THE

MORTGAGE & PROPERTY

MAGAZINE

ISSUE 20 - AUTUMN 2025

WHEN SHOULD I CONSIDER REMORTGAGING?

Key moments when switching your mortgage might be financially wise

10 WAYS TO REDUCE MONTHLY PAYMENTS

Practical steps to lower mortgage expenses and enhance affordability

HOW TO PREPARE YOUR HOME FOR A MAGICAL CHRISTMAS

Turning your space into a sanctuary for family and friends

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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.

Autumn 2025

Mortgage finance

10
Mortgage rules review aims to widen access
Exploring more flexible lending to support first-time buyers and later-life borrowers

12
Equity release vs remortgage: Are they right for you?
Understanding the differences between unlocking cash and restructuring borrowing

14
Common bank statement mistakes
What you need to consider when applying for a mortgage

16
Proposed new property tax: Will you need to pay more?
How emerging proposals could transform stamp duty, council tax, and capital gains relief

18
Should I fix my mortgage for two or five years?
Understanding the trade-offs between short- and medium-term fixed rates

20
Should I overpay my mortgage or save money?
Weighing the advantages of reducing debt compared to building accessible savings

21
Mind the deposit gap
Why size matters more than ever for UK homebuyers

22
When should I consider remortgaging?
Key moments when switching your mortgage might be financially wise

24
10 ways to reduce monthly payments
Practical steps to lower mortgage expenses and enhance affordability

26
How will a job change affect my mortgage?
Employment shifts can influence both applications and existing repayments

28
Can I remortgage to cover the costs of home renovations?
Using property equity to finance improvements can be an option, but it involves considerations

30
Is a fixed rate or tracker mortgage right for you?
Exploring the differences between flexible and predictable home loans

Selling property

32
Staging your home for a viewing
Creating the right impression can help buyers see a property's true potential

34
Selling a house after a divorce
Separation may involve selling the family home, requiring careful and sensitive planning

36
Top tips for a smooth property sale
Planning and decisive actions can help accelerate the selling process and ease stress

38
How to avoid selling your house to pay for care
Planning ahead can safeguard both your home and your financial security in later life

42
Downsizing your home
Moving to a smaller property can release equity, cut costs, and simplify daily life

44
Location, location, location
Why your postcode affects how fast properties list and exchange

46
Preparing a probate property for sale
Understanding how it functions and its impact on timescales

48
Energy Performance Certificate (EPC) explained
A guide to what EPCs mean for homeowners and buyers

50
Should I sell my house now?
Timing a sale depends on market conditions, personal goals, and financial readiness

52
First-time sellers' guide
What to expect when selling your home for the first time

Property matters

54
Property tax reform on the horizon!
Understanding the possible changes and their implications for homeowners

56
Buying a home through shared ownership
How the scheme works and what to consider before applying

58
What still influences house prices in major UK cities?
Transport connectivity remains a key factor in buyer demand and property values

60
Younger buyers see homeownership as harder and less central
Affordability pressures are reshaping how younger generations approach the housing market

62
Understanding the cost of setting up a home
What first-time buyers need to budget for beyond the deposit

64
Nearly half of buyers move to unfamiliar neighbourhoods
Reasons why so many households settle in areas they don't fully know

67
Inheritance Tax reforms under consideration
Households with property wealth are likely to face the greatest impact

70
Preparing for potential tax reforms in the Autumn 2025 Budget
What measures could be aimed at broadening the property market tax base?

72
Self-employed: Most would sacrifice independence to secure a mortgage
Why do many find borrowing more challenging and feel more disadvantaged

74
First-time buyers
Affordability pressures are reshaping buyer choices

77
How to prepare your home for a Magical Christmas
Turning your space into a sanctuary for family and friends

80
Speeding up conveyancing delays
Reasons for delays in transactions and practical steps for buyers and sellers

Property investment

82
Selling a property with a tenant still living in it
Understanding the considerations for both the seller and the buyer

84
National Insurance contributions on rental income
What the proposals could mean for landlords and the wider housing market

86
Landlords turn to remortgaging to fund upgrades
How rising costs are reshaping financing decisions in the rental sector

88
Company-based buy-to-let ownership
Incorporation structure attracts landlords with significant borrowing or expanding portfolios

90
Bridging finance
A solution for investors seeking quick and flexible funding

92
A quarter of students select accommodation guided by parents
Student rental decisions highlight the importance for landlords to consider both groups

94
Renters' Rights Bill
What the reforms mean for the private rented sector

96
Landlord insurance: Do I need it?
Why protection matters when managing rental property risks

98
Landlord sentiment: Holding, selling, or adapting?
Surveys reveal mixed intentions as costs and demand shape decisions

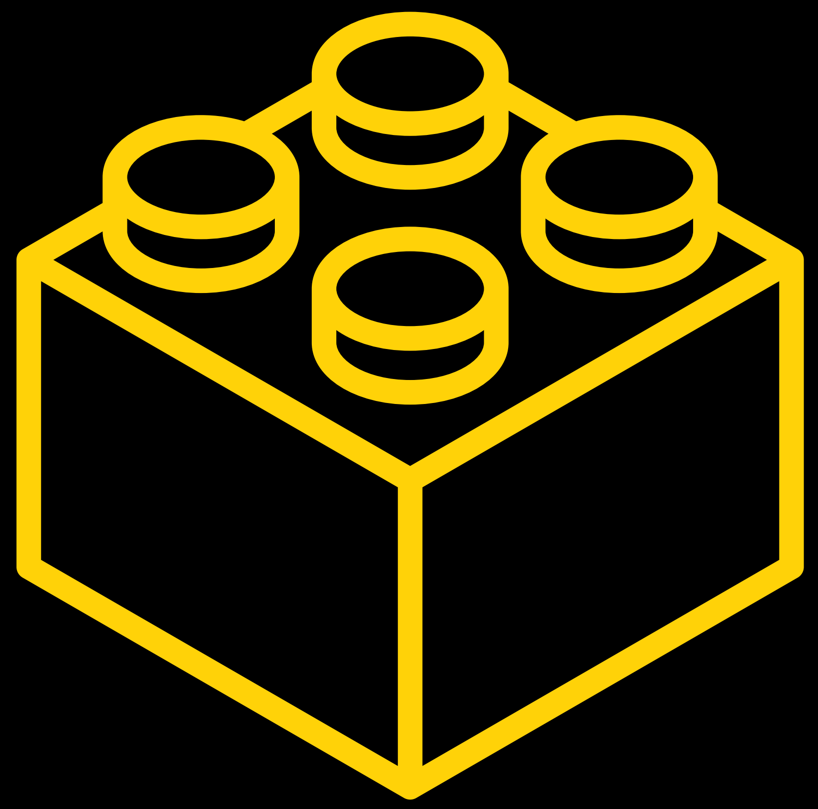
100
Changing face of home energy efficiency
Ambitious target aims to make homes warmer, greener, and cheaper to operate

Financial protection

102
Your home, your legacy
A guide to high-value home insurance

Property glossary

106
Property jargon buster
A handy guide to use any time you come across some property jargon



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Welcome

WELCOME TO the Autumn 2025 quarterly issue of *The Mortgage & Property Magazine* from Berkshire IFA Limited.

For many homeowners, remortgaging is no longer a question of if, but when. Acting at the right moment can lower your payments, secure a better rate, or unlock equity. Turn to page 22 to learn how to recognise the key trigger points and manage your mortgage effectively over the long term.

As borrowing costs change, reducing your monthly mortgage payment has become a priority for many. On page 24, we explore different ways to achieve this, from switching products to adjusting your repayment terms, helping you find the right balance between immediate relief and long-term financial security.

The festive season always seems to arrive sooner than expected. A well-prepared home creates the perfect setting for a relaxed and joyful Christmas, offering a warm sanctuary for family and friends. Discover our guide on page 77 for a stress-free plan to help you fully enjoy the magic of the occasion.

Choosing between a fixed-rate and a tracker mortgage is one of the biggest decisions you'll make. Each operates very differently, and the right choice depends on your personal circumstances and whether you value stability over opportunity. Read the full article on page 30.

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

READY TO FIND A MORTGAGE THAT'S RIGHT FOR YOU?
Whether you're a first-time buyer, a landlord, or remortgaging, we'll help you find a mortgage that fits your needs. Ready to explore your options? Let's talk today. We hope you enjoy reading our latest issue!. ◆

Ashton Eddolls
Managing Director, Berkshire IFA Limited

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Mortgage rules review aims to widen access

Exploring more flexible lending to support first-time buyers and later-life borrowers

"Today's buyers are generally older, often borrowing for longer periods, and many have employment arrangements that do not fit traditional income models."

IMAGINE BEING TOLD you cannot borrow, despite having a steady income, savings in place, and affordable repayments. For thousands of people, this is the reality of today's mortgage market. The Financial Conduct Authority (FCA) has recognised these frustrations and is considering whether lending rules should be updated to better reflect how people now live and work.

WHY THE RULES ARE BEING REVIEWED

After the financial crisis, mortgage lending became subject to strict affordability checks. These measures were important, as they raised standards and protected borrowers from overextending themselves. Yet, more than a decade on, they are starting to show their limitations.

Today's buyers are generally older, often borrowing for longer periods, and many have employment arrangements that do not fit traditional income models. The FCA has emphasised that the aim is to ensure the rules "keep pace with changing needs and support sustainable homeownership." In short, the framework that made sense in 2014 might not be as effective in 2025.

Buyers with healthy finances are sometimes excluded, not because they cannot afford a mortgage, but because their circumstances do not fit neatly into existing categories.

WHO STANDS TO GAIN

Three groups emerge as potential winners from reform. First are first-time buyers, who are increasingly extending repayment terms. In 2024, 68% of them chose mortgages lasting 30 years or more[1]. Longer terms reduce monthly payments, but strict rules can make lenders cautious.

The second group comprises self-employed workers and those with fluctuating incomes. A graphic designer invoicing clients or a nurse working irregular shifts might earn consistently but find it difficult to demonstrate affordability under current criteria.

Third are later-life borrowers. With longer life expectancy and stable pension income, many wish to borrow into retirement. Yet existing rules often treat retirement as a sharp cut-off point, leaving these borrowers with fewer options than they deserve.

Each case highlights the same tension: the ability to pay exists, but the framework does not always permit lenders to recognise it.

IMPORTANCE OF BALANCE

Of course, easing the rules involves trade-offs. Longer mortgage terms reduce monthly payments but increase the total interest paid. Lending into retirement raises concerns about income fluctuations and health. More flexibility for variable incomes must be carefully managed to avoid risks in an economic downturn.

This is why the FCA is proceeding cautiously. The goal is not to roll back protections but to improve them. Rules that exclude responsible borrowers serve no one, but rules that encourage excessive borrowing serve even less. This balance is vital, and expert guidance is crucial for managing it effectively.

AFFORDABILITY AND THE BIGGER PICTURE

The FCA has also highlighted the difficulties faced by renters. They typically encounter higher costs, less security, and greater signs of financial vulnerability compared to homeowners. At the same time, the increasing trend of 30-year-plus mortgage terms shows how strained affordability has become.

Together, these realities support the case for reform. Promoting responsible lending could lower barriers to ownership and reduce the gap between renting and owning. For buyers, it might offer more options. For renters, it could provide a clearer route to stability.

Every mortgage option has its benefits and compromises, and understanding both aspects is the best way to make informed decisions with confidence.

LOOKING AHEAD

The FCA's consultation is still ongoing, and immediate changes are not certain. However, the overall direction is clear: mortgage rules must adapt to longer working lives, diverse income sources, and new borrowing opportunities.

If reforms are introduced, they could change access to homeownership for first-time buyers, provide reassurance for self-employed workers, and offer more flexibility to older borrowers. The most important step is to seek professional mortgage advice to ensure that any decision made today remains relevant tomorrow. ◆

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Source data:
[1] fca.org.uk/news/press-releases/fca-continues-mortgage-rule-review-boost-home-ownership-and-support-growth

Equity release vs remortgage: Are they right for you?

Understanding the differences between unlocking cash and restructuring borrowing

FOR MANY HOMEOWNERS, property is not just a place to live but also a means of building wealth. Increasing values over the past two decades mean that significant amounts of equity are invested in homes across the UK.

When you need money to fund retirement, pay for improvements, or support family, two options often come to mind: equity release or remortgaging. Each functions differently, offers its own benefits and drawbacks, and neither should be undertaken without thorough consideration.

HOW REMORTGAGING WORKS

Remortgaging involves switching your mortgage to a new deal, either with your current lender or a different one. For many, it's a straightforward way to secure a better rate or product once their existing deal ends. However, remortgaging can also be used to release cash. By borrowing more than you currently owe and accessing the equity in your property, you can generate a lump sum for other uses.

The benefit of remortgaging is that interest rates are often lower than those on personal loans or credit cards, making it a cost-effective way to raise funds. Monthly repayments are predictable, and if the loan is spread over a long term, the impact on household budgets can be manageable.

The drawback is that the debt must be repaid in full, with interest, over the duration of the mortgage. Extending the loan term can lower monthly payments but often increases the total cost. Additionally, affordability checks remain stringent, meaning lenders will thoroughly review income, expenses, and commitments before approving the new borrowing.

HOW EQUITY RELEASE WORKS

Equity release is designed for older homeowners, typically aged 55 or above, who wish to access their property wealth without making regular repayments. The most common type is a lifetime mortgage, where a loan is secured against the home, but no repayments are needed during the borrower's lifetime unless they choose to make them. Instead, the loan and accumulated interest are repaid when the property is sold, typically after the borrower's death or moving into long-term care.

The appeal of equity release is evident: it provides access to funds without the burden of affordability checks or monthly repayments. It can give a lump sum, a series of smaller withdrawals, or a combination of both. For retirees with limited income but significant property wealth, it can offer financial independence and stability.

However, it involves trade-offs. As interest is compounded over time, the total debt can increase quickly. This diminishes the amount of the estate passed to beneficiaries. Although most modern equity release products include safeguards such as a "no negative equity" guarantee, borrowers must accept that a part of their property's value will be consumed.

"The benefit of remortgaging is that interest rates are often lower than those on personal loans or credit cards, making it a cost-effective way to raise funds."

WHICH OPTION SUITS WHICH BORROWER

The decision between remortgaging and equity release typically depends on factors such as age, income, and personal priorities. Someone still working with a steady income might find remortgaging a practical way to access funds while keeping long-term options open. In contrast, someone in retirement with limited income flexibility may value the freedom that equity release offers, despite the higher long-term costs.

Deciding between options isn't always simple. A remortgage might be suitable for financing home improvements that increase property value, while equity release could be a better option for augmenting retirement income. Both choices can assist parents in helping children with house deposits, but they will have different effects on inheritance and future borrowing.

IMPORTANCE OF PROFESSIONAL ADVICE

Deciding whether to release equity or remortgage is more than a financial calculation. It involves personal goals, family considerations, long-term planning, and professional advice. Both routes can offer valuable flexibility, but they also carry risks that should be carefully weighed.

It is crucial to fully understand the costs, protections, and practical implications. With the correct advice, homeowners can make informed decisions that suit their needs without unexpected repercussions. ◆

EQUITY RELEASE VS REMORTGAGE: WHICH OPTION IS RIGHT FOR YOU?
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COMMON BANK STATEMENT MISTAKES

What you need to consider when applying for a mortgage

WHEN APPLYING FOR a mortgage, one of the most important checks a lender performs is on the applicant's bank statements. Beyond income and credit history, these documents offer a direct insight into how money is managed day-to-day.

They demonstrate not only whether repayments seem manageable, but also whether spending habits indicate risk. Certain entries may raise concerns that could delay or even prevent an application from being processed.

WHY LENDERS REVIEW STATEMENTS

Bank statements help lenders verify the essentials: that income is steady, bills are being paid, and spending doesn't threaten affordability. They are also used to cross-check the details given in the application form. If the figures do not match or if unexplained items appear, it can reduce confidence in the applicant's ability to manage a mortgage.

The assessment does not focus on perfection. Few applicants have completely spotless accounts. However, repeated signs of irregularity or unmanaged debt are seen as signs that a borrower might have difficulty with repayments in the future.

COMMON WARNING SIGNS

FREQUENT USE OF OVERDRAFTS

Temporary overdrafts are seldom a problem. However, if statements show a consistent reliance on overdrafts to cover daily expenses, lenders might question whether the applicant is living beyond their means.

GAMBLING TRANSACTIONS

Even small, regular payments to betting companies are carefully scrutinised. They can raise concerns about financial stability and self-control, which lenders see as risks when evaluating long-term borrowing.

PAYDAY LOANS

Repayments to payday lenders highlight challenges in accessing mainstream credit. Their existence indicates previous financial hardship and may erode confidence in affordability.

LARGE OR UNEXPLAINED TRANSFERS

When money moves in or out without a clear reason, lenders may become concerned about hidden commitments, informal borrowing, or undeclared debts. Unexplained activity can cause unnecessary uncertainty.

IRREGULAR OR INCONSISTENT INCOME

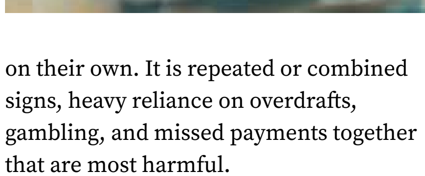
Applicants with fluctuating wages, irregular freelance payments, or large unexplained deposits often encounter more questions. Lenders favour predictable income that can be relied upon for regular monthly mortgage repayments.

MISSED PAYMENTS

Overlooked direct debits or unpaid bills, even for small items like subscriptions, appear on bank statements. While a single mistake may not be significant, repeated missed payments weaken confidence in financial discipline.

THE WIDER PERSPECTIVE

While individual entries might raise concerns, the overall pattern is what matters most. Lenders seek stability, consistency, and proof that outgoings are manageable compared to income. Occasional anomalies are rarely sufficient to block an application on their own. It is repeated or combined signs, heavy reliance on overdrafts, gambling, and missed payments together that are most harmful.



The main point is that bank statements provide a real-time overview. Unlike credit reports, which reflect past activity, statements show what is happening currently. For this reason, lenders often request the most recent three months to ensure recent behaviour is included.

PREPARING FOR SCRUTINY

Applicants cannot change the past, but they can take steps to present their accounts clearly and avoid unnecessary questions. Ensuring bills are paid on time, avoiding short-term borrowing, and maintaining consistent income transfers all reduce the risk of red flags.

Even simple habits, such as using reference notes on transfers or avoiding cash withdrawals without a clear reason, can help provide a clearer picture. When irregular items are unavoidable, being prepared with documentation or a straightforward explanation can make the difference between approval and delay.

WHY IT MATTERS

For many first-time buyers and homebuyers, the mortgage application process can already feel daunting. Bank statement checks add an extra layer of pressure, but they are not designed to catch people out.

They exist to ensure that borrowers can realistically sustain repayments. Understanding what lenders are looking for makes the process less intimidating and helps explain why certain applications progress more smoothly than others. ◆

LOOKING TO EXPLORE YOUR MORTGAGE OPTIONS WITH OUR PROFESSIONAL GUIDANCE?

With property prices high and affordability under pressure, lenders must ensure that new borrowing remains sustainable. To discuss your needs and find out how we can assist you through the mortgage process, contact

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Proposed new property tax: Will you need to pay more?

How emerging proposals could transform stamp duty, council tax, and capital gains relief

THE WAY PROPERTY is taxed in the UK may be at a turning point. Recent reports indicate that the Treasury is actively considering options to overhaul the system by replacing or adding to stamp duty, updating council tax, and revisiting capital gains relief on homes. Some proposals already discussed draw on think-tank ideas and early official modelling[1].

WHERE THINGS STAND NOW

Today's property tax system in England and Wales is based on three main components: stamp duty, council tax, and the exemption from capital gains tax for principal residences. Stamp duty (also known as Stamp Duty Land Tax, SDLT) is charged on property purchases in progressive tiers, with reliefs available for first-time buyers and additional surcharge rules for second homes.

Council tax is an annual recurring charge based on property valuation bands, originally introduced in the early 1990s. The principle that the sale of a primary residence is exempt from capital gains tax remains a longstanding cornerstone of residential property taxation.

These systems have their own flaws: stamp duty creates a distortion at the point of purchase, discouraging mobility; council tax is based on valuations that in many areas remain decades out of date; and the capital gains relief, while generous, is being re-examined in light of rising property values and government revenue pressures.

CONFIRMED DIRECTION: WHAT'S ALREADY UNDERWAY

Although no definitive reform has been legislated yet, some ideas under consideration align with changing public statements and policy research. These reports indicate that officials have been tasked with modelling a new national property tax to replace stamp duty for certain owner-occupied transactions. In particular, one proposal would levy the new tax on homes sold for more than £500,000, a threshold chosen to limit disruption to lower-value property transactions.

Commentators and think tanks, such as Onward, have proposed frameworks that suggest combining proportional property tax rates (e.g., 0.54% for mid-tier values, with a supplement above £1 million) with a baseline levy for all homes, thereby reducing reliance on council tax bands and stamp duty spikes.

At the same time, the government is reportedly considering whether council tax should eventually be replaced by a local property tax linked to current property values, thereby shifting revenue responsibility more directly to property owners rather than tenants[2].

KEY PROPOSALS UNDER DEBATE

REPLACING STAMP DUTY WITH A PROPORTIONAL TAX

One of the more specific proposals under review is the idea of replacing stamp duty for owner-occupiers in higher-value brackets. For example, homes sold for more than £500,000 could be taxed proportionally through a property tax, rather than the current SDLT system.

Local property tax in place of council tax

A complementary reform involves phasing out council tax entirely and implementing a local property tax based on current valuations and local levies. This would shift the financial burden to property owners and likely necessitate a revaluation of numerous homes, which hasn't occurred in decades.

REVISITING CAPITAL GAINS RELIEF ON MAIN HOMES

Perhaps the most contentious idea is to remove or restrict the exemption on capital gains tax for a primary residence. Under such a change, gains realised from a home's appreciation, currently exempt, might become taxable above a certain threshold.

WHO COULD BE AFFECTED?

High-value property owners are the most vulnerable under these proposals. If the new property tax threshold starts at £500,000, much of London, the South East, and many properties in the commuter belt would immediately come under review. Owners who frequently relocate may find themselves facing higher bills with each sale.

Homeowners in areas with strained local finances might face higher local charges if council tax is replaced with a property tax based on value. In regions experiencing rapid price increases, tax obligations could outpace household incomes.

Meanwhile, removing the principal private residence exemption would result in many households being taxed on their homes, which they had expected to remain exempt. This change fundamentally alters expectations about residential property wealth.

WHAT TO WATCH NEXT

The upcoming Finance Bill 2025/26 serves as the legislative framework for any new property tax measures that may be introduced. In the coming months, draft clauses might be shared for consultation before the final bills are presented in Parliament.

However, the government is walking a tightrope: reforming property taxes is politically sensitive, especially among middle-income homeowners who may feel unfairly burdened with new tax obligations. The modelling must balance revenue demands against market stability and fairness.

FINAL REFLECTIONS

Much of what is being discussed stays in the exploratory and modelling stage. However, the proposals currently on the table suggest a potential shift from transaction-based taxation to recurring property-based taxation.

Homeowners and investors would do well to monitor developments closely. What is likely is that any change will be phased, targeted, and structured to avoid immediate disruption, but the direction is toward closer scrutiny of property wealth than we have seen in decades. ◆

WHAT IS THE RIGHT MORTGAGE FOR YOU? LET'S WORK IT OUT TOGETHER

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Source data:

[1] ukonward.com/reports/a-fairer-property-tax/

[2] gov.uk/government/collections/finance-bill-2025-26

Should I fix my mortgage for two or five years?

Understanding the trade-offs between short- and medium-term fixed rates

FOR MANY HOUSEHOLDS, choosing a mortgage is not just about the size of the loan but also about the length of the commitment. One of the most common decisions is whether to fix the interest rate for two years or five.

Both options provide stability compared to variable deals, but each has distinct advantages and disadvantages. The question is less about which is "better" in theory and more about which suits an individual's circumstances and outlook.

APPEAL OF A TWO-YEAR FIX

A two-year fix is often preferred for its flexibility. The shorter duration enables borrowers to review their situation sooner, potentially switching to a more favourable deal if rates decrease. In markets where interest rates are expected to fall, this possibility can be attractive.

In some cases, two-year fixes are priced lower initially than longer terms, helping to keep monthly payments affordable. For first-time buyers or households with tighter budgets, this can offer valuable breathing space.

However, the benefit carries a risk. At the end of the two years, the borrower must either remortgage or revert to the lender's standard variable rate, which is usually higher. If interest rates increase rather than decrease, the next deal could be considerably more costly.

REASSURANCE OF A FIVE-YEAR FIX

A five-year fix, by contrast, provides security over a longer period. Payments stay the same for five years, enabling households to plan with more certainty. For families with larger mortgages or those seeking stability in household budgets, this reassurance can be more valuable than the appeal of a potentially cheaper shorter-term deal.

There is also protection against market fluctuations. If rates increase during the fixed period, borrowers with a five-year deal are shielded from those rises. This can offer peace of mind during times of economic uncertainty.

The downside is reduced flexibility. If interest rates drop significantly, the borrower remains stuck with higher payments unless they pay an early repayment fee. Five-year fixes may also have slightly higher initial rates than shorter-term products, meaning the cost is paid upfront.

WEIGHING THE DECISION

The choice between two and five years depends on more than just headline rates. Personal circumstances are important: those expecting to move house or change jobs may favour the freedom of a shorter commitment, while those settled for the medium term may appreciate the stability of a five-year commitment.

The wider economic situation also plays a role. If interest rates are expected to fall, a two-year fix might help borrowers benefit sooner. If rates are likely to stay high or increase, a five-year fix could offer better value by protecting households from further rises.

Ultimately, it is a balance between flexibility and security, between short-term affordability and long-term certainty. Neither route is entirely right or wrong; each has its risks and benefits.

A MATTER OF PRIORITIES

Choosing between two and five years reflects personal priorities as much as financial considerations. Some households prefer to minimise payments now and accept future uncertainty. Others are willing to pay a little more today for the reassurance of stability.

In either case, fixing offers a level of protection that variable products do not. The decision is not about predicting the future with certainty, but about aligning the mortgage with the household's needs, risk tolerance, and long-term plans. ◆

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Should I overpay my mortgage or save money?

Weighing the advantages of reducing debt compared to building accessible savings

FOR MANY HOUSEHOLDS, the question of what to do with extra income comes down to two choices: overpaying the mortgage or saving the money. Both options can improve long-term financial security, but each provides benefits in different ways. The decision is not solely based on mathematics; it also depends on priorities, risk tolerance, and personal circumstances.

Making extra payments on a mortgage speeds up the reduction of the remaining balance. Even small amounts can notably lower the total interest paid and cut the loan term by several years. At a time when mortgage rates remain higher than many easy-access savings accounts, paying off debt makes financial sense.

APPEAL OF OVERPAYING

Overpaying can also bring peace of mind. Knowing that the debt is decreasing faster than expected provides reassurance, especially for those nearing retirement or eager to reduce commitments. A smaller balance also offers more flexibility in the future, making remortgaging or moving house easier.

The disadvantage is decreased liquidity. Money used to pay off a mortgage cannot be easily accessed again without additional borrowing. If an unforeseen expense occurs, funds tied up in property may not be available at short notice.

ADVANTAGES OF SAVING

Building savings offers flexibility. Money held in cash accounts remains easily accessible for emergencies, planned expenses, or future investments. It also provides a financial cushion, helping households manage unexpected costs without relying on credit.

When interest rates on savings are competitive, the returns can be quite substantial. If savings accounts offer a higher rate than the mortgage interest being charged, the case for prioritising savings becomes stronger.

The drawback is that returns may not always outweigh borrowing costs. Often, the net benefit of saving is smaller than the guaranteed savings from lower mortgage interest. Inflation can also erode the value of savings if interest rates do not increase enough.

BALANCING THE TWO

The decision is seldom a straightforward yes-or-no choice. Many households see value in a blended approach: maintaining a solid savings buffer while using any additional funds to make more mortgage payments. This guarantees both liquidity and long-term interest savings.

The suitable balance varies based on individual circumstances. Those without an emergency fund might prioritise saving, while those with a steady income and adequate reserves may focus on overpayments. Personal goals, whether aiming for early mortgage freedom or building capital for future opportunities, also influence choices.

MATTER OF PRIORITIES

Overpaying the mortgage and saving both build financial resilience, but in different ways. One reduces long-term costs and debt, while the other maintains flexibility and access to funds. Neither option is always right or wrong. Instead, the best choice is the one that most suits the household's current needs and future goals. ◆

LOOKING TO SHAPE YOUR BORROWING AROUND YOUR NEEDS?

We're here to help you explore your mortgage options, providing personalised insights to enable you to make well-informed decisions. Together, we'll evaluate your financial goals and determine if now is the right time for your next move. Let us help you take the next step with confidence! Contact

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MIND THE DEPOSIT GAP

Why size matters more than ever for UK homebuyers

THE SIZE OF a deposit now plays a crucial role in securing a mortgage. A larger contribution not only boosts the chances of approval but can also result in lower rates, thereby decreasing borrowing costs over time. As affordability comes under pressure, the gap between buyers with modest deposits and those with substantial savings has widened considerably.

LINK BETWEEN DEPOSITS AND RATES

Mortgage products are partly priced according to the level of risk. A larger deposit reduces the loan-to-value ratio, which decreases the lender's exposure and often results in more favourable rates. Buyers with deposits of 25% or more typically have access to the most competitive products, while those providing only 5% or 10% face higher costs.

The difference is significant. For an average first-time buyer's home, valued at just over £310,000 in 2024, the typical deposit was approximately £61,000, or around 20% of the purchase price[1]. At this level, borrowers fall into more favourable loan-to-value brackets and benefit from a wider range of deals.

PRESSURE ON FIRST-TIME BUYERS

Raising a deposit remains one of the biggest challenges for new buyers. In 2024, a 20% deposit was equivalent to 110% of the average annual gross earnings, up from 102% the previous year[2]. This means a household with a typical income would need to save more than a year's salary just to reach the deposit threshold, before considering legal fees, moving costs, and stamp duty.

Some buyers can enter the market with deposits as low as 5%, often with help from family or government support. While this can make ownership achievable, it also results in higher monthly repayments due to increased interest rates. The trade-off is clear: moving sooner with a smaller deposit may secure a home, but it raises financial pressure in the years ahead.

IMPLICATIONS FOR EXISTING HOMEOWNERS

Deposit size, or accumulated equity, is just as important for those remortgaging. Households approaching the end of low-rate fixed deals taken out during 2020 to 2022 face significant increases in repayments. For many, the equity built up in their property determines which new products they can access.

Those with higher equity typically secure better rates, reducing the effect of increased borrowing costs. Conversely, limited equity can lead borrowers to less competitive deals, adding hundreds of pounds to their monthly payments.

LOOKING AT THE BROADER PICTURE

The focus on deposits highlights a cautious lending climate. Since house prices remain high relative to incomes, lenders are increasingly favouring larger deposits. For both buyers and current homeowners, the size of the initial contribution, or the equity in the property, directly influences affordability now and financial security in the years to come. ◆

IS NOW THE RIGHT TIME TO MAKE AN INFORMED MORTGAGE CHOICE?

Whether you're a first-time buyer or looking for a more competitive deal, we can help you find a mortgage that's right for you. Speak to

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Source data:

[1] lloydsbankinggroup.com/media/press-releases/2025/halifax-2025/first-time-buyer-market-rebounds.html

[2] nationwide.co.uk/media/hpi/reports/affordability-special-report-raising-a-deposit-still-the-biggest-hurdle-for-first-time-buyers-despite-affordability-becoming-more-stretched

When should I consider remortgaging?

Key moments when switching your mortgage might be financially wise

"Wider market conditions can also make remortgaging a more appealing option. If interest rates fall, switching may offer the opportunity to secure a more affordable deal."

REMORTGAGING HAS BECOME a common aspect of homeownership. For many households, it is not a matter of if they will remortgage, but when. At the right time, it can lower monthly payments, offer stability, or unlock equity for other needs.

Understanding the conditions that make remortgaging a sensible choice is essential for effectively managing a mortgage over the long term.

WHEN A DEAL IS ENDING

The most common time to remortgage is at the end of a fixed or tracker deal. Once the initial term ends, most lenders switch borrowers to their standard variable rate (SVR). These rates are typically higher than those available on the market, resulting in significantly increased monthly payments.

Acting before a deal expires enables homeowners to secure a new product early and avoid unnecessary increases. Many lenders permit borrowers to arrange a new deal up to six months prior to the expiration of the current one, helping to ensure a smooth transition.

WHEN RATES ARE CHANGING

Wider market conditions can also make remortgaging a more appealing option. If interest rates fall, switching may offer the opportunity to secure a more affordable deal. Even small rate differences can lead to significant long-term savings, particularly on larger mortgages.

The opposite also holds true: during periods of rising rates, some borrowers remortgage early to lock in a fixed deal before costs increase further. This choice involves balancing early repayment charges against the potential benefit of safeguarding future payments.

WHEN BORROWING NEEDS CHANGE

Life events often necessitate an increase or decrease in borrowing. Home improvements, debt consolidation, or supporting family members may lead homeowners to release equity via a remortgage.

Alternatively, those whose income has increased might consider shortening their mortgage term or switching to a deal that permits higher overpayments. Remortgaging can help align the mortgage with new financial goals, whether that involves accessing funds or speeding up repayment.

WHEN PROPERTY VALUE HAS RISEN

In a rising market, increasing property values can create more opportunities for competitive deals. As equity increases, the loan-to-value ratio improves, making borrowers eligible for more favourable products. Moving from a 90% loan-to-value ratio to 80% or 75% can significantly lower rates.

This effect also applies to those who have significantly reduced their balance through overpayments. A lower loan-to-value ratio enhances options and often decreases monthly costs.

WHEN CIRCUMSTANCES CHANGE

Remortgaging may also be motivated by personal reasons, such as a change in employment, a move to self-employment, or preparing for retirement. Some borrowers may require products that offer flexibility in repayment terms, while others may prioritise long-term security.

It is important to recognise that not all circumstances make remortgaging a worthwhile option. Early repayment charges, arrangement fees, and affordability checks must be included in the calculations. The right timing depends on balancing these costs against the potential benefits.

CONTINUING PART OF HOMEOWNERSHIP

For most households, remortgaging is not a one-off event but a regular part of managing their finances. Each new deal provides an opportunity to reassess goals, capitalise on market conditions, or adapt to changes in life.

The key is to recognise trigger points, such as an expiring deal, changing interest rates, new borrowing needs, or a shift in property value, and act before opportunities are missed. ◆

IS NOW THE RIGHT TIME TO DISCUSS REMORTGAGING?

If you're looking for a more suitable alternative mortgage deal, we'll explain the options available to you. To learn more, contact

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10 WAYS TO REDUCE MONTHLY PAYMENTS

Practical steps to lower mortgage expenses and enhance affordability

MORTGAGE PAYMENTS ARE the biggest expense for many households. As borrowing costs have increased in recent years, reducing these payments has become an important goal for many.

There are various ways to achieve this, from switching products to adjusting repayment terms. Each method has its own trade-offs, but together they provide borrowers with tools to alleviate financial pressure.

1. REMORTGAGE TO A BETTER DEAL

When an initial fixed or tracker period finishes, borrowers are often transitioned onto their lender's standard variable rate. These rates are usually higher. Securing a new deal before this occurs can reduce monthly payments and avoid sudden rate hikes. Many lenders now permit a new product to be arranged up to six months prior to an existing deal's end.

2. EXTEND THE MORTGAGE TERM

Extending the loan over a longer period lowers monthly payments by spreading out the debt more evenly. This offers short-term relief but raises the overall interest paid throughout the mortgage's duration. Half of all new first-time buyer mortgages now last longer than 30 years, compared to about a quarter a decade ago[1].

3. SWITCH TO INTEREST-ONLY

Temporarily switching to an interest-only arrangement can substantially lower monthly payments, though the capital must still be repaid later. The Financial Conduct Authority's (FCA) Mortgage Charter permits borrowers to switch to an interest-only mortgage for up to six months without undergoing a full affordability reassessment[2].

4. MAKE OVERPAYMENTS WHEN POSSIBLE

Making overpayments reduces the outstanding balance faster, which lowers the long-term interest costs. Even small, regular overpayments can significantly reduce the mortgage term. Most lenders permit overpayments of up to 10% of the balance each year without penalty.

5. CHOOSE AN OFFSET MORTGAGE

Offset mortgages link savings to the mortgage balance, reducing the interest charged. FCA data show that there were 155,526 offset mortgages at the end of 2024, representing only 1.7% of all outstanding mortgages[3]. For households with consistent savings, however, this option can provide real value.

6. REVIEW INSURANCE POLICIES

Mortgage protection, life insurance, and building cover are all essential, but premiums can differ significantly. Regularly reviewing policies helps ensure coverage stays appropriate without overpaying. Any savings made here can help alleviate pressure on household budgets.

7. CONSIDER GOVERNMENT SUPPORT

The government offers schemes, such as Support for Mortgage Interest (SMI), which help individuals claiming certain benefits with their interest payments. In early 2023, around 12,000 households were receiving SMI loans[4]. Although limited in scope, this support can provide relief during difficult times.

8. CHECK FOR LENDER FLEXIBILITY

Some lenders may allow borrowers to switch products mid-term, take temporary payment holidays, or extend repayment plans. Under the Mortgage Charter, lenders have committed to offering these options in specific situations, providing short-term relief[2].

9. REDUCE OTHER BORROWING

Paying off unsecured debts, such as credit cards or personal loans, frees up income that can be redirected towards mortgage payments. Cutting this debt can also boost affordability assessments when remortgaging, expanding the range of available products.

10. RENT OUT A ROOM

Renting out furnished accommodation in your home can generate extra income. Through the government's Rent a Room Scheme, individuals can earn up to £7,500 per year tax-free (for the 2025/26 tax year) in this way[5]. This can significantly help to cover mortgage costs.

MANAGING PAYMENTS STRATEGICALLY

There is no one-size-fits-all method to lower mortgage payments. Extending the term, switching products, or using schemes like offset mortgages each involve compromises. The key is to understand the options and select the approach that strikes a balance between immediate relief and long-term financial security. ◆

READY TO UNDERSTAND THE MORTGAGE CHOICES AVAILABLE TO YOU?

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Source data:

[1] ukfinance.org.uk/news-and-insight/press-release/half-new-first-time-buyer-mortgages-have-terms-over-30-years-quarter

[2] fca.org.uk/data/mortgage-charter-uptake

[3] fca.org.uk/freedom-information/information-offset-mortgages-july-2025

[4] commonslibrary.parliament.uk/research-briefings/sn06618/

[5] gov.uk/rent-room-in-your-home/the-rent-a-room-scheme

How will a job change affect my mortgage?

Employment shifts can influence both applications and existing repayments

CHANGING JOBS IS a common aspect of working life, but it can have unexpected effects on a mortgage. Lenders depend on employment details as a key part of their affordability calculations, and shifts in income, contract type, or probation status can impact both new applications and remortgages.

Even for those with an existing deal in place, it's useful to understand how employment changes affect mortgage commitments.

APPLYING FOR A MORTGAGE AFTER A JOB CHANGE

The most immediate impact of a new job is on ongoing applications. Lenders usually require evidence of stable income, typically through several months' payslips. Starting a new role may cause a delay, as proof of consistent earnings might not yet be available.

Some lenders accept an employment contract or a letter from the employer as proof that income is secure. Others may require three to six months in the new role before being eligible for a mortgage. This can cause timing issues for buyers who have recently changed jobs and are seeking to borrow.

REMORTGAGING AND JOB CHANGES

For those remortgaging, a job change can also make things more complicated. When affordability checks are carried out, lenders assess income, expenses, and employment stability. A new job with higher pay might strengthen the application, but if the role is temporary, on probation, or relies on variable bonuses, lenders may become more cautious.

In some cases, borrowers might still qualify but will be limited to lower loan amounts or less flexible products. The timing of the application often matters: waiting until the probation period has finished or several payslips have been collected can expand the range of available options.

SWITCHING FROM EMPLOYMENT TO SELF-EMPLOYMENT

Transitioning from salaried employment to self-employment presents additional challenges. Lenders usually require at least one to two years of accounts or tax returns to confirm stable income. For those in the early stages of self-employment, this lack of history can make securing a mortgage more difficult.

Even when income is high, fluctuations in earnings and the need for documentation often lead to increased scrutiny of self-employed applicants. Preparing accounts early and working with an accountant can help provide the required evidence.

"Some lenders accept an employment contract or a letter from the employer as proof that income is secure."

IMPACT ON EXISTING MORTGAGE REPAYMENTS

Changing jobs does not alter the terms of an existing mortgage. Monthly payments remain the same, regardless of employment status. The impact is therefore indirect: if income decreases or becomes less predictable, the challenge is to continue making repayments.

For borrowers concerned about affordability during a transition, some lenders offer flexibility options such as payment holidays, temporary interest-only periods, or revised terms. These vary based on the lender's policies and the borrower's history, but they can provide short-term assistance if income is disrupted.

PLANNING AROUND A JOB CHANGE

The key to managing a job change and a mortgage is timing. Applying for a new mortgage during probation, or without payslips to prove income, can limit options. Waiting until income is established usually results in better outcomes.

For those entering self-employment, building a financial buffer and preparing accounts in advance can make the process easier. For existing borrowers, informing lenders if payments might be disrupted is crucial, as it can allow for temporary flexibility.

LOOKING AHEAD

Mortgages and employment are closely linked, but a job change doesn't need to create insurmountable barriers. Lenders concentrate on proof of steady income, and once that is proven, borrowers can usually access the products they need.

For those experiencing a transition, the crucial factor is timing: allowing time for income to stabilise often determines how smoothly a mortgage application or remortgage goes. ◆

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CAN I REMORTGAGE TO COVER THE COSTS OF HOME RENOVATIONS?

Using property equity to finance improvements can be an option, but it involves considerations

HOME RENOVATIONS CAN transform a property, whether by adding space, increasing efficiency, or modernising key rooms. For many households, the challenge is securing the necessary funds. One option is to remortgage, releasing equity built up in the home to cover renovation costs.

This approach can provide access to large sums at relatively low rates compared to unsecured borrowing. Yet, as with any major financial decision, it requires careful consideration of affordability, risks, and long-term implications.

"The main risk of remortgaging for renovations is the rising debt. Even if repayments are manageable at first, taking on more debt over decades can greatly raise the overall cost of the project once interest is included."

HOW REMORTGAGING FOR RENOVATIONS WORKS

Remortgaging involves replacing an existing mortgage with a new one, either with the same lender or a different provider. If the property's value has increased or if substantial repayments have already been made, the equity might enable additional borrowing. The lump sum released can then be utilised for improvements such as extensions, kitchen refits, or energy efficiency upgrades.

The benefit is that mortgage rates are often lower than those linked to personal loans or credit cards. Spreading the cost over the mortgage term can also make repayments more manageable. This makes remortgaging an attractive choice for projects needing substantial funding.

BENEFITS OF INVESTING IN THE HOME

Using a mortgage to finance renovations can be sensible when the work boosts the property's long-term value. Improvements such as loft conversions, new bathrooms, or energy-efficient heating systems can increase resale potential and lower ongoing costs. In such cases, the borrowing not only funds lifestyle upgrades but also enhances the property's status as an asset.

Another advantage is that renovations can make a home more suitable for changing family needs. Instead of moving to a larger property, some households remortgage to fund extensions or adapt layouts, which can be more cost-effective than the expenses of moving.

RISKS AND TRADE-OFFS

The main risk of remortgaging for renovations is the rising debt. Even if repayments are manageable at first, taking on more debt over decades can greatly raise the overall cost of the project once interest is included.

There may also be fees to consider, such as arrangement charges, valuation costs, and potential early repayment penalties on the existing mortgage. These can decrease the overall advantage of remortgaging compared with other financing options.

Affordability remains a key factor. Lenders will still conduct comprehensive checks to ensure the larger mortgage is sustainable. If income is uncertain, or if the project does not significantly increase the home's value, the long-term balance may not favour the borrower.

ALTERNATIVES TO EXPLORE

Remortgaging is not the only way to finance home improvements. Additional borrowing from the existing lender, secured loans, or personal loans may provide greater flexibility, depending on the project's scale. For smaller renovations, using savings may be more suitable than increasing long-term debt.

Each option has different repayment terms, costs, and risks. The best choice depends on the scale of the work, the household's financial position, and the need to keep flexibility for future borrowing.

WEIGHING UP THE DECISION

Remortgaging to fund renovation costs can be an effective method to finance significant improvements, especially when the work increases the property's value. It offers access to larger sums with potentially lower rates than other forms of borrowing. However, it also extends mortgage commitments and could increase the total cost over time.

The decision is less about whether remortgaging can provide funds, which in most cases it can, and more about whether it is the most suitable way to finance the project. Balancing affordability, long-term objectives, and alternative options helps ensure that the borrowing benefits both the property and the household's wider financial security. ◆

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Is a fixed rate or tracker mortgage right for you?

Exploring the differences between flexible and predictable home loans

WHEN CHOOSING A mortgage, one of the key decisions is whether to select a fixed-rate or a tracker mortgage. Both products aim to finance a home, but they operate in quite different ways. The choice is not only about interest rates but also about risk, stability, and personal preference.

HOW A TRACKER MORTGAGE WORKS

A tracker mortgage follows the movements of the Bank of England base rate, usually with a set margin added on top. When the base rate rises, the monthly payment increases; when it falls, the payment decreases.

The attraction is flexibility. Borrowers benefit directly from any reductions in the base rate, which can make trackers appealing during periods of monetary easing. Early repayment charges are often lower than those on fixed deals, making trackers a suitable option for those who expect to move or repay the loan early.

However, freedom comes with risks. When the base rate increases, repayments often rise significantly. A household's budget needs to be flexible enough to withstand these shifts, which can be difficult to predict over several years.

STABILITY OF A FIXED MORTGAGE

Fixed mortgages, by contrast, offer certainty. The interest rate is locked in for the duration of the deal, typically two, five, or even ten years, ensuring monthly payments stay the same regardless of changes to the base rate.

This stability makes fixed deals popular during times of economic uncertainty. Households can plan their finances with confidence, knowing exactly what they will pay each month. For families managing tight budgets, the reassurance of predictability often outweighs the possibility of savings from falling rates.

The disadvantage is reduced flexibility. If the base rate decreases, fixed-rate borrowers miss out on lower payments. Switching early usually results in a penalty, meaning they may need to wait until the deal ends before securing a cheaper rate. Fixed deals can also have slightly higher initial rates compared to trackers.

FACTORS TO CONSIDER

The decision between a tracker and a fixed mortgage depends on your expectations and personal circumstances. If interest rates are expected to fall, a tracker might be more affordable and offer an immediate advantage. Conversely, if rates rise, the same product could end up being more expensive than a fixed-rate mortgage.

Borrowers with a stable income, available budget, and a willingness to accept risk might be well-placed to withstand fluctuations of a tracker. Those who prefer certainty, or who would find it difficult with higher monthly payments, may opt for fixing.

The time horizon also matters. Someone planning to move within a few years might prefer the lower charges and flexibility of a tracker. Someone committed to staying longer may find that a fixed rate suits their plans better.

BALANCE OF FLEXIBILITY AND CERTAINTY

Neither option is inherently superior. A tracker provides freedom and the chance for lower costs if rates decrease, but it leaves borrowers exposed to uncertainty. A fixed rate offers peace of mind and predictable budgeting, but sacrifices flexibility and potential savings if rates fall.

Ultimately, the decision reflects the balance between a household's focus on stability versus opportunity. Recognising the differences and understanding how each product might develop over time enables borrowers to align their mortgage with their financial aims and risk appetite. ◆

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STAGING YOUR HOME FOR A VIEWING

Creating the right impression can help buyers see a property's true potential

WHEN SELLING A property, the first impression starts well before a potential buyer steps through the front door. The exterior sets the tone for the entire viewing, influencing whether visitors arrive with optimism or hesitation. Kerb appeal refers to the visual impact of a home from the street, and enhancing it can be one of the simplest and most cost-effective ways to attract serious buyers.

Viewings provide buyers with their first genuine feeling of a property's atmosphere, and how a space is presented can impact both the speed of the sale and the eventual price. Staging a home doesn't need expensive renovations; small tweaks can make a significant difference.

1. FOCUS ON KERB APPEAL

The exterior is the first thing buyers notice. A neat garden, clean windows, and a freshly painted front door create a welcoming atmosphere before they even step inside.

2. DECLUTTER ROOMS

Clutter can make rooms appear smaller and distract buyers. Clearing surfaces and removing excess items helps buyers focus on the space rather than the belongings.

3. DEEP CLEAN THROUGHOUT

A clean home shows it has been looked after. Floors, carpets, kitchens, and bathrooms should be immaculate. Freshly cleaned areas create a more welcoming atmosphere.

4. NEUTRALISE DÉCOR

Bold colours and personal styles can make it harder for buyers to picture themselves in a property. Neutral tones help rooms feel

brighter and more adaptable, attracting a broader audience.

5. ARRANGE FURNITURE TO MAXIMISE SPACE

Furniture should accentuate a room's proportions. Removing oversized pieces and arranging seating to emphasise flow can make spaces appear larger and more functional.

6. LET IN NATURAL LIGHT

Bright rooms feel more spacious and welcoming. Curtains should be drawn fully open and blinds lifted. When natural light is scarce, adding lamps can help create a warm atmosphere.

7. FRESHEN THE AIR

Smells leave a strong impression. Ventilating rooms, avoiding overpowering air fresheners, and adding subtle scents from flowers or baking can create a welcoming environment.

8. HIGHLIGHT KEY FEATURES

Fireplaces, built-in storage, or period details should be highlighted rather than concealed. Drawing attention to a home's unique features helps it stand out from others on the market.

9. CREATE A SENSE OF LIFESTYLE

Small details like a set dining table, neatly arranged cushions, or a cosy reading corner help buyers envision living in the property. These elements build both emotional appeal and visual impact.

10. PAY ATTENTION TO THE LITTLE THINGS

Loose handles, squeaky doors, or chipped paint can indicate neglect. Fixing minor issues shows that the home has been well-maintained and reassures buyers that bigger problems are less likely.

PRESENTING WITH PURPOSE

Staging isn't about hiding flaws but about presenting the property at its best. A well-prepared home enables buyers to focus on its potential rather than its shortcomings. Whether through fresh paint, simple repairs, or thoughtful furnishing choices, each small effort contributes to a stronger impression and a smoother sale. ◆

READY TO UNLOCK THE RIGHT MORTGAGE DEAL THAT'S RIGHT FOR YOU?

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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.

SELLING A HOUSE AFTER A DIVORCE

Separation may involve selling the family home, requiring careful and sensitive planning

DIVORCE OR SEPARATION is one of the most significant life changes a household can experience, and the family home often becomes a central part of this process. Selling a property in such circumstances is not only a financial decision but also an emotional one.

While the legal aspects of divorce provide the framework, the practicalities of marketing and selling a shared home must still be handled carefully.

DECIDING WHETHER TO SELL

The first question is whether selling is necessary. Some couples opt for one partner to stay in the home, either by buying out the other's share or through a legal agreement to postpone the sale. Others decide that selling is the simplest way to divide assets.

The decision generally depends on financial circumstances, childcare arrangements, and the amount of equity in the property. If selling becomes the preferred option, both parties must be clear on their shared goal of achieving a fair sale.

PREPARING THE PROPERTY FOR THE MARKET

Homes being sold after divorce face the same challenges as any other property on the market: presentation matters. Decluttering, carrying out small repairs, and staging rooms can help create a positive impression for buyers.

Practical cooperation at this stage can be difficult, but it often speeds up the sale and leads to stronger offers. If communication between parties is strained, using an agent as the main contact can help reduce tension.

> **"Homes being sold after divorce face the same challenges as any other property on the market: presentation matters."**

LEGAL AND FINANCIAL CONSIDERATIONS

Ownership arrangements define how the proceeds of a sale are divided. Joint tenants typically share their property equally, while tenants in common divide it based on their individual shares. Any remaining mortgage must be paid off on completion, with the remaining equity split according to the agreed settlement.

It is essential to understand that lenders will not release a party from the mortgage until the debt is settled or refinanced. This can affect affordability calculations for individuals aiming to purchase another property after a divorce.

MANAGING THE PROCESS SMOOTHLY

Clear communication, even when managed through solicitors or agents, reduces delays. Agreeing in advance on how offers will be handled prevents disputes once interest arises. Practical steps such as setting a realistic asking price and choosing an experienced conveyancer also help the process run more smoothly.

For many, emotions run high during a divorce sale. Viewing the property as an asset rather than a home can make decisions easier, although this is often easier said than done. Recognising the balance between financial fairness and personal feelings is essential to completing the sale without additional strain.

MOVING FORWARD

Selling a property after divorce can be daunting, but it also creates a clear starting point for the next chapter of life. Whether the funds are used to purchase separate homes, pay off debts, or achieve financial stability, the sale signifies a significant turning point.

Handled carefully, the process can offer more than just closure; it can establish stability and open the door for a new beginning. The key steps remain consistent with any sale: present the property well, handle legal and financial matters properly, and stay focused on the ultimate goal. ◆

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TOP TIPS FOR A SMOOTH PROPERTY SALE

Planning and decisive actions can help accelerate the selling process and ease stress

SELLING A PROPERTY can be one of life's more intricate transactions. With tasks like preparing the home, organising viewings, and handling legal paperwork, delays can easily occur. However, a seamless sale is achievable with proper preparation.

From presentation to paperwork, these steps can help sellers navigate the process more smoothly.

PREPARE THE PROPERTY PROPERLY

A well-maintained home is more attractive to buyers. Simple actions, such as cleaning, decluttering, and addressing minor repairs, create a positive first impression. Neutral décor and fresh air throughout the house can make spaces feel brighter and more inviting.

Kerb appeal is just as important. A neat garden, swept pathway, and freshly painted front door can help create a positive impression for buyers before they even step inside.

SET THE RIGHT PRICE

Overpricing a home can cause it to stay on the market longer, while underpricing might lead to missing out on potential value. Researching local sales and obtaining a realistic valuation ensure the asking price draws in serious buyers. Being flexible and willing to adjust the price if the market shows signs can also help maintain strong interest.

ORGANISE YOUR PAPERWORK EARLY

One of the main reasons for delays in property sales is the lack of essential documentation. Title deeds, planning permissions, energy performance certificates, and details of any guarantees should be collected before marketing the property. Having everything prepared helps speed up conveyancing once a buyer is found.

"One of the main reasons for delays in property sales is the lack of essential documentation. Title deeds, planning permissions, energy performance certificates, and details of any guarantees should be collected before marketing the property. Having everything prepared helps speed up conveyancing once a buyer is found."

CHOOSE THE RIGHT PROFESSIONALS

Choosing the right estate agent and conveyancer can greatly influence how smoothly a sale proceeds. An experienced agent will handle viewings and negotiations efficiently, while a proactive conveyancer ensures the legal steps progress without issues. Sellers benefit from having clear communication with both parties.

KEEP COMMUNICATION CLEAR

Many sales slow down because of miscommunication. Staying in regular contact with your agent, solicitor, and buyer makes sure everyone stays on the same page. Agreeing on timelines in advance, for surveys, responses, and the exchange of contracts, reduces uncertainty and helps keep the process moving smoothly.

BE FLEXIBLE WITH VIEWINGS

Accommodating viewing requests, even on short notice, maximises exposure and improves the chances of attracting the right buyer. A welcoming, well-presented home shown at convenient times can boost the number of offers.

ANTICIPATE COMMON DELAYS

Chains, mortgage approvals, and survey queries are common hurdles. Anticipating them helps to lessen stress. For example, fixing minor maintenance issues before a survey can avoid last-minute renegotiations. Similarly, understanding the buyer's position early can provide hints about the likely speed of the sale.

STAYING FOCUSED ON THE OUTCOME

Selling a home naturally involves some challenges, but thorough preparation and organised planning significantly help in minimising them. By showcasing the property effectively, setting a realistic price, and maintaining diligence with paperwork and communication, sellers can keep the process smooth and increase their chances of a hassle-free sale. ◆

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How to avoid selling your house to pay for care

Planning ahead can safeguard both your home and your financial security in later life

THE IDEA OF selling a home to cover long-term care costs is a concern for many households. With increasing life expectancy and the high expenses of residential and nursing care, the family home often becomes central to funding plans.

Although care must be taken in some way, there are strategies to control costs and plan ahead so that selling the property isn't the only solution.

HOW CARE COSTS ARE ASSESSED

In England, the local authority conducts a financial assessment to determine the amount an individual must contribute towards their care. If savings and assets, including the value of a home, exceed certain thresholds, individuals are expected to pay for their own care. Only when assets fall below the threshold does state support kick in.

There are exceptions. For instance, if a spouse or certain relatives continue to reside in the property, the home may be excluded from the assessment. These rules can offer protection, but they depend on circumstances and require careful understanding.

USING SAVINGS AND INCOME

For those with sufficient pensions, savings, or investments, it may be possible to fund care without depleting property wealth. Relying on income streams or gradually utilising savings can create a buffer, keeping the home outside the immediate considerations.

However, care costs are substantial. The average weekly fee for residential care for self-funders is approximately £1,298[1], with some providers charging between £925 and £2,828 per week, depending on the level of care required[2].

For many households, this means that income and savings alone may not suffice in the long run. Planning how these resources relate to property wealth is, therefore, a crucial aspect of financial preparation.

EQUITY RELEASE AND OTHER OPTIONS

An alternative to selling is equity release, which allows homeowners to access some of the value tied up in their property while

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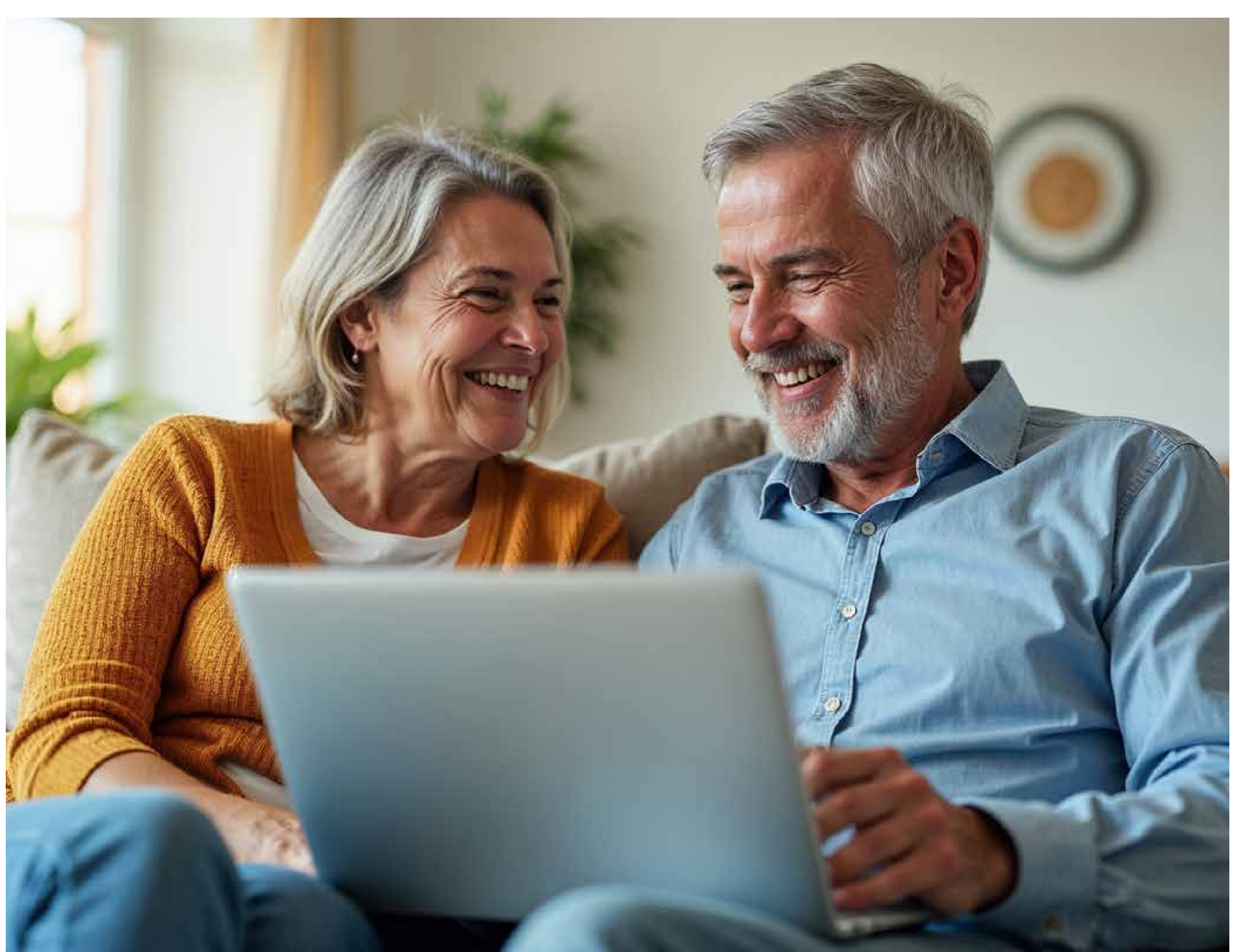

continuing to reside there. The funds released can be utilised for care costs, whether at home or in a residential setting.

Another option is renting out the property if the individual enters care. This can create an income stream that helps cover fees while still allowing ownership to be retained. Both options involve financial and practical considerations, and the effect on inheritance should be carefully considered.

PROTECTION THROUGH PLANNING

Wills, trusts, and broader estate planning also play an important role. Placing assets into specific legal structures may, in some cases, influence how they are assessed. However, deliberate deprivation of assets, where wealth is transferred to avoid care costs, can be challenged by local authorities. Planning must therefore be genuine, timely, and properly structured.

Seeking regulated professional advice before making major decisions is vital, not only to comply with the rules but also to ensure that care needs are met without creating unnecessary financial strain.

BALANCING CARE AND PROPERTY

Avoiding the sale of a home to fund care is not always possible, but it is not inevitable either. With early planning, the right combination of income, savings, and property-based solutions can offer alternatives. For many, the goal is to strike a balance between the dignity of receiving necessary care and the desire to preserve a family home for future generations. ◆

Source data:
[1] carehome.co.uk/advice/care-home-fees-and-costs-how-much-do-you-pay
[2] bupa.co.uk/care-services/care-home-costs

"Seeking regulated professional advice before making major decisions is vital, not only to comply with the rules but also to ensure that care needs are met without creating unnecessary financial strain."

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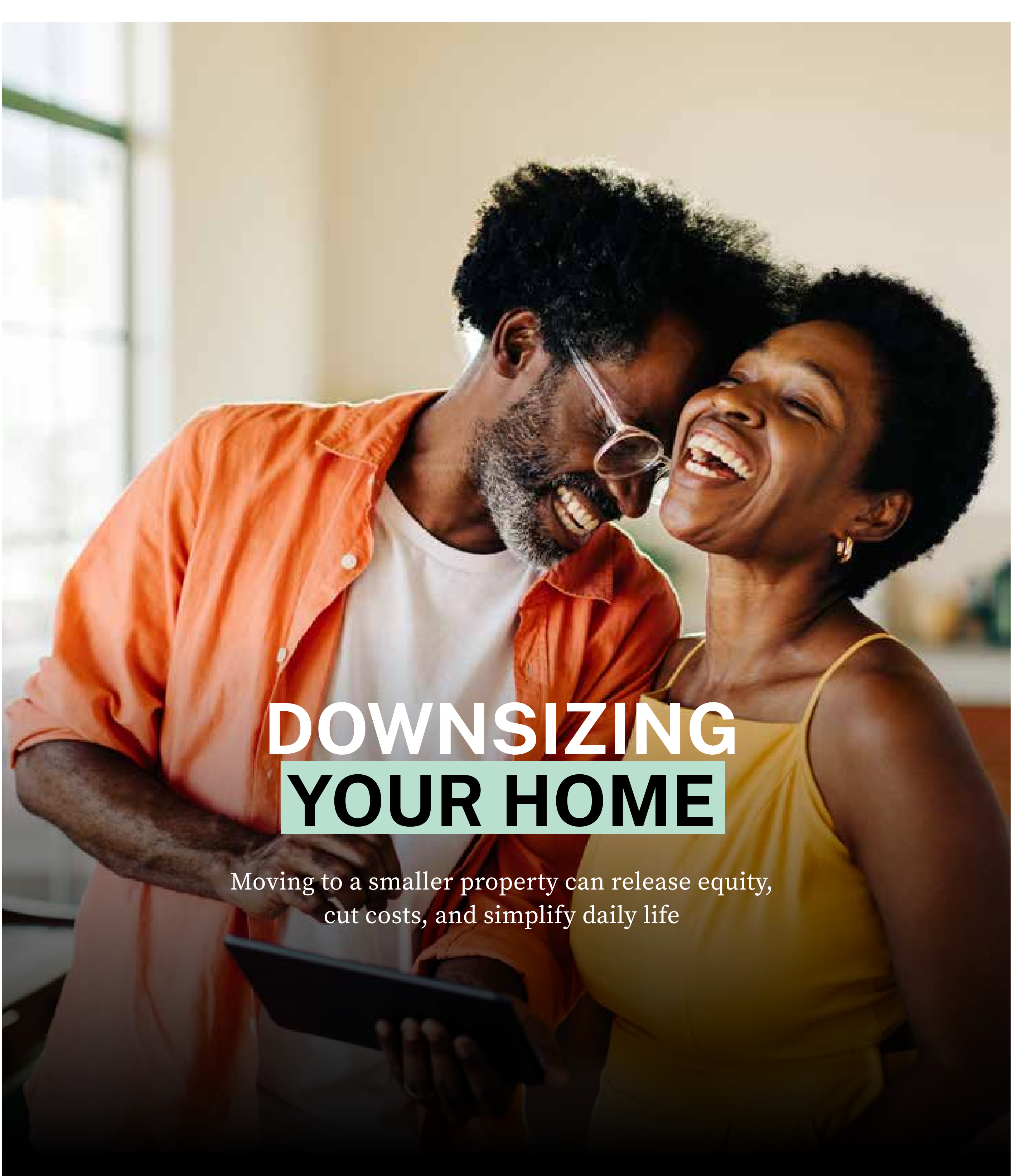

DOWNSIZING YOUR HOME

Moving to a smaller property can release equity, cut costs, and simplify daily life

SELLING PROPERTY

"There is no specific "right" age or stage to downsize, but certain triggers are common. Approaching retirement, children moving out, or the wish to cut expenses often prompt the decision."

DOWNSIZING IS A decision many homeowners consider at some stage, whether to reduce financial commitments, free up equity, or make life more manageable.

While it is often associated with retirement, the appeal extends to anyone looking to align their home with a new phase of life. Like any major move, it involves weighing practical, financial, and emotional factors.

WHY DO PEOPLE CHOOSE TO DOWNSIZE?

One of the main motivations is financial. A smaller property typically has lower running costs, including utility bills and council tax. Selling a larger home can also unlock equity, which might be used to boost retirement income, fund lifestyle goals, or support family members.

For others, the emphasis is on lifestyle. A smaller property can mean less maintenance, fewer unused rooms, and a layout better suited to evolving needs. Downsizing can also offer the chance to move closer to amenities, family, or healthcare services.

WHEN THE TIME FEELS RIGHT

There is no specific "right" age or stage to downsize, but certain triggers are common. Approaching retirement, children moving out, or the wish to cut expenses often prompt the decision. Health issues, such as mobility problems or the need to be nearer to services, can also influence the choice.

The property market can also affect the timing. Selling during a stronger market may yield a higher return, while purchasing in an area where smaller properties are in demand could mean acting sooner rather than later.

FINANCIAL IMPLICATIONS

Selling a larger property and purchasing a smaller one usually generates surplus funds. This released equity can be allocated towards retirement income, investments, or helping children onto the property ladder. It may also be used to clear any outstanding mortgage, reducing financial commitments in later life.

However, downsizing involves costs. Stamp duty, estate agency fees, conveyancing charges, and moving expenses are all factors that need to be considered. There may also be compromises regarding location or space, depending on budget and the availability of suitable properties.

AN EMOTIONAL SIDE

For many, leaving a family home is as much an emotional choice as a financial one. Memories associated with a long-term residence can make the idea of moving difficult. Taking time to plan the transition and focusing on the advantages of a simpler, more manageable property can help ease the process.

Practical steps, such as gradually decluttering and involving family in decisions, can help make the emotional side of downsizing easier to manage. Recognising that the move is about creating a future that better fits current needs can shift the perspective in a positive way.

MOVING FORWARD

Downsizing can offer financial freedom, a more suitable living environment, and a fresh start. It is not a decision to be made hastily, but when carefully thought through, it can harmonise a property with shifting priorities and long-term goals. For many, the result is a home that feels right for the next chapter of life, practical, affordable, and easier to enjoy. ◆

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SELLING PROPERTY

LOCATION, LOCATION, LOCATION

Why your postcode affects how fast properties list and exchange

SELLING A HOME can take time, but the length varies greatly depending on the location. Market conditions, local demand, and property type all influence how long it takes from listing to exchange. For homeowners planning their next move, knowing regional patterns can help set realistic expectations and reduce frustration.

NATIONAL AVERAGES

On a national level, the average time from listing a property to completion has typically been around four to five months in recent years. This includes the marketing period, negotiations, and the legal process of conveyancing. While this figure offers a general guide, individual sellers' experiences can vary considerably depending on location and circumstances.

FASTER-MOVING AREAS

Some parts of the country consistently experience faster sales. Popular urban centres and commuter towns, where demand exceeds supply, often have shorter marketing periods. Properties in these locations can attract multiple offers shortly after listing, with competition helping to accelerate the process.

Well-connected towns near London, major university cities, and desirable suburban neighbourhoods tend to perform especially well. For sellers in these areas, the main challenge is not finding a buyer but managing the chain and ensuring legal processes progress smoothly.

SLOWER-MOVING AREAS

In contrast, properties in more rural or less economically active areas may take longer to sell. Lower demand can mean homes remain on the market for extended periods before attracting interest. Factors such as distance from transport links, fewer local employment opportunities, or an oversupply of a particular property type can all play a role.

For sellers in these markets, setting a competitive asking price and presenting the property well become even more important. Patience is often required, as the time to secure a buyer may be several months longer than the national average.

IMPACT OF PROPERTY TYPE

Location isn't the only factor. Flats and smaller homes tend to sell faster because they're more attractive to first-time buyers and those looking to downsize. Larger properties, especially high-end ones, can take longer to sell as fewer people are interested.

Condition also matters. Well-maintained and realistically priced properties typically sell faster than those requiring significant work, regardless of the region.

WHAT SELLERS CAN DO

Although the location can't be changed, sellers can influence certain parts of the process. Preparing paperwork early, instructing a conveyancer before marketing, and maintaining clear communication can all help reduce delays. Choosing an experienced estate agent who understands local market conditions is also valuable for setting realistic expectations and pricing correctly.

Taking a realistic outlook

The time it takes to sell a home ultimately depends on national trends, regional demand, and individual property factors. For some, the process will be quick; for others, it may take longer. Recognising these differences helps sellers prepare both practically and emotionally for the journey from listing to completion. ◆

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SELLING PROPERTY

Preparing a probate property for sale

Understanding how it functions and its impact on timescales

WHEN A HOMEOWNER passes away, their property typically constitutes a significant portion of their estate. If the home needs to be sold, the process cannot begin immediately. A legal process called probate must be completed before ownership can be transferred and the sale finalised. Understanding how probate functions and its effect on timescales is essential for managing expectations during what is often an emotionally charged period.

WHAT PROBATE MEANS

Probate is the legal right to manage a person's estate after they pass away. It verifies who has the authority to sell the property, settle debts, and distribute assets according to the Will or intestacy laws. Without probate, a sale cannot be legally finalised, even if a buyer has been found.

In most cases, probate is granted to the executor named in the Will. If there is no will, an administrator is appointed in its place. The process can take several months, depending on the estate's complexity and whether any disputes arise.

STEPS BEFORE THE SALE

Before applying for probate, the property should be valued. An estate agent or surveyor can provide an assessment, which will also assist in calculating Inheritance Tax. At this stage, it is also advisable to check whether the property is insured and secure, as vacant homes may require specialist cover. Applying for probate involves submitting forms to the Probate Registry and, if necessary, settling Inheritance Tax with HMRC. Only after the grant of probate (or letters of administration) is issued can the property be legally sold.

MARKETING A PROBATE PROPERTY

Probate sales often attract interest from buyers, especially investors, who view them as opportunities. However, the timescales involved mean that sellers must be realistic about how quickly a sale can proceed. Marketing can commence before probate is granted, but contracts cannot be exchanged until the legal paperwork is finalised.

Preparing a property for sale follows the same principles as any other property: decluttering, cleaning, and making small repairs can make it more appealing to buyers. Families may also need to consider how to handle personal belongings carefully before viewings begin.

LEGAL AND FINANCIAL CONSIDERATIONS

The proceeds from a probate sale must be used to settle debts and taxes before any inheritance is distributed. Executors are responsible for ensuring this is done correctly. Any outstanding mortgage on the property must also be paid off upon completion.

It is essential to maintain clear records of valuations, offers, and final sale prices, as this information might be required for Inheritance Tax calculations or to answer questions from beneficiaries. Working with an experienced solicitor or conveyancer helps ensure these details are handled correctly.

A SENSITIVE PROCESS

Selling a probate house combines practical property steps with the emotional weight of bereavement. The process often takes longer than a standard sale, but with patience and good organisation, it can be managed smoothly. Understanding the role of probate, preparing the property, and maintaining clear communication with professionals are all key to ensuring the sale supports both the estate's needs and the wishes of those involved. ◆

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ENERGY PERFORMANCE CERTIFICATE (EPC) EXPLAINED

A guide to what EPCs mean for homeowners and buyers

AN ENERGY PERFORMANCE CERTIFICATE, or EPC, is a legal requirement when selling, renting, or constructing a property. It provides a snapshot of a home's energy efficiency, rated on a scale from A to G, with A representing the most efficient.

EPCs have been part of the property scene for over ten years, but many homeowners and buyers are still unclear about what they involve, why they matter, and how they can influence decisions.

WHAT AN EPC SHOWS

An EPC shows two main ratings: the current energy efficiency of the property and its potential if improvements are made. The assessment considers factors such as insulation, heating systems, double glazing, and renewable technologies. Along with the ratings, the certificate provides estimated energy costs and recommended upgrades.

For buyers and tenants, an EPC offers insight into the likely running costs of a home. For sellers and landlords, it is a legal requirement that must be in place before the property is listed for sale.

HOW AN EPC IS OBTAINED

An EPC can only be issued by an accredited energy assessor who visits the property to carry out inspections. The process is straightforward and usually takes less than an hour, depending on the size of the property. Once completed, the certificate remains valid for ten years and is registered on a national database accessible to potential buyers or tenants.

The cost of an EPC varies, but it is usually modest compared to other moving expenses. Some estate agents include it within their marketing packages, while others require homeowners to organise it separately.

WHY EPCS MATTER

EPC ratings are increasingly important in property decisions. A higher rating can make a home more attractive to buyers worried about running costs or environmental impact.

Looking ahead, discussions persist about increasing these minimum standards further. Buyers could use an EPC to negotiate the price if significant improvements are recommended.

IMPROVING YOUR EPC RATING

Typical improvements that enhance an EPC score include upgrading insulation, installing more efficient boilers, fitting

double or triple glazing, and adding renewable energy systems such as solar panels. Some measures require a substantial investment, while others, like draft proofing or low-energy lighting, are affordable and easy to implement.

An improved rating not only reduces running costs but also increases a property's value and attractiveness. For homeowners, it improves both comfort and sustainability.

A KEY PART OF TODAY'S HOUSING MARKET

EPCs are more than just a formality. They influence how properties are perceived and affect affordability. Although quick to obtain and relatively inexpensive, their impact on long-term planning should not be ignored. Whether buying or selling, understanding an EPC is crucial for navigating the property market. ◆

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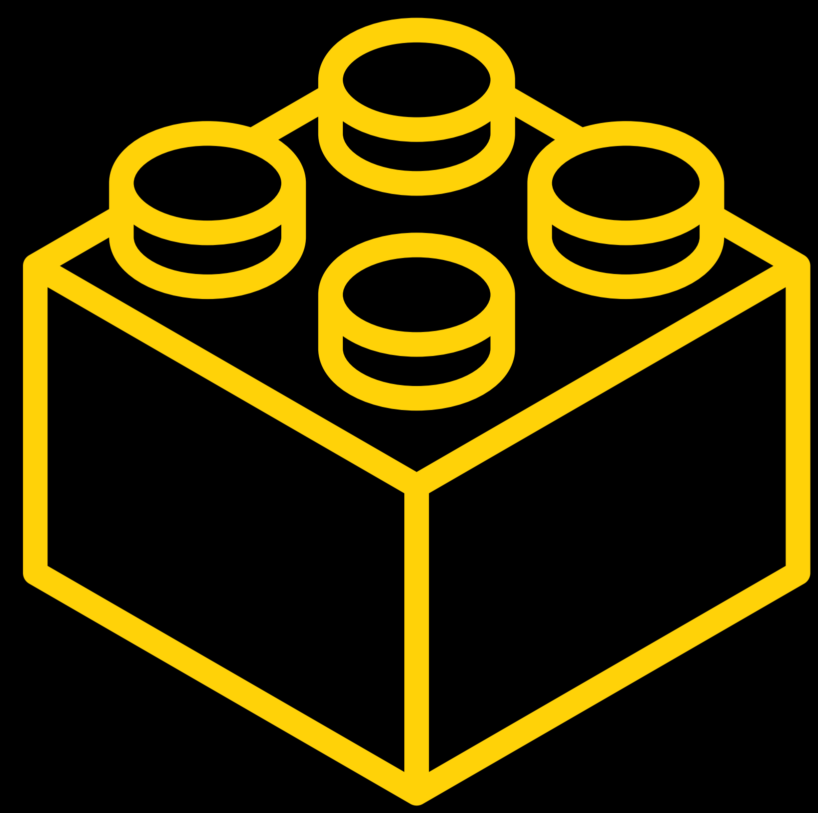

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THINK CAREFULLY BEFORE SECURING OTHER DEBTS AGAINST YOUR HOME.
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SHOULD I SELL MY HOUSE NOW?

Timing a sale depends on market conditions, personal goals, and financial readiness

“Selling a property involves both expenses and potential profits. Estate agency fees, conveyancing charges, and removal costs all accumulate. Sellers should also assess their mortgage situation: if they are locked into a fixed deal, early repayment charges may apply.”

DECIDING WHETHER TO sell a home is rarely a straightforward decision. The housing market is influenced by interest rates, buyer demand, and wider economic conditions, while personal circumstances are equally important.

For some households, selling now may offer advantages; for others, waiting could be wiser. Considering both external and personal factors helps in making an informed decision.

MARKET CONDITIONS

Property markets go through cycles. Times of high demand can result in quicker sales and increased prices, while during slower periods, properties may take longer to sell or attract lower offers. Interest rates directly impact affordability for buyers, influencing how much they can borrow and their confidence to buy.

For sellers, this involves closely monitoring current market conditions. If demand in the local area is high and properties are selling quickly, selling sooner might be advantageous. If activity is slower, sellers should be realistic about pricing and prepared for longer timescales.

PERSONAL CIRCUMSTANCES

Besides market conditions, personal needs often influence the decision. Changes in family size, relocation for work, or a desire to release equity can all lead to a sale. For some, the reason might be to downsize and save costs, or to move closer to family.

If the move isn’t urgent, waiting for a more favourable market might be an option. However, if personal goals demand action now, it could be better to prioritise lifestyle needs over perfect timing.

FINANCIAL CONSIDERATIONS

Selling a property involves both expenses and potential profits. Estate agency fees, conveyancing charges, and removal costs all accumulate. Sellers should also assess their mortgage situation: if they are locked into a fixed deal, early repayment charges may apply.

Similarly, those planning to purchase another property must consider their affordability in light of the current lending environment. Higher mortgage rates could counteract the benefits of selling at a good price.

ALTERNATIVES TO SELLING

For some, selling might not be the only option. Renting out the property can generate income while maintaining ownership, offering flexibility in case market conditions become uncertain. Others might consider remortgaging to release equity without needing to move.

These alternatives carry their own risks and responsibilities, but they show that selling immediately is not always the only choice.

FINDING THE RIGHT MOMENT

There is rarely a single “best” time to sell that fits everyone. A mix of external market factors and personal priorities determines the right moment. Sellers who understand both can approach the process with realistic expectations, whether that means acting now or waiting for conditions to improve. ◆

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FIRST-TIME SELLERS' GUIDE

What to expect when selling your home for the first time

SELLING A PROPERTY for the first time can feel daunting. Although buying a home is often seen as the bigger milestone, selling has its own set of difficulties. From preparing the property to handling viewings and navigating legal procedures, several key steps must be taken into consideration.

With proper preparation, first-time sellers can undertake the process with greater confidence.

PREPARING THE PROPERTY

The initial step is to prepare the home for sale. Presentation is vital in attracting buyers. Decluttering, cleaning, and small repairs can enhance the property's appeal. Neutral décor and well-lit rooms help potential buyers picture themselves living there.

Kerb appeal also matters. A tidy garden, freshly painted front door, and clean windows create a positive impression for buyers before they even step inside.

SETTING THE RIGHT PRICE

Pricing a property accurately is crucial. If set too high, it may remain unsold for months; setting it too low risks losing potential value. Research local sales and seek valuations from multiple agents to form a realistic expectation. Being willing to adjust based on market feedback helps maintain momentum.

CHOOSING PROFESSIONALS

Your estate agent will market the property, organise viewings, and negotiate offers. A conveyancer or solicitor will handle the legal transfer of ownership. Choosing experienced professionals and establishing clear communication from the start reduces the risk of delays.

It is also important to organise key paperwork early. Title deeds, energy performance certificates, and details of guarantees or alterations may all be needed once an offer is received.

MANAGING VIEWINGS AND OFFERS

Viewings provide the chance to showcase the home. Sellers should ensure the property is clean, tidy, and welcoming for each appointment. Flexibility in accommodating potential buyers can boost interest and lead to quicker offers.

"Pricing a property accurately is crucial. If set too high, it may remain unsold for months; setting it too low risks losing potential value. Research local sales and seek valuations from multiple agents to form a realistic expectation."

When offers arrive, it is not just the headline figure that counts. The buyer's position, whether they are a cash buyer, a chain-free purchaser, or rely on a mortgage, can influence how smoothly the sale progresses. Considering both price and circumstances is essential to choosing the right offer.

NAVIGATING THE LEGAL PROCESS

Once an offer is accepted, the conveyancing process commences. This involves conducting searches, surveys, and exchanging contracts. The timeline varies, but sellers should be prepared for several weeks of correspondence between solicitors. Responding promptly to requests for information helps prevent unnecessary delays.

Completion occurs after exchange, at which point ownership passes to the buyer and the seller receives the sale proceeds. Planning ahead for removals and the logistics of moving day helps ensure a smoother transition.

TAKING THE NEXT STEP

Selling a home for the first time can be a learning experience, but it doesn't have to be daunting. By preparing the property, pricing it sensibly, working with experienced professionals, and staying organised, first-time sellers can navigate each stage with clarity. The ultimate reward is not just a successful sale, but the ability to move forward into the next chapter of homeownership. ◆

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PROPERTY TAX REFORM ON THE HORIZON!

Understanding the possible changes and their implications for homeowners

TAXATION PLAYS A CRUCIAL role in the housing market, influencing the costs associated with buying, selling, and owning a home. Recently, both council tax and stamp duty have been reviewed, with increasing calls to modernise systems that many consider outdated. While reform is not certain, debates about fairness and efficiency keep it a topical issue for households across the UK.

WHY REFORM IS BEING CONSIDERED

Council tax bands in England remain based on property values as of April 1, 1991[1]. Over the years, property prices have risen unevenly across the country. This leads to two households in very different financial situations paying similar amounts, while others pay disproportionately more. Calls for revaluation aim to make contributions fairer and more aligned with today's property market.

Stamp Duty Land Tax (SDLT), meanwhile, is one of the most criticised property taxes. Charged on the purchase of homes above set thresholds, it is often seen as a barrier to mobility. Adding thousands of pounds to the upfront cost of moving can discourage downsizing, first-time buyers, and relocation for work.

THE CASE FOR CHANGE

Policymakers are examining whether reform could enhance fairness while preserving revenues. In 2021/22, SDLT generated £14.1 billion, with £10.17 billion coming from residential property transactions[2]. However, receipts remain volatile.

In 2023/24, total stamp taxes fell by approximately 23%, dropping from £19.1 billion the previous year to £14.8 billion[3]. These fluctuations underscore the reliance on market activity and raise questions about long-term sustainability.

Council tax reform remains a debated topic. Options involve revaluing homes using current prices, adding new bands for higher-value properties, or restructuring the system to be more progressive. Each proposal shifts the burden of who pays more or less, which explains why progress has been slow.

WHAT CHANGES COULD LOOK LIKE

Potential reforms could involve:

- Updating council tax bands to reflect current values, which could result in higher bills in areas experiencing significant price increases and lower bills where prices have risen less.
- Lowering stamp duty thresholds to ease access for first-time buyers and those upgrading their homes.
- Replacing one-off charges with regular levies distributes the cost over time but results in ongoing liabilities for homeowners.

None of these options is clear-cut. Every modification creates winners and losers, and governments must balance fairness with political and economic repercussions.

IMPLICATIONS FOR HOMEOWNERS

For households, reform could mean changes in annual expenses or the upfront costs of moving. Those in higher-value properties might face larger council tax bills, while buyers of modest homes could see relief if thresholds are modified. For sellers, lower stamp duty might encourage more movement in the market, but annual property-based charges could raise longer-term costs.

What is evident is that the current system is under pressure. Outdated valuations and unpredictable transaction taxes make reform a repeated issue. For homeowners and buyers, keeping informed about the debate's course helps them be better prepared for any changes.

PREPARING FOR THE FUTURE

Currently, no decisions have been finalised. Proposals are still under discussion, with the Office for Budget Responsibility (OBR) and HM Treasury monitoring revenues and the impact of housing activity on the wider economy. For households, the focus should stay on understanding how property taxes operate today, while recognising that reform could change them in the future. ◆

> "In 2023/24, total stamp taxes fell by approximately 23%, dropping from £19.1 billion the previous year to £14.8 billion[3]."

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Source data:

[1] gov.uk/guidance/understand-how-council-tax-bands-are-assessed

[2] commonslibrary.parliament.uk/research-briefings/sn07050/

[3] gov.uk/government/statistics/uk-stamp-tax-statistics/uk-stamp-tax-statistics-2023-to-2024-commentary

BUYING A HOME THROUGH SHARED OWNERSHIP

How the scheme works and what to consider before applying

BUYING A HOME THROUGH shared ownership can serve as a stepping stone onto the property ladder. For many first-time buyers, it provides one of the few accessible routes to homeownership when rising prices make buying outright difficult.

Understanding how the scheme operates, its associated costs, and its long-term implications will help you decide if it's the right choice.

HOW SHARED OWNERSHIP WORKS

Shared ownership is meant for people who cannot afford to buy a home on the open market. You buy a share of a property, usually between 10% and 75%, and pay rent on the remaining part to a housing association. Over time, you can buy more shares through "staircasing" until you fully own the property.

The mortgage you take out covers only the share you buy, keeping repayments lower than if you were to purchase the full property. However, you must also budget for rent, service charges, and maintenance costs.

WHO CAN APPLY

The scheme is mainly intended for first-time buyers, but it is also accessible to those who have previously owned a home and can no longer afford to purchase one outright. Household income must be £80,000 a year or less outside London, or £90,000 or less within London. You must also prove that buying a suitable home on the open market is not a viable option.

Certain groups, such as serving members of the armed forces, are prioritised. Applicants must also meet the affordability and credit checks required by lenders and the housing association.

COSTS TO CONSIDER

While shared ownership lowers the barrier to entry, several costs still apply. You will need a deposit, usually at least 5% of the share you are purchasing. For example, if the home is valued at £250,000 and you buy a 25% share (£62,500), a 5% deposit would be £3,125.

Monthly costs include mortgage repayments, rent to the housing association, and service charges for communal areas or estate maintenance.

Stamp duty may also apply, although you can often choose to pay it either upfront on the full amount or gradually as you staircase.

BENEFITS AND DRAWBACKS

Shared ownership provides an affordable entry, needing smaller deposits and mortgage commitments. Staircasing enables you to increase ownership gradually, making it easier to adapt as your financial situation improves.

There are, however, trade-offs. Rent and service charges continue alongside your mortgage, which can limit savings. Not all lenders offer shared ownership mortgages, so the options may be more limited. Selling can also be more complicated, as housing associations often have the right to find a buyer before listing the property on the open market.

LOOKING AHEAD

For many, shared ownership serves as a stepping stone: a way to live in an area that might otherwise be unaffordable or to ease into ownership more gradually. It is important to consider both the present and the future. Rent reviews, increasing service charges, and the cost of staircasing all affect affordability over time.

Shared ownership may not suit everyone, but for many, it provides a practical and flexible way to establish roots. ◆

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What still influences house prices in major UK cities?

Transport connectivity remains a key factor in buyer demand and property values

WHEN BUYERS CONSIDER where to live, transport remains one of the first factors on the checklist. Access to reliable rail, Underground, or bus networks can reduce commutes, open up job opportunities, and connect residents to the wider region.

Properties close to strong transport links often command higher demand, as reflected in their prices.

PREMIUM FOR CONNECTIVITY

Homes located near well-connected transportation hubs consistently command a premium. Recent housing market data shows that in London, properties within 500 metres of a station are valued about 8% higher than those 1,500 metres away, a difference of over £40,000 on an average home[1].

The effect extends beyond the capital. Major cities like Manchester, Birmingham, Leeds, and Glasgow also experience higher prices near popular rail and tram stops. Buyers are often willing to pay more for the confidence that comes with convenient commuting and dependable transportation links.

WHY TRANSPORT MATTERS TO BUYERS

Commuting remains a vital part of daily life for many households. Even with the increase in hybrid working, proximity to transport hubs offers reassurance and flexibility. In London, access to the Underground is crucial, whereas in regional cities, demand tends to cluster around rail corridors and tram networks.

Connectivity also connects residents to better schools, cultural centres, and job opportunities. These lifestyle advantages drive long-term demand and help explain why buyers are willing to stretch their budgets when good transport links are included.

> **"Commuting costs are part of the overall calculation. Season tickets, fuel, and travel cards can add up, and lenders often consider these expenses when assessing affordability."**

THE IMPACT OF NEW INFRASTRUCTURE

New projects can influence local property markets. An analysis of the Elizabeth line (Crossrail) revealed that property values around planned stations began to increase even before services commenced, with "announcement effects" contributing to an additional rise above overall market trends[2].

Plans for HS2 have exhibited similar trends, with areas near confirmed stations, such as Birmingham Curzon Street, experiencing increased buyer interest before construction[3]. Although parts of the project have been scaled back, its initial announcements demonstrate how significant transport projects can impact local markets well before they are completed.

Tram and rail upgrades in cities like Manchester and Nottingham have also increased demand in previously less desirable districts. Buyers who purchase before improvements are finished often see stronger price growth once the services open.

BALANCING AFFORDABILITY AND LOCATION

While proximity to transport offers long-term advantages, it can also drive prices beyond some buyers' budgets. Households considering affordability may choose to look a little further from the station to gain more space. For others, the time saved on commuting makes the extra cost justified.

Commuting costs are part of the overall calculation. Season tickets, fuel, and travel cards can add up, and lenders often consider these expenses when assessing affordability. Balancing mortgage repayments with ongoing travel costs is a crucial step when choosing a home.

LOOKING AHEAD

Transport will continue to influence the housing market. With urban populations expanding and governments investing in regeneration, areas near major stations and new transport hubs are expected to remain resilient, even when broader conditions weaken.

For buyers, transport links are more than just a convenience; they are among the most influential factors shaping demand and value in the UK's major cities. ◆

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Source data:
[1] nationwide-intermediary.co.uk/news/transport-links-special-report
[2] content.tfl.gov.uk/property-impacts-report-acc.pdf
[3] ft.com/content/67afb3e5-e493-4959-8b43-633d8d76e805

Younger buyers see homeownership as harder and less central

Affordability pressures are reshaping how younger generations approach the housing market

FOR DECADES, BUYING A HOME has been considered the cornerstone of financial security. Today, younger generations face different circumstances. Research indicates that homeownership among individuals in their twenties and thirties has declined significantly compared to earlier generations, with many opting to postpone or question whether they will ever own a property[1].

Rising prices, higher deposits, and stricter affordability rules have altered expectations, making ownership more difficult to attain and less integral to life plans.

DECLINE IN HOMEOWNERSHIP AMONG YOUNG ADULTS

The research data indicate that homeownership rates for individuals aged 25 to 34 have declined from approximately 55% in the mid-1990s to around 34% by 2016. More recent figures indicate some recovery, with around 39% of this age group owning their homes in 2022/23; however, this remains significantly below historical levels[2].

"The decline is especially pronounced in London, where fewer than one in three people aged 20 to 39 currently own their own homes, compared to approximately 41% across England[3]."

The decline is especially pronounced in London, where fewer than one in three people aged 20 to 39 currently own their own homes, compared to approximately 41% across England[3]. For many, the issue is not desire but affordability. The gap between house prices and average earnings has widened, making it difficult to save a deposit while managing rising living costs.

AFFORDABILITY PRESSURES

House prices have outpaced wages over the past two decades, with the average deposit for first-time buyers now surpassing £30,000 nationwide and exceeding £60,000 in London[4]. Interest rates have also increased since 2022, resulting in higher monthly repayments and reduced lending amounts from lenders.

As a result, many younger households are postponing purchases, settling for different locations or property types, or relying on family support to help them manage. Without these measures, ownership often seems beyond reach.

SHIFTING PRIORITIES

The traditional expectation of buying a home in the late twenties or early thirties is shifting towards longer periods of renting. Private renting among younger adults has increased steadily, reflecting both necessity and shifting attitudes[5]. For some, renting offers flexibility to move for work or lifestyle reasons, while others prioritise travel, education, or building financial security through different channels before considering property ownership.

The data shows that over half (51%) of 20 to 24-year-olds now live with their parents, up from 44% a decade earlier. This delay in forming independent households highlights how affordability pressures are changing housing demand patterns.

ROLE OF SUPPORT

Government schemes, such as shared ownership or First Homes, provide a pathway into the market for those unable to purchase outright. Family support, especially through gifted deposits, remains a vital enabler. However, these options are not accessible to everyone and cannot entirely address the structural issue of high house prices relative to incomes.

We understand how complex this situation can seem for younger buyers, and we are here to help you compare the different funding routes to ownership with your long-term financial goals.

LOOKING AHEAD

While ownership remains a goal for many younger people, it no longer holds the same certainty or importance as it once did. Delays in entering the market, longer rental periods, and a greater emphasis on flexibility indicate a generational shift in priorities.

For the housing market, this indicates steady demand in the rental sector along with a more gradual shift towards ownership. For individuals, it emphasises the importance of planning, exploring all available options, and weighing both the benefits and challenges of homeownership in today's climate. ◆

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Source data:

[1] ifs.org.uk/sites/default/files/output_url_files/BN224.pdf
[2] ifs.org.uk/articles/homeownership-young-adults-has-recovered-its-2010-level
[3] london.gov.uk/who-we-are/what-london-assembly-does/london-assembly-press-releases/how-achievable-home-ownership-london-young-people
[4] ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/healthandwellbeing/articles/howdoeshomeownershiphealthandmore differacrosssociety/2023-08-09
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Understanding the cost of setting up a home

What first-time buyers need to budget for beyond the deposit

BUYING A PROPERTY is a major financial decision, but the costs don't stop once you've paid your deposit and secured a mortgage. Setting up a home involves a series of one-off and ongoing expenses that many first-time buyers often underestimate.

From legal fees to furniture, budgeting carefully can make the difference between a smooth move and financial stress.

UPFRONT COSTS BEYOND THE DEPOSIT

Most buyers know they'll need a deposit, but other upfront costs can also add up quickly. Legal and conveyancing fees (ranging from £500 to £1,500) vary depending on the property's value, location, and the complexity of the transaction[1]. Buyers also pay for searches and disbursements, which can increase the total cost by several hundred pounds.

Survey costs also vary. A basic report may cost between £300 and £500, while more detailed homebuyer surveys typically range from £600 to £900. A full structural survey is the most expensive option, often exceeding £1,000 for larger or older properties[2].

Moving costs are an important factor. Hiring professional movers for a three-bedroom house can cost around £1,200, although prices vary depending on the distance and level of service. Even if you choose a more affordable van rental, you still need to consider the costs of fuel and insurance.

ESSENTIAL HOUSEHOLD EXPENSES

Once you're in, daily running costs start immediately. Council tax is among the highest, with Band D properties averaging just under £2,000 per year in England. Utilities, including gas, electricity, and water, can cost between £150 and £250 per month, depending on usage and the property's efficiency.

Broadband and TV packages usually cost between £25 and £60 per month. Home insurance is another expense, averaging about £300 annually for combined buildings and contents cover.

These figures vary depending on location, property type, and provider, but collectively, they illustrate how household bills can substantially increase monthly expenses.

FURNISHING AND EQUIPPING YOUR HOME

Furnishing a first property is one of the most underestimated expenses. Even essential items, such as a bed, sofa, table, and chairs, can cost several thousand pounds. Market surveys estimate that furnishing a two-bedroom property costs between £4,000 and £5,000[2].

> **"Furnishing a first property is one of the most underestimated expenses. Even essential items, such as a bed, sofa, table, and chairs, can cost several thousand pounds."**

Appliances represent another expense. If not included in the purchase, items such as a washing machine, fridge freezer, and cooker can cost £1,500 or more. Smaller essentials like kettles, pans, bedding, and light bulbs can quickly raise the total. Many first-time buyers spread these costs over months or years, but it is still wise to set aside funds for immediate necessities.

THE IMPACT ON FIRST-TIME BUYERS

These costs are added to already high deposits and mortgage repayments. Recent data show that the typical first-time buyer deposit is now over £60,000 nationwide, and more than £68,000 in certain regions[3]. With budgets stretched, some delay purchasing furniture or rely on family support to cover initial expenses. Others choose second-hand items or buy gradually, prioritising essentials first.

What's clear is that budgeting only for the deposit and mortgage leaves little room for the true cost of setting up a home. Careful planning helps prevent unexpected debt or the need for high-interest credit to cover short-term financial gaps.

PLANNING AHEAD

For anyone preparing to buy their first property, planning out the likely costs in advance can help reduce stress. Listing every major category, such as legal fees, moving costs, council tax, utilities, insurance, furniture, and appliances, offers a clearer understanding of the financial commitment.

Setting aside an extra 5% to 10% of the purchase price for these additional expenses is often a useful guideline. While each household varies, the key is to avoid being caught out by costs that are predictable but easy to overlook.

Homeownership offers security and the freedom to personalise your space, but it begins with realistic budgeting. Knowing the full picture makes the journey into your new home more manageable. ◆

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Source data:

[1] comparemymove.com/guides/conveyancing/average-conveyancing-fees

[2] moneyhelper.org.uk/en/homes/buying-a-home/estimate-your-overall-buying-and-moving-costs

[3] unbiased.co.uk/discover/mortgages-property/buying-a-home/average-first-time-buyer-deposit

Nearly half of buyers move to unfamiliar neighbourhoods

Reasons why so many households settle in areas they don't fully know

BUYING A HOME is often described as one of life's biggest decisions, yet many households move to areas where they have limited prior experience. A large proportion of recent movers cite the search for a "better area or neighbourhood" as their reason for relocating[1].

In practice, this means buyers often choose locations they are not familiar with, balancing affordability and lifestyle against familiarity.

WHY BUYERS MOVE WITHOUT FAMILIARITY

Affordability pressures are a significant factor. In areas where house prices have increased the fastest, younger buyers, in particular, are expanding their search radius to find a property within their budget. This often means relocating away from the communities where they grew up and into areas they may have only visited briefly.

Employment opportunities also influence relocations. Moving for work remains a common practice, especially in regional cities where investment in regeneration or transportation has attracted new industries. In such cases, job prospects take precedence, and local knowledge is acquired only after the move.

RISKS OF THE UNKNOWN

Settling into a new area can pose challenges. Buyers may underestimate travel times, find local services don't meet expectations, or feel less connected to the community. Some people find it challenging to adjust to new social settings, especially when family and friends are located farther away.

Practical issues can also emerge. School catchment areas, seasonal traffic, and parking availability are often only fully understood after someone has lived in a neighbourhood. This emphasises the importance of thorough research before making a purchase.

BALANCING AFFORDABILITY AND LIFESTYLE

For many people, affordability is a top priority. Opting for a less well-known area can offer access to larger properties, more green space, or homes nearer to planned transport improvements. Sometimes, buyers are willing to accept less familiarity now, expecting regeneration to enhance both their lifestyle and long-term value.

Lifestyle factors still influence decisions. More households now consider access to parks, leisure facilities, and community services alongside price. Even in unfamiliar areas, there may be a higher overall quality of life than in more recognised locations.

DOING THE RESEARCH

With many households relocating to unfamiliar places, research becomes more crucial than ever. Visiting potential neighbourhoods at different times of day, testing commuting routes, and speaking to local residents can provide a more accurate picture of daily life.

Publicly accessible tools, such as crime maps, school inspection reports, and local authority data, can also assist. The goal is to minimise the chance of surprises after the move is finished.

LOOKING AHEAD

As housing affordability remains tight, more buyers are likely to venture beyond familiar boundaries. This trend could help increase demand in previously overlooked areas, supporting regeneration and community development. While relocating to a new area involves risks, it also offers opportunities for households willing to explore further afield. ◆

"For many people, affordability is a top priority. Opting for a less well-known area can offer access to larger properties, more green space, or homes nearer to planned transport improvements."

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Source data:

[1] gov.uk/government/statistical-data-sets/new-households-and-recent-movers

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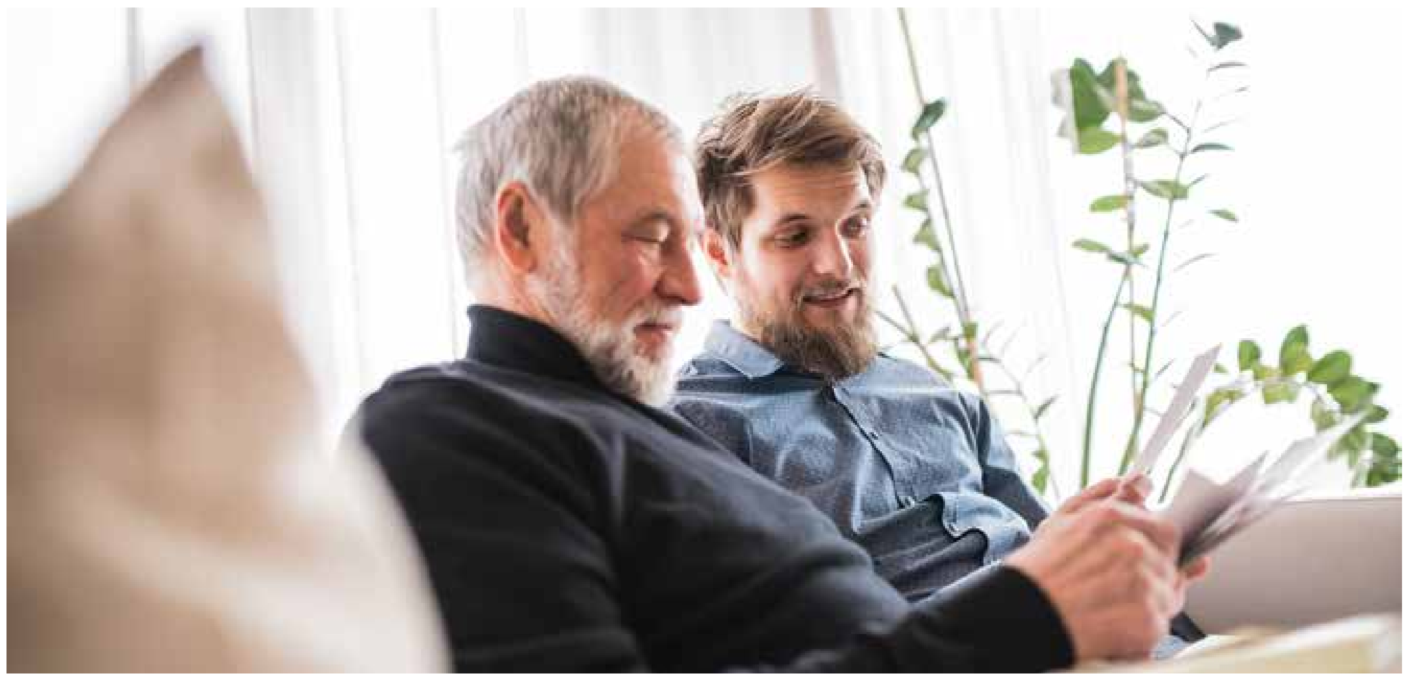
THINK CAREFULLY BEFORE SECURING OTHER DEBTS AGAINST YOUR HOME.
YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE.

INHERITANCE TAX REFORMS UNDER CONSIDERATION

Households with property wealth are likely to face the greatest impact



INHERITANCE TAX HAS long been one of the most divisive aspects of the UK's tax system. For many families, it signifies a substantial burden during challenging times, while for the government, it remains an important source of revenue.

At the time of writing, the Chancellor is preparing her first full Budget set for 26th November, and speculation is increasing that Inheritance Tax will once again be a key focus, with both confirmed changes and potential reforms likely to alter how wealth is transferred across generations.

THE RULES TODAY

Inheritance Tax is currently levied at 40%. The main exemption, the 'nil rate band', has remained frozen at £325,000 since 2009. This means that for a married couple, assets up to £650,000 are exempt from Inheritance Tax. However, the threshold last increased in 2009 and is not due to be raised again until April 2030, with Rachel Reeves confirming the extension of the Inheritance Tax threshold freeze at the Budget.

Families might benefit from an additional residence nil-rate band of £175,000 (frozen until 2030) if direct descendants inherit a main home. These thresholds have remained unchanged for many years, and as property prices rise, more estates become liable each year.

TRANSFER WEALTH GRADUALLY

Lifetime gifting has long been a key part of estate planning. If someone gives away money or assets and survives for more than seven years afterwards, the gift is completely outside of inheritance tax. Even if they die sooner, the tax liability decreases on a sliding scale after three years. This "seven-year rule" has allowed families to transfer wealth gradually, with careful planning often greatly reducing exposure.

Trusts have long been a feature of long-term planning. Depending on their structure, Inheritance Tax may apply when the trust is established, when assets are added to the trust, or when property is distributed from the trust. For wealthier households, such arrangements offer flexibility in managing and transferring estates.

CONFIRMED CHANGES ALREADY IN MOTION

From April 2027, pension funds left to beneficiaries will also be subject to Inheritance Tax for the first time. This marks a significant change, as pensions have traditionally been exempt from tax. Additionally, agricultural and business property reliefs, which have often protected high-value estates from large liabilities, will be cut from April 2026. From that date, estates exceeding £1 million will see those reliefs capped at 50% of the amount over the threshold.

"What is certain is that Inheritance Tax is changing. Potential reforms could go further, removing some of the reliefs and exemptions that families have relied on for a long time."

These changes are already law, and families planning their estates must factor them in today rather than waiting until implementation. They demonstrate how government policy is increasingly moving to tighten existing allowances and broaden the reach of Inheritance Tax.

POSSIBLE REFORMS UNDER REVIEW

Alongside these confirmed measures, the Treasury is reviewing additional reforms

that may be introduced in future Budgets. Proposals under discussion include placing a cap on the value of lifetime gifts, which would limit the extent to which families can transfer wealth tax-free during their lifetime. Another option is to reform or even abolish the seven-year rule, removing one of the most widely used tools for reducing tax exposure.

These ideas remain under consideration and have not yet been enacted. However, if implemented, they would constitute some of the most significant changes to inheritance tax in recent decades, altering how families approach estate planning and property transfers.

WHO COULD BE AFFECTED?

Households with property wealth are likely to face the greatest impact. With thresholds frozen until 2030, many estates that would previously have been exempt from Inheritance Tax are now included within its scope. For landlords and investors, passing property to children during their lifetime may become more challenging if gift-giving rules are tightened. Even families who do not consider themselves wealthy might find they fall within the tax system if reforms are extensive.

These changes also impact financial decisions in later life. Equity release, lifetime mortgages, and other borrowing agreements are closely linked to inheritance planning. How these rules develop can affect whether families choose to pass on wealth early, keep assets until death, or use borrowing to manage their exposure.

PREPARING FOR THE FUTURE

What is certain is that Inheritance Tax is changing. Potential reforms could go further, removing some of the reliefs and exemptions that families have relied on for a long time. For anyone concerned, the best approach is to view estate planning as an ongoing process rather than a one-time event.

Regularly reviewing arrangements and adapting them as new rules are confirmed will help ensure that wealth is transferred in the most efficient way possible. While the Chancellor's November Budget will provide clarity on immediate measures, families can take steps now to understand how the rules apply, how their estate is likely to be treated, and whether any action should be taken before reforms are introduced. ◆

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"From April 2027, pension funds left to beneficiaries will also be subject to Inheritance Tax for the first time."

Preparing for potential tax reforms in the Autumn 2025 Budget

What measures could be aimed at broadening the property market tax base?

> **"For homeowners, potential changes to CGT could affect how primary residences are taxed. If relief is decreased or thresholds are altered, the tax consequences of moving may rise, especially in higher-value areas."**

AS THE AUTUMN 2025 Budget approaches, the property market is preparing for potential tax reforms that could alter the way people buy, sell, and rent homes. Initial indications suggest that measures aimed at broadening the tax base could primarily affect higher-value homeowners and landlords[1].

MAJOR CHANGES UNDER DISCUSSION

Among the proposals under review are:

- Extending National Insurance (NI) to rental income, which is currently exempt;
- Reviewing the structure of Stamp Duty Land Tax (SDLT) and whether transaction taxes should be reformed;
- Examining Capital Gains Tax (CGT) reliefs on high-value homes.

Applying NI to rental profits marks a major shift from current practice. Reports suggest that this could generate billions in additional revenue, but would also impose a significant new cost on individual landlords[1].

POTENTIAL IMPACTS FOR HOMEOWNERS, BUYERS AND LANDLORDS

For homeowners, potential changes to CGT could affect how primary residences are taxed. If relief is decreased or thresholds are altered, the tax consequences of moving may rise, especially in higher-value areas.

For landlords, the introduction of NI on rental income would decrease net returns. Some might consider raising rents to cover expenses, while others could reevaluate whether property investment remains viable.

For buyers, uncertainty surrounding SDLT reform is considerable. Any significant changes to how property transactions are taxed could prompt some to accelerate their purchases, while others might wait until the details are confirmed.

NAVIGATING UNCERTAINTY

Although the specifics are still uncertain, there are practical factors for households and investors to consider.

- **Timing of moves:** Completing a purchase or sale before the Budget could avoid exposure to new rules.
- Impact by region: High-value markets such as London and the Southeast may be more directly affected by changes to CGT or SDLT.
- **Rental sector effects:** If NI is applied to rental income, landlords will need to adjust cash flow and consider how this affects tenant affordability.
- **Investment decisions:** Portfolios may need to be reviewed to ensure viability under a higher tax burden.

WHAT TO WATCH FOR IN THE AUTUMN 2025 BUDGET

The specific design of reforms will shape their impact. Whether NI applies to gross rental receipts or net profit, how SDLT is restructured, and which exemptions remain for CGT will all be crucial[1]. Transition rules will also be important; abrupt changes often cause more disruption than phased ones.

LOOKING AHEAD

Whatever happens, the message is clear: property taxation is under serious review. Homeowners, buyers, and landlords alike should prepare for possible changes in costs, timing, and investment returns. The upcoming budget is unlikely to leave the residential sector untouched, and planning ahead will be essential. ◆

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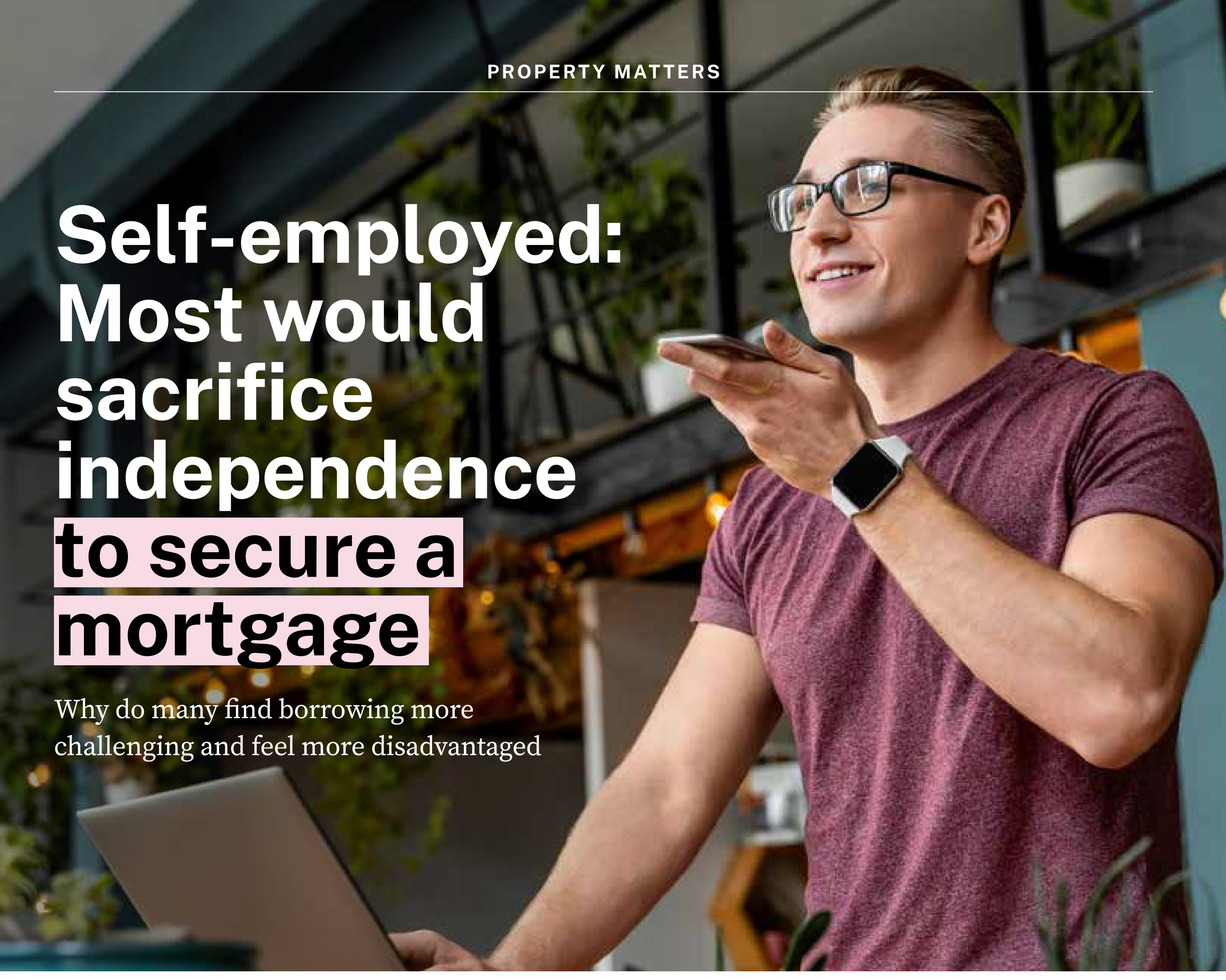
Source data:

[1] https://www.economicsobservatory.com/what-future-for-residential-property-taxation-in-britain



Self-employed: Most would sacrifice independence to secure a mortgage

Why do many find borrowing more challenging and feel more disadvantaged

THE UK'S SELF-EMPLOYED workforce has steadily increased over the past two decades, making a significant contribution to the economy. However, when it comes to homeownership, many of these workers feel at a disadvantage.

A recent survey found that a majority of self-employed borrowers feel pressured to consider returning to salaried work to improve their mortgage prospects[1]. This sentiment highlights the frustration many face when trying to access mainstream lending.

WHY ARE MORTGAGES HARDER TO SECURE WHEN SELF-EMPLOYED?

The main challenge is in proving consistent and verifiable income. While employees provide payslips and P60S, self-employed individuals must present tax returns, business accounts, or HMRC's SA302 forms. The FCA notes that lenders typically average income over two to three years to reduce volatility, but this poses difficulties for those with fluctuating or recently established earnings[2].

Rules on affordability introduced after the financial crisis also require lenders to stress-test income against higher interest rates. The FCA highlights that self-employed borrowers are underrepresented in mortgage lending (around 7% of sales compared with 13% for employees), showing how income volatility directly affects borrowing capacity[3].

SCALE OF THE CHALLENGE

There are now over 4.2 million self-employed individuals in the UK, accounting for approximately 11% of the workforce[4]. Many work in sectors such as construction, creative industries, and professional services. Although diverse, their shared challenge is convincing lenders to view them as dependable borrowers.

Research also indicates that nearly half of non-PAYE workers have had a mortgage application rejected, highlighting the barriers many encounter[5]. For those committed to owning a home, this intensifies frustration and fosters a feeling that independence comes at the expense of financial security.

NOT JUST FINANCIAL

For many, the barriers to borrowing are not just financial but also personal. Having to provide extensive paperwork, face additional questions about income, or accept lower borrowing limits can seem discouraging. Some report delaying home purchases or continuing to rent long-term despite strong earnings. Others feel pressure to consider returning to salaried work simply to meet lender requirements.

The perception that mainstream mortgages are out of reach fuels the belief that giving up independence might be worthwhile if it leads to homeownership. This tension highlights how strongly people value the stability and opportunity that owning a home provides.

> **"Government schemes, such as shared ownership and First Homes, may also offer alternative routes onto the property ladder."**

ASSISTING SELF-EMPLOYED BUYERS

While the challenges are genuine, self-employed borrowers still have options. Some lenders specialise in evaluating non-standard income, and affordability can be enhanced by keeping detailed accounts and reserving funds for larger deposits. Separating business and personal finances clearly also helps strengthen an application.

Government schemes, such as shared ownership and First Homes, may also offer alternative routes onto the property ladder. For many self-employed workers, preparation is crucial: making sure paperwork is in order and expectations are realistic before applying.

LOOKING AHEAD

Self-employed individuals remain a crucial part of the UK workforce; however, their access to homeownership continues to fall behind that of employees. As more people pursue flexible and independent careers, lenders and policymakers face increasing pressure to ensure the mortgage market reflects contemporary working patterns.

Currently, self-employed workers often encounter more obstacles, and many express that they would trade independence for stability if it were to ease mortgage approvals. The challenge for the housing market is to adapt so that independence does not come at the cost of opportunity. ◆

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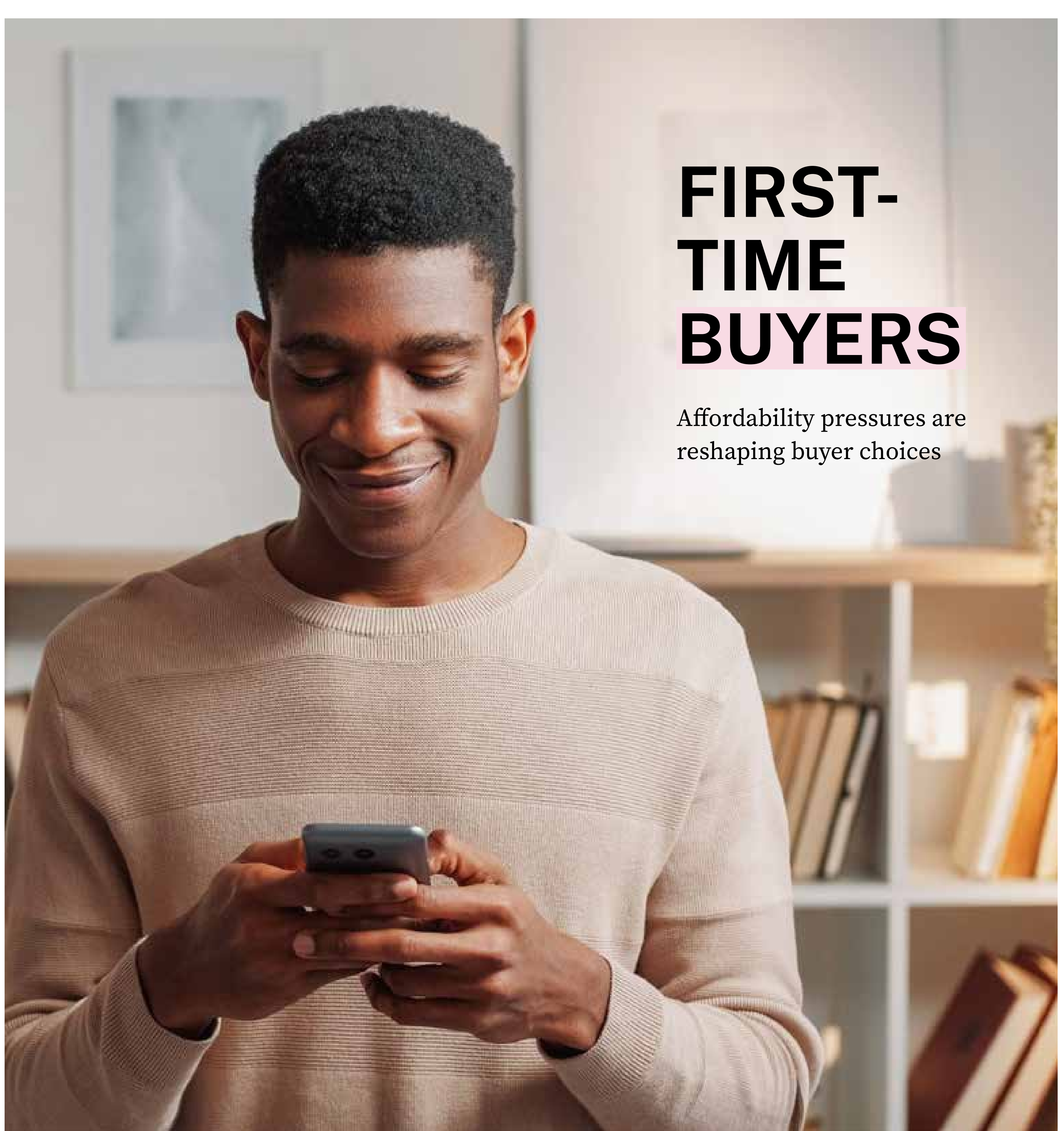
Source data:
[1] mpamag.com/uk/mortgage-types/specialist-finance/self-employed-making-major-sacrifices-for-homeownership-report/528605
[2] fca.org.uk/publication/thematic-reviews/tr16-04.pdf
[3] fca.org.uk/publication/discussion/dp25-2.pdf
[4] gov.wales/sites/default/files/statistics-and-research/2024-10/labour-market-overview-october-2024-304.pdf
[5] mortgagesolutions.co.uk/news/2024/10/07/almost-half-of-non-paye-workers-have-been-rejected-for-a-mortgage



FIRST-TIME BUYERS

Affordability pressures are reshaping buyer choices

FIRST-TIME BUYERS REMAIN committed to entering the property market, but their approaches are evolving. Recent data indicate that an increasing number of people are opting for semi-detached homes and extending mortgage terms to make borrowing more manageable[1]. These trends demonstrate how younger households are adapting to rising prices, interest rates, and deposit requirements.

MOVE TOWARDS SEMI-DETACHED HOMES

Semi-detached homes have become an increasingly popular choice among first-time buyers. While flats have traditionally been regarded as the typical entry point, demand has shifted towards houses that offer more space and flexibility. Data show that approximately 30% of first-time buyers now purchase semi-detached properties, up from just over 25% a decade ago[1].

Several factors explain the trend. Hybrid working patterns mean buyers place greater emphasis on extra rooms and outdoor space. Rising rents have also prompted some to delay purchasing until they can afford a larger property, skipping the flat stage altogether. Additionally, semi-detached homes can often offer better long-term value, reducing the need to move again within a few years.

LONGER MORTGAGE TERMS ARE BECOMING THE NORM

Along with changes in property types, many first-time buyers are choosing to lengthen their mortgage terms. Where 25 years used to be standard, terms of 30 to 35 years are becoming more common. UK Finance reports that over 40% of first-time buyers now take out mortgages lasting longer than 30 years[2].

The appeal is evident: spreading repayments over a longer period reduces the monthly cost, helping buyers meet affordability checks. For some, it is the only way to secure a property at current price levels. However, while lower monthly payments can ease the strain, longer terms mean paying more interest overall across the lifetime of the mortgage.

BALANCING AFFORDABILITY AND FUTURE COST

These adaptations reflect the balancing act faced by first-time buyers. On one side, choosing a semi-detached property offers more space and stability. On the other, extending the loan term makes the purchase more affordable initially. Together, these choices highlight how buyers focus on immediate affordability while keeping long-term goals in mind.

However, there are trade-offs. Buyers who extend their repayment period to 35 years might face higher costs later in life, possibly pushing repayments into retirement. Opting for a larger property could also result in increased running costs and council tax. The key is to understand both the advantages and the long-term consequences.

HOW PEOPLE ACCESS THE MARKET

The shift towards semi-detached homes and longer mortgage terms reflects wider pressures in the housing market. The average first-time buyer deposit now exceeds £60,000, with higher amounts in London and the South East[3]. Mortgage rates, although stabilising, remain above the ultra-low levels of the late 2010s. Meanwhile, wage growth has not kept pace with house price inflation, reducing affordability.

These conditions have transformed how people access the market. Instead of concentrating solely on climbing the ladder quickly, buyers are considering lifestyle factors, borrowing capacity, and long-term viability.

DEMONSTRATING RESILIENCE AND ADAPTABILITY

First-time buyers continue to demonstrate resilience and adaptability, even amidst a challenging environment. Choosing semi-detached homes indicates a desire for more space and future security, while longer loan terms help to increase borrowing capacity in the short term.

As the market develops, lenders and policymakers will need to recognise these shifts. Supporting first-time buyers involves not only tackling affordability but also making sure that today's solutions don't cause tomorrow's financial difficulties. ◆

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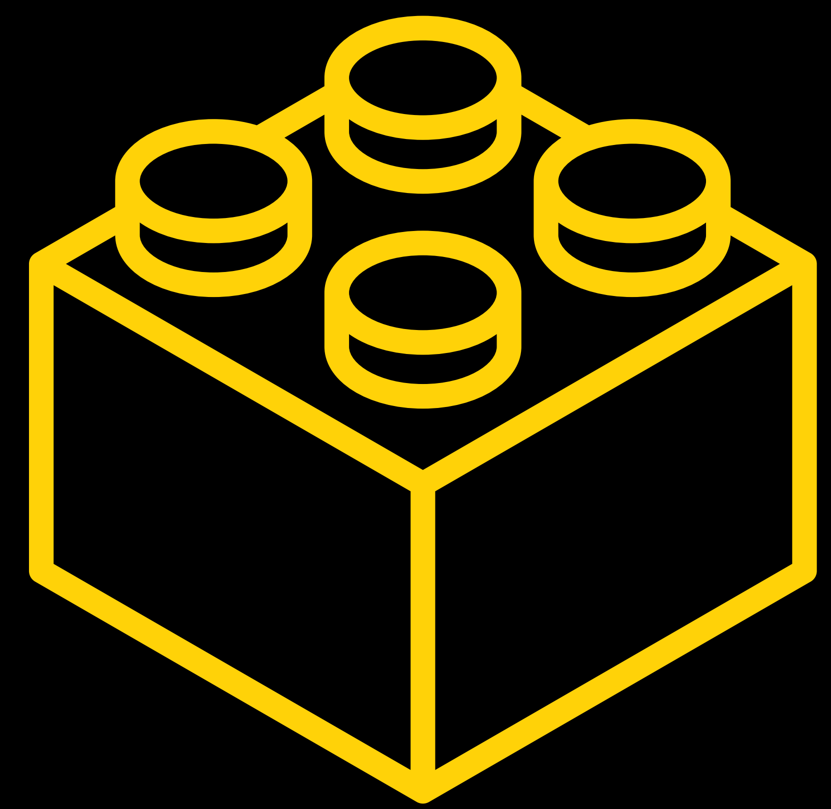
Source data:

[1] gov.uk/government/collections/uk-house-price-index-reports

[2] ukfinance.org.uk/data-and-research/data/mortgages/lending-trends

[3] lloydsbankinggroup.com/media/press-releases/2025/halifax-2025/first-time-buyer-market-rebounds.html



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

How to prepare your home for a Magical Christmas

Turning your space into a sanctuary for family and friends

THE FESTIVE SEASON, with its promise of warmth and celebration, often arrives sooner than we expect. A well-prepared home creates the perfect setting for a relaxed and joyful Christmas, transforming your space into a sanctuary for family and friends. Following a well-thought-out plan, starting weeks in advance, can help eliminate last-minute stress and allow you to fully enjoy the magic of the occasion.

Beginning your preparations in late October or early November provides a comfortable timeline. This is an ideal moment to outline your master plan. Consider your budget, including anticipated costs for gifts, food, and decorations. Simultaneously, compile a comprehensive gift list to guide your shopping, whether online or on the high street, allowing you to take advantage of early offers and avoid the December rush.

FOUNDATION OF PLANNING AND BUDGETING

Before unboxing the first decoration, a thorough declutter and deep clean are essential. Go through each room, clearing surfaces and donating items you no longer need. This creates a calm, organised environment and makes decorating much easier. Focus on areas that will see high traffic, such as the hallway, sitting room, and dining area, and remember to clean windows to maximise the sparkle of festive lights.

With a clean slate, it's time to carry out important safety checks. Test all smoke and carbon monoxide alarms, replacing batteries where necessary. Inspect any string lights for frayed wires or broken bulbs before plugging them in, and make sure to use the correct extension leads without overloading sockets. If you plan to use real candles, place them in stable holders away from flammable materials like curtains or the Christmas tree.

ENSURING A SAFE AND SPOTLESS FESTIVE SETTING

A hallway provides the initial welcome to guests. A charming wreath on the door, a festive doormat, and perhaps a slim console table decorated with a simple garland and flameless candles establish an immediate sense of occasion. In the sitting room, the Christmas tree takes centre stage. Place it where it can be admired without obstructing walkways, and adorn it with lights, baubles, and personal ornaments to create a curated appearance.

The dining area is at the heart of festive feasting. Think about your tablescape in advance, planning linens, centrepieces, and place settings. In the kitchen, clear worktops to enable efficient meal preparation. Even guest bedrooms and bathrooms can receive a festive touch; a miniature tree, seasonal hand soap, or a scented diffuser with notes of pine or spiced orange can make guests feel exceptionally welcome.

STYLING YOUR HOME ROOM BY ROOM

Embracing sustainability has become easier than ever. Think about a live, pot-grown Christmas tree that can be planted in the garden after the festive season, or opt for a high-quality artificial tree you can reuse for many years. Collect natural decorations like pinecones, holly, and ivy to craft wreaths and garlands. When it comes to wrapping, choose recyclable paper or reusable fabric wraps for a stylish and eco-friendly option.

Outdoor decoration enhances your home's kerb appeal. Elegant white lights tracing the roofline or wrapped around trees in the garden can create a sophisticated display. A pair of miniature fir trees in pots on either side of your front door, decorated with simple, weatherproof ornaments, adds a symmetrical and welcoming touch. Remember to use outdoor-rated lights and fixtures for safety.

CONSIDERING SUSTAINABLE CHOICES AND OUTDOOR CHARM

Crafting a truly immersive atmosphere depends on layering various sensory elements. Combine ambient, task, and accent lighting to create warmth. Use dimmer switches to set the mood, with lamps casting soft pools of light and fairy lights adding a magical twinkle. Scent plays an equally important role; employ diffusers with essential oils like frankincense and cinnamon, light scented candles, or simmer a pot of water with orange peel, cloves, and star anise on the hob.

For hosting, a well-laid table is a feast for the eyes. Begin with a quality tablecloth or runner as your foundation. Create your centrepiece using foliage, candles, or a collection of baubles in a decorative bowl. Layering crockery and using cloth napkins with elegant rings enhances the dining experience. Make sure you have enough clean glassware, cutlery, and serving dishes ready for the main event.

LAYERING LIGHT, SCENT, AND TABLE DECOR

A clever food strategy can help reduce stress on Christmas Day. Plan your complete menu weeks in advance, from nibbles to dessert. Many parts can be prepared beforehand and frozen. Items like sausage rolls, mince pies, bread sauce, and even par-boiled potatoes can all be made and stored, saving you valuable time. Make a detailed cooking schedule for the day to ensure everything is ready at the same time.

Music and technology can elevate the festive atmosphere. Prepare several playlists, one with classic carols for a traditional touch, another with lively festive pop for parties, and a third with serene, instrumental music for Christmas morning. Ensure your speakers are positioned for optimal sound quality and that any TVs or projectors used for watching festive films are in good working order.

PREPARING YOUR FOOD AND FESTIVE SOUNDTRACK

Beyond décor and food, Christmas is about connection. Re-establish cherished family traditions or create new ones. This could be a Christmas Eve box, a family board game tournament, or a walk on Boxing Day. Scheduling these activities, alongside time for quiet relaxation, helps you manage expectations and ensures you have moments to simply enjoy being together.

Protecting your well being is essential. The pressure to create a 'perfect' Christmas can be overwhelming, with financial and social expectations leading to a significant increase in stress for many during this time. Delegate tasks, decline commitments that feel too much, and plan for some rest. Remember, the aim is connection and joy, not perfection.

MANAGING TRADITIONS AND PERSONAL WELL BEING

Once the celebrations are over, adopting a systematic approach to packing away makes next year easier. Invest in dedicated storage boxes for decorations, organising them by colour or room. Wrap fragile ornaments individually and coil lights carefully to avoid tangles. Store everything in a cool, dry place, such as a loft or garage, and clearly label them for effortless retrieval next year.

This planning helps you transition smoothly out of the festive season, leaving you with fond memories rather than a chaotic clean-up. By taking control of the process from start to finish, you gift yourself the time and space to truly savour the most wonderful time of the year. ◆

>> LOOKING TO FIND THE RIGHT MORTGAGE AFTER THE FESTIVITIES ARE OVER? <<

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Speeding up conveyancing delays

Reasons for delays in transactions and practical steps for buyers and sellers

CONVEYANCING, THE LEGAL PROCESS of transferring property ownership, is a primary cause of delays in buying and selling a home. Even after an offer is accepted, transactions can halt for weeks or even months while legal checks are completed.

With average completion times often extending to 12 to 16 weeks[1], buyers and sellers alike are seeking ways to avoid unnecessary delays.

WHY DOES CONVEYANCING TAKE SO LONG?

Conveyancing involves several stages, including verifying title deeds, performing local authority and environmental searches, checking mortgage conditions, and ensuring contracts are legally valid. Each stage relies on information from third parties, including councils, lenders, and surveyors. Delays in obtaining this information are a significant reason why transactions slow down[2].

Other factors include incomplete paperwork, slow responses between solicitors, and chains where one delayed transaction stalls several others. Rising transaction volumes during busy market periods can impose additional pressure on local authorities and legal firms.

WHAT BUYERS CAN DO

Buyers can expedite the process by preparing in advance. Having a mortgage in principle agreed before making an offer ensures that finance is ready to proceed once a property is identified. Providing identification and proof of funds promptly also helps solicitors meet anti-money laundering requirements without delay.

Instructing a solicitor as soon as an offer is accepted, or even earlier, allows the legal process to start immediately. Buyers should also respond swiftly to requests for information, as even minor delays in returning documents can extend the timeline by days or weeks.

> "Conveyancing works best when all parties stay proactive. Both buyers and sellers benefit from choosing solicitors capable of handling cases swiftly."

WHAT SELLERS CAN DO

Sellers also play a crucial role. Having title deeds, property information forms, and any planning permissions or building regulation certificates ready can minimise the time solicitors spend chasing missing documents. Addressing issues such as boundary disputes or leasehold details before marketing the property helps to avoid later complications.

Sellers can also instruct a solicitor early, even before accepting an offer, to prepare contracts in advance. This way, draft contracts are ready to send as soon as a buyer is found.

SHARED RESPONSIBILITY

Conveyancing works best when all parties stay proactive. Both buyers and sellers benefit from choosing solicitors capable of handling cases swiftly. Clear communication helps prevent delays in one part of the chain from affecting the rest. When transactions involve multiple linked sales and purchases, it is especially important to keep all solicitors updated regularly.

LOOKING AHEAD

Digitalisation is starting to enhance the process. Many local authorities now provide searches electronically, and an increasing number of solicitors use online portals for sharing documents. The Law Society has also emphasised the potential for greater use of upfront information, where key documents are supplied before a sale is finalised, to considerably reduce delays[3].

Although conveyancing is unlikely to ever be instant, buyers and sellers can take practical steps to reduce delays. Preparation, prompt responses, and early engagement of solicitors remain the most effective means of accelerating the process from offer to completion. ◆

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Source data:

[1] ons.gov.uk/peoplepopulationandcommunity/housing

[2] gov.uk/selling-a-home/transferring-ownership-conveyancing

[3] lawsociety.org.uk/en/topics/property/conveyancing-protocol

Selling a property with a tenant still living in it

Understanding the considerations for both the seller and the buyer

LANDLORDS SOMETIMES NEED OR WANT TO SELL A RENTAL PROPERTY while it remains occupied. This could be for financial reasons, to rebalance a portfolio, or to release equity. The good news is that selling with tenants in place is lawful and often practical, but it also involves additional considerations for both the seller and the buyer. Selling with tenants in situ

A property sold with tenants in situ is considered to be sold with the tenants remaining on the premises. In this situation, the tenancy agreement remains in force after the sale, and the buyer assumes the role of the new landlord. The existing contract, whether an Assured Shorthold Tenancy (AST) or another type of tenancy, remains valid[1].

For landlords, this can be a benefit. Rental income continues until completion, and the property might appeal to buyers who are landlords themselves, as it already has tenants in place. However, it could reduce the pool of potential buyers, since owner-occupiers are unlikely to consider a property they cannot move into immediately.

IMPACT ON VALUE AND SALEABILITY

Properties with tenants in place can sometimes sell for less than vacant properties because the market is smaller. However, if tenants are reliable and paying market rent, the property may attract investment buyers quickly. In some cases, a secure tenancy with a strong rental yield can be viewed as an asset rather than a drawback[2].

Buyers of such properties should conduct thorough due diligence, including checking tenancy agreements, rent payment history, and deposit protection. The transfer of responsibilities must be handled correctly so the buyer inherits a compliant tenancy.

TENANT'S POSITION

Tenants cannot be required to vacate solely because the landlord wants to sell. They keep all their legal rights until the tenancy is legally terminated. If the property is sold with tenants in place, nothing changes on a daily basis; they continue to pay rent to the new landlord[1].

If a landlord plans to sell with vacant possession, they must serve notice in line with the tenancy type and legal requirements. For Assured Shorthold Tenancies, this typically involves issuing a Section 21 notice (with at least two months' notice) or, in certain circumstances, a Section 8 notice if there are grounds for possession[3].

Tenants might favour staying put, but it's essential they are kept updated. Clear communication reduces uncertainty and supports cooperation during viewings or valuation visits.

PREPARING FOR THE SALE

For landlords considering selling with tenants in place, preparation is key:

- Ensure the tenancy agreement is up-to-date and valid.
- Confirm that the tenant's deposit is protected in a government-approved scheme.
- Gather records of rent payments, safety certificates, and property compliance.
- Inform tenants about the intention to sell and explain the implications for them.

"Tenants cannot be required to vacate solely because the landlord wants to sell. They keep all their legal rights until the tenancy is legally terminated."

Clear paperwork reassures buyers and helps prevent delays in conveyancing. For investment buyers, evidence of a well-managed tenancy can boost confidence in the purchase.

LOOKING AHEAD

Selling a property with tenants in place is a practical option for landlords, but it restricts the potential buyer pool to other investors. For some, the certainty of rent and fewer void periods are advantages. For others, especially buyers seeking a home to live in, vacant possession remains a crucial requirement.

Deciding whether to sell with tenants in place or after regaining possession depends on priorities: speed, price, and the type of buyer you wish to attract. Understanding the legal framework and preparing thoroughly ensures the process runs smoothly for all parties. ◆

Source data:
[1] gov.uk/private-renting-tenancy-agreements
[2] ons.gov.uk/
[3] gov.uk/evicting-tenants

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National Insurance contributions on rental income

What the proposals could mean for landlords and the wider housing market

LANDLORDS ALREADY PAY INCOME TAX ON RENTAL PROFITS, but the government is considering a further step. Ahead of the Autumn Budget 2025, proposals have been discussed that would extend National Insurance contributions (NICs) to rental income, a move that could significantly impact investors and the private rented sector[1].

WHY RENTAL INCOME IS UNDER REVIEW

Currently, income from rents is not liable for National Insurance. Employees and the self-employed pay NICs on their earnings, while landlords only pay income tax on rental profits. Including NICs on rental income would bring it more in line with other types of income.

Supporters of the idea argue that it would generate significant revenue for public finances while also creating a level playing field between landlords and other taxpayers. Early estimates suggest that such a change could generate billions of pounds in additional revenue[1].

POTENTIAL IMPACT ON LANDLORDS

For landlords, the introduction of NICs on rental income would create an additional expense alongside existing tax burdens. Since Section 24 changes have already limited mortgage interest relief, many landlords are now operating with tighter margins. The addition of NICs could further decrease net rental yields, leading some to question the sustainability of property investment.

In practice, some landlords may attempt to pass on the extra costs to tenants through higher rents. Others might consider restructuring ownership, for example, via limited companies, depending on how the rules are framed. The complexity of NIC thresholds, exemptions, and whether they apply to gross rents or net profits will influence the extent of the impact.

WIDER HOUSING MARKET EFFECTS

If introduced, NICs on rental income could ripple through the wider housing market. Reduced profitability may encourage some

landlords to sell, thereby increasing the supply of properties on the sales market. This could be beneficial for first-time buyers if more properties become available.

Conversely, a decline in rental homes might exacerbate supply shortages in certain areas, leading to further upward pressure on rents. The impact would vary by region, with markets already under pressure likely to experience the most significant effects.

WHAT REMAINS UNCERTAIN

At this point, the details are still unclear.

Key questions include:

- Will NICs apply to all landlords, or only those with an income above a certain threshold?
- Will it be charged on gross rental receipts or net profits after expenses?
- How will it interact with existing tax rules for landlords operating through companies?

Until the Budget announcement, these questions remain unanswered. However, the fact that such reforms are being seriously considered suggests the government's intention to increase revenue from property-related income.

LOOKING AHEAD

For landlords, the potential NICs on rental income serve as a reminder of how swiftly the tax landscape can evolve. Diligent monitoring of Budget announcements and proactive planning for possible changes will be crucial.

Whether the measure is implemented fully, phased in, or dropped entirely, it highlights a broader trend: property income is facing greater scrutiny, and landlords must stay prepared to adapt. ◆

Source data:

[1] https://www.pie.tax/tax-pible/autumn-2025-ni-on-rental-income

"If introduced, NICs on rental income could ripple through the wider housing market. Reduced profitability may encourage some landlords to sell, thereby increasing the supply of properties on the sales market."

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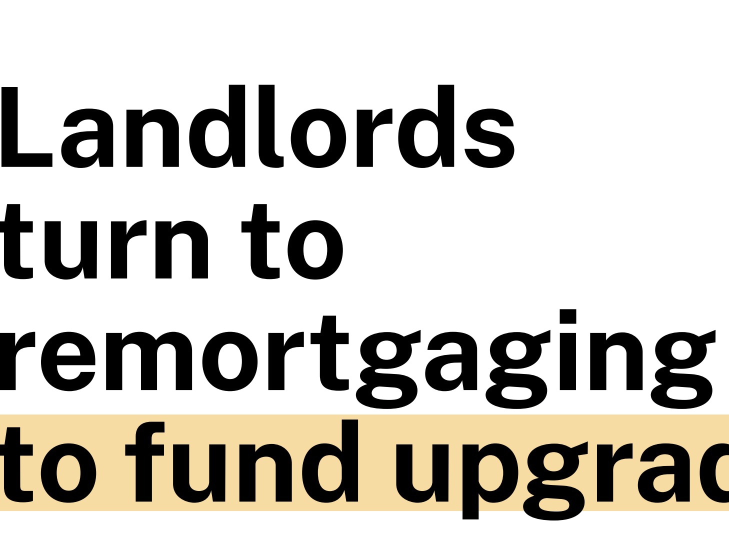
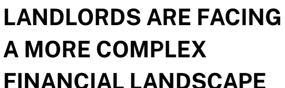
Landlords turn to remortgaging to fund upgrades

How rising costs are reshaping financing decisions in the rental sector





LANDLORDS ARE FACING A MORE COMPLEX FINANCIAL LANDSCAPE than at any time in the past decade. Rising borrowing costs, energy efficiency standards, and tenant expectations regarding quality are encouraging many to seek new ways of raising capital.

Recent lending data shows remortgaging activity has increased[1], and some landlords are using this route to release equity for property improvements. This development reflects both necessity and opportunity.

For some, it is about complying with legislation and managing a competitive rental property. For others, it is about future-proofing assets and meeting the demand for sustainable, high-quality homes.

WHY LANDLORDS ARE REMORTGAGING FOR IMPROVEMENTS

Remortgaging enables landlords to access the equity in their properties. Instead of selling, they can refinance at a new loan-to-value ratio, releasing funds for upgrades. This approach has become more pertinent as rental yields face pressure from rising operating costs[2].

Energy efficiency remains a key driver. Minimum Energy Efficiency Standards (MEES) have elevated standards, and although proposed changes to EPC requirements are delayed, landlords still view efficiency upgrades as vital for long-term sustainability. Additionally, rising tenant expectations mean that properties in better condition can command higher rents and experience fewer voids[3].

Landlords usually consider the advantages of remortgaging against the higher interest rates currently available. The decision often hinges on whether the improvements will increase rental income or enhance the property's future value.

TYPES OF IMPROVEMENTS BEING FUNDED

The improvements funded through remortgage capital vary, but several themes are clear.

Many landlords are prioritising:

- Energy efficiency measures such as insulation, new windows, and modern heating systems.
- Kitchen and bathroom upgrades, which remain key to tenant appeal.
- Structural works, such as extensions or loft conversions, to increase lettable space.

These investments are not solely about aesthetics. A property with improved insulation or a more efficient boiler can lower tenant bills, making it more appealing in a competitive rental market. Simultaneously, landlords benefit from decreased long-term maintenance costs and enhanced tenant retention.

BALANCING OPPORTUNITY WITH HIGHER COSTS

Interest rates remain high compared to the low levels landlords experienced in the 2010s. Consequently, any remortgage requires careful thought. Monthly repayments may be larger, and the gap between borrowing costs and rental yield is narrower than before.

Yet many landlords consider this a worthwhile trade-off. Failing to invest in the property can result in void periods, rent reductions, or even non-compliance with future regulations. For portfolio landlords, strategically remortgaging allows spreading improvement costs across various assets rather than relying solely on cash reserves.

Timing is a crucial factor. Remortgaging when an existing fixed-rate mortgage ends can help reduce extra costs, while breaking out of a deal early may result in penalties. Landlords must carefully consider these aspects before acting.

WHAT DOES THIS MEAN FOR THE FUTURE RENTAL MARKET?

The shift towards remortgaging for improvements indicates that landlords are becoming more proactive in restructuring their portfolios. As energy standards and tenant expectations increase, properties that are not upgraded risk falling behind.

Over the next five years, a more distinct divide is expected to develop between well-invested properties that generate higher rents and older stock struggling to stay competitive[4].

In the long run, landlords who remortgage wisely may be in a stronger position. Not only do improvements protect asset value, but they can also lead to higher yields and lower regulatory risks. ◆

Source data:

[1] ukfinance.org.uk/data-and-research/data/mortgages/lending-trends

[2] bankofengland.co.uk/statistics/mortgage-lenders-and-administrators/2025/2025-q1

[3] gov.uk/guidance/domestic-private-rented-property-minimum-energy-efficiency-standard-landlord-guidance

[4] ons.gov.uk/

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COMPANY-BASED BUY-TO-LET OWNERSHIP

Incorporation structure attracts landlords with significant borrowing or expanding portfolios

IN RECENT YEARS, an increasing number of landlords have considered holding their buy-to-let properties through a limited company structure. Tax changes and the pursuit of greater efficiency have mainly driven the shift. However, despite the increase in company-based ownership, many misconceptions persist about what incorporation entails in practice.

From mortgage availability to tax treatment, landlords often encounter conflicting information. These misconceptions can result in costly decisions or hinder them from seizing genuine opportunities.

OWNERSHIP BY LIMITED COMPANIES ON THE RISE

The main reason for shifting to incorporation has been the restriction of mortgage interest relief for individual landlords. Section 24 of the Finance (No. 2) Act 2015 phased out higher-rate relief on finance costs, meaning that individual landlords can now only claim a basic-rate tax credit.

In contrast, limited companies can currently deduct mortgage interest as a business expense, something you can't do under personal ownership. Corporation tax is generally lower than higher personal income tax rates, making this structure attractive to landlords with significant borrowing or expanding portfolios[2].

However, the decision is seldom straightforward. Incorporation involves its own costs, legal obligations, and administrative requirements. These must be carefully balanced against potential tax savings.

COMMON MISCONCEPTIONS AMONG LANDLORDS

Several myths persist, obscuring the decision-making process for landlords contemplating a limited company buy-to-let.

Among the most common are:

- **Mortgages are harder to access through a company:** While fewer lenders once offered limited company products, a growing number do. Rates can be slightly higher than for personal borrowing, but the gap has narrowed today.
- **Company ownership always saves tax:** Tax savings depend on circumstances. Some landlords benefit significantly, but others, particularly those with modest borrowing or lower-rate tax positions, may see little advantage.
- **It is easy to transfer existing properties into a company:** Transferring property usually triggers capital gains tax and stamp duty liabilities. For landlords with large portfolios, these costs can outweigh the potential benefits.
- **Administration is minimal:** Running a company involves filing accounts, meeting compliance requirements, and potentially incurring expenses for professional accounting services.

These misconceptions often leave landlords either missing out on opportunities or making decisions that do not suit their circumstances.

BALANCING BENEFITS AND TRADE-OFFS

For landlords with substantial debt, being able to deduct mortgage interest through a limited company can be very beneficial. Portfolio investors might also find that incorporating enables profits to be kept and reinvested at lower tax rates.

At the same time, higher borrowing costs and more complex structures need to be considered. Individual landlords with little debt or lower rental income might find that the simplicity of personal ownership outweighs the benefits of incorporation.

Long-term plans are also important. A limited company structure might be more effective for succession planning, as shares can be transferred more easily than properties held in personal names. However, withdrawing profits from a company as dividends involves additional tax considerations.

EVOLVING LANDSCAPE FOR LANDLORDS

As mortgage rates, tax policies, and regulatory requirements continue to change, landlords are likely to revisit the question of using a limited company. For some, incorporation will offer a way to achieve greater efficiency and long-term planning. For others, it may remain unnecessarily complicated.

What is clear is that misconceptions still influence decisions. Understanding both the opportunities and limitations of limited company buy-to-let remains essential for landlords seeking to build sustainable, profitable portfolios. ◆

Source data:
[1] legislation.gov.uk/ukpga/2015/33/section/24
[2] gov.uk/corporation-tax
[3] gov.uk/hmrc-internal-manuals/property-income-manual/pim2054

> **"For landlords with substantial debt, being able to deduct mortgage interest through a limited company can be very beneficial."**

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BRIDGING FINANCE

A solution for investors seeking quick and flexible funding

> "Where a standard mortgage application can take weeks or even months, bridging loan applications can be approved and funds disbursed in days. This agility enables buyers to act decisively and secure opportunities they might otherwise miss."

IN THE RAPID-PACED PROPERTY MARKET, timing can be the key difference between securing an investment property and missing out. For investors needing quick and flexible funding, bridging finance offers a dependable solution. Also known as a bridging loan, it is a short-term funding option designed to 'bridge' a temporary gap until a longer-term financial arrangement is in place or an asset is sold.

This form of finance provides immediate access to capital, with loan durations typically ranging from a few months to two years. Unlike a traditional mortgage that is repaid over an extended period, a bridging loan is intended to be settled swiftly, making it an essential tool for seizing time-sensitive opportunities.

UNDERSTANDING THE MECHANICS

The process of securing bridging finance is relatively straightforward. The loan is secured against a high-value asset, most commonly property, which acts as collateral for the lender. This security reduces the lender's risk and allows for much faster approval times than high-street banks, often releasing funds within a matter of days.

When you apply, the lender evaluates the value of your collateral and your proposed repayment plan, often called the 'exit strategy'. Repayment typically occurs in one of two ways. A 'closed bridge' is used when there is a definite plan and date for repayment, such as a mutually agreed property sale. An 'open bridge' provides more flexibility when the repayment date isn't fixed, although this can sometimes result in a higher interest rate.

COMMON APPLICATIONS FOR BRIDGING FINANCE

Bridging loans are highly adaptable. Property developers and investors frequently utilise bridging finance to fund renovation or conversion projects, covering costs until the property is sold or refinanced with a standard buy-to-let mortgage.

Furthermore, these loans can save a property chain if a link breaks or provide capital for urgent business opportunities, such as acquiring a competitor or buying stock at a discounted price. In some cases, they can even be used to consolidate high-interest debts into a single manageable short-term loan.

BORROWER'S UNIQUE CIRCUMSTANCES

Where a standard mortgage application can take weeks or even months, bridging loan applications can be approved and funds disbursed in days. This agility enables buyers to act decisively and secure opportunities they might otherwise miss.

This financing is also very flexible, with terms that can be customised to a borrower's specific situation. Many products provide 'interest-only' or 'retained interest' options, where monthly payments are not necessary and the interest is 'rolled up' and paid in full along with the capital when the loan is repaid. Because the loan is secured against property, lenders are often willing to offer larger sums than would be available through unsecured lending.

KEY POINTS TO CONSIDER

While bridging finance is a useful tool, it involves important considerations. Interest rates are higher than for traditional mortgages, often starting from around 0.75% per month, reflecting the short-term, higher-risk nature of the lending. A clear and viable exit strategy is essential, as failure to repay the loan on time could jeopardise your collateral.

You must also consider additional costs. These may include broker fees, arrangement fees which are usually around 2% of the loan amount, and legal fees, which could be approximately £1,500 + VAT. Remember that bridging finance is a short-term option and should only be used when you have a clear repayment plan within the agreed-upon period.

IS BRIDGING FINANCE RIGHT FOR YOU?

Bridging finance can be the key to unlocking your next property venture or business goal, providing the speed and flexibility needed to act quickly. However, it is vital to approach it with a full understanding of the costs, risks, and repayment obligations involved.

By carefully weighing the benefits against the considerations, borrowers can confidently use this specialised finance to their advantage. ◆

SEEKING FUNDING TO REALISE YOUR PROPERTY OR BUSINESS GOALS?

If you believe bridging finance could help you achieve your property or business ambitions and would like to explore your options, please get in touch for more information and tailored advice. Contact

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PROPERTY INVESTMENT

A QUARTER OF STUDENTS SELECT ACCOMMODATION GUIDED BY PARENTS

Student rental decisions highlight the importance for landlords to consider both groups

THE STUDENT RENTAL SECTOR has long been a unique part of the broader property market. While students are the tenants, decisions about where they live are often influenced by parents. Recent surveys indicate that approximately one in four students relies on parental input when selecting accommodations[1].

This insight emphasises an important factor for landlords and developers: student housing decisions are rarely made in isolation. Parents influence choices on location, cost, safety, and quality, shaping demand in university towns and cities.

SCRUTINISING THE QUALITY OF THE PROPERTY

For many families, the transition to university is the first time a child has lived independently. Parents are naturally eager to ensure the accommodation is safe, affordable, and conducive to studying. Rising rents have made affordability a pressing concern, with student rents increasing at a rate faster than inflation in recent years[2].

Safety is another key factor. Parents often scrutinise the quality of the property, fire safety measures, and neighbourhood conditions before supporting their child's choice. For landlords, this means that marketing to students also indirectly involves addressing parents' concerns.

The financial connection cannot be overlooked either. Many students depend on parental support to cover rent costs, either through direct payments or as guarantors for tenancy agreements. As guarantors, parents are directly committed to ensuring the property is suitable and trustworthy.

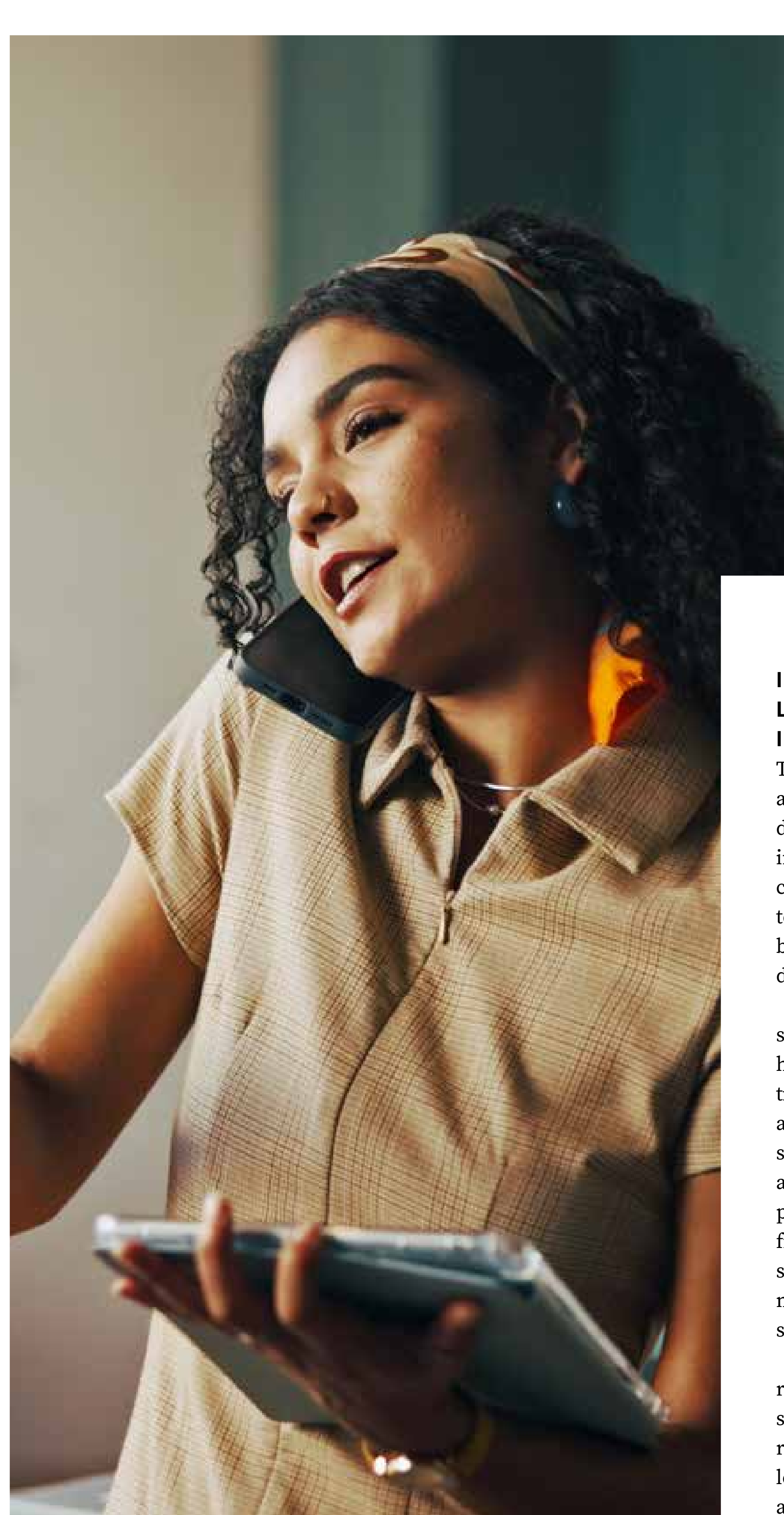
QUALITIES PARENTS PRIORITISE

While students may value proximity to nightlife or modern interiors, parents tend to focus on different aspects.

Among the most important are:

- Proximity to campus and reliable transport links
- Safe and well-lit locations
- Transparent and reasonable rental terms
- Properties in good condition, with modern heating and insulation
- Professional management and responsive maintenance

This overlap between student preferences and parental oversight creates a demand for well-located, high-quality properties at a reasonable price. Landlords who can provide these standards are more likely to secure long-term tenancies and experience fewer void periods.



"This overlap between student preferences and parental oversight creates a demand for well-located, high-quality properties at a reasonable price. Landlords who can provide these standards are more likely to secure long-term tenancies and experience fewer void periods."

IMPLICATIONS FOR LANDLORDS AND INVESTORS

The fact that parents influence a quarter of student rental decisions highlights the importance for landlords to consider both groups. Student tenants are the primary clients, but parental approval can determine the final decision.

Investors in purpose-built student accommodation (PBSA) have already responded to this trend by offering facilities that appeal to parents, including secure entry systems, on-site staff, and clear contract terms. Smaller private landlords may benefit from adopting similar practices, such as providing professional management and emphasising safety measures in listings.

At the same time, affordability remains a key factor. With student rents continuing to rise faster than maintenance loans, properties that strike a balance between quality and cost are likely to remain in high demand[3]. Landlords who overlook affordability risk missing out on tenants whose parents guide them towards better-value options.

LOOKING AHEAD AT THE STUDENT MARKET

The student lettings market is expected to stay competitive, with demand exceeding supply in many university towns. Parents will continue to play a key role, especially as guarantors and financial backers.

For landlords and investors, recognising this dual audience, both students and parents, can help shape property improvements and marketing strategies. Those who offer accommodation that meets both sets of expectations are more likely to stay resilient in a changing market. ◆

Source data:
[1] ucas.com/data-and-analysis
[2] ons.gov.uk/economy/inflationandpriceindices
[3] hepi.ac.uk/reports/priced-out-the-accommodation-costs-survey-2024-london-edition/

LOOKING TO FUND A PROPERTY DESIGNATED AS STUDENT LETS?
A student buy-to-let isn't a specific product but a standard buy-to-let mortgage offered by lenders willing to finance properties designated as student lets. Not all lenders will support this type of application. To discuss your options, contact Winnersh Triangle – **0118 334 3500** Newbury – **01635 635 655** **Post@berkshireifa.com**

Renters' Rights Bill

What the reforms mean for the private rented sector

THE RENTERS' RIGHTS BILL is poised to enact the most significant reforms to tenancy law in a generation, fundamentally altering the relationship between landlords and tenants. The legislation, which includes a ban on 'no-fault' evictions, is currently in its final stages, moving between the House of Commons and the House of Lords in a process known as 'ping pong'.

With both houses considering final amendments, the bill is expected to receive Royal Assent in late October or November 2025. This will officially pass it into law as the Renters' Rights Act, heralding a new era for the private rental market.

NEW TENANCY LANDSCAPE

The bill's headline measure is the abolition of Section 21 'no-fault' evictions, meaning landlords will always need a valid, legally defined reason to regain possession of their property. This will be managed through an updated Section 8 process.

Alongside this, all new and existing tenancies will become periodic, with no fixed end date. This provides tenants with greater security, including protection from eviction for the first 12 months, unless they breach their agreement. Should a landlord wish to sell or move into the property after this period, they must provide four months' notice.

RENT RISES EXPLAINED

The legislation will introduce strict new rules to limit how and when rents can be increased. Landlords will only be able to raise rents once per year, and the new amount must be in line with local market rates.

Any increase must be communicated through a formal Section 13 notice, providing the tenant with two months' notice of the change. Tenants will also gain new powers to challenge any increase they believe is unreasonable or exceeds the prevailing market rate.

OVERSIGHT AND STANDARDS

A mandatory new Private Rented Sector Landlord Ombudsman Service will be established, to which all landlords must join, regardless of whether they use a letting agent. This body will have the power to resolve disputes and issue binding decisions, including ordering compensation payments or property improvements.

In a move to improve housing quality, Awaab's Law, which sets strict timelines for addressing hazards like damp and mould, will be extended to the private sector. The Decent Homes Standard, currently applicable only to social housing, will also be applied to private rentals.

COMPLIANCE AND DATA

Landlords will be required to register themselves and their properties on a new Private Rented Sector Database. This is designed to increase transparency for tenants and provide local councils with more accurate information for enforcement purposes.

The bill also strengthens tenants' rights to keep pets, making it unlawful for landlords to unreasonably refuse a request. An amendment from the House of Lords is being considered that would allow landlords to request a pet deposit of up to three weeks' rent.

FAIRER RENTING PRACTICES

The practice of rental 'bidding wars' will be outlawed, requiring landlords and agents to advertise a single asking rent and prohibiting them from encouraging higher offers. Furthermore, blanket bans on renting to tenants who receive benefits or have children will be made illegal.

Local authorities will receive enhanced powers to enforce these new rules, with the ability to issue fines of up to £7,000 for a first offence. Serious or repeat offenders may face penalties of up to £40,000 or even criminal prosecution.

LANDLORD SENTIMENT AND IMPACT

The rules surrounding Rent Repayment Orders will also be strengthened. They will apply to new offences under the bill, with maximum repayment amounts for repeat offenders and the repayment period doubling from 12 to 24 months.

PREPARING FOR CHANGE

While the bill will become law this autumn, the new rules are not expected to come into force until spring or autumn 2026, giving the sector 'sufficient time' to prepare.

LANDLORD PREPARATION CHECKLIST

1. **Familiarise yourself with the bill:** Take time to understand the new obligations in detail.
2. **Review your tenancy agreement:** The move to periodic tenancies will require most standard agreements to be updated.
3. **Assess your property:** Ensure your property meets the Decent Homes Standard and consider how you will accommodate the new rules on pets.

These new laws will apply to tenancies in England only. ◆

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LANDLORD INSURANCE: DO I NEED IT?

Why protection matters when managing rental property risks

> "The cost of landlord insurance depends on various factors, including location, property type, tenancy arrangements, and the level of cover chosen. While premiums add to running costs, the potential financial exposure of going without can be far greater."

OWNING A RENTAL PROPERTY involves more than just collecting rent. Landlords face a wide range of potential risks, from property damage to tenant disputes, and standard home insurance often does not provide full cover. That is where landlord insurance comes in. While not legally required, this type of policy is often seen as essential to protect both the property and the income it generates.

The key question for landlords is not whether it is needed in principle, but what level of cover is appropriate for their circumstances.

WHAT LANDLORD INSURANCE COVERS

Landlord insurance is specially created to safeguard properties rented to tenants. Unlike regular home insurance, which assumes the owner lives in the property, landlord policies cover extra risks.

Typical cover can include:

- **Buildings insurance:** Protection against structural damage caused by fire, flood, subsidence, or vandalism.
- **Contents insurance:** Cover for furnishings and appliances provided as part of the tenancy.
- **Loss of rent:** Compensation if the property becomes uninhabitable due to an insured event.
- **Liability insurance:** Protection against claims if a tenant or visitor is injured due to the property's condition.
- **Legal expenses:** Support with the costs of disputes, repossession proceedings, or recovering arrears.

Not all policies are the same, so landlords need to carefully compare the terms. Some lenders may require landlord insurance as a condition of a buy-to-let mortgage.

WHY STANDARD HOME INSURANCE IS NOT ENOUGH

A common misconception is that standard home insurance provides sufficient cover for rental properties. In fact, using a standard policy for a let property can invalidate claims. Insurers view tenanted properties as higher risk because the owner is not living on-site to monitor issues.

This means that even if the property is well-maintained, accidental damage or liability claims from tenants may fall outside the scope of a standard policy. Specialist landlord cover ensures that claims are recognised and paid.

BALANCING COST WITH PROTECTION

The cost of landlord insurance depends on various factors, including location, property type, tenancy arrangements, and the level of cover chosen. While premiums add to running costs, the potential financial exposure of going without can be far greater.

For example, repairing fire or flood damage without insurance could run into tens of thousands of pounds. Liability claims can also be significant. In this context, landlord insurance acts as a financial safety net, protecting both property value and rental income.

DO LANDLORDS REALLY NEED IT?

Although there is no legal requirement to have landlord insurance, the risks of not having it are substantial. For landlords with mortgages, lenders may insist on it. For others, the decision comes down to balancing the cost of premiums against the protection provided.

In practice, most landlords view insurance as a crucial component of managing their investment. With the rental sector facing growing compliance obligations and tenant expectations, having the right policy in place offers reassurance that unexpected problems will not derail long-term plans. ◆

DO YOU NEED TO PROTECT YOUR PROPERTY INVESTMENT?
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PROPERTY INVESTMENT

Landlord sentiment: Holding, selling, or adapting?

Surveys reveal mixed intentions as costs and demand shape decisions

LANDLORDS IN THE UK are facing a challenging period. Rising borrowing costs, changing regulations, and tax pressures have all prompted questions about the future of the private rented sector. While some landlords remain committed for the long term, recent surveys indicate that a significant number are contemplating selling part of their portfolios in 2025[1].

This split illustrates both the challenges and opportunities in the market. Tenant demand remains robust, but rising operating costs and regulatory reforms are reshaping how landlords plan for the future.

WHY SOME LANDLORDS ARE HOLDING THEIR GROUND

For many, the decision to retain property is based on long-term confidence in rental demand. Vacancy rates remain low, and private rents increased by 8.6% in the 12 months to August 2025[2]. This growth has surpassed inflation and wage increases, offering landlords reassurance about their ability to sustain stable income streams.

Capital growth also remains a consideration. Official data show that the average UK house price was around £270,000 in July 2025, up 2.8% year-on-year and still significantly higher than it was a decade ago[3]. For landlords who see property as a long-term investment, selling now could mean missing out on further gains once interest rates eventually ease.

WHY OTHERS ARE CHOOSING TO SELL

Surveys reveal a shift among some landlords. Data show that one in three landlords intends to sell their properties in the coming year[1]. Further research indicates that landlords are twice as likely to sell as to buy, with 12% having disposed of properties and 37% planning to reduce their portfolio size[4].

For these landlords, the reasons are clear: higher borrowing costs, reduced tax relief, and increased compliance requirements. The Renters' Rights Bill, set to reshape tenancy rules, is also prompting some to reconsider whether their investments remain viable.

MARKET CONDITIONS SHAPING DECISIONS

Mortgage rates are still higher than they were in the 2010s, making refinancing more expensive. Some landlords are willing to accept lower yields for long-term asset growth. Others, especially those with smaller portfolios or higher debt levels, find the trade-off less appealing.

Tenant demand acts as a balancing force. As homeownership becomes increasingly unaffordable, more households turn to renting. Landlords who can provide high-quality housing in desirable areas are likely to continue seeing demand, even in a more regulated environment.

WHAT THIS MEANS FOR THE RENTAL SECTOR

The outlook for 2025 is one of transition. Landlords are not exiting in large numbers, but sentiment is not entirely positive either. Many remain committed for the long term, while others are scaling back.

The overall impact is likely to be a tightening of supply in some regions, which will further boost rental demand. Landlords who stay engaged and adaptable, by carefully remortgaging, upgrading property standards, and responding to tenant needs, are best positioned to benefit from this environment. ◆

Sources
[1] nrla.org.uk/news-landlords-plan-to-sell-properties-at-record-rate-according-to-new-research
[2] ons.gov.uk/economy/inflationandpriceindices (Index of Private Housing Rental Prices, August 2025)
[3] gov.uk/government/news/uk-house-price-index-for-july-2025
[4] nrla.org.uk/news/landlords-twice-as-likely-to-sell-property-than-buy

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Changing face of home energy efficiency

Ambitious target aims to make homes warmer, greener, and cheaper to operate

NEW GOVERNMENT PROPOSALS are set to significantly change the energy efficiency standards for rental properties across England and Wales. As part of its Warm Homes Plan, the government plans to increase the minimum required Energy Performance Certificate (EPC) rating for privately rented homes from the current E grade to a more stringent C grade. This ambitious target aims to make homes warmer, greener, and cheaper to operate.

The changes are set to be gradually implemented, affecting all new tenancies from 2028. By 2030, every existing tenancy will also be required to meet the new C-rating minimum. This move marks a significant step up in requirements, imposing greater responsibility on landlords to improve the energy performance of their properties, ultimately benefiting tenants and supporting national climate targets.

NEW WAY OF MEASURING

Alongside the higher standards, the entire EPC system is scheduled for a major overhaul from 2026. The current methodology, which is based on the estimated running costs of a property, will be replaced. This has sometimes been criticised for penalising homes that use electricity for heating, such as those with modern heat pumps, because electricity is often more expensive than gas.

The new system will focus on three main areas of performance. It will evaluate the efficiency of a property's heating system, prioritising modern solutions like heat pumps. It will also assess "fabric performance," which measures how well the building retains heat through its insulation, windows, and draught-proofing. Lastly, it will consider a property's "smart meter readiness," promoting the adoption of technology that helps monitor energy use more precisely.

2030 GOVERNMENT TARGET

Achieving this widespread upgrade presents a significant challenge. According to analysis by the estate agency Hamptons, if landlords continue making improvements at the current rate, it would take until 2042 for all rental homes to meet the new C standard. To reach the 2030 government target, an estimated 340,000 rental properties will need to be upgraded each year.

Data from the Ministry of Housing, Communities and Local Government shows a mixed picture of progress. Between January and August 2024, of the rental homes that received new EPCs, 39% moved into a higher efficiency band. However, 13% actually dropped into a lower band, while 48% saw no change at all. As it stands, 55% of rental properties already have a rating of C or higher, but it is estimated that up to 4% may never be able to achieve this minimum standard.

COUNTING THE COST

For landlords, these new rules will inevitably bring financial considerations. A 2025 study by Simply Business revealed that over half of landlords (55%) believe they will need to make improvements to meet the 2030 deadline. When asked about the potential costs, 38% anticipated spending between £1,000 and £10,000 on the necessary works.

A smaller but notable 13% expect the bill for upgrades to exceed £10,000. Common priorities for landlords include increasing loft insulation (23%), upgrading windows to double or triple glazing (20%), and improving draught-proofing (15%). More extensive projects such as installing solar panels (12%) or a heat pump (11%) are also under consideration.

BENEFITS FOR TENANTS

Although the initial expense for landlords is considerable, the long-term advantages for tenants are evident. More energy-efficient homes lead directly to lower utility bills, providing welcome relief amid ongoing concerns about the cost of living. Research from Hamptons highlights the potential savings clearly.

A tenant in an average property with an EPC C rating could expect to pay £499 less per year on bills compared to someone in a similar property with a D rating. The savings become even more significant when comparing a C-rated home to an E-rated one, with the estimated annual saving rising to £1,248. This financial incentive could boost tenant demand for properties with better energy ratings.

LOOKING AHEAD

The proposed changes are currently subject to a period of government consultation, which closed on 2 May 2025. The results of this process will determine the final regulations and the exact timeline for implementation. Landlords and tenants alike are waiting for the outcomes, which will offer much-needed clarity on spending caps, possible exemptions, and the future of the EPC system.

As deadlines draw nearer, landlords will feel increased pressure to evaluate their properties and plan for necessary upgrades. For many, this will mean commissioning a new EPC assessment to determine their starting point and identify the most cost-effective route to achieving a C rating. The push towards higher standards is not merely a regulatory challenge; it marks a fundamental shift towards a more sustainable and efficient rental market in the future. ◆

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Your home, your legacy

A guide to high-value home insurance

STANDARD HOME INSURANCE is a familiar product for most homeowners, designed to provide a safety net for the typical property and its contents. But what happens when your home is anything but typical? If your residence is a listed building, an architect-designed masterpiece, or if you own substantial collections of art, jewellery, or fine wine, a standard policy will probably leave you dangerously underinsured. This is where High Value Home Insurance comes in, offering specialised, bespoke protection for exceptional assets.

This type of insurance is designed for individuals whose properties and possessions surpass the upper limits of standard policies. It's not just about higher sums insured; it offers a completely different approach to coverage, risk management, and claims. It recognises that your assets are unique and require a more sophisticated level of protection, moving away from a one-size-fits-all model to provide a personalised solution that reflects your lifestyle and the true value of your belongings.

UNDERSTANDING THE NEED FOR SPECIALIST COVER

When should you consider switching from a standard to a high-value policy? A key indicator is the rebuild cost of your property. If your home would cost more than £500,000 to £1,000,000 to reconstruct from scratch, a high-value policy is likely necessary. This is particularly true for listed buildings with specific material requirements or unique modern homes with complex architectural features.

Another factor is the value of your contents. Standard policies often have a total contents limit, perhaps around £75,000, and restrictive single-item limits, often as low as £1,500. If you own fine art, antique furniture, a watch collection, or high-end jewellery that exceeds these thresholds, you need a policy that can reflect their true worth. High-value insurance is specifically designed for this situation, ensuring your treasured possessions are properly covered.

CORE COMPONENTS OF A HIGH-VALUE POLICY

High-value home insurance is characterised by the extensive and detailed coverage it offers. A key aspect is providing an accurate rebuild cost, guaranteeing that in the event of total loss, your home can be restored to its original state without financial loss, using appropriate materials and specialist tradespeople. This is especially important for historic or architecturally significant properties, where standard estimates may be inadequate.

The policy usually covers comprehensive 'all-risks' worldwide protection for your belongings and personal possessions. This means your items are protected not just at your home but wherever you are around the globe, against loss, theft, and accidental damage. It offers peace of mind whether you are travelling with valuable jewellery or have simply misplaced a treasured item.

VALUING WHAT MATTERS MOST

A key element of this specialised insurance is the idea of 'agreed value' for specified items. Before the policy starts, you and the insurer set the value of particular high-value items such as paintings, sculptures, or rare watches. If a claim is made for that item, the insurer pays out the pre-agreed amount without dispute or depreciation, ensuring complete certainty.

Moreover, these policies frequently include a 'pairs and sets' clause. If one item from a pair or set, such as a pair of antique earrings or a collection of dining chairs, is lost or damaged, the insurer will compensate you for the loss in value of the entire set, not just the single damaged piece. This recognises that the value of the whole is often greater than the sum of its parts.

COMPREHENSIVE PROTECTION FOR MODERN LIVING

Beyond possessions, high-value policies provide protection that reflects the realities of modern living. Accidental damage cover is typically included as standard for both buildings and contents, offering a broader safety net than ordinary policies. Home emergency assistance is also frequently featured, offering rapid 24/7 response for issues such as burst pipes or boiler breakdowns, with higher claim limits than standard coverage.

Cyber cover is an increasingly vital element, protecting you and your family against online threats such as hacking, data theft, and cyber-bullying. In the event of a major incident making your home uninhabitable, the alternative accommodation provision is much more generous, ensuring you can stay in a property of similar standard and size while repairs are carried out, often for up to three years.

LIABILITY, LEGALITIES, AND THE BIGGER PICTURE

High-net-worth individuals often face greater liability risks. As a result, these policies feature significantly higher limits for public and employers' liability, often up to £10 million. This protects you if a visitor is injured on your property or if you employ domestic staff, such as cleaners, gardeners, or nannies.

Comprehensive legal expenses cover is another important benefit. It offers financial assistance for a variety of legal disputes, from employment tribunals and contract disagreements to tax investigations. It provides a vital layer of financial security against the potentially devastating costs of litigation, managed by specialists in the field.

UNDERWRITING: THE SPECIALIST'S VIEW

Securing high-value insurance requires a more detailed underwriting process than standard applications. Insurers will need professional,

up-to-date valuations for your property and for significant individual items or collections. This ensures the sums insured are accurate, prevents the risk of underinsurance, and guarantees a smooth claims process.

Security is also a key consideration. Underwriters will evaluate your home's security features, including the type and quality of door and window locks. For higher-value contents, they often require a professionally installed and maintained burglar alarm system, sometimes connected to a central monitoring station. For particularly valuable items like jewellery or watches, the policy may specify that they must be stored in a particular grade of safe when not being worn.

DIFFERENCE IN RISK MANAGEMENT AND CLAIMS

The service philosophy behind high-value insurance is fundamentally different. Insurers and brokers in this sector act as risk advisors, assisting you proactively in safeguarding your assets. They may conduct surveys to spot potential vulnerabilities, offer advice on fire suppression systems, or suggest security improvements, all aimed at preventing a loss from happening in the first place.

Should you need to make a claim, the experience is vastly different from a standard policy. You are often assigned a dedicated claims manager who oversees your case from start to finish. The process is designed with empathy, speed, and discretion in mind. Insurers recognise the emotional distress a loss can cause and aim to settle claims quickly and fairly, often offering cash settlements to provide flexibility. They also give access to networks of specialist restorers and craftsmen to ensure repairs meet the highest standards.

HOW PREMIUMS AND SUMS INSURED ARE DETERMINED

Premiums for high-value policies depend on various factors, including the property's rebuild cost, location, total contents value, security measures, and your claims history. The key to securing good value is to get the sums insured right from the start. For your property, this means obtaining a professional Rebuild Cost Assessment from a chartered surveyor, rather than relying on a market valuation.

To prevent underinsurance of your contents, carry out a thorough room-by-room inventory, paying particular attention to valuable collections. Obtain professional valuations for fine art, antiques, jewellery, and watches every two to three years, as their market values can vary considerably. Providing this detailed information to your insurer allows them to assess the risk accurately and ensures you are fully covered.

"High-net-worth individuals often face greater liability risks. As a result, these policies feature significantly higher limits for public and employers' liability, often up to £10 million."

CUSTOMISING YOUR POLICY WITH ESSENTIAL ADD-ONS

High-value home insurance offers great flexibility and can be expanded to include a wide range of additional assets and risks. It's common to cover second homes and holiday properties, both in the UK and abroad, under a single policy, making administration easier and often lowering costs. This coverage can also extend to boats, caravans, and other valuable possessions.

Properties with a listed status or those undergoing renovations can also be properly protected, with clauses tailored to address the specific risks related to building works and heritage requirements. Outbuildings, such as home offices, gyms, or guest annexes, can be included with full cover for their structure and contents. For art collectors, specialised transit insurance can be added to safeguard pieces while they are on loan or being transported.

RESPONDING TO NEW CHALLENGES

Policies are also evolving to tackle modern challenges. An increasing number of insurers now provide benefits for eco-friendly rebuilds, adding an extra percentage on top of the sum insured to cover the use of sustainable materials and renewable energy sources when you need to reconstruct your home.

Amid rising climate-related risks in the UK, such as storms, floods, and subsidence, high-value insurers adopt a more proactive strategy. They offer expert risk management advice to help reduce these threats and ensure your policy delivers clear, comprehensive cover if the worst occurs, providing a level of certainty often absent from standard contracts. ◆

WOULD YOU LIKE TO DISCUSS YOUR SPECIFIC INSURANCE NEEDS?

For further information or to discuss your specific insurance needs, please do not hesitate to contact us. We are here to provide expert guidance and help you secure the right protection for the things you value most. Speak to

Winnersh Triangle – **0118 334 3500**
Newbury – **01635 635 655**
Post@berkshireifa.com

Property jargon buster

A handy guide to use any time you come across some property jargon

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.

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%

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.

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. Follow the rules for people who've bought a home before.

Higher rates for additional properties
You'll usually have to pay 5% on top of SDLT rates if buying a new residential property means you'll own more than one.

If you're replacing your main residence
You will not pay the extra 5% SDLT if both of the following apply:

- the property you're buying is replacing your main residence
- your previous main residence was sold within 36 months of completing your new purchase

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 Winnersh Triangle – **0118 334 3500**
Newbury – **01635 635 655**
Post@berkshireifa.com

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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.