliances may have a higher initial cost, their energy savings and durability make them worthwhile investments.

#### WHAT DO SUSTAINABILITY IMPROVEMENTS MEAN FOR LANDLORDS?

Implementing sustainability measures requires initial investments, but the benefits are both financial and practical. Properties with higher EPC ratings tend to attract tenants more quickly, reducing

vacancy periods. Tenants are increasingly prioritising energy-efficient homes due to lower utility costs, so your property could command higher rents.

Upgrading now also helps landlords future-proof against regulations. Non-compliance with stricter energy legislation could lead to fines or restrictions, so taking action today can protect your rental income tomorrow. Moreover, energy-efficient homes tend to retain their market value better, making this an investment in the long-term profitability of your property portfolio.

#### FINDING FINANCIAL ASSISTANCE

To ease the cost of energy efficiency upgrades, landlords should explore available grants and programmes. The Energy Company Obligation (ECO4) scheme, for example, provides support for insulation and other energy-saving improvements. Local councils may also offer funding or low-interest loans aimed at efficiency upgrades.

Additionally, green mortgage

products can provide landlords with preferential interest rates for owning properties that meet certain energy efficiency standards. By taking advantage of these incentives, you can lower your initial investment and achieve quicker returns on your investments.

#### A GREENER PROPERTY FOR A GREENER FUTURE

Sustainability measures extend beyond compliance and financial benefits; they embody a commitment to a more sustainable world. By enhancing your property's energy performance today, you actively contribute to greener communities while creating more comfortable and convenient spaces for tenants. ♦

#### >> CONSIDERING EXPANDING YOUR RENTAL PROPERTY PORTFOLIO? <<

Whether you're beginning your journey in property investment or looking for new alternatives to replace your current deal, talk to our highly experienced team about your requirements, and we'll help you move forward with confidence. Contact **Rothsay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothsaybennett.co.uk**.

# SHOULD YOU RENT YOUR PROPERTY ON A SHORT-TERM OR LONG-TERM BASIS?

The property's location, local demand, and the level of your involvement are crucial

**DECIDING WHETHER TO** rent out your property on a short-term or long-term basis can greatly influence your income and workload. Although both strategies offer advantages, the optimal choice often relies on your property's location, local demand, and the extent of involvement you're prepared to have as a landlord.

Here, we explore the pros and cons of each approach, along with practical tips to optimise your rental strategy.

## **RENTAL INCOME AND PROFITABILITY**

The income potential is where the two options diverge most clearly. Short-term rentals can command high nightly rates, especially in popular tourist destinations. For instance, renting out a centrally located London flat on Airbnb could earn £150 per night, while the same property on a long-term lease might generate £1,800 per month. Given high occupancy rates, short-term rentals could, theoretically, yield higher annual revenue.

However, it is essential to consider unpredictability. Short-term rental income can fluctuate greatly due to factors such as seasonality, evolving travel trends, or market competition.



### **To mitigate risks and optimise earnings:**

- Research peak and off-season demand for your area.
- List your property on multiple platforms to maximise visibility.
- Price your rental competitively by monitoring similar properties.

For long-term rentals, while the income may not be as high, it is predictable. A tenant paying rent consistently for twelve months offers stability, protecting you from market volatility.

**Tip:** Use rental yield calculators to determine the potential income your property can generate. Compare figures for both short-term and long-term rental models.

### **PROPERTY MANAGEMENT DEMANDS**

Managing short-term rentals demands significantly more hands-on involvement. From cleaning the property between guests to coordinating key exchanges and addressing guest inquiries, being a short-term landlord can feel like a full-time job. Many landlords choose to employ property managers for short-term rentals, which usually incurs a fee of 10% to 20% of your income.

On the other hand, long-term rentals typically require far fewer administrative tasks. Once a tenant

is secured, landlords primarily oversee ongoing maintenance and rent collection. Most issues that arise are infrequent and can be scheduled around a landlord's availability. Consider long-term renting if you're seeking a relatively passive income stream with less frequent tenant interactions.

### **To ease property management tasks, consider the following:**

- Automate rental processes through management software, particularly for short-term lets.
- Set clear communication guidelines with your tenants to minimise misunderstandings.
- Research property management companies that specialise in short-term rentals if you cannot manage the workload.

### **OCCUPANCY RATES AND VOIDS**

One of the key risks of short-term rentals is the potential for frequent vacancy periods. Even in high-demand areas, achieving year-round occupancy is nearly impossible. For instance, a rural holiday cottage may flourish during the summer holiday season but remain unoccupied for months in the winter. This uncertainty adds an additional layer of financial risk for landlords.





## “Many landlords choose to employ property managers for short-term rentals, which usually incurs a fee of 10% to 20% of your income.”

In contrast, long-term rentals provide more reliable occupancy. A standard rental agreement guarantees the property earns income for a minimum of six to twelve months, and possibly longer. Reduced vacancy periods can lead to greater peace of mind for landlords.

### Tips for minimising voids:

- For short-term rentals, offer discounts during low seasons to attract travellers.
- Invest in marketing your listing with high-quality photographs and detailed descriptions.
- For long-term rentals, aim to renew tenancy agreements well before they expire to avoid lengthy vacancy periods.

### MAINTENANCE, FURNISHING, AND DECOR

Short-term rentals often require a higher standard of maintenance and aesthetic appeal. Since guests typically seek a “home away from home,” the decor must be inviting, modern, and photogenic. Moreover, the high turnover of short-term renters leads to increased wear and tear on furnishings, meaning you may need to replace items like mattresses, sofas, or kitchenware more frequently.

Long-term rentals facilitate more practical and durable furnishings, prioritising function over style. The decreased guest turnover also implies repairs and replacements are less frequent. However, landlords must ensure the property complies with legislative standards for safety and hygiene.

### Key tips for maintenance and furnishing:

- For short-term rentals, choose mid-range, durable furniture that balances aesthetics and affordability.
- Equip your property with essentials such as Wi-Fi, kitchen appliances, and toiletries for short-term guests.
- For long-term rentals, select materials and furnishings that are easy to maintain and economically sustainable over time.

### PRACTICAL CONSIDERATIONS BEFORE CHOOSING

Here are some final factors to assist you in your decision-making process.

#### Short-term rentals might be ideal if:

- Your property is in a tourist hotspot or city centre.
- You have the time or resources to manage guest turnover and marketing.
- You’re comfortable with income variability and some financial risk.

#### Long-term rentals might be ideal if:

- Your property is in an area where tenant demand remains steady year-round.
- You prefer consistent income and a more hands-off approach.
- You want to avoid frequent refurbishments or tenant disputes.

### MAKE THE MOST OF YOUR INVESTMENT

Ultimately, short-term and long-term rentals can be profitable, but the ideal choice will depend on your personal goals, availability, and risk tolerance. To maximise your success, understand the needs of your local market, evaluate your budget for property management, and consider how involved you wish to be in the process. ♦

#### >> ARE YOU SEEKING A PERSONALISED FUNDING SOLUTION TO ALIGN WITH YOUR GOALS? <<

Whether you are an experienced investor or entering the market for the first time, we can discuss personalised solutions that align with your objectives. Unlock the full potential of your rental property and achieve your financial goals. Your next great opportunity is just a conversation away! Contact **Rothsay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothsaybennett.co.uk**.



# CAPITAL GAINS TAX CHANGES AND THEIR IMPACT ON LANDLORDS

Is now the time for some property owners to reconsider their financial strategies?

**STARTING ON 6 APRIL 2025**, significant changes to Capital Gains Tax (CGT) rules in the UK are anticipated to transform the landscape for landlords with investment property portfolios. These adjustments could have far-reaching implications, encouraging property owners to reconsider their financial strategies.

The primary change concerns the extended CGT payment deadline for property sales. Currently, landlords are required to report and pay CGT within 60 days of completing a property sale. However, under the revised rules, the deadline will align with self-assessment tax returns. This means that gains from disposals made during the 2025/26 tax year will not need to be reported or paid until 31 January 2027.

## **PAYMENT WINDOW ADJUSTMENTS FOR LANDLORDS**

For those managing buy-to-let properties, aligning with the self-assessment timeline creates an opportunity. It allows for additional time to budget for their CGT liabilities, particularly in years when multiple properties may be sold. While this extension offers greater flexibility, it also emphasises the ongoing importance of accurate record-keeping and financial planning to prevent sudden cash flow strains.

For instance, imagine a landlord selling a rental property in July 2025. Under the current system, the CGT payment would be due by September 2025. After 6 April 2025, this payment could



**“With the goalposts shifting, proactive tax planning is now essential to mitigate the financial impact on property portfolios.”**

be postponed, allowing the landlord to address it alongside their broader tax obligations by 31 January 2027. While this provides some breathing room, it also emphasises the importance of long-term financial discipline.

**CHANGES TO CGT THRESHOLDS**

Notably, the reduction in CGT allowances preceding these new rules adds further complexity. The annual exempt amount, which was once £12,300, has been reduced to £3,000 starting

on 6 April 2024. For landlords, this change has resulted in higher taxable gains on property sales. The cumulative impact of these adjustments makes strategic management of property portfolios essential.

For instance, a landlord selling a property with a £100,000 gain would previously have excluded the first £12,300 from taxation, leaving £87,700 taxable. However, from April 2024, with a reduced allowance of £3,000, the taxable portion of the same gain would increase to £97,000. Depending on the applicable CGT rate, this could result in thousands more in tax payments.

**IMPLICATIONS FOR DIVERSIFIED PROPERTY PORTFOLIOS**

Landlords with multiple rental properties may encounter extra challenges in adapting to these changes, especially those who depend on disposals for their retirement planning or portfolio rebalancing strategies. Although the shift in payment deadlines provides temporary relief, the reduced exemptions and aligned self-assessment requirements highlight the necessity for careful tax planning.

The new rules also emphasise the importance of professional advice. Accountants and tax advisers become crucial partners in navigating these changes, developing strategies to utilise unused partner allowances and maximise relief options, such as those available for gifted properties.

**PLANNING AHEAD TO STAY AHEAD**

It’s evident that the CGT changes effective from 6 April 2025 present a dual challenge for landlords. While payment timing offers some immediate flexibility, landlords must navigate the offsetting pressures of reduced exemptions and increased tax liabilities. Practical measures, such as planning for sales in advance, leveraging one’s personal allowance wisely, and calculating potential liabilities early, remain essential.

With the goalposts shifting, proactive tax planning is now essential to mitigate the financial impact on property portfolios. If you are a landlord unsure about how these changes may affect you or seeking advice to adapt your tax planning strategies, consult a qualified adviser. ♦

**>> NEED PERSONALISED ASSISTANCE OR MORTGAGE ADVICE? <<**

If you’re thinking about becoming a buy-to-let investor and need personalised assistance or mortgage advice, our team is here to help you make informed decisions and protect your investment every step of the way. To learn more, contact **Rothsay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothsaybennett.co.uk**.

# Pinpointing the next big property investment opportunity

A proactive and informed approach will help identify a dynamic property market





**PROPERTY INVESTMENT CAN** be an exciting and financially rewarding venture, offering the potential for significant returns and long-term growth. However, selecting the right location at the right time is critical to achieving success. Not every area will promise the same opportunities, and careful analysis is required to distinguish a promising hotspot from a stagnant market. From economic indicators to demographic trends, recognising the subtle signs of an emerging area can make all the difference between an average investment and one that thrives.

Investors must balance thorough research, an intuitive understanding of market dynamics, and knowledge of how external factors affect property demand. Economic growth, population changes, and local government policies all play roles in determining where the next profitable opportunities may arise. A proactive and informed approach can help you identify locations on the verge of growth, positioning you ahead of the competition in an increasingly dynamic property market.

### **GAUGE ECONOMIC VIBRANCY**

The strength of a local economy can indicate future property value growth. Thriving areas with diverse industries, increasing job opportunities, and business expansion often draw in more residents, leading to greater demand for housing. For example, Manchester and Birmingham have prospered in recent years due to substantial investment in technology and finance sectors, establishing them as prime opportunities for property investors.

When evaluating an area, concentrate on employment rates, average income figures, and

economic diversity. These indicators illustrate economic stability and the potential for sustained market growth.

### **EXAMINE DEMOGRAPHIC SHIFTS**

Population growth serves as a clear indicator of increasing demand for housing. Crucially, it's not just about the numbers; understanding the nature of that growth is important as well. Areas appealing to young professionals or growing families may indicate a demand for particular types of properties, ranging from city-centre apartments to suburban homes.

Consider Leeds and Brighton as examples. Both cities attract graduates and working professionals due to their robust education systems and thriving local industries. Monitoring these demographic trends can help identify areas where rental demand matches the target market.

### **ASSESS THE LOCAL RENTAL MARKET**

Consistent rental income forms the backbone of most property investments. Analysing demand in the rental market is essential for ensuring steady returns. Are students, professionals, or families driving demand in the area? Understanding the tenant landscape will dictate the type of property to purchase.

For instance, university towns such as Durham



or Cambridge frequently experience high and stable demand for student housing. Likewise, cities witnessing business growth and corporate relocation can generate demand for high-quality rental properties aimed at professionals.

**INVESTIGATE LOCAL POLICY AND COUNCIL SUPPORT**

Local authorities play a vital role in shaping the conditions for property investment. Some provide incentives for private landlords and enforce landlord-friendly policies, while others may impose strict regulations that complicate investment returns.

Certain councils also run landlord accreditation schemes or promote initiatives designed to enhance housing standards. These can offer benefits for well-prepared investors. Researching policies related to housing investment, tenant rights, and planning permissions will help you avoid potential pitfalls before committing resources to an area.

**CAST A WIDER NET**

Many investors concentrate on their local environments, yet some of the best opportunities exist farther away. If you perceive the London market as competitive or overpriced, think about exploring cities like Liverpool or Sheffield, which present more affordable entry points and considerable growth potential.

Additionally, monitor regeneration projects and infrastructure developments. Commuter towns and emerging urban areas with planned transport enhancements or new business parks can offer outstanding growth opportunities. Widening

**“Certain councils also run landlord accreditation schemes or promote initiatives designed to enhance housing standards.”**

your search radius may uncover hidden gems with significant potential returns.

**STRATEGIC INSIGHTS FOR SUCCESS**

Identifying the next property investment hotspot isn't about guessing; it's a strategic process that combines data-driven analysis with local market knowledge. Monitoring economic indicators, demographics, and council policies, along with firsthand visits, can often reveal the true potential of an area. ♦



**>> LOOKING FOR THE RIGHT TAILORED BUY-TO-LET MORTGAGE? <<**

If you're looking to make an informed move in the property market, our expert team will provide guidance tailored to your investment goals. Don't miss your chance to unlock the next big property investment opportunity. If you would like to explore your options further or seek advice on starting your landlord journey, please contact **Rothesay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**.



# HOW CAN I GET A MORTGAGE IF I'M SELF-EMPLOYED?

Mortgages shouldn't be complicated just because you're self-employed

We understand that self-employment comes in many shapes and sizes. Whether you're self-employed, a contractor or freelancer, we can match your income to an appropriate lender. Our experienced mortgage advisers will explain the best mortgage options for your self-employed status.

To find out what you could borrow and what your payments may be, contact us today.

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Contact **Rothestay Bennett Financial Planning**  
– telephone: 01676533692  
– email: [enquiries@rothesaybennett.co.uk](mailto:enquiries@rothesaybennett.co.uk)

– website: [www.rothesaybennett.co.uk](http://www.rothesaybennett.co.uk)  
– address: **Rothestay Bennett, 287/289  
Kenilworth Road, Balsall Common, CV7 7EL**



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THINK CAREFULLY BEFORE SECURING OTHER DEBTS AGAINST YOUR HOME.

YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE.

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# The Renters' Rights Bill

What landlords need to know about sweeping changes in the rental landscape

## THE RENTERS' RIGHTS

Bill is poised to enact sweeping changes in the rental landscape, significantly affecting landlords throughout England. With an emphasis on strengthening tenants' rights, the proposed legislation will compel landlords to adjust their practices to ensure compliance. Here's what you should consider to stay ahead of the changes.

## FIXED-TERM TENANCIES ARE ON THE WAY OUT

One major reform is the replacement of fixed-term tenancies with periodic tenancies. This change means that tenants will no longer be bound by a specific duration, such as six or twelve months, and can leave by providing notice according to the new rules. For landlords, this results in a more flexible market but also creates uncertainty regarding how long a tenant might stay in their property.

For instance, if you previously depended on fixed terms to plan for property maintenance or manage your finances, you might need to incorporate more flexibility into your schedule and budget. While this shift benefits tenants, it also necessitates

that landlords adjust to less predictable tenancy durations.

## EVICCTIONS MUST BE JUSTIFIED

Under the new Bill, landlords will lose the ability to evict tenants without giving a valid reason. This marks a significant departure from the current "no-fault" Section 21 evictions, which provide landlords with a straightforward method to regain possession of their property.

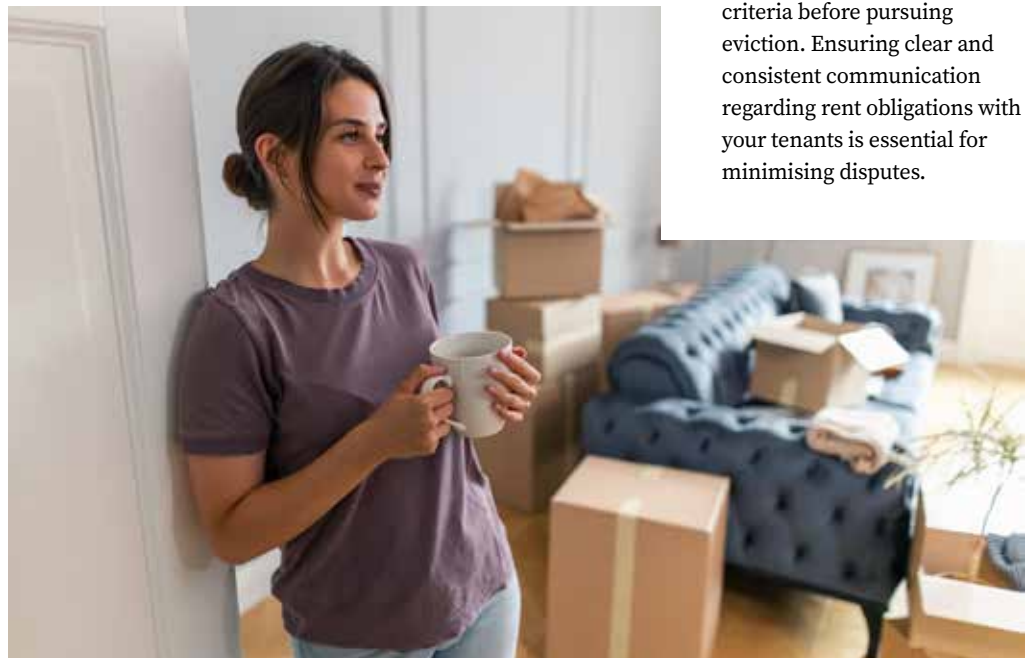
For example, evicting a tenant due to disruptive behaviour or repeated late payments will now necessitate documented evidence and legal justification. This change requires a proactive strategy in tenant management to

ensure that, if an eviction becomes necessary, you have the appropriate documentation ready.

## SECTION 8 RENT ARREARS GROUND REFORMS

Another key change involves amendments to the Section 8 eviction process, particularly regarding the rent arrears ground. Landlords are still able to evict tenants for arrears, but the thresholds and processes are expected to become more stringent, providing tenants with more leeway before facing eviction.

Imagine a tenant who is falling behind on rent payments. Under the amended rules, you may need to wait longer and meet stricter criteria before pursuing eviction. Ensuring clear and consistent communication regarding rent obligations with your tenants is essential for minimising disputes.





**“More robust regulations mean that landlords must ensure their properties comply with higher health and safety benchmarks, while also responding promptly to repair needs.”**



**RENT REVIEWS ONCE A YEAR**

The Renters’ Rights Bill will also limit landlords to raising rents only once a year, with appropriate notice requirements. This aims to provide tenants with greater financial stability and protection against sudden, frequent rent increases.

For landlords, this entails planning rental income more meticulously. For instance, if property maintenance costs increase significantly, you’ll need to factor this into the

scope of a single annual rent review. Careful budgeting will become even more essential.

**PET-FRIENDLY PROPERTY RULES**

Another significant change is that landlords can no longer deny tenants’ reasonable requests to keep pets without a valid reason. While this adjustment aims to enhance tenant wellbeing and flexibility, it also brings new considerations for landlords.

For example, if a tenant requests to keep a dog, you cannot

refuse arbitrarily. You need to provide a legitimate reason, such as potential property damage. Investing in pet agreements or requiring insurance that covers pet-related damages could help protect your interests.

**STRICTER PROPERTY CONDITION STANDARDS**

The bill will also align legal minimum requirements for property conditions and repairs with stricter standards. More robust regulations mean that landlords must ensure their properties comply with higher health and safety benchmarks, while also responding promptly to repair needs.

For example, landlords with older properties may encounter higher costs to bring these properties up to date with new standards. Routine property inspections will become increasingly important to evade penalties and uphold tenant satisfaction.

**REGISTRATION AND OMBUDSMAN MEMBERSHIP**

Lastly, landlords must register with a government scheme and join an ombudsman service. This will ensure accountability and offer tenants a straightforward way to address complaints.

This new requirement adds an administrative layer for landlords. Nonetheless, participating in an ombudsman service can enhance your reputation as a responsible landlord. For instance, having a transparent complaints process may make your property more attractive to prospective tenants.

**STAY COMPLIANT AND ADAPT**

With the Renters’ Rights Bill poised to transform the rental sector, it is crucial for landlords to stay informed and adaptable. By anticipating these changes and taking proactive steps- such as revising tenancy agreements and improving property management practices- they can minimise disruption. ♦

**>> IS IT TIME TO UNLOCK THE POTENTIAL OF PROPERTY INVESTMENT? <<**

Navigating the investment property market can be complex, but opportunities abound for those who are informed and ready to invest in the right property, area, and time. If you would like further information or advice on property investment, do not hesitate to get in touch for tailored guidance that will help you achieve your goals.

Contact **Rothsay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothsaybennett.co.uk**.



# GUIDE YOU IN UNLOCKING YOUR PROPERTY'S POTENTIAL

Maximising the rental returns of  
your investment property

**WHEN RENTING OUT AN** investment property, landlords aim to maximise rental returns while attracting dependable tenants. Success often hinges on keeping the property competitive through maintenance, enhancements, and strategic decision-making.

**THESE 10 TIPS WILL GUIDE YOU IN UNLOCKING YOUR PROPERTY'S POTENTIAL.**

## **1. MAKE A STRONG FIRST IMPRESSION**

First impressions are crucial. Begin by focusing on the exterior of your property. Make sure the garden, driveway, and entrance are neat and appealing.

Mowing the lawn, repainting the front door, or adding a few colourful plants can create a welcoming atmosphere that attracts prospective tenants.

Inside, stick to neutral colours like white, grey, or taupe. These shades make rooms feel larger and are versatile enough for tenants to envision incorporating their personal style. Avoid bold designs that might deter renters.

### 2. FOCUS ON FUNCTIONALITY

No tenant wants to deal with faulty systems or ageing fixtures. Before marketing your property, make sure everything is in good working order, from heating systems to kitchen appliances. Resolve common issues like dripping taps, outdated wiring, and noisy boilers.

Perform a pre-tenancy inspection. For example, installing an energy-efficient boiler not only attracts tenants but also minimises future maintenance issues, enhancing the marketability of your property.

### 3. UPGRADE STRATEGICALLY

Properties with modern features are more likely to attract tenants and command higher rents. Start with high-impact areas like the kitchen and bathroom. For example, upgrading to energy-efficient appliances or adding under-cabinet lighting can transform an outdated kitchen.

Minor upgrades, like stylish new faucets, LED lighting, or a rainfall shower head, are both cost-effective and impactful. Strategic enhancements often result in higher rental yields and shorter vacancy periods.

### 4. PRIORITISE ENERGY EFFICIENCY

Energy efficiency is increasingly important for tenants. Upgrades like double-glazed windows, loft insulation, and smart thermostats not only lower energy costs but also attract eco-conscious renters.

Ensure that your property complies with modern energy efficiency regulations, as landlords may face penalties for not meeting standards. A strong Energy Performance Certificate (EPC) rating can also provide your property with an advantage in a competitive market.

### 5. CATER TO YOUR TARGET TENANT

Understand your target audience and adjust your property accordingly. If your property is close to a university, furnish it simply and include reliable Wi-Fi

to attract students. For families, emphasise features like outdoor spaces, extra bedrooms, and access to quality schools.

Flexibility is also advantageous. For example, a furnished flat may appeal to young professionals, while an unfurnished house might attract families seeking long-term rentals. Tailoring your property to its audience will enhance its appeal.

### 6. STAY ON TOP OF MAINTENANCE

Proactive maintenance is cost-effective and keeps tenants satisfied. Regularly inspect your property for wear and tear, as even small issues, such as a dripping tap or drafty windows, can escalate into costly repairs if neglected.



**“Before marketing your property, make sure everything is in good working order, from heating systems to kitchen appliances.”**

For instance, quickly fixing a leaking pipe prevents water damage to floors or cabinets. Tenants are more inclined to renew leases when they observe that landlords take care of the property.

**7. BUILD STRONG TENANT RELATIONSHIPS**

Effective communication is essential for a healthy landlord-tenant relationship. Promptly addressing repair requests and being open to discussions makes tenants feel valued. Tenants who trust their landlord are less likely to withhold rent or terminate their tenancies prematurely.

Consider teaming up with a trusted letting agent to ease communication and management. They can help with tasks such as rent collection and maintenance, improving the rental experience for both parties.

**8. CONSIDER SECURITY UPGRADES**

Security will be a high priority for many tenants. Features like sturdy locks, motion-sensor lights, and smart security systems provide peace of mind. If your property is in a block of flats, make sure communal areas are well-maintained, secure, and well-lit.

Security-focused upgrades enhance a property's appeal and can justify slightly higher rents by ensuring tenant safety and satisfaction.

**9. MONITOR MARKET TRENDS**

Stay updated on market trends to keep your property competitive. For instance, the rising popularity of remote work has boosted demand for homes with office spaces. Adding a desk to a spare room or enhancing Wi-Fi infrastructure can fulfil this need.

Stay updated on changes in legislation, shifts in demand, and tenant preferences. Recognising these trends enables you to spot opportunities to enhance your property's appeal.

**10. SEEK PROFESSIONAL GUIDANCE**

Property management can be overwhelming, particularly because of the complex regulations landlords must adhere to. Seeking help from property management consultants or participating in landlord workshops can provide valuable insights.

From adhering to landlord laws to enhancing tenant retention, professional guidance helps you make intelligent, informed decisions regarding your property. ♦

**>> ARE YOU PLANNING TO PURCHASE OR REFINANCE AN INVESTMENT PROPERTY? <<**

Whether you're an experienced landlord seeking your next investment, exploring property investment for the first time, or aiming to refinance an investment property, our team of experts is here to guide you through the process. Contact **Rothesay Bennett Financial Planning** - telephone **01676533692** - email **enquiries@rothesaybennett.co.uk**.





# TAX CHANGES AHEAD FOR FURNISHED HOLIDAY LETS

How to maintain your financial viability and ensure compliance with stricter regulations

**FROM 6 APRIL 2025**, significant changes to tax rules will take effect for owners of Furnished Holiday Lets (FHLs) in the UK. If you own a property in this sector, it's essential to grasp these updates to maintain your financial viability

and ensure compliance with stricter regulations.

The government has introduced these changes to tighten tax advantages, ensuring they are confined to businesses genuinely operating as commercial holiday lets. This article outlines the key updates, their potential impact, and provides practical steps and examples to help you adapt.

## UPDATED LETTING THRESHOLDS AND THEIR IMPACT

A property qualifies as an FHL if it is available for public letting for at least 210 days per year and actually rented out for a

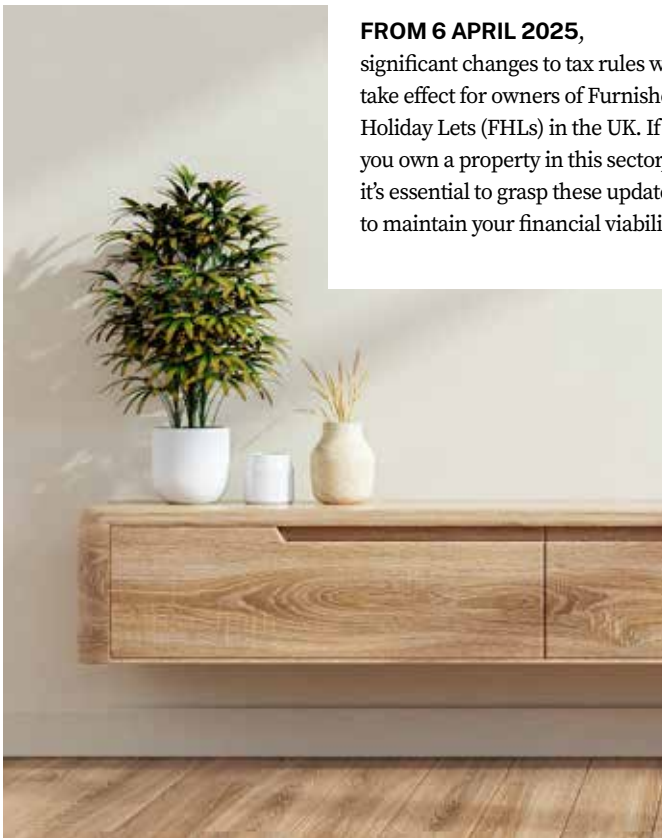
minimum of 105 days. While these thresholds are unlikely to change, HM Revenue & Customs (HMRC) will increase enforcement in April 2025. Owners will face stricter scrutiny to ensure these conditions are consistently met each year, with fewer opportunities for one-off exceptions.

For example, a beachfront villa in Cornwall, which historically has only reached 105 letting days during the summer season, may find it challenging to maintain this level throughout the year unless the owner revises their availability schedule or broadens their marketing efforts. Seasonal restrictions, weather conditions, and consumer trends will put added pressure on many property owners.

## LOSING TAX BENEFITS IF THRESHOLDS ARE MISSED

If an FHL does not meet the qualifying criteria, it will lose access to certain favourable tax treatments. These include valuable Capital Gains Tax (CGT) reliefs, such as Entrepreneurs' Relief and rollover relief, as well as the ability to claim capital allowances for equipment or furnishings. Instead, the property will be classified as a standard residential or buy-to-let investment, resulting in higher tax liabilities.

**“Seasonal restrictions, weather conditions, and consumer trends will put added pressure on many property owners.”**



## “For owners with multiple FHLs, the changes in 2025 will necessitate a more hands-on approach to management.”

For instance, an owner of a traditional Yorkshire Dales cottage who depends heavily on peak visitor seasons during summer and autumn may find themselves unprepared for an unexpectedly quiet period. If they do not achieve the necessary letting days, their property risks shifting into a less tax-efficient buy-to-let status, negatively affecting overall returns.

### STRICTER COMPLIANCE AND DOCUMENTATION REQUIREMENTS

At the start of the year, compliance will go beyond just meeting the letting day thresholds. Property owners must present stronger evidence to show that their property was actively available for public hire. This includes maintaining detailed records of bookings, cancellations, advertising materials, and listing information from platforms like Airbnb and Vrbo.

Consider a holiday chalet in the Scottish Highlands. To satisfy HMRC, the owner would need records not only from their booking system but also proof of targeted advertising campaigns that showcase availability throughout the year. Missing even one record could result in closer scrutiny from tax authorities.

### SEASONAL CHALLENGES AND OVERCOMING THEM

Meeting letting conditions can be particularly challenging for properties in highly seasonal locations, where securing off-peak bookings has traditionally been difficult. However, there are strategies to overcome this. Offering discounted rates during quieter months, targeting niche audiences (such as groups seeking winter retreats), or allowing short midweek stays can help boost occupancy.

Furthermore, the market for year-round guests is growing due to the rise of remote

work and the trend toward flexible getaways. Emphasising reliable Wi-Fi, “workcation” amenities, or unique features can attract people even during traditionally slow periods. For instance, a coastal property on the Cornish cliffs may entice digital nomads seeking picturesque office views outside the bustling summer season.

### LONG-TERM PLANNING CAN PROTECT YOUR INCOME

Being proactive with these changes now can make a significant difference. Start by reviewing how your property performed over the last two years. Did you easily meet the thresholds, or was it close? Use this information to adjust your approach for 2025. Professional support is also vital.

Consulting with tax advisers or letting agents who specialise in holiday rentals can help assess your property’s current compliance and outline steps to safeguard your FHL status. For instance, assistance in expanding your customer reach or improving operational efficiency can be invaluable.

### SOLUTIONS FOR MULTI-PROPERTY OWNERS

For owners with multiple FHLs, the changes in 2025 will necessitate a more hands-on approach to management. Each property will require

separate assessments, as HMRC does not permit combining letting days across a portfolio to meet thresholds.

Imagine an investor managing three properties in the Lake District, two of which comfortably meet the required letting days, while the third often falls short. Previously, the property with a shortfall could have been offset by the others. Starting in 2025, this will no longer be sufficient. All properties must stand on their own merits, and owners should strategise accordingly to avoid penalties.

### WHAT HAPPENS IF YOU LOSE FHL STATUS?

If a property does not meet the FHL thresholds, backdated tax implications may arise. In addition to losing CGT reliefs and allowances, property owners may need to adjust their VAT accounting methods if the property is VAT-registered. This reclassification can significantly impact profitability, necessitating major adjustments to future investment plans.

To illustrate, a property purchased with expectations of FHL tax benefits could underperform due to unexpected market changes, and its post-2025 reclassification might create strains for the owner both financially and operationally.



**PREPARE, ADAPT,  
AND THRIVE**

These changes emphasise the necessity for FHL owners to enhance their compliance, strategy, and marketing efforts. With the advancement of technology, innovative tools such as dynamic pricing software, updated listing websites, and feedback-driven advertising campaigns can alleviate the burden of these adjustments.

Mitigate transition pressures by aligning your property operations with current regulations. This strategy will not only safeguard your existing tax benefits but also ensure your income as the holiday rental market evolves. ♦

**>> NEED PERSONALISED GUIDANCE ON HOW  
THESE CHANGES MIGHT AFFECT YOUR  
PROPERTY OR PORTFOLIO? <<**

Navigating changes in tax regulations can feel complex, especially if you're managing multiple properties or considering expanding your portfolio. However, you don't have to tackle it alone. For personalised guidance on how these changes could impact your property or portfolio, contact **Rothestay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**.

# How often can landlords inspect tenants' homes?

Ensuring that both parties understand the rules beforehand can prevent unnecessary disputes

**WHEN RENTING A PROPERTY,** both landlords and tenants have rights and responsibilities. One of these is the landlord's right to inspect the property. However, this can often lead to questions about how often inspections are permitted and under what circumstances. Ensuring that both parties understand the rules beforehand can prevent unnecessary disputes.

Generally, landlords are entitled to ensure their property is well-maintained and used appropriately. These inspections, typically called periodic or routine inspections, address issues before they escalate into costly repairs or breaches of the tenancy agreement. But how frequent is too frequent?

## **REASONABLE FREQUENCY AND TENANT PRIVACY**

The frequency of inspections generally depends on the tenancy agreement and any governing laws in the region. However, it is widely considered reasonable for landlords to inspect a property every three to six months. This frequency strikes a fair balance between the need for property maintenance and the tenant's right to quiet enjoyment of their home.

Regular inspections should always be agreed upon at the beginning of the tenancy. For instance, if a landlord chooses to conduct more frequent checks during the





initial months of a new tenancy to assess maintenance needs, they may later opt for less frequent visits. This approach respects the tenant's space while allowing the landlord to review the condition of their property.

#### NOTICE PERIOD REQUIREMENTS

Legally, landlords must provide tenants with written notice before an inspection. This notice period typically ranges from 24 to 48 hours, although it may vary based on local regulations. Providing this notice ensures that inspections do not disrupt tenants' daily lives or violate their privacy.

For example, in England, under the Housing Act 1988, landlords must give tenants at least 24 hours' written notice unless there is an emergency, such as a gas leak or a burst pipe. It is good practice to discuss the intended purpose of the inspection when providing notice, ensuring transparency.

#### EMERGENCY ACCESS AND EXCEPTIONS

There are exceptions to the usual notice requirements. If a significant issue arises that requires immediate attention—such as severe water damage or safety concerns like faulty wiring—landlords are allowed to enter without prior notice. However, such instances are rare and must be clearly justified.

**“Legally, landlords must provide tenants with written notice before an inspection.”**

Tenants should also be aware that landlords cannot repeatedly cite emergencies to bypass standard notice rules. Misuse of such provisions could be viewed as harassment and may lead to legal repercussions.

#### EXAMPLES OF GOOD PRACTICE

Clear communication is essential for sustaining a professional landlord-tenant relationship. For instance, if a tenant reports a minor issue, like a leaking tap, the landlord could schedule a targeted visit to resolve that specific concern instead of inspecting the entire property. Another example could involve conducting periodic checks during annual maintenance tasks, such



as servicing a boiler, to minimise disruption.

Landlords who establish schedules for their visits—such as conducting inspections at the beginning of each tenancy quarter or year—not only create consistency but also foster trust with their tenants. This approach provides tenants with peace of mind, knowing their landlord is diligent without being intrusive.

#### A LOOK AT TENANTS' RIGHTS

While landlords have the right to protect their investment, tenants also have the right to enjoy their home without excessive intrusion. If inspections become too frequent or disruptive without justification, tenants have options. For example, they can file formal complaints or seek advice from housing organisations.

Finding the right balance is essential. Landlords who establish trust with their tenants often discover that those tenants are more inclined to report issues promptly or to facilitate access for legitimate inspections. Respectful and open communication serves the interests of both parties. ♦

**>> ARE YOU READY TO DISCUSS YOUR PROPERTY INVESTMENT GOALS?? <<**

Whether you are considering buy-to-let mortgage solutions or looking to expand your existing portfolio, our highly experienced team is here to support you every step of the way. Together, we can build a brighter future for you and your investments! Contact **Rothsay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothsaybennett.co.uk**.

# BUILD TO RENT

A contemporary solution for today's housing needs

**BUILD TO RENT (BTR)** is steadily transforming the housing landscape in the UK. It is designed to address the increasing demand for high-quality rental properties and has been recognised as a forward-thinking solution to the housing crisis. But what exactly does Build to Rent entail, and how does it work?

At its core, BTR refers to developments specifically designed for renters rather than buyers.

Backed by private institutional investments, these homes offer exceptional amenities, maintenance support, and community spaces, giving tenants a lifestyle often comparable to high-end apartment living.

## **THE ORIGINS OF BUILD TO RENT AND ITS GROWTH IN THE UK**

BTR, as a concept, has its origins in the United States, where purpose-built rental communities have

existed for decades. The UK adopted this model more recently, with the government recognising BTR as a viable strategy to address the growing demand in the private rental sector. Launched in 2012, the BTR Fund spurred interest in this housing model by providing financial support for new developments.

Since then, BTR has experienced exponential growth. By attracting investments from large-scale institutional investors, including pension funds and property firms, BTR developments have thrived in urban centres across the country. The ongoing housing affordability crisis and the shift in lifestyle preferences, particularly among younger generations, continue to drive the sector's rise.

## **HOW DOES BUILD TO RENT WORK?**

Unlike traditional rental properties, where buy-to-let landlords purchase and lease individual homes, BTR developments are owned and managed by professional operators. These companies ensure that the properties are

maintained to a high standard and often include perks such as gyms, co-working areas, and social hubs.

Rents typically reflect the value-added features and the convenience of dependable property management. However, tenants are attracted to flexible leasing terms, the absence of unexpected fees, and secure tenancy agreements, all of which render BTR an appealing alternative to the traditional rental market.

#### THE ROLE OF TECHNOLOGY IN MODERN BTR SCHEMES

Advanced technology plays a crucial role in the operation of BTR developments. Smart home features, like app-controlled heating, lighting, and security systems, enhance tenant convenience and promote energy efficiency. Some developments utilise digital platforms, enabling tenants to manage leases, submit maintenance requests, and pay rent seamlessly online.

Community engagement is being transformed by technology. Dedicated apps and portals enable residents to connect, participate in neighbourhood events, and share communal resources, fostering a stronger sense of belonging within BTR schemes.

#### COLLABORATION AND PLANNING PLAY A KEY ROLE

BTR developments depend on collaborations among developers, investors, and local councils. Frequently

established on urban brownfield sites or in regeneration zones, these projects seek to accommodate increasing city populations while meeting local housing targets.

For example, Manchester has emerged as a BTR hotspot, with developments like “Chapel Wharf” providing over 900 apartments near the city centre. Meanwhile, London’s East Village, originally constructed as the Olympic Village, has been transformed into a flourishing BTR neighbourhood featuring modern homes and lively community spaces.

#### SUCCESSFUL EXAMPLES BEYOND LONDON AND MANCHESTER

Beyond these major cities, BTR is gaining traction in other parts of the UK. Birmingham’s “Newhall Square” introduces stylish BTR apartments alongside a landscaped public space, attracting young professionals to the city’s vibrant centre. Similarly, in Leeds, “The Gateway” combines quality living spaces with convenient access to transport links, retail, and leisure facilities.

Smaller cities are also entering the BTR movement. Nottingham’s “The Bendigo Buildings” provides modern, well-managed rental homes right at the doorstep of cultural landmarks and universities, demonstrating how BTR developments can be adapted to smaller yet vibrant regions.

#### THE IMPLICATIONS OF THE MARCH 26 SPRING STATEMENT

The March 26 Spring Statement included significant

announcements for the housing sector, establishing directives likely to influence BTR developments. One key focus was the government’s commitment to alleviating housing shortages by supporting the construction of affordable rental and ownership properties.

Furthermore, incentives for green construction methods directly align with the ambitions of many BTR schemes. By using eco-friendly building materials or energy-efficient systems, these projects can benefit from lower costs and potential tax breaks while meeting future environmental regulation targets.

#### IMPLICATIONS FOR TENANTS AND COMMUNITIES

BTR is designed to meet the living needs of modern renters. For tenants, this sector encompasses more than just homes; it provides a comprehensive package of convenience, comfort, and reliable service. Long-term renters, in particular, appreciate the sense of community fostered by shared spaces and organised events.

In addition, local communities also benefit. BTR schemes are generally located in areas with strong transport links and support urban regeneration. New developments typically enhance public infrastructure, create more job opportunities, and foster lively communal hubs.

#### CHALLENGES ON THE PATH AHEAD

While BTR continues to grow, it faces ongoing challenges, including scepticism about affordability. Critics argue that premium rents place these properties beyond the reach of many average-income earners. Furthermore, local councils often encounter complex negotiations to ensure BTR units provide sufficient affordable housing.

Despite these hurdles, the sector is rapidly gaining momentum. With projections indicating that the UK’s rental population will grow significantly in the coming years, the BTR framework appears poised to play a crucial role in addressing long-term housing demands. ♦

#### >> ARE YOU LOOKING TO SECURE FINANCING FOR YOUR NEXT INVESTMENT PROPERTY? <<

Understanding the nuances of BTRs is key to making informed decisions. To connect with experts or gather further insights that align with your unique needs, please don’t hesitate to reach out. Speak to **Rothsay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothsaybennett.co.uk**.







# Buy-to-Let investments

Should you choose a new-build or a doer-upper?

**INVESTING IN PROPERTY** has long been a popular method for generating income and building wealth, especially in the UK's buy-to-let market. However, before considering your options, one crucial decision must be made: should you choose the convenience of a new build or the potential of a fixer-upper?

Each option offers a distinct set of benefits and challenges. The best choice will depend on your individual circumstances, resources, and investment objectives. This article explores both options in detail, providing real-world examples to assist in your decision-making process.

## **WEIGHING UPFRONT COSTS**

For many investors, the initial cost of purchasing a property is a significant factor in their decision. New builds often have a higher price tag due to their modern features, adherence to the latest standards, and overall readiness for rental. However, what you gain is a hassle-free investment that typically requires little to no work beyond buying furniture.

On the flip side, doer-uppers tend to be significantly cheaper but require extra funds for renovations. For example, an older two-bedroom property in Birmingham might be bought for £180,000, allowing for an additional £40,000 to be spent on refurbishments while still being under the price of similar move-in-

ready properties in the same area. The attraction here is the potential to add immediate value, often benefiting investors in both the short and long term.

## **BALANCING EFFORT AND RETURNS**

One advantage of new builds is the minimal effort needed to convert them into income-generating assets. With everything brand new and constructed to modern specifications, attracting renters quickly becomes easier. Demand is particularly strong for energy-efficient properties in emerging commuter areas, as tenants are increasingly attracted to lower utility costs and contemporary living spaces.

Doer-uppers, on the other hand, demand a considerable level of commitment. Renovations require time, expertise, and the ability to handle complications that may arise, such as uncovering hidden structural issues. Nonetheless, the rewards can be substantial, both in terms of increased rental yields and capital appreciation. For instance, upgrading an older property by incorporating eco-friendly features like solar panels might attract eco-conscious tenants willing to pay a premium.

## **UNDERSTANDING MAINTENANCE OBLIGATIONS**

If you prefer to keep maintenance issues to a minimum, a newly built property is the way to go. Most new-build

homes come with a 10-year builder's warranty, covering structural issues and defects. Additionally, modern systems such as boilers and electrical installations are much less likely to fail early in their life cycle, helping you avoid unexpected costs.

Older homes, while often full of charm, carry the caveat of increased upkeep. From replacing outdated plumbing to repairing ageing roofing, older properties require a consistent investment in maintenance. However, if managed properly, these challenges can be outweighed by the financial benefits of owning a beautifully restored property in a high-demand area.

**LOCATION MATTERS MORE THAN YOU THINK**

The location of your buy-to-let property can significantly impact its long-term profitability. New builds are often situated in purpose-built communities within growing suburban areas. These areas are designed to attract families and professionals seeking a blend of convenience, green spaces, and local infrastructure.

Doer-uppers are often located in more established neighbourhoods, which can offer unique advantages. Investing in a traditional terraced house in an up-and-coming London suburb, for instance, could lead to a sharp increase in value as the area becomes more desirable. Additionally, renters are frequently drawn to the character and history that these homes provide.


**CONSIDER TAX INCENTIVES AND ENVIRONMENTAL IMPACT**

The UK government continues to encourage landlords to prioritise energy efficiency. New-build properties generally have excellent EPC ratings, which can lead to lower utility bills for tenants while enabling landlords to easily comply with legal requirements for rental properties.

Meanwhile, investing in an older home and making significant energy-efficiency upgrades can qualify

**“New-build properties generally have excellent EPC ratings, which can lead to lower utility bills.”**





you for certain tax incentives or government grants. If you're willing to put in the effort, these renovations can be a double win, enhancing your property's energy efficiency while also increasing its market value.

### **MATCHING INVESTMENTS TO YOUR GOALS**

The choice between a new build and a fixer-upper largely depends on your investment strategy, timeline, and resources. For those with limited time

or experience, a new build can offer an easier way to enter the market. With modern amenities and a ready-to-rent condition, it's possible to start generating income almost immediately.

Conversely, seasoned investors or those with a network of dependable contractors may find fixer-uppers to be the ideal way to maximise returns. Adding value through renovation can greatly enhance both rental income and capital appreciation, although this path necessitates patience and planning. ♦

### **CASE STUDY 1**

Consider Lucy, a first-time investor in Edinburgh. She bought a new-build flat for £230,000 in a vibrant new development known for its strong eco-credentials. Within weeks, she secured a tenant paying £1,100 monthly, with minimal effort required.

### **CASE STUDY 2**

Contrast this with James, an experienced property developer from Leeds. He acquired a mid-terrace Victorian property for £150,000, investing £50,000 to restore its original features while modernising its interior. Today, the property is valued at £280,000 and rents for £1,400 per month. Both strategies were effective, yet they appealed to different types of investors.

### **>> ARE YOU CONSIDERING A BUY-TO-LET MORTGAGE FOR YOUR UPCOMING INVESTMENT PROPERTY? <<**

Whether you see the appeal of a modern, turnkey property or relish the challenge of bringing a doer-upper back to life, the key is finding the right funding option for you. If you'd like tailored advice or further information to help make your decision, speak to **Rothsay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothsaybennett.co.uk**.

# EPCS AND THE 2030 DEADLINE

Enhancing the overall value and attractiveness of your investment

**BY 2030, ALL RENTAL** properties in England and Wales will require an Energy Performance Certificate (EPC) rating of at least a C to meet government energy efficiency standards. This landmark initiative is part of the UK's efforts to reduce greenhouse gas emissions, enhance energy security, and lower tenants' energy bills.

For landlords, ensuring properties comply with the

necessary EPC standards is not only a legal obligation; it also enhances the overall value and attractiveness of their investment. It is crucial to prepare for these changes now to prevent last-minute stress or expensive upgrades.

## UNDERSTANDING EPCS AND THEIR IMPORTANCE

An EPC offers an energy efficiency rating for a property, ranging from A (most efficient)

to G (least efficient). It also includes recommendations for enhancing efficiency. When tenants view or rent a property, landlords are legally obligated to provide them with a valid EPC.

Currently, rental properties must possess an EPC rating of at least E. However, the proposed changes aim to increase this requirement to a minimum of C by 2030. For new tenancies, this mandate could take effect as early as 2025, giving landlords limited time to prepare.

## WHAT MAKES THE 2030 DEADLINE IMPORTANT?

The 2030 deadline is pivotal for several reasons. First, it aligns with the UK government's commitment to achieving net-zero carbon emissions by 2050. By enhancing the efficiency of rental properties, landlords help reduce energy consumption and lessen environmental impact.

Second, tenants increasingly favour homes with improved energy ratings. Properties with higher EPC ratings attract higher-quality tenants, command better rents, and reduce turnover, ultimately benefiting landlords in the long term.



## EXAMPLES OF POTENTIAL IMPROVEMENTS

Landlords should begin by reviewing their current EPC rating to determine any necessary changes. For example, if your property has

**“Failing to meet EPC standards by 2030 could lead to substantial fines and render properties unrentable.”**





a D rating, upgrading could involve straightforward measures such as adding loft insulation or replacing old light bulbs with LED alternatives.

For less efficient properties, larger upgrades may be necessary. Replacing an outdated boiler with a modern, energy-efficient model or installing double glazing could significantly enhance an EPC rating. While these improvements require an upfront investment, the long-term savings on energy bills and increased property value often justify the costs.

#### NAVIGATING THE FINANCIAL IMPLICATIONS

Upgrading properties can understandably be financially daunting. However, several schemes exist that landlords can explore for support. Programmes like the Green Homes Grant and local council initiatives can help cover the upfront costs of energy-saving measures.

Another strategy to minimise financial strain is to implement improvements gradually over several years, particularly for landlords with multiple properties. Start with cost-effective changes and plan for

larger projects as the deadline draws near.

#### WHAT HAPPENS IF YOU DON'T COMPLY?

Failing to meet EPC standards by 2030 could lead to substantial fines and render properties unrentable. Non-compliance not only impacts your legal standing but may also damage your reputation with tenants and property agents.

By acting early, landlords can mitigate these risks while enjoying lower energy costs and a future-ready property portfolio. It's important to note that these changes may serve as a selling point for potential tenants.

#### TAKE ACTION NOW

The clock is ticking for landlords to meet the 2030 EPC deadline. Begin by commissioning an updated EPC to understand your property's status. Consult an energy assessor or property management expert for personalised advice on improvement measures. ♦

#### >> WOULD YOU LIKE TO DISCUSS YOUR REFINANCING OR FUNDING OPTIONS? <<

Contact our team today for more details or expert guidance on landlord financing options. Contact **Rothesay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**.

**“Credit checks are equally critical for assessing financial stability. They help identify whether the tenant has any outstanding debts or a poor repayment history.”**



# 10 TOP TIPS FOR LANDLORDS TO FIND THE IDEAL OCCUPANTS

How to ensure they not only pay their rent but also care for your property

**SECURING THE RIGHT TENANT** is among the most critical aspects of renting out property. A responsible tenant not only ensures timely rent payments but also helps preserve your investment by treating the property with care. However, finding the ideal occupant can often be a challenging process.

To simplify the process, here are ten comprehensive tips for landlords to find the right tenant.

## 1. PERFORM A THOROUGH SCREENING PROCESS

It's essential to conduct a thorough screening of prospective tenants. This process could involve checking references from previous landlords to evaluate their rental history and behaviour. For example, a former landlord might verify whether the tenant paid rent on time or if any damages occurred during their tenancy.

Credit checks are equally critical for assessing financial stability. They help identify whether the tenant has any outstanding debts or a poor repayment history. Keep in mind that written consent is required to conduct such checks in the UK.

## 2. REQUEST PROOF OF INCOME

To ensure your potential tenant can comfortably afford the rent, request proof of income. This could include recent payslips, bank statements, or tax returns for self-employed individuals. Ideally, the tenant's income should be at least 2.5 to 3 times the rent.

For instance, if the rent is £1,200 a month, their

gross monthly income should generally not be less than £3,000. This cushion helps minimise the risk of late or missed payments. Monitor for any irregularities, such as unusual deposits or frequent overdrafts, and follow up if needed.

## 3. STATE EXPECTATIONS CLEARLY

Being transparent from the outset can help filter out unsuitable applicants. Provide detailed information in your advertisement about the monthly rent, deposit amount, tenancy length, property rules, and whether pets or smoking are permitted.

Next, develop a legally sound tenancy agreement. This document should explicitly outline expectations regarding rent payments, property maintenance, break clauses, and repair responsibilities. A well-defined agreement safeguards both the landlord and tenant throughout the lease period.

## 4. MEET POTENTIAL TENANTS IN PERSON

Meeting tenants in person presents an opportunity to evaluate their reliability and communication skills. For instance, arriving on time for the property viewing or asking pertinent questions about the tenancy are positive indicators of sincerity and interest.

During these meetings, watch for potential warning signs like reluctance to provide references or vague employment details. You can also use these interactions to establish a tone of respect and professionalism in your relationship.

### 5. DEVELOP STRATEGIC PROPERTY MARKETING

A well-marketed property is more likely to attract the attention of ideal tenants. Invest in professional photography and create a compelling description that emphasises unique selling points, such as location, nearby amenities, and recent upgrades.

Post your advertisement on various platforms such as property listing sites, social media, and local boards. Well-prepared advertisements typically attract more serious renters, saving time and effort in the long run.

### 6. UNDERSTAND YOUR LANDLORD RESPONSIBILITIES

Before welcoming any tenant, ensure you have completed all legal obligations. This includes obtaining an Energy Performance Certificate (EPC), conducting gas and electrical safety checks, and completing a right-to-rent check.

Failure to meet these requirements can result in fines or legal complications. Being proactive in fulfilling these responsibilities not only ensures compliance but also assures tenants of your professionalism.

### 7. VET HOUSEMATES WHEN RENTING TO MULTIPLE TENANTS

If you plan to rent the property as a House in Multiple Occupation (HMO), you should screen all tenants individually. Shared houses often present challenges, so ensuring compatibility among housemates is equally important.

During tenant meetings, inquire about their expectations for the living arrangements. Do they prefer quiet or social environments? Sharing similar lifestyles can foster harmony within the household, minimising potential disputes.

### 8. HANDLE DEPOSITS RESPONSIBLY

Tenant deposits in the UK must, by law, be protected in a government-approved tenancy deposit protection scheme. Ensure that tenants receive the prescribed information about the scheme within 30 days of receiving their deposits.

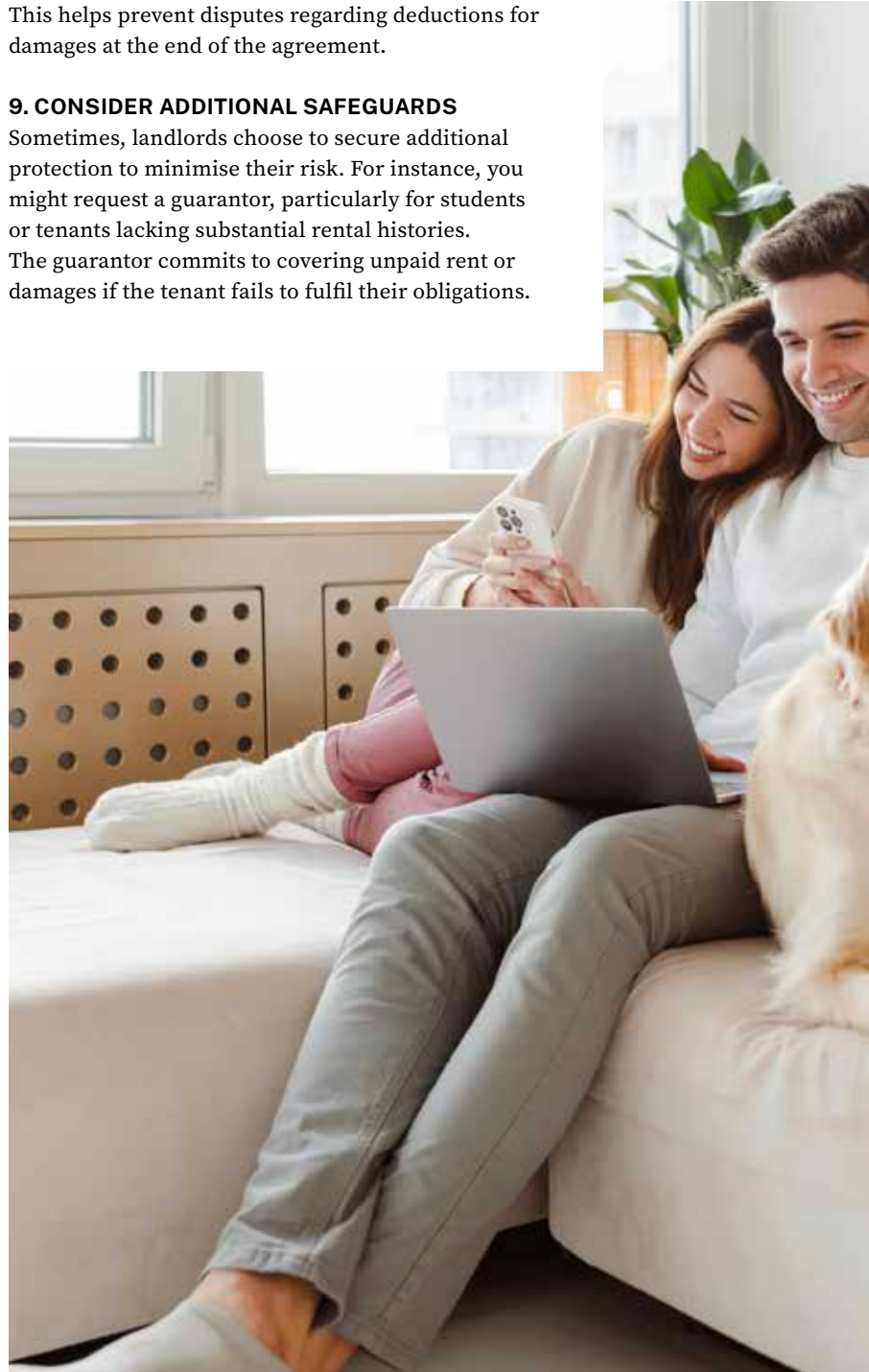
Additionally, include a detailed inventory signed by both parties at the beginning of the tenancy.

This helps prevent disputes regarding deductions for damages at the end of the agreement.

### 9. CONSIDER ADDITIONAL SAFEGUARDS

Sometimes, landlords choose to secure additional protection to minimise their risk. For instance, you might request a guarantor, particularly for students or tenants lacking substantial rental histories.

The guarantor commits to covering unpaid rent or damages if the tenant fails to fulfil their obligations.







Another emerging trend is obtaining rent guarantee insurance. This policy protects landlords by covering unpaid rent if a tenant defaults. However, these policies usually require the tenant to meet specific screening criteria, which further ensures reliability.

#### **10. BUILD A POSITIVE LANDLORD-TENANT RELATIONSHIP**

Maintaining a positive relationship with your tenant is essential to preventing many common rental issues. A tenant who feels appreciated and respected is more likely to take care of your property and communicate openly about any concerns.

Simple gestures, like promptly addressing maintenance requests or outlining repair procedures during the tenancy, can make a significant difference. Regular yet non-intrusive check-ins, such as an email or call to ensure everything is running smoothly, help foster goodwill and prevent misunderstandings.

#### **FINAL THOUGHTS**


Choosing the right tenant is a vital aspect of successful property letting. By conducting thorough screenings, maintaining clear communication, and paying attention to detail, landlords can ensure that tenants not only pay their rent but also care for their property. ♦

**>> ARE YOU READY TO DISCUSS FUNDING OPTIONS FOR YOUR PROPERTY INVESTMENT?<<**

Whether you are planning to take your first steps into property investment or looking to grow an already thriving property portfolio, making the right financial decisions is key to your success. To speak with our highly experienced team, contact **Rothesay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**.

# Protecting your mortgage with decreasing term life assurance

Will your loved ones be able to stay in the family home, even during difficult times?



**BUYING A HOME** is a milestone for many, symbolising stability, independence, and financial success. Most home buyers use a repayment mortgage to achieve this dream, which involves monthly payments that reduce both the amount borrowed, called the capital, and the interest owed.

However, while planning for a bright future in our new homes, it's essential to consider the "what ifs." How would your loved ones manage financially with outstanding mortgage payments if the worst were to occur? This is where decreasing term life assurance

becomes invaluable.

Decreasing term life assurance is specifically designed for homeowners. It offers a safety net tailored to match the way a repayment mortgage decreases over time. With this type of policy in place, you can rest assured that your family won't face the additional burden of mortgage debt should the unexpected occur.

**UNDERSTANDING HOW DECREASING TERM LIFE ASSURANCE WORKS**

At its core, decreasing term life insurance is a policy that steadily reduces its payout amount over the policy's term. The decline in coverage mirrors the decreasing balance of your repayment mortgage. Essentially, the policy guarantees that whatever the remaining mortgage amount is, there will be sufficient coverage to pay it off.

Here's an example. Imagine you have a £250,000 mortgage spread over 30 years. With a repayment mortgage, you gradually pay down the capital borrowed along with the interest, resulting in a decreasing outstanding balance each year. A decreasing term life assurance policy taken alongside this mortgage would adjust its payout amount according to the outstanding balance. If tragedy strikes 20 years into your mortgage term, the policy would pay out the amount owed at that time, ensuring your home remains secure and debt-free for your family.

**BENEFITS OF CHOOSING DECREASING TERM LIFE ASSURANCE**

One of the main advantages of decreasing term life assurance is its cost-effectiveness. As the coverage diminishes over time, insurers perceive the risk to be lower, leading to more affordable premiums compared to level term life insurance, where the payout remains consistent throughout the policy term. For families operating on a budget, this reduced cost makes life assurance significantly more accessible.

Consider the story of James and Ellie, who secured a 25-year repayment mortgage for their first home. With a tight monthly budget, the couple opted for decreasing term life assurance. By selecting this option, they ensured that their mortgage would be paid off if either of them were no longer around, without having to dedicate valuable resources to higher insurance premiums.

**FACTORS THAT AFFECT POLICY PREMIUMS**

The premiums for decreasing term life insurance are influenced by several factors. Your age, health, and lifestyle choices, such as smoking or exercise habits, play a significant role. The amount of coverage needed and the length of the policy term also affect the cost. For instance, a young non-smoker applying for a 20-year policy will generally pay less than an older applicant with health issues.

An additional decision to make is whether to choose a single or

joint policy. For couples sharing mortgage responsibilities, a joint policy may seem like an attractive option. However, it's crucial to understand that such policies typically pay out only once, usually upon the first death, meaning the surviving partner would be left without additional life cover. Some people prefer individual policies to ensure continued coverage for both parties.

**CONSIDERATIONS WHEN CHOOSING A POLICY**

When selecting decreasing term life assurance, careful consideration is crucial. For instance, consider what happens at the end of the policy term. By the time your mortgage is paid off, the life assurance policy will also terminate, meaning there will be no lump sum payout for your dependents. If you desire ongoing financial protection, you might need an additional policy alongside it.

Another point to consider is your family's broader financial needs. While covering the mortgage is essential, will your

loved ones handle ongoing expenses such as utility bills, school fees, or other living costs without your income? Combining decreasing term life insurance with a separate level term policy, or income protection insurance, may provide a more comprehensive safety net.

**PEACE OF MIND MADE AFFORDABLE**

For many homeowners, the main appeal of decreasing term life assurance is its ability to offer focused financial security at an affordable cost. It safeguards what is often a family's most valuable asset – their home. With a mortgage-specific solution, you're not paying for more coverage than necessary, which helps keep premiums reasonable.

This policy ensures that your loved ones can remain in the family home, even during difficult times. That stability can make a significant difference as they adjust to life without you, providing a sense of security and continuity when they need it most. ♦

**>> DON'T LEAVE YOUR FAMILY'S FUTURE TO CHANCE. ARE YOU READY TO DISCUSS YOUR OPTIONS? <<**

Decreasing term life assurance is an essential consideration for anyone with a repayment mortgage, but choosing the right policy can be a complex process. Whether you're exploring options for the first time or reassessing your existing coverage, speaking to our experienced team will provide clarity and guidance. Don't leave your family's future to chance. Contact **Rothesay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**.

# HOW TO SELECT THE RIGHT HOME INSURANCE POLICY

Practical examples and guidance for navigating your options

## SELECTING THE RIGHT

**HOME** insurance policy involves more than a simple box-ticking exercise; it serves as a crucial safeguard for one of life's largest investments. By protecting the structure of your property and covering valued possessions, home insurance provides vital peace of mind in uncertain circumstances. However, with countless options available, the process can be overwhelming.

It's important to recognise that home insurance isn't a one-size-fits-all solution. Policies vary significantly based on your property, its location, and individual priorities. To help

you make an informed decision, here's a closer look at some key factors, along with practical examples and guidance for navigating your options.

## IDENTIFYING THE TYPE OF COVER YOU NEED

The foundation of a good home insurance policy lies in understanding its two primary components. Buildings insurance covers the structure of your home, including walls, floors, roofs, and permanent fixtures such as kitchens and bathrooms. Contents insurance, on the other hand, focuses on the personal

possessions within your home.

While homeowners often require both types of cover, renters typically need only contents insurance to protect their belongings. For instance, if your home has unique architectural features or is a listed property, ensure that your buildings insurance includes coverage for the specialised materials or expertise required for restoration in the event of damage.

## CONSIDERING ADDITIONAL RISKS

Consider regional risks that could affect your property. For example, if you live in a flood-prone area, your buildings insurance should provide comprehensive flood coverage.

Similarly, for properties located in areas with high burglary rates, you should consider an enhanced contents insurance policy that

fully covers theft. Tailoring your policy to address these specific risks ensures that you are adequately protected.

## POLICY COMPARISON BEYOND THE POLICY PREMIUM

When comparing policies, cheaper isn't always better. While lower premiums may be appealing, they often come with higher excess fees or limited coverage. For instance, if a theft occurs, a policy with a £1,000 excess might mean you find it difficult to utilize your coverage even after suffering significant losses.

Equally important is verifying whether the policy includes or excludes specific risks. For instance, "escape of water" claims are common in the UK; however, not all policies provide the same level of protection. Carefully





review exclusions, limits, and conditions before deciding on the right coverage for you.

**TAILORING YOUR PLAN WITH USEFUL ADD-ONS**

Tailoring is a hallmark of modern insurance products, enabling you to customise your policy to meet your specific needs. Optional extras, such as legal expenses cover or accidental damage insurance, can provide significant value. For example, including accidental damage cover could be invaluable for parents of young children who frequently spill paint or food on carpets and walls.

However, ensure that any add-ons are necessary. If you don't have a garden shed, additional coverage for "outbuildings" may not offer much benefit. Customise your policy to suit both your lifestyle and your property to prevent overpaying.

**GETTING TO GRIPS WITH EXCLUSIONS**

One of the most overlooked aspects of home insurance is the exclusions section of the policy document. These exclusions highlight what is not covered, which can be just as critical as understanding what is. Common exclusions include gradual wear and tear, pest infestations, and damage caused by a lack of maintenance.

Imagine a leaking roof that has been ignored for months.

If this ultimately damages your home's structure, your insurer may deny the claim due to poor maintenance. Regularly inspect your property and perform preventative repairs to avoid breaching your policy conditions.

**VALUING YOUR HOME AND BELONGINGS ACCURATELY**

Your insurance will only be as reliable as the accuracy of the information you provide to your insurer. For instance, undervaluing your home contents could result in insufficient cover in the event of a claim. When it comes to buildings insurance, prioritise the rebuild cost of your home rather than its market value. The rebuild cost includes demolition, materials, and labour fees, providing a more accurate figure for complete restoration.

When it comes to contents, take a detailed inventory of all your possessions. A top tip is to start room by room, recording big-ticket items like televisions and kitchen gadgets alongside less obvious items such as clothing and furniture. Remember that higher-value items like jewellery or antiques may need to be specified in your policy.

**SHOPPING AROUND AT RENEWAL TIME**

Automatic renewal may seem convenient, but it can lead to missing out on competitive

offers or superior policies. Insurers often reserve their best rates for new customers, so it's wise to compare your renewal quote with others available in the market.

It's also essential to research customer reviews and consider factors like claim settlement speed and the availability of customer support when selecting a policy—not just the cost.

**BEING PREPARED FOR THE CLAIMS PROCESS**

A reliable home insurance policy should provide solid support when you need it most. However, the claims process can be complicated, so preparation is crucial. Keep important documents like receipts, warranties, and photographs securely organised. For valuable items such as a watch or designer handbag, having proof of ownership can expedite the settlement process.

Additionally, understand the key steps involved in filing a claim. For instance, if a water pipe bursts in your home, your insurer may require both a plumber's report and photos before approving the claim. Being familiar with these processes ensures you can act quickly when necessary.

**WHY EXPERT GUIDANCE MATTERS**

Navigating home insurance can

be confusing, especially if you're uncertain about specialised coverage or exclusions. We can simplify the process by sourcing policies tailored to your individual needs. With our industry expertise, we can save you both time and money while fostering greater confidence in your choices.

For example, we can assist you if you are having difficulty insuring a property deemed "high risk," such as those in flood zones or with a history of subsidence. ♦

**>> DO YOU NEED PROFESSIONAL ADVICE FOR PEACE OF MIND IN CASE THE UNEXPECTED OCCURS? <<**

Choosing the right home insurance policy isn't just about safeguarding your assets; it's about securing peace of mind when the unexpected happens. If you'd like a tailored consultation or need further advice, our team is ready to simplify the process and help you protect what matters most. Contact

**Rothesay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**.



# Property jargon buster

## **NEED CLARIFICATION ON**

waffly terms and property speak? Though the world of mortgages and property is filled with unfamiliar vocabulary, there is no need to be intimidated. Our jargon buster will help you navigate the terms you will likely encounter as you search for your new home in 2024.

## **ACCEPTANCE**

A document indicating acceptance of a mortgage provider's offer.

## **AFFORDABILITY ASSESSMENT**

The process which lenders complete to establish if someone can afford to repay the loan repayments over the term of the loan.

## **AGREEMENT IN PRINCIPLE (AIP)**

A statement from a mortgage lender confirming they'll lend a certain amount before the purchase of your property is finalised.

## **ANNUAL PERCENTAGE RATE (APR)**

A numerical value represents the actual cost of a loan or mortgage, considering the interest rate and other costs, such as arrangement fees.

## **ARRANGEMENT FEE**

A fee paid to your mortgage provider at the start of your mortgage.

## **ASSIGN**

To hand over the rights to a property from one individual to another.

## **ASSURED SHORTHOLD TENANCY (AST)**

A common type of rental agreement in the UK, between a private landlord (or letting agent) and tenant. ASTs are periodic or fixed-term contracts that can be terminated by the landlord without stating a reason.

## **BASE RATE**

An interest rate set by the Bank of England. Mortgage interest rates are often linked to the base rate.

**BREAK CLAUSE**

A contractual clause in a tenancy agreement that allows either party to terminate the arrangement after a fixed term, for example, six months into a 12-month contract.

**BRIDGING LOAN**

A short-term loan designed to help the borrower to buy property for a short period, for example, before they have arranged a mortgage, or if they intend to sell the property soon afterwards.

**BUILDING INSPECTION**

See 'Survey'.

**BUY-TO-LET**

A property bought with the sole intention of letting it to tenants.

**CHAIN**

A string of property sales dependent on one another to progress.

**COMPLETION**

The final stage of a property sale and the point at which a buyer receives the keys and becomes the legal owner.

**COMPLETION STATEMENT**

A solicitor's record of the transfers and transactions conducted as part of the completion.

**CONDITIONS OF SALE**

Items in a contract relating to the responsibilities of the various parties involved.

**CONTRACT**

An agreement and accompanying legal document between two parties. In a property context, these are usually the buyer and seller of a specific property.

**CONVEYANCER/  
CONVEYANCING**

The individual who undertakes the legal procedures involved in property sales on behalf of the buyer and seller, and the work they undertake.

**CREDIT SEARCH  
REFERENCES**

Third-party checks on a tenant's credit history to establish their suitability to rent a particular property.

**DECISION IN PRINCIPLE (DIP)**

See 'Agreement in Principle (AIP)'.

**DEEDS**

The legal documents establishing the ownership of a property.

**DEPOSIT**

A lump sum of money a buyer (mortgage deposit) or renter (tenancy deposit) pays to a property owner to secure the right to own or rent their property.

**DEPOSIT PROTECTION  
SCHEME (DPS)**

An authorised scheme to hold and protect a rental tenancy deposit.

**DILAPIDATIONS**

Items requiring repair or replacement at the end of a tenancy due to damage by the tenant.

**DISBURSEMENTS**

Costs and expenses incurred and paid during the conveyancing process, such as search fees and stamp duty.

**DISCOUNTED RATE  
MORTGAGE**

A mortgage deal where the interest rate is a set amount

less than the mortgage lender's standard variable rate (SVR).

**DRAFT CONTRACT**

An early version of a contract that may be updated before the contracts are exchanged.

**EARLY REPAYMENT CHARGES (ERCS)**

Penalty fees charged when someone leaves a mortgage during a specified period, usually the period of the initial deal.

**EASEMENT**

A right to cross or use an area of land, that may affect a property owned.

**ENDOWMENT MORTGAGE**

You pay money into a type of investment called an 'endowment' to pay off an interest-only mortgage at the end of the term.

**ENERGY PERFORMANCE  
CERTIFICATE (EPC)**

A document that displays a property's energy efficiency rating and environmental impact. Legally required for the sales and lettings process.

**EQUITY**

The value of a property

owned by an individual (versus the value they are still required to make mortgage repayments on).

**EXCHANGE OF CONTRACTS**

The moment at which a property sale is final, and the buyer and seller have both signed the contract of sale, which can no longer be amended.

**FITTINGS**

Items current within a property that do not constitute part of the property and are not included in the sale, such as furniture.

**FIXED RATE MORTGAGE**

The mortgage interest rate stays the same for the initial period of the deal.

**FIXTURES**

Items attached to the land or property that are included in its sale.

**FREEHOLD**

A type of property ownership (see also 'Leasehold') that indicates that the land and building is within the ownership of an individual indefinitely.



**GAS SAFETY RECORD**

A document legally required of all landlords to demonstrate that all gas appliances have been checked by a qualified engineer and declared safe.

**GAZUMPING**

An alternative buyer makes a higher offer to buy a property that is already under offer.

**GAZUNDERING**

When the buyer lowers their offer to buy a property at the last minute, just before contracts are exchanged.

**GROUND RENT**

A charge paid by a leasehold owner to a freehold owner of a property, usually on an annual basis.

**HOMEBUYER REPORT**

See 'Survey'.

**INTEREST-ONLY MORTGAGE**

Interest is paid on the mortgage each month, without repaying any of the capital loan itself.

**INVENTORY**

A document stating the contents and condition of a property at the start and end of a tenancy period, to record any loss or damage.

**LAND REGISTRY**

The registry of ownership of land and property in the UK, to which a fee is paid when ownership changes hands.

**LEASEHOLD**

A type of property ownership

(see also 'Freehold') that indicates that an individual has purchased the right to live in a property for a fixed period, although the land and building belong to a freehold owner.

**LISTED BUILDING**

A property or structure that appears on a register due to its special historic or architectural interest.

**LOAN-TO-VALUE (LTV)**

The size of the mortgage as a percentage of the property's value.

**MARKET VALUE**

The estimated value that a property would sell for at the current time on the open market.

**MORTGAGE VALUATION**

A report on the value of a property by an independent surveyor on behalf of the mortgage provider.

**NEGATIVE EQUITY**

A state in which the owner of a property owes more to their mortgage provider than the total value of the property.

**OFFSET MORTGAGE**

Mortgage linked with a savings and, sometimes, current account. Credit balances are offset against the mortgage debt so interest is only paid on the difference, while also paying off the capital.

**REMORTGAGE**

Changing a mortgage without moving property to save money,



change to a different type of mortgage or to release equity from the property.

**REPAYMENT MORTGAGE**

Paying off the mortgage interest and part of the capital of the loan each month. Unless any repayments are missed, the mortgage is guaranteed to be paid by the end of the term.

**SEARCHES**

Checks conducted as part of the conveyancing process before a property sale is made final.

**SHARE OF FREEHOLD**

A form of property

ownership (see also ‘Freehold’ and ‘Leasehold’) where several individuals own a portion of the property through a limited company.

**SOLE AGENT INSTRUCTION**

A sale or tenancy managed by a single estate or letting agent.

**STAMP DUTY/LAND AND BUILDINGS TRANSACTION TAX/LAND TRANSACTION TAX**

You pay these rates if, after buying the property, it is the only residential property you own. You usually pay 5% on top of these rates if you own another residential property.



**IF YOU'RE BUYING YOUR FIRST HOME**

You can claim a discount (relief) if the property you buy is your first home. You're eligible if you and anyone else you're buying with are first-time buyers.

Property or lease premium or transfer value	SDLT rate
Up to £125,000	Zero
The next £125,000 (the portion from £125,001 to £250,000)	2%
The next £675,000 (the portion from £250,001 to £925,000)	5%
The next £575,000 (the portion from £925,001 to £1.5 million)	10%
The remaining amount (the portion above £1.5 million)	12%

**You'll pay:**

- no SDLT up to £300,000
- 5% SDLT on the portion from £300,001 to £500,000

If the price is over £500,000, you cannot claim the relief.

**STANDARD VARIABLE RATE (SVR)**

A lender will charge the default mortgage interest rate after the initial mortgage deal period ends.

**SUBJECT TO CONTRACT**

A phase of a property sale after an offer has been made and accepted but before contracts have been signed and exchanged.

**SURVEY**

A qualified surveyor conducts a property inspection and report to identify issues or faults with the property that may affect its safety or value.

**TENANCY/TENANT**

A period in which an individual is granted the right to live in a specified property, subject to a tenancy agreement and the individual involved.

**TRACKER MORTGAGE**

The interest rate on the mortgage tracks the Bank of England base rate at a set margin above or below it.

**TRANSFER DOCUMENT**

The document that legally transfers the rights to a property from one party to another.

**UNDER OFFER**

A phase of a property sale after an offer has been made.

**VALUATION**

An appraisal of a property to establish its market value.

**VARIABLE RATE MORTGAGE**

The interest rate on the mortgage can go up or down according to the lender's standard variable rate. ♦

**>> WANT TO FIND OUT HOW MUCH YOU COULD BORROW? <<**

Let us help you find the right mortgage for your home. To discuss your situation and find out how much you could borrow, contact

**Rothesay Bennett Financial Planning** – telephone **01676533692** – email **enquiries@rothesaybennett.co.uk**.



# TIME TO SWITCH TO A NEW, CHEAPER MORTGAGE DEAL?

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You could save money by moving your mortgage. Let our dedicated mortgage advisers know what's important to you and we'll take all the confusion out of finding a new mortgage. You'll also get access to exclusive rates from some of the UK's biggest lenders.

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Contact **Rothesay Bennett Financial Planning**

– telephone: 01676533692

– email: [enquiries@rothesaybennett.co.uk](mailto:enquiries@rothesaybennett.co.uk)

– website: [www.rothesaybennett.co.uk](http://www.rothesaybennett.co.uk)

– address: **Rothesay Bennett, 287/289**

**Kenilworth Road, Balsall Common, CV7 7EL**



**ROTHESAY BENNETT**  
FINANCIAL PLANNING

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THINK CAREFULLY BEFORE SECURING OTHER DEBTS AGAINST YOUR HOME.

YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE.

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