ISSUE 5 - WINTER 2022

THE MORTGAGE & PROPERTY MAGAZINE

HOUSING MARKET PREDICTIONS FOR 2022

Shift in priorities as we adapt to new ways of working and living

ARE YOU SITTING ON A GOLDMINE?

Value of British homes soars by 20% in five years

START YOUR JOURNEY TO YOUR FIRST HOME

Taking your first step on the property ladder

HOME IMPROVEMENT IDEAS FOR 2022

Where can you add real value to your home?

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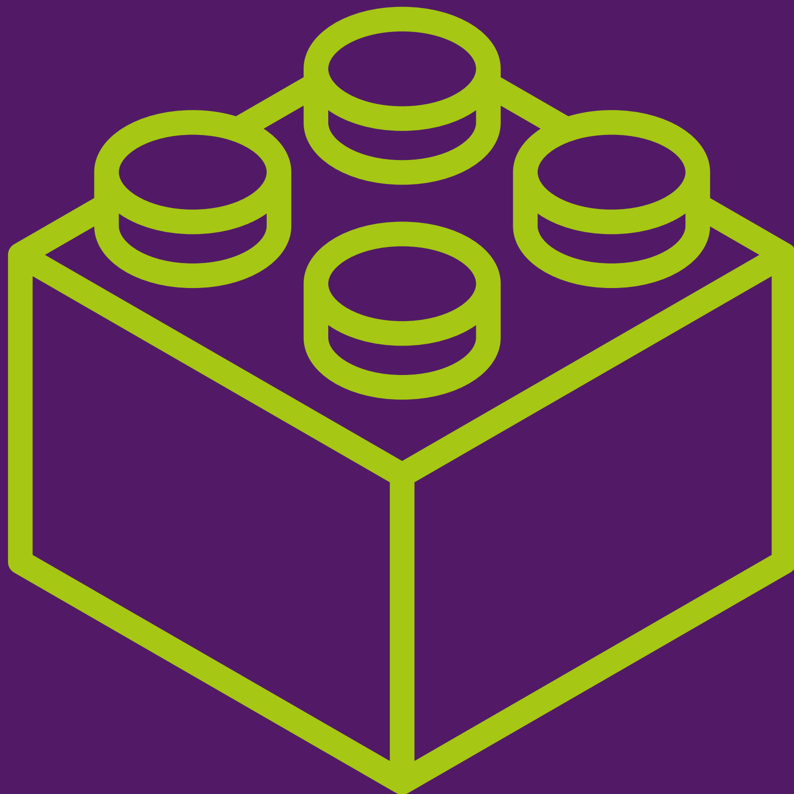

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YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP THE REPAYMENTS ON YOUR HOME

Welcome

WELCOME TO the Winter 2022 quarterly issue of *The Mortgage & Property Magazine* from Agentis Financial & Mortgage Solutions Ltd.

Last year was one of the busiest for the housing market in more than a decade, driven by a reassessment by many homeowners of where they are living – prompted by the COVID-19 pandemic, a search for more living space, low mortgage rates, better access to mortgages for first-time buyers, and, of course, the stamp duty holiday. There's little doubt that the pandemic and lockdowns have influenced what buyers want in a home, with a strong broadband connection, flexible space and access to nature high on the wish list. Turn to page 52 to see this year's housing market predictions.

Are you sitting on a goldmine? The value of British homes has soared by 20% in five years. A major factor that has increased property prices has been the shortage of homes to sell to match demand in many areas. And despite the increase in property prices to 'new all-time highs', the typical mortgage payment has 'not been high' by historic standards compared to take-home pay, largely because mortgage rates have remained close to all-time lows. On page 10 we look at why understanding the value of your home, and the equity you hold within the property, will help when it comes to making future plans.

Are you looking to buy your first home in 2022? Whether you're a young professional or simply planning for the future and trying to be smart with your money, purchasing a home is one of the biggest financial decisions you'll ever make. The journey of purchasing a property is not always easy and hurdles can crop up along the way, so it can feel simultaneously exciting and overwhelming. With this in mind, on page 22 we have compiled our top ten steps to give first-time buyers an edge when they decide to get on the property ladder.

Where can you add real value to your home? That's likely to be a question you've asked yourself at some point. Home improvements give you more than just a little more living space, they can add potentially thousands of pounds to the value of your home. On page 36, even if you have no immediate plans to sell your home anytime soon, it's still useful to know how you can go about increasing the value of your property – that way, if you ever come to sell at a later date, the asking price you can set for your home is likely to be much higher.

A complete list of the articles featured inside this issue appears on pages 03-05. We hope you enjoy reading this issue and always welcome your feedback. ◆

David Mortell Ce(MAP) Ce(RER), Director

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

Are you sitting on a goldmine?

Value of British homes soars by 20% in five years

A MAJOR FACTOR that has increased property prices has been the shortage of homes to sell to match demand in many areas. And despite the increase in property prices to 'new all-time highs', the typical mortgage payment has 'not been high' by historic standards compared to take-home pay, largely because mortgage rates have remained close to all-time lows.

Understanding the value of your home, and the equity you hold within the property, will help when it comes to making future plans. According to latest research, the total value of British homes has soared by 20% in the past five years[1].

TOTAL VALUE

That's a staggering £1.6 trillion, around the same figure as the market cap of Apple – the world's most valuable company. It means that almost 12 million homes have jumped in value by the national average of £49,000 or more since 2016.

The total value of homes in Britain now stands at a staggering £9.2 trillion. To put this figure into perspective, it's more than four times the GDP of the UK – the value of all goods produced and services provided each year. And it's more than four times the value of all the companies listed on the FTSE 100.

LIMITED SUPPLY

House price growth since 2016 has been underpinned by ultra-low mortgage rates. And since the COVID-19 pandemic, buyer demand has increased significantly as many people reassess what they want from a home. But this demand has been met by only a limited supply of homes for sale, fuelling house price growth.

The steep increase in property prices means your home could be worth more than you think. So if you are thinking of moving, you may have more money for your next purchase than you realised. Even if you plan to stay put, you could qualify for a cheaper mortgage, as you will be borrowing a lower proportion of its value.

HOUSING WEALTH

The research highlighted that homes in the South East have seen the biggest increase in value over the past five years, collectively rising by £294 billion. By comparison, homes in London saw £214 billion added to their value over the same timescale.

Even so, London is the most valuable region, with homes in the city collectively worth £2.4 trillion. It means that although the capital accounts for just 13% of British properties, it is home to a quarter of Britain's housing wealth.

NATIONAL AVERAGE

The South East has the second highest value of homes at £1.7 trillion, followed by the East of England at £1 trillion. But at the other end of the scale, homes in the North East are collectively worth £197 billion, while those in Wales are valued at £308 billion.

More than two-thirds of homes in 53 of the country's 367 local authority areas have risen by more than £49,000 since 2016. Monmouthshire tops the list, with 88% of homes increasing by more than the national average. It's followed by Hastings at 83% and Trafford at 82%. ◆

Source data:

[1] Zoopla Research conducted in October 2021. Data is based on values provided by Zoopla's Automated Valuation Model (AVM) which carries out monthly valuations to provide the best indicator. The above data is from July 2021 (the most recent available) and compared to AVMs in July 2020 and 2016. The information and data in this report was correct at the time of publishing and high standards are employed to ensure its accuracy.

GREEN MORTGAGES

Save money and help the planet

TODAY, HOMEOWNERS looking for a green mortgage have more options than ever before. The attraction is a green mortgage that offers lower interest rates or extra capital and puts energy efficiency at the forefront of both the lender's and buyer's thinking.

To date, many green mortgage lenders are offering homeowners discounted interest rates for buying properties that are already energy efficient, but this only accounts for a small number of properties.

Increasingly, lenders are offering green mortgages. But what is a green mortgage? It isn't a loan backed by environmentally friendly funds or where some of the profits are invested in sustainability or renewable energy. The green element of these mortgages ties into helping to improve a home's energy efficiency rating.

Three broad types of green mortgages:

- Cheaper lending rates for homes with high energy efficiency ratings
- Capital release to pay for improvements to a home's energy efficiency through credit, discounted mortgage rates or cashback on an existing mortgage
- Additional borrowing made available for home energy efficiency improvements through re-mortgaging or moving to a new home that may benefit from energy efficiency work

REDUCING A HOME'S CARBON FOOTPRINT

Each type of green mortgage aims to reduce a home's carbon footprint and to help homeowners recoup any investment by saving money on energy bills. A good energy performance certificate (EPC) rating could even help the property's value increase, as it can be an indicator of lower running costs.

The UK is one of many countries signed up to the Paris Agreement to limit global warming to 1.5°C, and is aiming to reach net zero emissions by 2050, with Scotland aiming for 2045. Decarbonising the country's housing by making it more energy efficient is a vital part of that journey.

HOUSEHOLD'S TOTAL EXPENDITURE

Homes in the UK must have an up-to-date EPC when they are rented or sold. Assessed homes receive an energy efficiency rating of A to G, with 'A' being the most energy efficient and 'G' the least. New homes usually have high 'A' and 'B' ratings while older, historic properties may carry much lower ratings.

Household spending, which includes energy bills, is part of a lender's calculation when looking at mortgages. Most lenders factor a standard energy bill as 4.4%[1] of a household's total expenditure, which can sometimes lead to inaccurate outcomes.

"The UK is one of many countries signed up to the Paris Agreement to limit global warming to 1.5°C, and is aiming to reach net zero emissions by 2050, with Scotland aiming for 2045."

SPEND MORE ON MORTGAGE REPAYMENTS

For example, a family of four living in a 'G' rated property would be assumed to be spending £200 a month on fuel bills. But that drops to £50 a month if they were living in an 'A' rated home.

Green mortgages take EPC ratings, and their impact on energy expenditure, into account. That means people buying 'A' or 'B' rated houses may be able to borrow more, because the less that people spend on energy, the more they can spend on mortgage repayments.

BORROWING MONEY TO PAY FOR IMPROVEMENTS

Studies by the Energy Saving Trust suggest that improving a home by two EPC efficiency bands could add up to around £4,000 in additional mortgage finance, thanks to monthly savings on fuel bills.

Lenders want to encourage home energy efficiency by offering lower repayment rates, allowing people to borrow money to pay for improvements that bring energy bill savings. Some discounts apply once the work has been completed, while others insist that a certain percentage of released funds must be spent on energy efficiency measures. Some require that the completed work brings the house to a specific EPC rating.

INSTALLING ENERGY EFFICIENCY MEASURES

Some of the following measures can improve most homes' EPC ratings. However, like people, all houses are different, so it's not just a case of putting in double glazing and hoping for the best.

Taking out a green mortgage doesn't mean the bank will advise you on what work to carry out. It's important to install energy efficiency measures appropriate to the building and in the proper order. Heat pumps are a good example – they work particularly well when fitted in well-insulated houses.

Improving a home's EPC rating can bring a range of benefits, such as potential financial support to help pay for improvement works.

These include:

- Lower energy bills
- Reduced carbon footprint
- Possible lower mortgage rates through green mortgages
- Improving house resale price
- Increased mortgage borrowing levels

HELPING THE UK REACH NET ZERO

Private sector landlords also have to improve their property's energy efficiency ratings with the requirement to meet at least an 'E' band for properties to let.

The country's housing requires substantial energy efficiency investment to help the UK reach net zero. Green mortgages to make your home more energy efficient could grow into one of its most substantial branches. ◆

>> COULD YOU SAVE MONEY BY TAKING OUT A 'GREEN' MORTGAGE? <<

It's relatively early days for green mortgages in the UK housing market, but they're set for exponential growth as people become more aware of their existence and benefits. To discuss your requirements speak to **Agentis Financial & Mortgage Solutions Ltd** – telephone **01733 367800** – email **info@agentisfinancial.co.uk**.

Source data:

[1] Energy Saving Trust, July 2021

Time to review your mortgage?

Finding a deal that's a better fit for you now and in the future

GETTING A MORTGAGE is a big step towards buying a home, and is definitely cause for celebration. Your mortgage deal might have been competitive when you first got it. However, by regularly reviewing your mortgage and remortgaging when an appropriate deal is available, you could save a lot of money, amounting to thousands of pounds.

Remortgaging means moving your mortgage to a new lender while staying in the same property. If you've had your mortgage for a while, and you haven't reviewed it, how sure are you that you're still getting a competitive rate? At the very least, you should review your mortgage when interest rates change because this will affect how much you pay.

The base rate is set by the Bank of England and is important to homeowners because it acts as a benchmark for the cost of borrowing money – the lower the base rate, the lower the interest rates. We've started to see signs of inflationary pressures, which means if the base rate goes up, then inevitably, mortgage interest rates are likely to follow.

If you have been a homeowner for a few years and your fixed rate mortgage is coming to an end, your mortgage will revert to your lender's standard variable rate (SVR) of interest. It's important that you start planning your mortgage options at least four months before the end of the fixed rate period ending.

WHY REVIEW YOUR MORTGAGE?

- Despite the fact that we've benefited from historically record low interest rate levels, some mortgage lenders have started to increase rates in anticipation of further Bank of England base rate increases
- If appropriate, you could save thousands of pounds over the full term of your mortgage if you move to a more comparative scheme rather than remaining on your current lender's SVR of interest.
- If your initial fixed rate mortgage scheme has come to an end, you may wish to switch mortgages to take advantage of a new lower fixed rate
- Fixing your mortgage rate to a new scheme will provide peace of mind and security in the event of further rate rises

STREAMLINING YOUR LARGEST DEBT

If you're not tied in to a mortgage deal with early repayment penalties why not see how your current deal compares to new deals that have since come onto the market? If you do nothing when rates change or your mortgage deal ends, you might lose out to a more attractive deal.

Your mortgage is likely to be your biggest financial commitment. So it follows that streamlining your largest debt could produce the largest saving. ◆

>> WANT TO LOOK AT WHAT ALTERNATIVE OPTIONS ARE AVAILABLE? <<

Ready to switch your mortgage to a different deal, or just want a look at what alternative options are on offer? It's definitely worth checking the latest offers if your current mortgage deal is about to end, or has already moved to a follow-on rate. To discuss your mortgage options, contact **Agentis Financial & Mortgage Solutions Ltd**
– telephone **01733 367800**
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UK mortgage lenders begin to raise rates

Act sooner rather than later and consider your options

MORTGAGE RATES have been very low by historical standards in recent times and that is partly why there has been such high demand for homes during the pandemic. The government's independent forecaster, the Office for Budget Responsibility, announced that if inflation rises by more than 5%, then a higher bank rate and more expensive mortgages, particularly in 2023, are more likely.

The base rate which is set by the Bank of England (BoE) is important to homeowners because it acts as a benchmark for the cost of borrowing money. One of the biggest

"If you're on a tracker or variable mortgage, you should start to shop around to see if you can find a cheaper option with a fixed mortgage."

concerns around a rise in inflation is the potential impact on the cost of mortgages.

FIXED RATE MORTGAGE DEALS

Higher energy, fuel, transport and food costs make a rise in the cost of borrowing more likely. The question now seems to be not if the Bank will raise rates, but when.

The lower the base rate, the lower the interest rates. If the base rate goes up, so inevitably will mortgage interest rates. We are already starting to see some signs that fixed rate mortgage deals are increasing, and although competition should help to maintain lower rates, it looks as though the reductions in fixed deals enjoyed previously could be coming to an end and even beginning to reverse.

Rate rises will almost certainly affect homeowners paying a standard variable rate (SVR) or discounted deal linked to an SVR, as lenders will adjust this independent borrowing rate too.

CORRELATED TO INTEREST RATES

If you currently have a tracker rate mortgage you could see an immediate change to your monthly payments, as your rate is directly correlated to interest rates. If you're on a tracker or variable mortgage, you should start to shop around to see if you can find a cheaper option with a fixed mortgage, although you might have to pay an early redemption fee first.

If you are currently planning to apply for a mortgage it makes sense to act sooner rather than later and obtain professional mortgage advice, as some mortgage lenders may allow the current low rates to be locked in at an early stage in the mortgage application process.

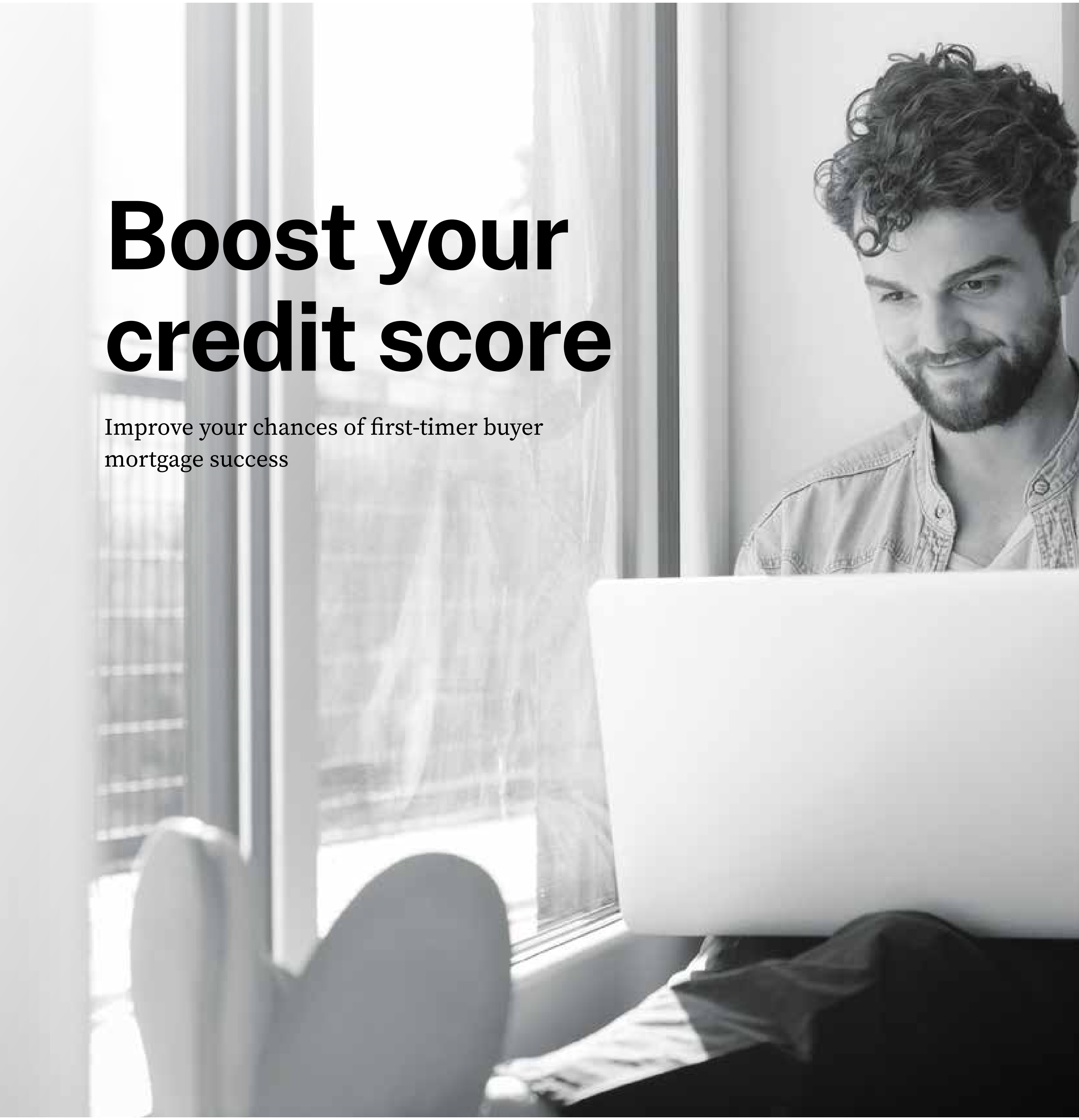
TIME TO REVIEW YOUR SITUATION

If you are part-way through a fixed rate deal you won't be affected by an interest rate rise until the offer ends, when your rate will revert onto your lender's respective SVR, unless you remortgage. Also, if your current mortgage deal is coming to an end within the next six months, now could be a good time to review your situation to consider your options. Some lenders will allow you to apply for current deals several months before your mortgage expires.

While increases in interest rates are clearly not good news for borrowers, neither are they a cause for immediate panic. ◆

>> NOW IS THE TIME TO REVIEW YOUR MORTGAGE <<

Any increase in rates could have an impact on your monthly mortgage payments, although it depends on what sort of mortgage you have. To discuss how we can help you, contact **Agentis Financial & Mortgage Solutions Ltd** – telephone **01733 367800** – email **info@agentisfinancial.co.uk**.



Boost your credit score

Improve your chances of first-timer buyer mortgage success

IF YOU ARE PLANNING to buy your first property, one of the initial steps is to apply for a mortgage. This process requires an assessment of your creditworthiness by lenders. When they carry out their assessment, it will include an evaluation of your credit report which details all the information on how you have managed credit in the past, including late or missed repayments.

The sooner you can start managing your finances well, checking whether there are any negative items on your credit file that should be removed and working on making sure that it shows positive activities, the better chance you give yourself of securing a more competitive deal from mortgage lenders when looking into a property purchase.

Tips to improve your credit rating when applying for a mortgage:

HAVE SOME BILLS IN YOUR NAME

Utility bills, such as your mobile phone contract or your gas utility bill, count as a form of credit. If you pay them on time, they're a good way to show lenders you can pay your bills back reliably. If you don't have an account in your name, it might be worth considering putting one or two utility bills in your name.

CARD AND BILL PAYMENTS

If you already have a significant amount of credit available, for example, if you have multiple credit cards or a large overdraft, lenders may view this as a negative. It's also important to remember, though, that what you owe should not make up a high proportion of your overall limit. It may be wise to balance paying off debts with closing old accounts.

"If you haven't borrowed money before, it's difficult for a mortgage lender to judge how likely you are to meet your future repayments."

CREDIT CARD USAGE

If you haven't borrowed money before, it's difficult for a mortgage lender to judge how likely you are to meet your future repayments. This may impact on your credit score. You can grow your score by using credit regularly and responsibly. Spending small amounts and paying your bill off each month shows lenders they can trust you to repay what you borrow. An arranged overdraft, or a credit building credit card with a low limit, may be easier to get accepted for than a credit card or personal loan.

BE AWARE THAT CHECKS TAKE POINTS

Every time you apply for credit, for example a credit card, loan or new utility bills, your rating will reduce slightly when a hard search is carried out on your accounts. Therefore, be conscious of how many you're doing, as these checks can take many months before they are removed from your record. Don't apply for credit too frequently in a short space of time as this may also make lenders feel that you're overly reliant on credit and are high risk for them.

SAVE FOR THOSE BIG PURCHASES

When it comes to large purchases, instead of just sticking unusual, large amounts on your credit card or missing your credit card bills to afford them, think ahead and save regularly in a savings account for rainy days for big purchases such as new furniture for your new home. This way, the purchases can occur without affecting your credit rating.

REGISTER ON THE ELECTORAL ROLL

Ensure you're on the electoral register as lenders will use this to check your name, address and where you've lived before. Lenders need to confirm these details to validate who you are before they offer you a mortgage. So, if you're not registered, it could cause a delay or result in your application being declined.

KEEP YOUR ADDRESS UP TO DATE

When you move home, credit rating agencies may not be able to locate you immediately and therefore your score can drop. Registering to vote is a good way to get your new address to sync with credit rating agencies. The longer you're at an address, the steadier your credit score will grow, so try not to move too frequently otherwise your credit score could show uncertainty.

GET YOUR JOINT ACCOUNTS IN CHECK

If you have an account that is linked to another person, such as a spouse, friend or family member, actions in a joint account will still affect your credit score so it's important to keep an eye and a handle on these too. In the run up to your property purchase, it's important they act responsibly in your joint accounts to keep your credit score as healthy as possible.

CHECK FOR FRAUD

Although rare, if you notice odd credit checks or any activity that doesn't apply to you on your credit file, make sure you report it and investigate whether someone has been using your details fraudulently. It's important to check this and act on it, as taking the responsibility for someone else's credit actions could be affecting your credit score negatively and will take a while to be investigated and resolved.

DEALING WITH OUTSTANDING DEBTS

If you already have debt, you should focus on clearing your repayments in the short term in order to see your credit score improve. Don't apply for new credit, as the checks and the use of more credit will see your credit score drop.

If you're looking to obtain a mortgage a good credit score will increase your chances of being accepted, as well as getting a lower interest rate. But if your credit score is low then it's important to take steps to improve it. This means making sure that nothing negative stays on the file, such as defaults and late payments. ◆

HOW CAN I GET A MORTGAGE IF I'M SELF-EMPLOYED?

Mortgages shouldn't be complicated just because you're self-employed

We understand that self-employment comes in many shapes and sizes. Whether you're self-employed, a contractor or freelancer, we can match your income to an appropriate lender. Our experienced mortgage advisers will explain the best mortgage options for your self-employed status.

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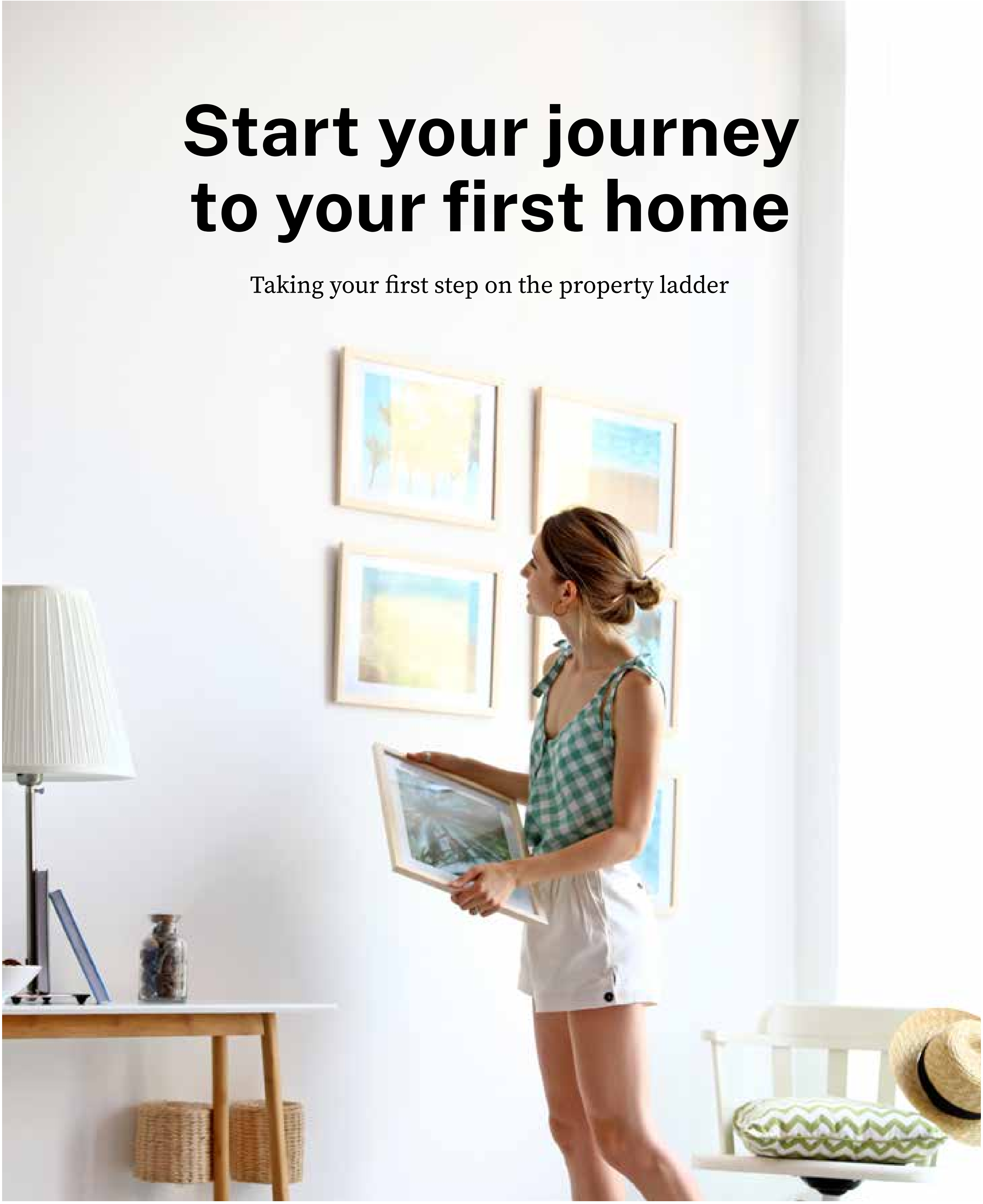
YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP THE REPAYMENTS ON YOUR HOME

Start your journey to your first home

Taking your first step on the property ladder



ARE YOU LOOKING to buy your first home? Whether you're a young professional or simply planning for the future and trying to be smart with your money, purchasing a home is one of the biggest financial decisions you'll ever make.

The journey of purchasing a property is not always easy and hurdles can crop up along the way, so it can feel simultaneously exciting and overwhelming. However, if you are a first-time buyer you do have one advantage when it comes to securing a property.

By not already owning a home, you are not part of a property chain. This is attractive to sellers as it means you are not tied down to the sale of your own home before you can move into your new one.

With this in mind, we have compiled our top ten steps to give first-time buyers an edge when they decide to get on the property ladder.

10 STEPS TO HELP YOU GET THERE

1. Set a budget and stick to it
To get a sense of how much you can afford, you should obtain professional mortgage advice. Most estate agents will also require proof of your budget, so having an 'Agreement in Principle' from a mortgage lender will help speed up the process.

You need to consider what you're willing and able to spend on your new home. After you have saved for your deposit and applied for your mortgage, it is important to stick to your budget. Make sure you set a clear limit and do not view properties above that if you are not willing to haggle with the seller.

If you don't want to dip into any further savings at the beginning, only view properties that you can afford.

2. Apply for a mortgage early
The vast majority of first-time buyers require a mortgage to afford a property purchase. If you arrange your mortgage as early as possible, you'll be in a stronger position with sellers. And, it'll relieve a little stress from the home buying process.

Leave it too late to get a mortgage, and you could risk losing your dream property. Having an 'Agreement in Principle' ready can help you appeal to sellers looking for a quicker transaction. Not only that, but it will also save you time in the long run.

3. Consider the extra fees
Make sure you are aware of the extra fees that are involved in the buying process. From stamp duty to solicitor's fees, conveyancing fees, property searches and surveys, it's useful to know what extra costs you'll have to pay so you can plan your budget when you're thinking of buying a home.

These are just some of the extras that you need to be aware of. Be sure to include these in your budget calculations at the beginning so you are prepared for the extra expenses.

4. Instruct a conveyancer early
If you are committed to buying a property, you can instruct a solicitor or conveyancer without having the details. This will put you a step ahead of the rest when you have an offer accepted.

But you should instruct them to start the process as soon as your offer has been accepted on the property you intend to buy. Conveyancing is the process of transferring the legal title of a property from one homeowner to another.

5. Composure while on property viewings
When you find the property that you have been dreaming of, it can be easy to forget yourself. But keep in mind that your reactions may impact you further down the line.

"Whether you're a young professional or simply planning for the future and trying to be smart with your money, purchasing a home is one of the biggest financial decisions you'll ever make."

“The new Help to Buy: Equity Loan scheme is for first-time buyers and includes regional property price limits to ensure the scheme reaches people who need it most.”

Be positive and interested, but keep in mind that gushing or becoming overexcited will reveal your hand early. This could have a negative impact if you want to negotiate on price later.

6. Agents do not work for buyers

This is one of the key points that many buyers do not realise. Estate agents work for sellers. While they accommodate buyers during property viewings, their job is to sell the property at the highest price.

Being aware of this will help you conduct yourself during viewings while the agents are assessing you on behalf of the seller.

7. Be mindful of the asking price

When you are looking for potential properties, one of the best tips is to be aware of the asking price. Remember it is not the same as value but what the sellers want.

Do your research for similar properties in the area to give you an idea of what approximate prices should be. This will prevent you from overpaying in an area where you do not have to.

8. Consider government schemes

The government is committed to its pledge of turning ‘Generation Rent’ into ‘Generation Buy’. There are a number of schemes currently available to help first-time buyers get on the ladder: Lifetime ISAs; shared ownership schemes; and the new Help to Buy: Equity Loan scheme which was launched on 1 April 2021.

The new Help to Buy: Equity Loan scheme is for first-time buyers and includes regional property price limits to ensure the scheme reaches the people who need it most. The new scheme will run until March 2023. As with the previous scheme, the government will lend homebuyers up to 20% of the cost of a newly built home, and up to 40% in London. You should find out which one is best for you as it could help you with your purchase.

9. Ensure your credit score remains stable

You’ll need a healthy credit history to give lenders confidence in your ability to repay your mortgage. Often, buyers will overlook their credit score when the mortgage process has started. Lenders will revisit your credit file once completion looms so ensure you keep your credit score stable throughout the process.

Mortgage lenders consider your credit score and earning power, but also your spending habits. Avoid taking out new credit cards or opening any new accounts until the process is over to avoid incurring additional costs.

10. Take out property surveys

When you’re buying your first home, it’s all too easy to get seduced by the look and feel of the place and ignore the shabby-chic brickwork or gurgling sounds coming from the boiler.

A valuation is often required by a mortgage lender but building surveys and homebuyer reports can reveal more about the property you are buying. They will prevent any nasty surprises and can even help you negotiate the asking price with the seller. ◆

>> TAKE THE FIRST STEP TO YOUR MORTGAGE <<

We’re here to help you open the door to a place of your own and make it easier to find a mortgage that’s right for you. To find out more, contact **Agentis Financial & Mortgage Solutions Ltd** – telephone **01733 367800** – email **info@agentisfinancial.co.uk**.

Financing home improvements

Borrowing on your mortgage to put your ideas into action

“Many homeowners remortgage to fund home improvements because the interest rates tend to be lower than on personal loans or credit cards.”

OUR HOMES HAVE become more important than ever, not only for eating and sleeping but for other needs like working from home and exercising. And while some homeowners will decide to upsize and buy a new property, others take the opportunity to plan home improvements

Are you planning some significant home improvements such as an extension or conversion this year? Wondering how to pay and whether you can raise funds from your mortgage to do it?

HOME IMPROVEMENT PROJECT

Many homeowners remortgage to fund home improvements because the interest rates tend to be lower than on personal loans or credit cards. But remortgaging will depend on your property, your existing mortgage loan and your current financial situation.

Whether it’s a new bathroom, kitchen, loft conversion or extension, you’ll need to think about the best way of funding your home improvement project.

These are the main things to take into consideration when considering remortgaging to carry out home improvements:

Affordability: If you increase your mortgage loan, your monthly payments will rise. Before agreeing to a remortgage in these circumstances, the lender will check your salary is high enough to afford the new payments after all your other outgoings have been deducted.

Cost of the home improvements: The lender will consider the cost of the home improvements in their assessment to give you an idea of the amount you will need to get from remortgaging. There is a lot to consider when calculating the amount of money you will need for home improvement.

Credit history: Lenders will look at your income, employment status, job security, debts and credit history. Your credit score is a primary factor in the lender’s decision whether to approve your remortgage or not. So avoid the shock of being rejected by understanding how lenders may see you before you apply.

Equity: If you’ve owned your property for a number of years, the chances are you’ll have equity. If property prices have really increased since you purchased your home, then you may have enough equity to utilise. This will mean you have even more equity to work with when looking to remortgage.

Financial circumstances: Whether you are looking to switch to a new mortgage deal with your existing lender or to move to a new lender, your financial situation will be reassessed. If you have a track record of late or missed payments, it may result in lenders turning you down. Lenders that do accept borrowers who have had mortgage payment issues typically charge high interest rates.

Type of property: Consider whether your home improvements will add value to your home. A local estate agent can help you assess whether you will see a return on your investment if that is important to you. ◆

5 GREAT REASONS TO STAY PUT AND CARRY OUT HOME IMPROVEMENTS

1. You could add value to your property
2. Create more living space
3. Stay in your current location
4. Stay near to schools
5. Save money on the cost of moving home

>> READY TO DISCUSS REMORTGAGING TO PAY FOR HOME IMPROVEMENTS? <<

As we’ve been spending more time in our homes than ever before, many homeowners have had the time to imagine their dream property and the steps required to make this a reality. We can help you review your funding options. Contact **Agentis Financial & Mortgage Solutions Ltd** – telephone **01733 367800** – email **info@agentisfinancial.co.uk**.

MONEY TALKS

Cash is king for first-time buyers

"First-time buyer purchases were delayed by around three months, with one in six saying it was delayed by over five months."

THE MORE YOU can put down as a deposit towards the cost of your first home you're buying, the cheaper your mortgage should be. This is because mortgage lenders charge lower rates of interest to buyers with larger deposits.

And that's because a larger deposit means they're lending less as a proportion of the value of the property you're buying. A larger deposit means the property has to fall further in value before the lender's money is at risk.

Usually you need to put down a deposit of at least 5% of the property's value, which means you have a 95% loan-to-value (LTV) mortgage – a financial term used by mortgage lenders to express the ratio of a loan to the value of the property being purchased.

HELPING FIRST-TIME BUYERS OBTAIN A MORTGAGE WITH A 5% DEPOSIT

On 3 March 2021, the government announced a new 95% LTV scheme. The scheme has been created to help first-time buyers obtain a mortgage with a 5% deposit to buy a property of up to £600,000. The government has offered lenders the guarantee they need to provide mortgages that cover the other 95%, subject to the usual affordability checks.

DEPOSIT SIZE

More than half (58%) of first-time buyers were required to raise a larger deposit due to the pandemic, with an average increase in deposit size of £22,849[1].

A survey of 2,015 prospective and 500 actual first-time buyers found the average deposit size is now £62,572, or around 19% per cent of a property's value. The report added that it took first-time buyers who bought since the start of the pandemic an average of nearly five years to save up enough of a deposit.

HOW FIRST-TIME BUYERS ARE FUNDING A DEPOSIT

- 60% own savings
- 42% joint savings with partner
- 23% will rely on family to help
- 16% inheritance
- 10% borrow from friends

PROCESS OF PURCHASING

The findings of the report highlighted that the process of buying had become increasingly complex over the past few years, with two in five survey respondents saying it took two or more offers to secure a home.

The report also noted that just under half (49%) were in the process of purchasing a property, only for it to fall through, which cost buyers an average £2,402, with one in nine spending £4,000 or more.

COSTS FROM FEES

First-time buyer purchases were delayed by around three months, with one in six saying it was delayed by over five months.

Costs from solicitor's fees, mortgage fees, conveyancing fees and valuation, moving fees, rent paid to prior homes and estate agent fees set first-time buyers back, on average, by £4,486. ◆

Source data:

[1] Research conducted by Opinium on Aldermore's behalf in October 2021, with a nationally representative sample size of 2,000 prospective first-time buyers and 500 actual first-time buyers who bought since March 2020.

>> THINKING OF BUYING YOUR FIRST HOME? <<

Being a first-time home buyer is both exciting and daunting, in equal measure. We'll help answer any questions you have and guide you through the mortgage process. For more information contact **Agentis Financial & Mortgage Solutions Ltd** – telephone **01733 367800** – email **info@agentisfinancial.co.uk**.

First Homes scheme initiative

Helping local first-time buyers and key workers onto the property ladder

LAUNCHED IN JUNE last year, the First Homes scheme is a government initiative designed to help local first-time buyers and key workers onto the property ladder by offering homes at a discount of 30% off the market price. Local areas will be able to set a larger discount to ensure the homes are affordable to local people.

The scheme, which runs in England alongside existing shared ownership, Right to Buy and Help to Buy initiatives as well as new government-backed 95% mortgages, has been created to give first-time buyers access to new-build properties at a discounted price.

CONVENTIONAL MORTGAGE PRODUCTS

Buyers will purchase First Homes in the usual way and will have access to conventional mortgage products. A number of mortgage lenders have pledged to support the scheme.

When owners of First Homes decide to move up the ladder, their home will be independently valued. Once the home is sold, the discount will be passed on to the new owner with the discount (of at least 30%) applied to the new value.

FIRST HOMES EXAMPLE

- Market Price £300k
- First Homes discount of 30%
- First Home buyer pays £210k

When the owner is looking to sell, the new value of their home is £350k. This is allocated to a new first-time buyer or prioritised worker by the local authority, and it is sold with a 30% discount at £245k.

"Launched in June last year, the First Homes scheme is a government initiative designed to help local first-time buyers and key workers onto the property ladder."

BELOW MARKET PRICE

This means homes will always be sold below market price and local communities will benefit for generations to come, with local authorities continuing to allocate these homes to first-time buyers and able to prioritise local workers.

First Homes are for people to live in and are not permitted to be used as holiday homes or as buy-to-lets. These are for local people to take their first step onto the ladder.

WHAT ARE FIRST HOMES?

- First Homes are flats and houses built on developments up and down the country. They will be no different from other properties except they will be sold with a discount of at least 30%
- They will be sold to local people who want to stay in the community where they live or work but are struggling to purchase a home at market prices
- They will be prioritised for first-time buyers, serving members and veterans of the Armed Forces, and key workers, such as nurses, police and teachers
- The discount will be passed on to future buyers when First Homes are resold so more people can be helped onto the ladder

LIMITED NUMBER OF PLOTS

First Homes will be offered on a limited number of plots in most new developments throughout England. You will need to check whether the builder is currently including First Homes as part of the development. If yes, you must qualify through the eligibility criteria and apply through the builder.

To be eligible, purchasers of First Homes must be first-time buyers and have a household income not exceeding £80,000 and £90,000 in London (or lower if set by the local authority).

Post-discount price caps apply to the first sale of the property of £250,000 across England and £420,000 in London (or lower if set by the local authority).

A First Home should be the buyer's only home and a purchaser will need to use a mortgage or home purchase plan for at least 50% of the purchase price of the home.

There will need to be a local connection and/or key worker status as determined by the relevant local authority. To find out more visit: https://www.ownyourhome.gov.uk/all-schemes/. ◆

>> WANT TO MAKE BUYING YOUR FIRST HOME AS HASSLE-FREE AS POSSIBLE? <<

Whether it's still just a dream or you've seen somewhere you love, we can help you get there. We'll help you at each stage of your journey to make buying your first home as straightforward as possible. To talk to us about your requirements, please contact **Agentis Financial & Mortgage Solutions Ltd** – telephone **01733 367800** – email **info@agentisfinancial.co.uk**.

Ready for your mortgage interview?

Questions your mortgage lender will ask you

WHEN YOU APPLY for a mortgage you will always face some form of mortgage interview. The mortgage interview is for lenders to assess whether you qualify for a loan and then decide the maximum they are prepared to lend you.

This will also help you get a better understanding of how much mortgage you can afford. You must not only prove you can afford the mortgage on offer, but that you could cope with significantly higher repayments.

For example, even if you are taking out a fixed rate loan at 2%, you will be stress tested at a higher rate above the lender's standard variable rate, which is the rate you will be charged after the initial loan period expires, to ensure you can meet the mortgage payments.

Lenders are under pressure to ensure that you don't borrow more than you can afford. Typically, a mortgage interview happens before you submit your application. This is so that the lender can identify how much money you'll have left over after your regular expenditure – this is what you have available to spend on mortgage repayments.

WHAT SHOULD YOU BE PREPARED TO ANSWER IN YOUR MORTGAGE INTERVIEW?

Lenders are assessing if you can afford the mortgage repayments, so they'll ask you about your income (the money you have coming in) and expenses (the money you're likely to spend). These are a selection of questions you are likely to be asked.

- How much do you earn per year?
- What do you spend your money on?
- What's your credit history?
- How much existing debt do you have?
- Have you ever taken out a payday loan?
- Do you have children, or are you planning on having any more?
- Do you have any plans to leave your job, start a business or become self-employed?
- Do you expect your income to fall over the next few years?
- Do you ever gamble?
- What's the value of the property you want to purchase?

You will be asked about outstanding and ongoing payments, including:

- children (for example, school fees, child maintenance, child care)
- credit card and loan balances
- essential costs (like for groceries and toiletries)
- personal wellbeing and grooming costs (for example, gym memberships and haircuts)
- clothing and footwear
- costs for leisure activities (for example, eating out, socialising, TV licences, holidays)
- television and internet subscriptions
- mobile phone
- council tax
- utilities
- essential and non-essential travel (like petrol, public transportation costs, parking, hotels)
- ground rent or service charges
- insurance policy payments
- pension contributions
- insurance premiums
- alcohol and cigarettes
- cleaning products
- dry cleaning
- pets
- dental care
- eye care

The questions will usually also cover future plans that you may have that involve spending money.

These can include:

- having children
- car loans
- property renovation or redecorating
- repairs ◆

TOP TIPS FOR SELLING A HOME IN WINTER

Make sure demand for your property stays hot, even during the colder months

"Make sure there is lighting, not only at the door, but also leading up to it. In the winter evenings and early mornings, a dark pathway can be very off-putting."

ARE YOU TRYING TO sell your home this winter? It's not the easiest time of year, but that doesn't mean it's impossible. So what should you do if you're thinking of going ahead with a winter sale?

During the colder and shorter winter days people might be more hesitant to view lots of properties. So, first impressions online, including great photography, couldn't be more important.

First it's essential to ensure your property is priced sensibly. If you're asking way over market value then don't expect interest to be high – at least not initially. If you're asking for too much money, buyers will simply walk away and you'll have to drop your price.

Next, now it's time to make sure everything is ready for the viewings. Set some time aside to go through your home in detail and take notes on what needs to be addressed before the first viewing. You may also find it helpful to make a checklist to tick off before each viewing so that you give your property the best chance of impressing.

The best thing you can do is make sure your home stands out from the crowd. Sadly, a new coat of paint isn't going to cut it anymore – not with all those other houses on the market. You need something more creative than that.

TIPS FOR MAXIMISING THE CHANCES OF SELLING YOUR HOME THIS WINTER

GREAT FIRST IMPRESSION

Creating kerb appeal isn't just about adding value to your home. It's about creating a great first impression for any prospective buyers. To ensure that your home looks approachable and welcoming, think about the exterior.

Make sure all your lights are working and that there isn't any clutter outside. You should try to keep the front garden well maintained at all times but this is even more important if you're planning on selling your home quickly this winter. Check your flowerbeds and remove any dead or dwindling shrubs to show that your garden is well cared for.

OUTDOOR LIGHTING

You are bound to have viewings after dark so outdoor lighting is as important for safety as it is for aesthetics. Check your external lights work and are switched on if viewers are visiting in the evenings.

Make sure there is lighting, not only at the door, but also leading up to it. In the winter evenings and early mornings, a dark pathway can be very off-putting. Other than the practicalities of lighting, decorative outdoor lighting will provide a warm and friendly ambience to your garden after dark and creates a real sense of homeliness.

DE-CLUTTER AND DE-PERSONALISE

A cluttered home can give the illusion of less space. When someone is looking to purchase a home, they try to envisage themselves living there. Tackle the rooms that host the most clutter first.

Continue focusing on individual rooms until you make it through them all. Floors, worktops, tables and islands should be kept clear. Although it is tempting to have lots of family photos or personal possessions on display, remember you are selling an asset, not a story.

FIRST IMPRESSIONS COUNT

DIY jobs come at a cost, so making sure you're spending your money in the right areas is crucial. Spruce up your kitchen and paint your walls using neutral colours like whites and greys and keep the bolder tones for feature walls if you want to create them.

Should you change your front door? First impressions definitely count with buyers and this is the first thing they'll see. Consider replacing any cracked or broken tiles and refreshing grouting that has become stained or discoloured. Look at lighting, which will affect the ambiance of your home.

HIGHLIGHTING THE BEST FEATURES

Making your home feel welcoming and cosy doesn't require a huge overhaul. Instead, it's about highlighting your home's best features while maintaining the clean aesthetic you love. Modern homes and spaces will often feature clean lines, but this doesn't do much for the charm or character. It's important that your property feels homely to potential buyers.

Create warmth through lighting, add life with plants and flowers and warm up your space with rugs and textiles. Add texture and cosy up with curtains. Hang artwork and mirrors and don't forget to add an inviting aroma when stepping in from the cold with the comforting and spicy scent of a winter fragrance. ◆

Home improvement ideas for 2022

Where can you add real value to your home?

HOW CAN I INCREASE the value of my home? That's likely to be a question you've asked yourself at some point. Home improvements give you more than just a little more living space, they can add potentially thousands of pounds to the value of your home.

Even if you have no immediate plans to sell your home anytime soon, it's still useful to know how you can go about increasing the value of your property – that way, if you ever come to sell at a later date, the asking price you can set for your home is likely to be much higher.

Adding a conservatory, upgrading your kitchen or widening your bathroom space are just a few of the many home improvements you'll be considering at some stage in your life. But what are the most popular building projects and rooms to renovate so you know exactly where you can add real value to your home?[1]

LOFT CONVERSION

Many homes have an untapped potential for unused space in the loft, which can be converted into another room. A loft extension can cost anywhere between £10,000 and £40,000 depending on the structural condition of the building and quality of conversion, but it could add up to 15% to the value of your property due to the increase in square footage it can give you in living space.

You need to be mindful of the fact that a loft conversion is a large project requiring planning permission and help from an architect and engineer, which adds to the expense of the project. It can also cause a lot of disruption in your home compared to other renovations due to the time it takes, and the number of different trades required to complete the conversion.

PROPERTY EXTENSION

Adding to the square footage of your existing property will almost always add value to your home. Extending your living space can be as simple as adding a single storey extension onto your home for a bigger kitchen or dining room, to a more complicated project adding a few rooms with a double extension. You should expect to pay upwards of £10,000 to £20,000 for a single storey extension, but you can expect to add an estimated 10% on to the value of your property. This project causes a greater level of disruption than some light painting and decorating, and could also require planning permission and help from an architect to complete.

If you don't want to add an extension to your property you could consider adding an extra room in the garden itself. The understated garden shed is quickly being replaced by bespoke offices, workshops and sun rooms at the end of our gardens. An extra room in the garden could add value to your property and, depending on the size of the project, you're unlikely to need planning permission for this addition.

KITCHEN REFURBISHMENT

A new kitchen could potentially add 4% onto the value of your home. It's also something many prospective buyers look for – most likely because of the cost and difficulty that comes with replacing a kitchen, which makes one that's already complete very attractive.

A new kitchen could cost you anywhere between £5,000 and £40,000 depending on the size and scale of the refurbishment, and because of the number of services including gas, plumbing and electrics that might need to be moved or altered to meet your requirements. Compared to other, larger projects, a new kitchen is only likely to cause a week or two of disruption.

BATHROOM REFURBISHMENT

Adding a bathroom to your property, or upgrading an existing one, can increase the value of your home by up to 5%[2] and can be a valuable future selling point to prospective buyers. A new bathroom can cost between £2,500 and £6,000 depending on the quality of fixtures and fittings you choose.

If you are adding a bathroom, it's always better to create an en-suite from a large room or existing cupboard rather than converting a whole room, as you may ultimately devalue your home if you remove a bedroom or study to create a bathroom. This project is likely to cause the least disruption as it requires fewer trades to complete than other home improvements.

CONSERVATORY

Catch the best of the summer weather while adding as much as 10% to the value of your home with a conservatory. Having previously fallen out of favour with many home owners and prospective buyers, the conservatory is back and no longer just the uPVC box added on to so many suburban semis.

A new conservatory with bi-folding doors, self-cleaning glass and timber framing could cost you between £4,000 and £10,000, but is an easy and fast way to increase the value of your home. ◆

"Catch the best of the summer weather while adding as much as 10% to the value of your home with a conservatory."

Source data:

[1] Shawbrook Bank 09/2021

[2] https://www.idealhome.co.uk/project-planning/how-to-add-value-to-your-home-73696

What is your property worth?

Tips to sell your home for the asking price

"Preparing your home for viewers, including COVID-safe virtual viewings, is important. It will not only ensure your property is sold faster, but it could potentially also add thousands of pounds to its value."

ONE OF THE MOST agonising decisions when selling your home is what price to put it on for. If you have had your house on the market for some time without any success, reducing your asking price may seem an inevitable, if undesirable, next step.

Your estate agent will often suggest this move if they have run out of ideas, motivation and most importantly, confidence in your asking price. But is reducing your asking price really the answer to selling your home more effectively?

Preparing your home for viewers, including COVID-safe virtual viewings, is important. It will not only ensure your property is sold faster, but it could potentially also add thousands of pounds to its value.

GENERAL PRESENTATION

Declutter, keep it neutral and invest small for a big return. It sounds obvious but general presentation of your home really is vital. It can be overwhelming for viewers if your home is very cluttered so try to keep it minimalist, but retain a homely and welcoming feel. The ideal you're looking for is clutter free and not too busy.

Repair anything you can repair easily but that doesn't mean replacing kitchens or bathrooms. If the ceiling paint is flaking, give it a new coat of paint because it can and does put people off. These are all things that viewers see and makes them believe they'll have to spend money. It's nice for prospective buyers to go into a property that's been well looked after.

It's also important to not go over the top in terms of colours and loud wallpapers, so keep things neutral.

RESEARCH ESTATE AGENTS

To help you choose which estate agent to appoint, do your research and ask lots of questions before you make a decision. If you're looking for a quick sale you should be asking them how long it takes them to sell properties like yours, and if you're worried about a sale falling through, ask them how often it happens to them.

Paying attention to the different agencies selling properties in your area will reveal which agencies are doing well. The number of sold boards is a giveaway.

SET FEE STRUCTURE

You should opt for an agent that is clear, open and honest about their fee from the offset. If you can, find an agent who offers a percentage-based fee rather than a fixed fee. This is because with a fixed fee, if your property price comes down, the agent would still get a higher amount, although you're not getting as much for your home.

When it comes to negotiation, avoid going into battle over the agency fees. Larger corporate companies have a set fee structure they charge so you'll probably pay a lot higher than you would through a small independent agency where you'll have more flexibility. Smaller independents may also charge a lower fee and a more personalised service.

Don't forget to be vigilant of VAT as some estate

agents may leave it off the initial figure. Always think – and ask – whether there is going to be 20% on top of whatever they are offering you. Otherwise you could be in for a shock with the final bill.

GET THE PRICE RIGHT

Remember, more people equals more offers, which puts you in a better position. Put your property on the market for a really good price so that you can get more people through the door. That's far better than having the property on the market overpriced and then having to reduce the price because you don't have enough people wanting to view it.

Always aim to get at least three quotations for your home and then do some research to see what the agents have sold in your area to give you confidence in the price. Some estate agents may put a property on the market for £10k to £20k more to give room for negotiating.

Estate agents will also look to see what's been on the market that is similar to your property and they'll check what else has been sold in the same postcode to get the property selling price right. You can look online yourself to see what else has sold that's similar to your property, but the online prices are not always accurate so don't take that as gospel.

TRUST THE EXPERTS

People need to be realistic and trust the experts! If you have put your property on the market and have had your first open house, for example, and you get offers in, wait before you accept an offer, unless it's what you are looking for.

Your agent should always be there to advise you on how strong the market is and how things are going in order to then determine whether the property is still getting a good response from buyers.

When it comes to offers, it depends on your motivations and the reasons you're selling up. Ultimately the offer needs to work for you in terms of your onward plans, but take advice from your estate agent because they should be used to selling properties in your local area.

COMMUNICATION IS KEY

There is nothing worse than not being able to get hold of the seller when required. You need to be accessible, available and at the end of the phone if you want things to move quickly. You should be in regular contact with your estate agent and they should be in touch with you. As a minimum, you should hear from them at least 24 hours after they have done a viewing, and at least once a week so you have an update on what's going on.

MORE GREEN SPACE

More buyers are now looking for larger gardens and country views, especially since the COVID-19 pandemic outbreak. It seems as though everyone is looking to move to get more space. The lockdowns have made some people think about the space that they have or don't have, and increased the importance of garden space, so people are looking to update and increase their outdoor areas and access to fresh air.

In addition, an office space and study are now seen as essential where people are working from home. This feature is definitely high up on many buyers' agendas at the moment. There has been an increase in people building outhouses in the garden, as many of those who used to work in offices are changing the way they now work.

BOOK VIEWING TIMES

The best time or day to book a viewing depends on your property. If there's a particular time where the sun is more prevalent in the garden, you should try and fix the slot for this time of day. Also, if the home is close to a school, avoid doing a viewing when there is likely to be heavy school traffic.

The middle of the day, during the week, is always a good time to have viewings because the children are at school, which will mean fewer cars on the roads. It also means less noise from children playing in gardens. ◆

>> A MORTGAGE TO SUIT YOU, WHATEVER YOU'RE LOOKING TO DO <<

Whether you are looking to purchase your first home, move home or thinking about remortgaging, we can help find a mortgage that makes the process smooth and straightforward from start to finish. To find out more, please contact **Agentis Financial & Mortgage Solutions Ltd** – telephone **01733 367800** – email **info@agentisfinancial.co.uk**..

HOW CAN I FIND THE RIGHT MORTGAGE FOR ME?

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

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

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

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

Contact Agentis Financial & Mortgage Solutions Ltd
– **telephone:** 01733 367800
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YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP THE REPAYMENTS ON YOUR HOME

SPEEDIER SALES

When is the best time to sell a property for a quick sale?

THERE IS MUCH WRITTEN about when the best time to buy and sell a property is. Ultimately, the best time to list a property will depend on your reasons for selling. Whether now is the right time for you to sell or not is very personal to you. It depends on a variety of factors related to your circumstances.

If you need to sell quickly, you are probably better off listing as soon as you can. The pandemic has meant many homeowners living in urban and city areas have reconsidered their lifestyle and are reprioritising how and where they want to live, especially with working from home becoming the new normal. The imbalance of supply and demand means it's an extremely strong sellers' market.

NEW HOME

However, if you are thinking of selling in January analysis of data[1] over the last five years shows January is the best time to sell a property for a speedy sale. The data provides an insight into the time it takes to sell a property in the UK, showing that properties on the market in January are quickest to sell. Homes listed in January have taken an average of 58 days to sell.

January is also a good month to sell to first-time buyers and younger couples. Just after Christmas they will be ready for a new start, especially if they are still living at home. People see the new year as good time for a fresh start following on from the Christmas season, making this a popular period to start the search for a new home.

KERB APPEAL

Traditionally people wait for spring to sell their homes, but the data shows if you're looking to get moving, then there's no better time to put your house on the market than January. The first step is to find the best-performing estate agent in your area.

Next check to see if you need to boost your home's kerb appeal. The data revealed that 68% of buyers found kerb appeal to be important when they bought their home. The features that matter most to home buyers are windows being in good condition and a roof that doesn't need repair.

PRICING STRATEGY

Make sure the price is right. Too high and you won't get any viewings, too low and you'll miss out on getting what your home is worth. Speak to your estate agent about your pricing strategy. One helpful source of information is what houses in your area sold for, which can be viewed on the Land Registry site.

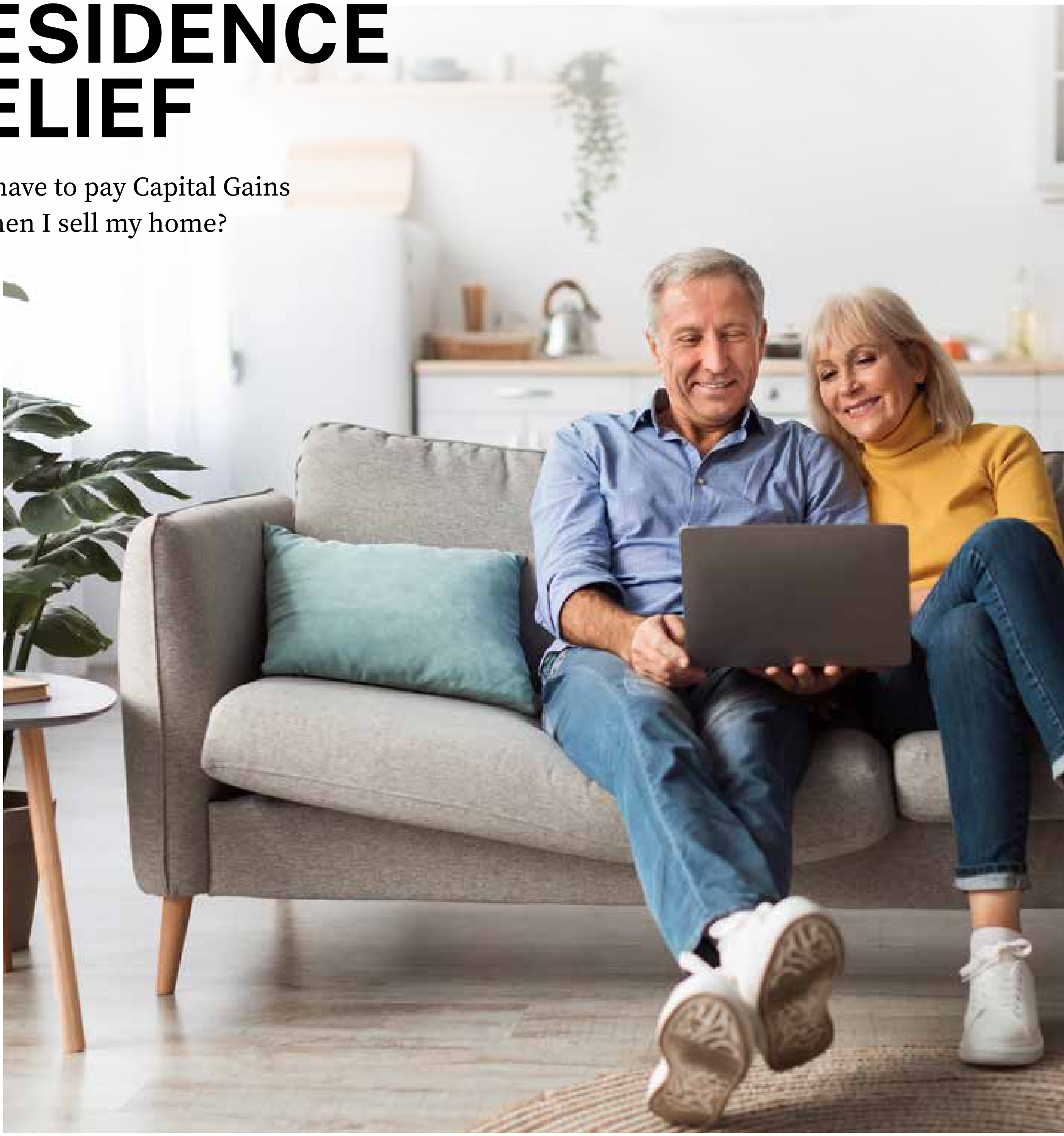
Find your conveyancing solicitor as soon as you have put your property on the market. Instruct your preferred firm and ask them to start pulling together a draft contract and start any basic work, such as the title enquiry. ◆

Source data:

[1] The HomeOwners Alliance, 8 January 2020

PRIVATE RESIDENCE RELIEF

Will I have to pay Capital Gains Tax when I sell my home?



IF YOU ARE CONSIDERING buying a new property, you may be wondering whether there will be any Capital Gains Tax to pay when you sell it.

The answer is, if the property is your only or main residence for all the time that you own it then no Capital Gains Tax will arise. This relief from Capital Gains Tax is called Private Residence Relief and provides an exemption from Capital Gains Tax on the sale of a home.

HOW DO YOU QUALIFY FOR PRIVATE RESIDENCE RELIEF?

- You have to live in the property as your main home for all periods that you own it
- You must not have been absent, other than for an allowed period of absence or because you've been living in job-related accommodation, during your period of ownership
- The garden or grounds, including the buildings on them, are not greater than the permitted area
- No part of your home has been used exclusively for business purposes during your period of ownership. This includes working from home using a room that is not exclusively used for business purposes
- You must not rent out your home – creating a furnished holiday let, even for a short period, will mean that you do not receive Private Residence Relief

MEET THE CONDITIONS

If you meet all of these conditions, you will not be required to pay Capital Gains Tax on any gains made from the sale of your property.

If you do not meet all of the conditions, you may still get partial relief under certain circumstances and you'll need to complete the Capital Gains Tax summary pages of your tax return.

Even if you meet all of these conditions, you will not receive Private Residence Relief if:

- You dispose of all or part of your garden after you've disposed of your home
- You acquire a dwelling house and/or spend money on it in order to realise a gain on its disposal

CAPITAL GAINS TAX FOR NON-RESIDENTS ON UK RESIDENTIAL PROPERTY

From 6 April 2015 if you sell (or dispose of) the whole or part of an interest in a UK residential property when non-resident, you must tell HM Revenue & Customs within 30 days of the date of conveyance. You may have to pay Capital Gains Tax on any gains you make.

IF YOU'VE MADE A LOSS ON THE DISPOSAL INSTEAD OF A GAIN

If you make a loss on the disposal of your home and you would have got Private Residence Relief if you had made a gain, your loss will not be an allowable loss and you will not be able to offset it against any gains you've made.

If you would have received partial relief, part of your loss will not be allowable and that part should be calculated in the same way as you would have calculated the partial relief if you had made a gain.

WHO QUALIFIES FOR PRIVATE RESIDENCE RELIEF?

Any individual is entitled to the relief on any gain arising on the disposal of their only or main residence. This is provided that, in calculating the amount of the gain that would be a chargeable gain if the relief did not exist, no account would have to be taken of any Gift Hold-Over Relief obtained by any person for an earlier disposal.

Special transitional rules may allow some Private Residence Relief to

apply where Gift Hold-Over Relief is obtained for a transfer which was made before 10 December 2003. Relief under these transitional provisions must be claimed. Trustees of settled property and personal representatives may claim relief in some circumstances, as explained below. Companies are not entitled to relief.

You're entitled to relief if you own the freehold of your home or if you're a tenant owning a lease. You're also entitled to relief if you jointly own the freehold or lease with someone else.

DEFINITION OF TERMS

To further understand the parameters of the Private Residence Relief conditions, here is a definition of the key terms used in this Private Residence Relief guide:

DWELLING/HOUSE

This may be a single building or detached house; it may be more than one building (such as a house with a detached garage); or it may form part of a building, such as a flat. Should your home include multiple structures, such as several outbuildings, any Private Residence Relief available may not extend to all buildings included.

Determining which buildings make up your dwelling is only relevant if the home has grounds or a garden larger than the area permitted.

Houseboats and fixed caravans are included in Private Residence Relief eligibility in the same way as houses and flats are. Even if your dwelling is located outside of the UK, you may still qualify for Private Residence Relief.

MAIN OR ONLY RESIDENCE

Should you reside in more than one dwelling, only one can be considered as your main residence at any one time for the purposes of Private Residence Relief. You can nominate your main residence for any period of time, but it must be made within two years of the date that you first take residence in any particular combination of dwellings.

"You're entitled to relief if you own the freehold of your home or if you're a tenant owning a lease. You're also entitled to relief if you jointly own the freehold or lease with someone else."

Whenever there is a change to the dwelling combination, a new two-year period must begin. Should you fail to make a nomination, the determination as to which is your main residence will be assessed upon the facts at hand.

PERIOD OF OWNERSHIP

Your period of dwelling ownership begins on the date that you first acquire the property, or on 31 March 1982, whichever is later. The ownership period ends when you dispose of it. The final 18 months of your ownership period always qualifies for Private Residence Relief, regardless of your use of the property during that time, so long as it has been your main or only residence at some point.

PERIOD OF ABSENCE

Some periods of absence will still qualify for relief. For example, if for a period of up to 12 months from the date of acquisition, you do not reside at the new dwelling due to the need to carry out refurbishments or because you are unable to sell your previous home, you can treat this period as if it has been your main or only residence. Under exceptional circumstances, a period of up to two years may be considered with the same leniency.

There are other conditions under which periods of absence may be treated as periods of normal residence, so long as during the time both before and after the absent period, you reside at the dwelling in question.

The qualifying reasons for absence include:

- Any absence for no more than three years in total, for whatever reason
- Absences relating to employment in which all duties are conducted outside of the UK

Or absences totalling no more than four years when either:

- The distance to your place of employment prevents you from living there; or
- Your employer requires that you work away in order to carry out your job efficiently

GROUNDS AND GARDENS

If you dispose of land that is included in your dwelling as grounds and/or gardens, you are entitled to relief so long as the area falls within the permitted size. The grounds or gardens include any buildings that stand upon them, so any building that is separate to your dwelling can still qualify for Private Residence Relief if it stands within a permitted area of grounds or garden.

PERMITTED AREA

So long as your grounds or gardens cover no more than half a hectare (a little over one acre), you are entitled to Private Residence Relief for all of it.

If your grounds or gardens exceed this area size, you may not be entitled to Private Residence Relief for all of it. The area for which you may still be entitled to relief is known as the 'permitted area'. This consists of the area of land that is considered to be required to enable a reasonable enjoyment of the dwelling as a primary residence.

In this case, the character and size of your property will be taken into account for assessment. You must enter the details of the property onto the Capital Gains Tax summary pages, along with details of the disposal and the gain, and any relevant information as to why you believe that all or part of the grounds and property should be exempt from paying Capital Gains Tax. ◆

Moving on up

What to consider when climbing further up the property ladder

"The first step is identifying the area you want to live in. Budget and what you can afford will be a key deciding factor for where you will focus your property search."

WHETHER YOU'RE LOOKING for your dream home or want something more suitable for your current needs, you may have been thinking about moving home recently. As we all know, it can be hard to move up the property ladder.

Is your current home in a location you love, but just doesn't have enough room for all of your belongings? Do you feel stuck on the property ladder? Always finding yourself overstretched and struggling to find that extra deposit for a move up, or even just that little bit more space?

The cost of housing within your current area may be too high, or you could simply not have enough saved to afford your next move. This can be even more problematic if you are married with children and think that buying a bigger home will help to provide stability for your family. With this in mind, there are some things that you will need to consider when looking at how to move up the property ladder.

SELLING YOUR CURRENT PROPERTY FIRST

Most people sell their current home at the same time as buying a new one, forming a property chain. However, if you decide to sell before you buy your next property it gives you the advantage of remaining in control of your property sale because you won't need to make a quick sale, or be pressured into selling cheaply.

Selling before buying your next home also puts you in a stronger position when buying. The seller you want to buy from would almost certainly prefer a buyer who has the cash in the bank rather than entering a chain, where their sale is dependent upon you finding someone to buy your property.

You may get a better price on the property you are buying if you find a seller who is keen to move quickly. If you put in a good and fair offer the buyer is unlikely to take another if it means entering a property chain, so you are less likely to be gazumped.

You will know exactly how much you can spend on the property you are buying because you'll have the money from your sale in the bank – buying your new home won't be dependent on you achieving the expected price on your existing one.

But before you choose this option make sure as many things as possible are organised beforehand, such as getting your mortgage pre-approved so you can buy quickly.

CHOOSING YOUR NEXT PROPERTY

The first step is identifying the area you want to live in. What you can afford will be a key deciding factor for where you will focus your property search. You will need to take into consideration whether it is more urban, suburban or rural. Think about commuting time and ease of getting around, proximity to shops and restaurants, and the quality of schools in the area, if you have or are likely to be planning a family in the future.

Once you've found a property, learn as much as you can about it. When you go to the viewing, if it's an older property, take your time to make sure the rooms are big enough, that there is plenty of natural light and no signs of damp. Also check the condition of the electrics, heating, windows and roof.

Ensure it is a home you will grow into, as people tend to like having more space as they grow older. Do you have enough bedrooms and a garden? Think about future potential or changes you might be able to make to add space if you need it.

You are unlikely to find a property that has everything you want, so you may have to make trade-offs. Being next to a busy road reduces prices, but if the noise doesn't bother you then it could be an opportunity.

Many people don't want to live

“People will often spend more for a garden, but if you aren’t that bothered, then it won’t be money well spent. If you don’t have a large budget and want to live centrally, living in a flat above a shop could prove perfect.”

right next to a school because of the noise from the playground, but if you are always out in school hours it won’t matter. You pay a big premium for off-street parking, and it reduces car insurance costs, but do you really want it?

People will often spend more for a garden, but if you aren’t that bothered, then it won’t be money well spent. If you don’t have a large budget and want to live centrally, living in a flat above a shop could prove perfect.

MORTGAGING YOUR NEW PROPERTY

Before you start searching for your next home, you’ll want to find out how much you might be able to borrow unless the equity in your current property is substantial or you have access to an amount of money that means you do not need to apply for a mortgage to secure your new property.

But if you already have an existing mortgage and do require mortgage funding to move to another property you will either need to start a new mortgage or there may be the option to take or ‘port’ your existing mortgage to your new home.

You will need to consider the following: Does your existing mortgage have early redemption penalties? Is your current mortgage portable? Will additional borrowing be needed to buy your new home? Is the current rate better than any new rate that could be obtained in the open market today? Will any other penalties apply if you move home while you have a mortgage?

COSTS TO CONSIDER

Aside from the obvious cost of potentially servicing a larger mortgage, there are some additional costs to factor in, including:

- **Stamp duty**

STAMP DUTY RATES IN ENGLAND AND NORTHERN IRELAND

Stamp duty rates in England and Northern Ireland are exactly the same. It is officially called ‘stamp duty land tax’ (SDLT). The point you start paying stamp duty will be £125,001:

- £0 - £125,000: 0%
- £125,001 - £250,000: 2%
- £250,001 - £925,000: 5%
- £925,001 - £1.5m: 10%
- Over £1.5m: 12%

STAMP DUTY IN SCOTLAND (LBTT)

Stamp duty in Scotland is called ‘land and buildings transaction tax’ (LBTT).

- £0 - £250,000: 0%
- £250,001 - £325,000: 5%
- £325,001 - £750,000: 10%
- Over £750,001: 12%

STAMP DUTY IN WALES (LTT)

Stamp duty in Wales is called ‘land transaction tax’ (LTT).

- £0-£250,000: 0%
- £250,001 - £400,000: 5%
- £400,001 - £750,000: 7.5%
- £750,001 - £1.5m: 10%
- Over £1.5m: 12%

- **Your deposit** Generally, the larger the deposit you can pay, the more likely you are to be given a mortgage (subject to a mortgage affordability assessment), and the lower your interest rate is likely to be. On average, you may need at least 5% to 20% of the purchase price (for example: £10,000 to £40,000 when buying a £200,000 home).

- **Mortgage arrangement fees** These might include: a booking fee of £99 to £250; an arrangement fee of up to £2,000; and a mortgage valuation fee (£150 or more). It's best to pay these upfront rather than adding them to your mortgage, otherwise you'll be paying interest on them for the life of the mortgage.
- **Mortgage valuation fee** The mortgage lender will assess the value of the property to establish how much they are prepared to lend you. A valuation can cost between £150 to £1,500 based on the property's value. Some lenders might not charge you for this, depending on the type of mortgage product you select. The lender's valuation is not like a full structural survey so it might not identify all the repairs or maintenance that might be needed for an older property.
- **Legal and conveyancing fees** You'll normally need a solicitor or licensed conveyancer to carry out all the legal work when buying and selling your home. Legal fees are typically £850 to £1,500, including VAT at 20%. They will also carry out local searches, which could cost you £250 to £300, to check whether there are any local plans or problems.
- **Survey fees** Surveys can range from a basic home condition survey costing around £250 to a full structural survey from £600 or more. If you are buying an older property paying for a good survey could save you money on repairs in the long run.
- **Estate agent fees** This is only paid by the seller, not the buyer, for the estate agent's services. It is negotiated when they put the property on the market. Fees typically cost between 1% to 3% of the sale price plus 20% VAT, or a flat fee for online estate agents.
- **Energy Performance Certificate (EPC) costs** If you're selling your property you'll need an EPC to show to prospective buyers that provides information about your property's energy usage and typical energy costs. It also gives recommendations on how you can increase your property's efficiency, ultimately reducing energy usage. Prices typically start at £35. But if yours is a large property or it's situated in an expensive city, the cost of an EPC could be a lot higher. £120 wouldn't be uncommon.
- **Storage costs** Shop around to compare prices and security arrangements, and to get a sense of average costs. Estimate the length of time that you'll need storage, because prices will depend on this.
- **Removals fees** The average removal costs will vary from location to location. Some removal companies charge on an hourly basis but they may also charge you a flat fee for an additional service. Check the removal firm you hire is insured. If you're moving yourself, think about arranging insurance cover. Check if your existing home insurance policy will cover your move – many policies will if you're using a professional removal firm.

You should also factor in ongoing costs, such as:

- Property maintenance
- Insurance policies
- Council tax
- Utility bills
- Ground rent and service charges (if applicable)
- Mail redirection costs

BUILDINGS INSURANCE

The cost of rebuilding your new home isn't the same amount as the price you pay for the property, or how much it's currently worth. The rebuild cost is usually less, as it doesn't include the value of the land. If you have made a mortgage application, you'll have received a valuation which will include a rebuild cost. Some insurers may estimate this cost for you based on the number of bedrooms you have, known as a 'bedroom-rated' policy. And some may provide an unlimited value so you don't need to specify the rebuild costs. ◆

>> WHERE WILL YOUR NEXT MOVE TAKE YOU? <<

For many people, getting on – or climbing – the property ladder is one of their principal ambitions. But whether it's buying a first home or making that equally important next step up the property ladder, what is it that you need to know about moving onwards – or, in this case, upwards? Wherever your next move takes you, we've got the right mortgage for your plans. To discuss your options, contact **Agentis Financial & Mortgage Solutions Ltd** – telephone **01733 367800** – email **info@agentisfinancial.co.uk**.

Housing market predictions for 2022

Shift in priorities as we adapt to new ways of working and living

LAST YEAR WAS ONE of the busiest for the housing market in more than a decade, driven by a reassessment by many homeowners of where they are living – prompted by the COVID-19 pandemic, a search for more living space, low mortgage rates, better access to mortgages for first-time buyers, and, of course, the stamp duty holiday.

There's little doubt that the pandemic and lockdowns have influenced what buyers want in a home, with a strong broadband connection, flexible space and access to nature high on the wish list. Prospective homeowners have been looking for properties with purpose-built office space and a peaceful garden area to enhance the home working environment.

A garden or proximity to nature have, for many, become increasingly important. Moving this year, people will value outside space as a top priority with some happy to trade an extra bedroom for a larger garden or balcony.

But now we have entered 2022, what is in store for the housing market this year? Research shows that 22%[1] of people currently want to move, which significantly higher than the usual 5% in a normal market.

MORTGAGE RATES AND TAXES

The housing market this year will be influenced by both positive and negative factors. On the positive side, the pandemic-induced search for space has further to run. The ability to work from home has expanded the horizons for many office workers who now feel able to look further afield.

But the rising cost of living, combined with an expectation that mortgage rates and taxes will rise this year, could impact affordability for some people.

REFLECTING ON HOME MOVE OPTIONS

House price growth is expected to end 2022 between 3% to 3.5%, with growth likely to be strongest in the East Midlands and North West and weakest in London.

The nationally representative survey of UK households found that 22% remain 'eager' or 'very eager' to move home in the next 18 months as a direct result of the pandemic. As offices confirm their new working practices, more households will be reflecting on their options to move home.

SUPPORT HOUSE PRICE GROWTH

The high levels of equity many homeowners have built up during the past few years and the shortage of homes on the market are expected to support house price growth.

Property transaction levels are expected to reduce by 20% to 1.2 million, in line with the long-running average but still comparatively high compared with the past decade.

The research expects the momentum in the property market to outweigh some emerging headwinds from higher living costs and potential higher mortgage rates.

FIRST-TIME BUYERS

Demand from prospective first-time buyers has been running at 30% above the five-year average since last summer, and looks set to remain heightened into 2022.

The market still remains fast-moving and if there is a slow down, this is not expected to start until well into the year. As a result, buyers will need to be prepared to move quickly if they see somewhere they like. It makes sense to have a mortgage offer agreed in principle before starting the property viewing process.

With many prospective buyers looking for more space, particularly a garden, buyers may find they have more choice and less pressure if they opt for a flat. If you opt for a flat rather than a house, your initial purchase costs will be lower.

With a house, you have a higher potential for capital growth in the long run, but it is typically a larger investment with high initial costs to go with it, including many hidden extra costs associated with buying a house.

HOME-MOVERS

For anyone thinking of moving, it's still good news as demand from prospective buyers is continuing to outstrip supply. Unfortunately, these same dynamics may make it challenging to find the next home.

Buyers need to carry out as much research as they can before listing their current property and talk to local estate agents to find out how fast the market is moving in their area. If the market is moving very quickly, buyers should consider having an offer accepted on a property they are looking to buy before listing their current home for sale.

Maybe you're just beginning to explore the idea of moving or perhaps you've outgrown an existing home and started house hunting already. Before

you start searching for your next home, you'll want to find out how much you might be able to borrow.

The base rate is expected to increase over the next year, which means interest rates will likely follow suit and become more expensive. Some interest rates have started to rise already. This means that you could save more money on your monthly payments if you secure your mortgage now, rather than wait until rates rise. ◆

>> NEED HELP FINDING THE RIGHT MORTGAGE DEAL? <<
Wherever your next move takes you, we've got the right mortgage for your plans. To discuss your mortgage options, contact **Agentis Financial & Mortgage Solutions Ltd** – telephone **01733 367800** – email **info@agentisfinancial.co.uk**.

Source data:
[1] Zoopla UK House Price Index, September 2021 index – https://advantage.zpg.co.uk/wp-content/uploads/2021/10/UK-House-Price-final-report-Sept-2021-1.pdf – published 26.10.2021

HOW CAN I MAKE MY HOME ENERGY EFFICIENT?

Save money on bills and reduce your carbon footprint

THE COVID-19 PANDEMIC lockdowns across the UK increased people's home energy use, putting many people under financial strain. Research from Citizens Advice[1] shows that more than half a million households have fallen behind on their energy bills.

In the UK, 22% of our carbon emissions currently come from our homes – so as well as helping people save money on their energy bills, improving the energy efficiency of homes will reduce carbon emissions and have a positive impact on addressing the climate emergency.

With people around the country continuing to cope with the challenges and financial impacts of the COVID-19 pandemic, there has never been a more important time to ensure that people are aware of how to make simple changes in their homes to help reduce their energy bills.

FOUR TIPS TO HELP REDUCE YOUR ENERGY BILLS AND CARBON EMISSIONS

1. By turning down your main thermostat by 1 degree, you could save around 10% on your energy bill. If everyone in Great Britain turned their thermostat down by 1 degree, we would reduce energy bills by £670 million, while saving 3.5 million tonnes of carbon dioxide (CO2) per year. However, do make sure your home is warm enough during cold weather to ensure you don't damage your health. The ideal temperature range to set your thermostat is 18-21 degrees.

2. Replace your bulbs when you can with energy-efficient LEDs. On average it could save about £40 a year on bills. If everyone changed their remaining bulbs to LEDs, Great Britain would save £1.1 billion on our collective energy bills and cut out 1.8 million tonnes of CO2 emissions per year.

3. Get your timing right. As many of us still continue to work from home, if you are taking advantage of not having to commute by getting up later, set your heating to come on later in the morning. If you have a timer on your central heating, set it to come on only when required and if possible get a smart meter installed, which is estimated to help reduce a household's electricity use by 2.8% and gas use by 2%.

Other schemes are available in other parts of the UK:

- **Scotland** – Home Energy Scotland
- **Wales** – if you are finding it difficult to keep your home warm or cope with your energy bills, contact the Welsh Government Warm Homes Nest Scheme
- **Northern Ireland** – contact Northern Ireland Energy Advice

4. Draught-proofing windows and doors and blocking cracks in the floor and skirting boards can save around £20 a year on energy bills. ◆

"By turning down your main thermostat by 1 degree, you could save around 10% on your energy bill."

Source data:
[1] Research by Citizens Advice for Energy Saving Trust and the Department for Business, Energy and Industrial Strategy (BEIS) between 2 November 2020 to 31 January 2021 – 826 respondents

Property market shows little sign of slowing down

Average UK property price hits a new record high of £272,992

THE PROPERTY MARKET shows little sign of slowing down after the end of the stamp duty holiday, with prices hitting a record high.

At the time of publishing this issue, on a rolling quarterly basis the rise in house prices was 3.4%, the strongest gain since the end of 2006, bringing the new average property price up to a record high of £272,992.

RATE OF INFLATION

UK house prices rose again during November with the value of the average property increasing by another 1%, or £2,808, tipping the annual rate of inflation up to 8.2%.

This was the fifth straight month that average house prices had risen, with typical values up by almost £13,000 since June 2021, and more than £20,000 since the same time in 2020.

MORTGAGE PROVIDERS

Since the onset of the pandemic in March 2020, and the UK first entering lockdown, house prices have risen by £33,816, which equates to £1,691 per month.

The performance of the market continues to be underpinned by a shortage of available properties, a strong labour market and keen competition among mortgage providers keeping rates close to historic lows.

PROPERTY LADDER

Those taking their first step onto the property ladder are also playing an important role in driving activity, with annual house price inflation for first-time buyers at 9.1% compared to 8.8% for homemovers.

This is seen across different property types too, with double-digit annual price inflation for flats (+10.8%) over the last year compared to slower gains for detached properties (6.6%).

“Since the onset of the pandemic in March 2020, and the UK first entering lockdown, house prices have risen by £33,816, which equates to £1,691 per month.”

LONG-TERM IMPACT

Looking ahead, there is now greater uncertainty than has been the case for quite some time, with interest rates expected to rise to guard against further increases in inflation.

Economic confidence may also be dented by the emergence of the Omicron virus variant, though it remains too early to speculate on any long-term impact, given insufficient data at this stage, not to mention the resilience the housing market has already shown in challenging circumstances.

HOUSEHOLD BUDGETS

Leaving aside the direct impact of a possible resurgence in the pandemic for now, the current level of house price growth is expected to be sustained this year given that house price to income ratios are already historically high, and household budgets are only likely to come under greater pressure in the coming months.

Wales remains by far the strongest-performing nation or region in the UK, with annual house price inflation of 14.8%, and the average house price breaking through the £200,000 barrier for the first time in history (average price of £204,148). Northern Ireland also continues to record double-digit annual growth (10.0%, average house price of £169,348).

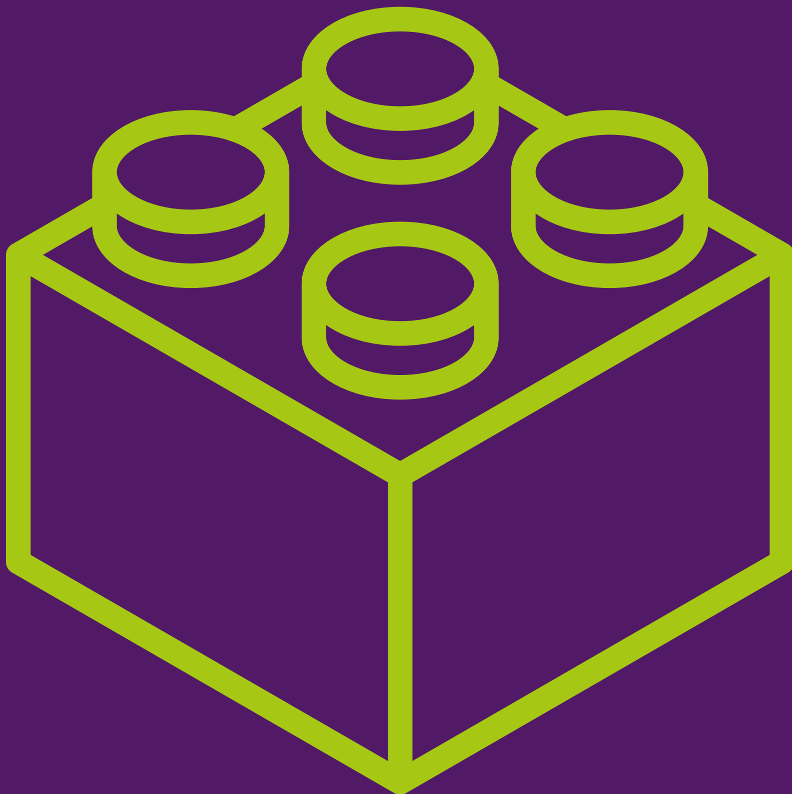
HOUSE PRICE GROWTH

House prices also continue to rise in Scotland, with the average property now up 8.5% year-on-year, with the average price of £191,140 also the most expensive on record. In England, the North West remains by far the strongest performing region (+11.4%), which is its highest rate of growth since 2005 (average house price of £209,287).

London continues to lag behind the rest of UK in its rate of house price growth, with annual inflation of just 1.1%. However, at an average of £521,129, properties in London continue to be much more expensive than in all other parts of the country. ◆

Source data:

[1] The Halifax House Price Index (IHS Markit) November 2021



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

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

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

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

Demand increasing for grade-listed homes

Acquiring an unusual history and features that cannot be found elsewhere

INCREASINGLY MORE PEOPLE are buying grade-listed homes, suggesting the trend of property investment in some locations is gradually changing. Listed buildings are given a grade based on the level of architectural or historic interest and appear on a national register of properties that are of architectural or historical interest.

The lure of buying a listed building can be hard to resist. The property benefits from an unusual history and features that cannot be found elsewhere – but it's essential to take into account all the implications before making any big decisions.

ATTRACTIVE OPTION FOR SOME BUYERS

Also known as 'heritage assets', their unique architecture combined with extensive history offer an attractive option for some buyers who seek long-term gains rather than the price at which a listed home stands today.

Across the nation, the average demand for grade-listed homes is currently 52.7% according to research[1], with more than half of all listed homes already under offer or sold subject to contract. The data reveals the cities in which homebuyers have the best and worst chance of purchasing a grade-listed building.

FOR CURRENT AND FUTURE GENERATIONS TO ENJOY

Buildings are listed to mark and celebrate a building's special architectural and historic interest, and protects it for current and future generations to enjoy.

A building may be listed due to its age, its rarity, its aesthetic appeal or because it represents just a select few of its kind that are still remaining. It could also be considered significant due to its national interest.

APPLYING FOR LISTED BUILDING CONSENT

A listed structure can only be altered, extended or demolished with permission from the local council or other government authority. This means changes to the structure will only be permitted if they respect the character and interest of the building and its setting.

If you want to make changes to a listed property, such as building an extension or changing the internal layout, you will need to apply for listed building consent.

ARCHITECTURAL SIGNIFICANCE OF THE BUILDINGS

But despite these limitations, living in a listed home is still very appealing to buyers, most of whom find it difficult to resist the unique charm and architectural significance of the buildings.

The nation's highest demand for listed properties is found in Bournemouth (76.9%), closely followed by Southampton (75.9%), with Sheffield (66.7%) in third place. The top-five is completed with Oxford (61.9%), and Portsmouth (60%).

BE REALISTIC ABOUT YOUR BUDGET

However, despite demand being high in many cities, the chances of actually buying a grade-listed home remain low. This is because listed homes account for such a low percentage of the homes currently on the market – just 3.7% of all properties for sale across the nation.

Listed buildings can be lovely places to live in, and it's clear there's a demand for them. However, it's vital to be realistic about your budget if you're planning on developing one. It can cost substantially more to conform to local requirements set by the conservation officer than an unlisted building would. ◆

>> LOOKING TO A MORTGAGE ON A LISTED BUILDING? <<
Ever dreamt of living in a manor house, church, converted mill or even a windmill? There are certainly extra hoops to jump through if you take on a listed building, but in return you get to own a unique property and a beautiful slice of the country's history. To discuss how we could help you through the mortgage process, speak to **Agentis Financial & Mortgage Solutions Ltd** – telephone **01733 367800** – email **info@agentisfinancial.co.uk**.

Source data:

[1] GetAgent.co.uk, 22 October 2021

TIME TO SWITCH TO A NEW, CHEAPER MORTGAGE DEAL?

Whatever your mortgage needs, we'll explore the right options for you

You could save money by moving your mortgage. Let our dedicated mortgage advisers know what's important to you and we'll take all the confusion out of finding a new mortgage. You'll also get access to exclusive rates from some of the UK's biggest lenders.

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Contact Agentis Financial & Mortgage Solutions Ltd
– **telephone:** 01733 367800
– **email:** info@agentisfinancial.co.uk

AGENTIS
FINANCIAL & MORTGAGE SOLUTIONS LTD

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

Homes of the future: what can we expect?

Increased issues around affordability, accessibility and sustainability

"The meaning of 'home' expanded ever further through the pandemic: home was not just 'where the heart is' or 'an Englishman's castle'. Home became our world."

THE WAY WE LIVE and work is changing, and our homes are being used for an ever-increasing number of purposes. They're where we live, work, relax and build relationships. So what's changing, and what does this mean for how 'typical' homes might look in the future?

The coronavirus (COVID-19) pandemic has increased issues around the affordability, accessibility and sustainability of homes, a new report has highlighted[1]. This looks into how our relationships with our homes have changed since the start of the pandemic.

PLACE TO RECHARGE

Increasingly, our homes have been more than a place to recharge. With office buildings and schools closed, home has also become the workplace and the classroom during this time, often both within the same four walls.

Home. It's always been a word that means more than its four letters. And it definitely means more than 'house' or 'flat'. The meaning of 'home' expanded ever further through the pandemic: home was not just 'where the heart is' or 'an Englishman's castle'. Home became our world.

DIFFERENT EXPERIENCES

The report found nearly two-thirds (63%) of homeowners believe the UK has a housing crisis, rising to 71% of private renters. The narrative shows the need for a joint approach that 'doesn't just rely on the government for the answer'. The findings identified the need to modernise two homes a minute to 'decarbonise' our homes by 2050.

So although much in our world has changed, fundamentally the drivers of these different experiences are the same thorny issues we have been wrestling with for years – the availability and affordability of homes people want to live in.

NEW CHALLENGE

In other words, the pandemic has magnified some of the inequalities in the housing market. On top of that, we are wrestling with a new challenge – sustainability. More specifically, how do we tackle the enormous task of reducing the carbon emissions from our homes? Half (50%) of homeowners say they have done nothing to improve their energy efficiency over the past five years.

Availability, affordability and sustainability. These are the three key housing challenges we face. But how do we move forward from stating the challenges to solving them?

ASPIRING HOMEOWNERS

The report highlighted that a third of Gen Z (those born between 1997 and 2012) think older people living in large houses should downsize. First-time buyers in London are spending 51% of take-home pay on a mortgage.

Eight out of ten people aspire to become homeowners – a figure that has been steady for decades, but many believe the journey from renting to owning is further away than ever.

Almost two million more households would own their own home if Britain had been able to maintain home ownership at its 2003 peak, when more than seven in ten households were owner-occupied.

SOCIAL HOUSING

Home ownership rates have edged up a little in recent years, but are still seven percentage points below their peak at 63.8%.

It is not only aspiring homeowners who are struggling to find the home they want. There is significant unmet demand for social rentals, with 1.1 million people on the social housing waiting list.

EFFECTIVE LIVING

Lockdowns challenged how we think and feel about our homes. At the heart of many conversations about the future is the issue of increased home working. How can design adapt to changing needs and behaviours? What will we gain and what will we leave behind?

As we continue spending more time at home, the ability to create a comfortable and effective living and working space is becoming a need more than a desire. ◆

>> HERE TO HELP YOU MAKE THE BIG MOVE <<

Whether you are looking to buy a new home or sell a property to move to another home, we can help you kick start your plans. Mortgages come in all shapes and sizes, which is why it's essential to obtain professional mortgage advice. To discuss your mortgage options, contact **Agentis Financial & Mortgage Solutions Ltd** – telephone **01733 367800** – email **info@agentisfinancial.co.uk**.

Source data:

[1] The Future of Home Report – Content and research by Ipsos MORI for Nationwide, 03 August 2021

WINTER WRAPPED UP

How to get your home and property ready for the coldest months of the year

JANUARY AND FEBRUARY are usually the coldest months of the year, so we're likely to encounter some chilly weather before spring makes an appearance. Whether it's strong winds, heavy rain or extreme cold and snow, it's still not too late to prepare your home if the weather deteriorates.

IS YOUR HOME PREPARED FOR THE COLD WEATHER AHEAD?
Use our checklist to prepare your home for winter:

✓ When high winds are forecast, remember that some everyday items in the garden can become 'missiles'. Most winters we see pictures of airborne trampolines and garden furniture. Secure external fittings such as garden lights and hanging plants, and bring any outdoor furniture indoors

✓ Before it gets windy it's also worth checking for loose tiles, slates and flashing

✓ Check garden fences and walls are in good condition

✓ To avoid a build-up of leaves in the guttering, trim back any trees or bushes in your garden. Branches may also cause damage to windows and roofs during windy weather. Consider removing dead branches from old trees

✓ As leaves start to fall, there's a risk that wind will blow them into your gutters and drainpipes will get filled up. If this debris builds up, the water will go back into the guttering and leak into the roof and sides of your house. Clear all gutters and pipes of debris to prevent overflow in the case of heavy rain

✓ Don't leave yourself open to frozen and burst pipes. It's important to make sure water pipes and water tanks in the loft are insulated with good-quality lagging. This will not only protect them from freezing but will help insulate your hot water system and save you money

✓ Charge your mobile phone and save your insurer's number and any emergency contacts

✓ Know what to do in a power cut. It's now really simple to get in touch with your Electricity Distribution Network Operator – just call 105

✓ Keep a home emergency kit prepared containing essential items such as torches, tinned food, medication, blankets, warm clothing, home insurance documents and emergency contact details

✓ Sometimes no amount of planning and preparation can prevent the weather damaging your property. Buildings insurance offers peace of mind, so ensure your policy is up to date and covers what you need it to. Check your insurance coverage so you know exactly what you're covered for and whom to contact if the worst happens

✓ Keep up to date with weather alerts. The Met Office provides live storm updates via Twitter and email

✓ Check if your home is at risk of flooding, and sign up for free flood warnings. The Environment Agency, NI Direct, Scottish Environment Protection Agency (SEPA), Natural Resources Wales (NRW) and local authorities share responsibility for providing advice and information to the public during flood emergencies and can be contacted 24 hours a day via a dedicated Floodline number. Floodline (England, Scotland and Wales): 0345 988 1188. Northern Ireland flooding incident line: 0300 2000 100

✓ Make sure you know where to turn off your electricity, gas and water supplies should the worst happen ◆

>> THE PERFECT HOME STARTS WITH THE RIGHT MORTGAGE <<
Whether you're trading up or scaling down, we could help you find a mortgage to suit your needs. Find out how much you could borrow and compare monthly payments to find the right deal for you. Contact **Agentis Financial & Mortgage Solutions Ltd** – telephone **01733 367800** – email **info@agentisfinancial.co.uk**.

A picture is worth a thousand words

Make your property listing picture perfect

PREPARING TO SELL YOUR HOME? It's no secret that listing photos can make or break a home's selling potential. Unfortunately, if a prospective homebuyer doesn't like what they see, they're not likely to ever step foot inside the home for a showing.

We've all heard the saying, 'A picture is worth a thousand words.' And, in property, pictures make a huge difference to how quickly you sell your home.

ONLINE PROPERTY SEARCHES

As people increasingly search for properties online and carry out digital viewings before any physical viewings take place, photographs and video are a very important factor when it comes to buying and selling a home.

Now more than ever, prospective buyers want to view videos and virtual tours of a property to see if they like the look of it before they visit in person. Why? Well, because first impressions count.

PRESENTING YOUR HOME

The easiest way to get the very best photographs and videos is for your estate agent to arrange a professional to come and take them. But even if you have the professionals coming round, there are steps you can take to prepare your home for photographs that really show your property at its best.

It goes without saying that photographs and a video need to present your home in its best light. Although they may not reveal the whole story about your property, their job is significant as they will be responsible for providing that all-important first impression.

GOOD FIRST IMPRESSION

Property images are the most influential aspect of a property listing when it comes to forming a good first impression with homebuyers, according to a recent survey[1]. This ranks above the floorplan (second), the number of bedrooms and bathrooms (third), the property description (fourth), as well as information on additional features, wider amenities and the estate agent listing the property.

What's more, 86% of homebuyers stated that when surfing the portals for potential property, they chose to view a listing in full purely because the initial imagery shown made a good first impression. Remember, you know your home best, so make its strongest features a focal point.

DETERRING BUYERS

Not only can great photos or virtual video tour potentially help you sell your home, but if photos and video are poorly shot they could also scupper your chances, deterring prospective buyers from viewing your home digitally, let alone in person.

66% of buyers commented they would bypass a property listing altogether if the initial image didn't appeal to them. When it comes to the full property listing, 79% said that the property photos were the first thing they checked when viewing a property in full. ◆

Source data:

[1] MoveStreets, 02 November 2021

Property prices in the UK set to grow by 3.5% in 2022

New buyer demand continues to outweigh supply

PROPERTY PRICES IN THE UK are set to grow by 3.5% in 2022 due to robust economic growth and a shortage of homes, according to a latest house price forecast[1]. In the period 2022 to 2025 prices are expected to rise by between 11% and 12%, taking total growth to the end of 2025 to 21.5%, on a par with previous forecasts.

New buyer demand is continuing to outweigh supply and this imbalance looks set to continue, underpinning further price growth over the near term, particularly as many people are looking to lock into the current low interest rates before any rises caused by increased inflationary pressures.

ECONOMIC RECOVERY

The rate at which interest rates rise will also shape price growth. A steeper than anticipated jump in rates could restrict growth, although it would have to be severe to lead to actual falls in values. Interest rate rises will be critical.

Price growth has been driven in large part by more affluent buyers, less reliant on mortgage debt and able to lock into low fixed interest rates. More generally, the pace of economic recovery has helped reduce unemployment levels, and stress testing of lending is now embedded in the system, while interest rate rises are still expected to be slow and modest by the end of 2025, meaning a gradual squeeze on affordability.

BUYER ATTENTION

First-time buyers are likely to be increasingly reliant on government schemes and, where available, on the generosity of the Bank of Mum and Dad. For anyone looking to purchase their first home the more savings they have to put down as a deposit the better, as the lower the loan-to-value ratio, the lower the interest rate, and the lower the risk of negative equity.

In the short term, buyer attention is expected to turn back towards urban markets, including London, as social distancing restrictions and international travel restrictions ease. This will see the ratio of regional to UK average values slowly converge over the next five years, as the lower value regions see stronger growth, catching up with the rest of the country. ◆

>> LET US HELP YOU MAKE FINDING A MORTGAGE STRAIGHTFORWARD <<

We've got everything you need to make finding a mortgage straightforward. Whether you're remortgaging or a first-time buyer, there's a lot to consider – from the different types of mortgages to finding out how much to borrow. To discuss your requirements, contact **Agentis Financial & Mortgage Solutions Ltd** – telephone **01733 367800** – email **info@agentisfinancial.co.uk**.

Source data:

[1] Source: Savills (Nationwide) – Prime London and Prime Central London will perform differently. Five-year forecasts stand at +18.1% and +21.6% respectively

IT'S ELECTRIFYING

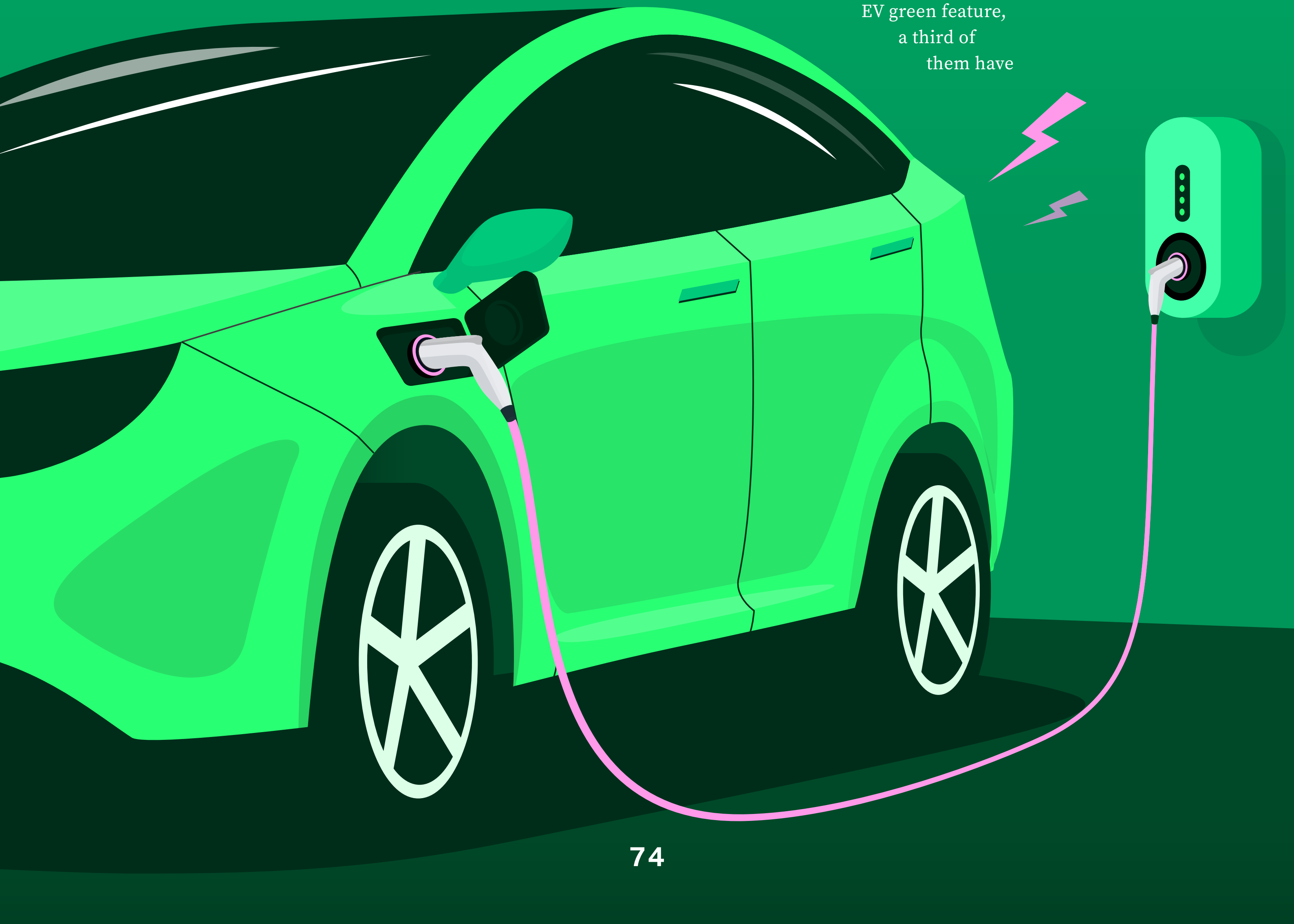
Rise in properties for sale with car charging points increased six-fold

NEW DATA REVEALS the number of homes listed for sale across Great Britain with an electric car charging point installed on the premises, or in a nearby street, has increased six-fold compared to this time last year (+541%)[1].

All new homes built in England will be required by law to have electric vehicle (EV) charging points installed from 2022, the Prime Minister announced on 22 November last year. This will lead to 145,000 extra charge points being fitted across England every year and the government hopes the new laws will 'make it as easy as refuelling a petrol or diesel car today.'

PROPERTY DESCRIPTION

Looking at the total number of properties for sale that include a mention of this EV green feature, a third of them have



been added since the start of September 2021. Increasingly, estate agents are reporting that more buyers are enquiring about electric car charging points in homes for sale.

The study analysed the number of properties for sale that mention an electric car charging point in the property description to prospective buyers. This excluded new-build homes to determine the uplift in older homes having charging points installed or available nearby.

ENERGY PERFORMANCE

The significant rise is likely being driven by a combination of homeowners upgrading their properties with electric charging points before selling, rising numbers of public charging points being installed across Great Britain, and more estate agents highlighting charging points in listings for prospective buyers.

The number of electric vehicle charging points is continuing to rise, and in turn, prospective buyers are increasingly adding access to a charging point to their list when choosing the right home. Alongside the energy performance of a home, it is anticipated electric car charging points will become more important for buyers over the next few years, and will be an additional selling point for movers listing their home.

SMART FUNCTIONALITY

Through the Electric Vehicle Homecharge Scheme[2], the government offers a grant towards buying and installing a wallbox at home that will cover 75% of the cost, capped at a maximum of £350. In order to qualify, the charging unit must be fitted by a supplier approved by the Office for Zero Emission Vehicles and they'll claim for the grant on your behalf.

There are some conditions to meet, for example, you can't claim for the grant if you've previously used the scheme (or its predecessor the Domestic Recharge Scheme) unless you own two eligible electric cars. And the wallbox charger must have smart functionality.

LOWER POWER RATE

Assuming you can claim the grant, it will typically cost between £450 to £1,200 to purchase and install a wallbox. To save money you could choose a lower power rate, although this means it will take longer to charge your car. Also, some wall boxes will let you opt for a longer cable, which is more expensive. However, for most people you'll pay around £500 to £700 to buy a wall box and have it installed when using the EVHS grant.

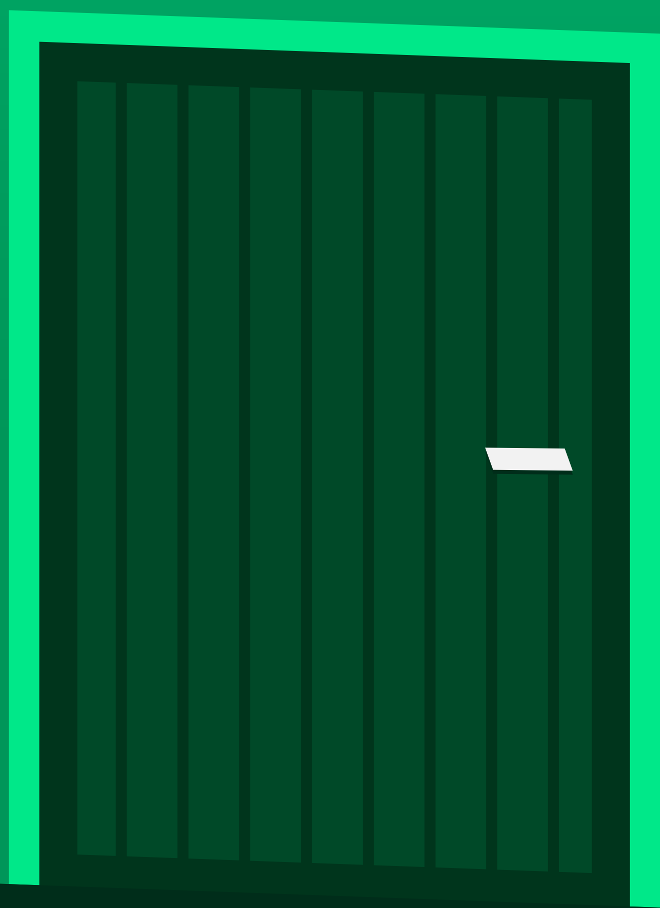
If you live in Scotland you can receive up to £300 funding from the Energy Saving Trust on top of the EVHS grant. Plus an extra £100 if you live in one of the most remote parts of Scotland. ◆

>> TIME TO MOVE TO A BETTER MORTGAGE? <<
Whether you're moving up, moving on or staying put, when it comes to finding competitive rates and a mortgage deal that's right for you, we can help. To discuss your requirements, contact **Agentis Financial & Mortgage Solutions Ltd** – telephone **01733 367800** – email **info@agentisfinancial.co.uk**.

Source data:

[1] Study conducted by Rightmove analysed the number of properties for sale since January 2020 that mentioned an electric car charging point in the property description and excludes new build homes, October 2021

[2] https://www.gov.uk/government/publications/customer-guidance-electric-vehicle-homecharge-scheme/electric-vehicle-homecharge-scheme-guidance-for-customers



DON'T BE AN EASY TARGET FOR BURGLARS

Are you putting your home at risk from unwanted intruders?

A SURVEY HAS REVEALED that the average home has seven sets of house keys, with spares given out to neighbours, cleaners and even co-workers, while one in five admit to keeping a spare key under a door mat or flowerpot outside their home[1].

Collectively that means there could be as many as 3 million[2] keys at risk of being found in people's gardens, making their homes an easy target for burglars. House keys can cause you real problems if you lose them and they're used by thieves to gain access to your home.

> **"Younger homeowners (between 18-24), and potentially first-time buyers, are even more likely (62%) to keep a key under a flowerpot or doormat."**

Many home insurance policies won't pay out for burglary unless there is forced entry to your property, meaning you could be putting yourself at risk if you are particularly liberal with spare keys or leave them where a thief might find them.

HOUSE KEYS

A quarter (25%) of older homeowners (aged 55 and over) keep keys outside, but younger homeowners (between 18 and 24), and potentially first-time buyers, are even more likely (62%) to keep a key under a flowerpot or doormat.

One in five homeowners have lost a set of house keys they've never found, with those aged between 25 and 34 confessing to losing three sets of keys to their home.

CHANGING LOCKS

Worryingly, 60% of homeowners have failed to replace the locks after losing their keys, meaning many more keys could be in circulation that could get into the wrong hands and potentially allow burglars to walk straight through the front door.

Meanwhile, over a quarter (27%) of people confessed they wouldn't even consider changing the locks if they lost their keys. A quarter (24%) give a spare set to neighbours, while just under a fifth (16%) trust their friends with a spare set, and one in ten give a set to colleagues or co-workers.

SAFE PLACE

It's common for homeowners to return the favour, keeping spare keys for their friends' and neighbours' homes.

"Half (50%) of homeowners didn't change their locks when they moved into their current home."

However, two-fifths (41%) can't remember what some keys they have in their possession are for.

A third of people keep unidentified keys in a drawer or other safe place, but 8% admit they throw any unidentified keys in the bin rather than disposing of them safely by taking them to a mixed metals recycling facility where they will be melted down to be made into new products.

HOMES AT RISK

Half (50%) of homeowners didn't change their locks when they moved into their current home, while over a fifth (22%) failed to return every set of keys when they moved out of their previous home.

This could leave homes at risk, as previous owners, and anyone they gave spare keys to, could still gain access to the property. The investigation revealed one in five property owners still have keys to a home they used to live in. ◆

>> KNOW WHAT TYPE OF MORTGAGE YOU NEED? <<
We can help get any generation on the property ladder, from the first-time buyer to the last-time buyer. Want to see what you could borrow? To discuss your options, contact **Agentis Financial & Mortgage Solutions Ltd** – telephone **01733 367800** – email **info@agentisfinancial.co.uk**.

Source data:
[1] Survey of 2,000 homeowners carried out by 4Media on behalf of Admiral. 15.02 million (total number of homeowners/owner-occupiers for properties in 2019) x 7 (average set of keys per property) = Total 105,140,000 – https://www.statista.com/statistics/286428/england-number-of-owneroccupied-households/
[2] One fifth of 15.02 million (total number of homeowners in the UK 2019) = 3,004,000 – https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/families

‘RACE FOR SPACE’

Busiest UK housing market since 2007

LAST YEAR WAS THE busiest housing market since 2007, as one in 16 owned homes[1] changed hands in 2021. Keen interest from buyers also sent house prices soaring, boosting the average value of a home.

The COVID-19 pandemic led a re-evaluation of the home, with many households compelled to make a move. House price growth was underpinned by the supply and demand imbalance, with buyer demand running at +28% above the five-year average.

By contrast, the supply of homes being listed for sale last year ran between 5% and 10% below the 2017 to 2019 average.

BOOSTING AVERAGE PRICES

This highlights the increased appetite for space among those purchasing homes since the start of the pandemic, with more demand for larger homes, especially in commuter zones and more rural areas, ultimately boosting average prices. The number of properties for sale is expected to recover in 2022.

Supply continues to be an overarching constraint on the market. The total number of new homes for sale is down on the five year average, but the depletion in properties diverges between houses and flats.

ANNUAL PRICE GROWTH

The number of houses available for sale is down more than 50% compared to the average levels over the last five years. However, the number of flats for sale is also down on the five year average, but by a more moderate 15%.

The contrast in availability is also reflected in price growth, with the average flat rising in value by 1.6% last year, which is just above the 1.2% five year average. Meanwhile, the annual price growth last year for all types of houses was 8.3%, almost double the five year average of 4.2%, which was driven by buyer demand.

HIGHLY SEASONAL SUPPLY

The number of new available properties is expected to start to increase at the start of this year as many households will have used the holiday period to make a decision around making a future move.

In typical years, the highly seasonal supply of homes being listed for sale slows in the run-up to Christmas, but rises sharply in the New Year. On average, the supply of listings at the end of January runs some 50% higher than at the start of December.

LOOMING ECONOMIC HEADWINDS

Buyer demand is expected to remain strong as we move into the early part of this year, but as the market starts to normalise throughout 2022, there may be an increase in the proportion of activity among movers, who are active in the market as sellers as well as buyers. This should ease the constraint in supply to some extent.

Other factors that may affect prices this year include the looming economic headwinds in the shape of rising inflation which will push household costs higher. Even with some interest-rate rises, mortgage rates are likely to remain relatively low compared to long-run averages, and there is more room for price growth across some of the most affordable housing markets. ◆

>> READY TO MAKE YOUR NEXT MOVE? WE'RE HERE TO HELP <<
If you're looking for your next home, your monthly payments could be lower than you expect. To find out what mortgage deals are available, or to discuss your options, contact **Agentis Financial & Mortgage Solutions Ltd**
– telephone **01733 367800**
– email **info@agentisfinancial.co.uk**.

Source data:
[1] Zoopla – UK-set-to-record-busiest-housing-market-since-2007-as-one-in-16-homes-changes-hands-in-2021, 29 November 2021

Bank of Mum and Dad

Can you afford to help bankroll your children's property purchase?

THE 'BANK OF MUM AND DAD' isn't a new phenomenon, but research shows gifting has been on the rise.

One in every two first-time buyers (56%) aged under 35 received financial support from the Bank of Mum and Dad to help them step on the housing ladder, according to research[1].

Nearly three-quarters (71%) of these new homeowners would not have been likely to buy without financial help from family or friends. Instead, they would have had to delay their housing plans by four years on average.

HOUSING MARKET

The research showed how the Bank of Mum and Dad stepped in to support loved ones as the economic impact of the pandemic (COVID-19) took hold. A third (33%) of all people looking to buy in the next five years say they plan on getting financial help and support from family or friends.

The Bank of Mum and Dad's role in Britain's housing market is ubiquitous. Across the UK, parents, grandparents, family and friends are digging into their pockets to help young, hopeful buyers and even growing families to make their housing plans become a reality. These generous lenders are often funding most or all of the deposit buyers need to step onto or up the ladder.

RAINY DAY FUNDS

While the Bank of Mum and Dad is playing a clear and present role for many buyers, with many having to draw on retirement savings and rainy day funds, not everyone is as fortunate to have access to these funds.

The research shows the Bank of Mum and Dad is lending on average £19,000 to first-time buyers under the age of 35, with 21% of respondents in this age bracket saying they received more than £30,000.

FINANCIAL SUPPORT

However, not all first-time buyers will receive the funding as a gift, with 30% expected to pay at least some of it back. It's not just the under-35s that need financial support, however.

"Bank of Mum and Dad is lending on average £19,000 to first-time buyers under the age of 35, with 21% of respondents in this age bracket saying they received more than £30,000."

Financial support for home purchases by those aged over 35 will account for £2.14 billion, or 61% of the Bank of Mum and Dad's total lending. This reason for this figure being high is in part due to older first-time buyers looking for larger, more expensive properties as a home for their growing families.

ECONOMIC IMPLICATIONS

Even with so many relying on the Bank of Mum and Dad for funding, and the country facing up to the economic implications of the pandemic, the Bank of Mum and Dad lenders themselves are still eager to help out.

Nearly 74% of those who have seen their incomes fall during the pandemic say the crisis has made them no less willing to help loved ones onto the housing ladder. ◆

Source data:
[1] Research from Legal & General and Cebr – https://group.legalandgeneral.com/media/cxihcr20/bomad-under-35s_final-1.pdf

PANDEMIC 'OFFERS SILVER LINING'

First-time buyers saving for a deposit in challenging times

ASPIRING FIRST-TIME BUYERS could get a foot on the property ladder more quickly than they may have thought, as new research[1] shows would-be homeowners remain optimistic about buying their first home following the COVID-19 outbreak.

Would-be buyers saved an extra £500 a month on average since the pandemic started, but many say they still face a four-year wait to take the first step on the property ladder.

But the wait is worth it, with seven in ten (71%) commenting that buying their first property is essential to feel that they've succeeded in life, while three-fifths (61%) say it's more important now than before the COVID-19 crisis.

MULTIPLE LOCKDOWNS

Two-in-five (44%) first-time buyers say the impact of the pandemic means

they will be able to purchase a property sooner than they had previously intended, with just a fifth (21%) saying it had delayed their plans.

Spurred on by multiple lockdowns and fewer opportunities to spend, almost half (48%) of those surveyed said they have been able to save more towards their first home during the pandemic.

COVID-19 IMPACT

But despite their savings being accelerated, first-time buyers face an average wait of four years' saving to purchase a property. Almost a third (31%) said they expect they will have been saving up to two years, but a fifth (22%) said it could be nearer to ten years of saving before they have enough money to buy their first home.

The research shows that for those who have benefitted financially from the impact of the COVID-19 crisis, it's fuelled the ability to save more for a first home and brought the first step onto the property ladder closer than people previously expected.

MORTGAGE CHOICE

The first-time buyer market is heading back to pre-COVID levels of mortgage choice and availability and, with the various government support schemes for first-time buyers, there is good reason to be optimistic.

However, with a fifth of first-time buyers having had their plans delayed by the pandemic, and the same saying they expect to have to save for up to a decade, it's a stark reminder that the upfront costs of purchasing a house still prove too big a barrier to overcome for some.

ASPIRING HOMEOWNERS

The findings do, however, reveal it could be worth the wait, with two-thirds (65%) of respondents admitting that owning their own home would be life's biggest achievement, above career aims (39%), having or adopting children (33%) or getting married (31%).

Despite the housing market being notoriously tough for aspiring homeowners, it's really encouraging to see that first-time buyers' ambition is not fading. ◆

>> HOW YOU CAN GET A FOOT ON THE PROPERTY LADDER<<

Saving a deposit is often cited as the number one reason stopping first-time buyers from stepping onto the property ladder so, to make this goal more achievable, the government has developed four schemes to aid and complement your saving efforts. To discuss your options contact **Agentis Financial & Mortgage Solutions Ltd** – telephone **01733 367800** – email **info@agentisfinancial.co.uk**.

Source data:

[1] Yorkshire Building Society commissioned Opinium to carry out the online research with a nationally representative sample of 2,000 UK first-time buyers, defined as those who intend to purchase a house in up to three years' time. Surveys were conducted between 21 May and 27 May 2021.

‘FOREVER HOME OWNERS’

Fewer over-55s plan to downsize

> **"The number of homeowners over 55 and looking to downsize in the near future has dropped by 200,000 in the last three years, according to research[1]. The study shows that potential downsizers now make up nearly a quarter (24%) of all households aged 55 and over, amounting to 2.9 million homes."**

THE NUMBER OF HOMEOWNERS over 55 and looking to downsize in the near future has dropped by 200,000 in the last three years, according to research[1]. The study shows that potential downsizers now make up nearly a quarter (24%) of all households aged 55 and over, amounting to 2.9 million homes.

In 2018, this figure stood at over a quarter (26%) of households, meaning there were then 3.1 million potential houses to be sold. According to the Office for National Statistics, the total property wealth among the over-50s is estimated to be £3.8 trillion[2], with three quarters (74%) of those aged 55 and over in the UK owning their own home[3].

The drop in over-55s considering downsizing means that over the course of the last three years, there has been a growing trend in 'Forever Homeowners' who now want to stay put. The 2.9 million older households who may sell their home still hold considerable property wealth, with the current value of available housing in Great Britain standing at £767 billion. However, this is a drop from £938 billion when the analysis last took place[4].

SPACE DURING LOCKDOWN

When asked why their plans had changed, the main reason among homeowners aged over 55 was that they don't want to leave the community they live in, with the COVID-19 pandemic further emphasising the importance of having friends and family close by.

The lockdowns resulted in many of us spending more time in our homes than ever before, which has clearly influenced many of this group's decision not to downsize. One in four (24%) said they have enjoyed having more space during lockdown and don't want to give that up, while a further one in ten (13%) decided to invest in their current home rather than move on.

FINANCIAL SITUATION

While some 'Forever Homeowners' have made their mind up not to sell, others impacted by the pandemic are keen to reassess their decision in the near future. Nearly a quarter of over-55s who haven't sold their home stated that they would still consider downsizing but want to see how their financial situation develops before deciding (12%) or are uncertain about the housing market currently (10%).

The impact of the pandemic has clearly changed the mindset of many older homeowners, and there has been an uplift in those who want to keep hold of their home. Over time, priorities can change, and it is only natural that people have grown closer to their local community, valued having family nearby and enjoyed having the space to relax while in lockdown.

PRACTICAL CONSIDERATIONS

Of course, the decision to move home is a big one, particularly in later life, and there are practical considerations, as well as emotional ones. The research suggests many over-55s are still open to the idea of moving, but are mulling things over before making any decisions, so we may see a shift in stance now that lockdown has eased.

A property is often our most valuable asset and deciding not to downsize presents a potentially difficult situation if the funds are one day required to supplement retirement, or gift money to a family member.

HOME FIT FOR OLDER AGE

For those who don't want to move, unlocking some of the equity tied up in their housing could therefore prove a huge help, particularly when the time comes to make a home fit for older age.

While this may be a lifeline for some, for anyone thinking about this route, it's important to consider all of your options and seek proper professional advice before doing so. ◆

"The impact of the pandemic has clearly changed the mindset of many older homeowners, and there has been an uplift in those who want to keep hold of their home."

>> STAYING, MOVING, EXTENDING OR IMPROVING? <<
Are you looking to switch to a new deal or want to borrow further funds? If you are looking to switch from your current mortgage provider, or want to borrow a little more to help with home improvements or plan for the retirement you hoped for, to discuss your options contact **Agentis Financial & Mortgage Solutions Ltd**
– telephone **01733 367800**
– email **info@agentisfinancial.co.uk**.

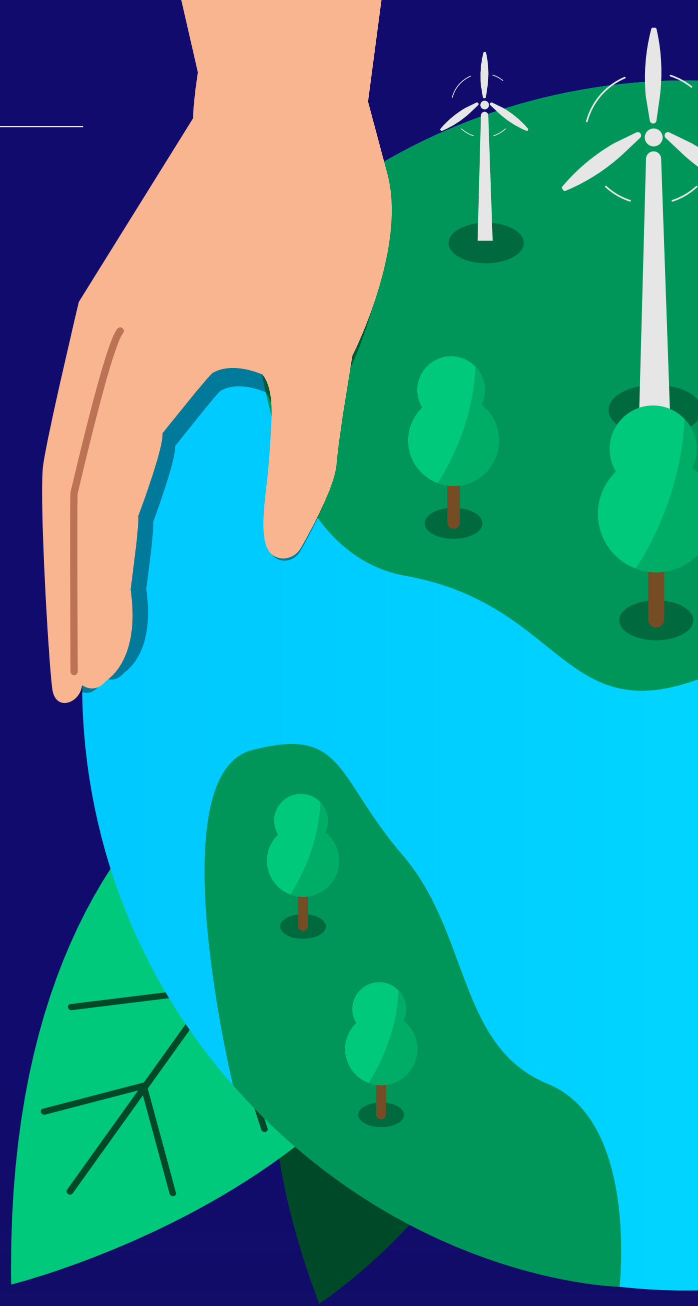
Source data:

[1] Opinium Research ran a series of online interviews among a panel of 2,000 UK adults, of which 603 were homeowners aged 55+, from 23 July to 27 July 2021.

[2] Office for National Statistics, Wealth and Assets Survey

[3] Office for National Statistics, English Housing Survey 2019/20

[4] Last Time Buyer Report 2018



IS YOUR HOME WASTING ENERGY?

Making the UK's homes greener and more energy efficient

THE ENERGY CRISIS HAS led many homeowners to look at making their homes more energy efficient. A recent survey[1] of homeowners shows that over half are thinking about making their homes greener.

Home buyers face having to improve the energy efficiency of their new properties under the terms of their mortgage as part of government plans to decarbonise Britain's housing.

Ministers hope the plan will encourage lenders to fund homeowners to carry out green improvements when they move into a property, with the money spent added to mortgages and repaid through cheaper bills.

CONTRIBUTION TO CLIMATE CHANGE

Making the UK's homes greener and more energy efficient is an essential step in mitigating the UK's contribution to climate change. Homes currently account for 23% of the UK's total carbon dioxide emissions and 35% of energy use[2].

As the demand for high-quality homes is steadily increasing across the nation, the need to decrease the resulting carbon emissions is now urgent.

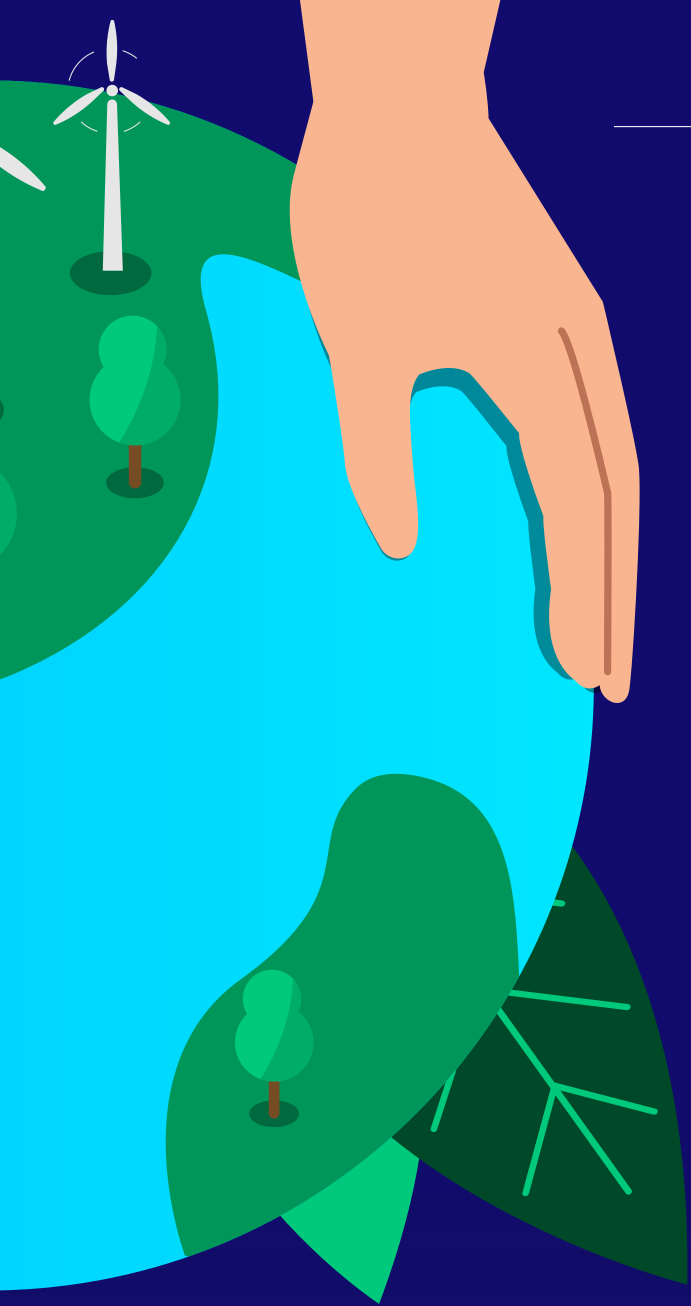
PROPERTY'S CARBON FOOTPRINT

While newer properties tend to have been designed with more carbon-efficient credentials in mind, there are still steps that owners of older, less energy-efficient properties can take to help improve the 'greenness' of their house. This can help to decrease a property's carbon footprint and even save the owner money in the long term.

Reducing energy bills was the number one motivation for making green home improvements with eight out of ten homeowners choosing this option, while four in ten said they wanted to contribute to a more sustainable planet.

WHAT MAKES A HOME 'GREEN'?

In the UK, Energy Performance Certificates (EPCs) are an important part of buying, selling and renting homes. They show a property's energy efficiency based on:



Some home features that would help to contribute to a higher (A–C) EPC rating include:

- Double glazing in windows
- A condensing boiler
- Cavity wall and roof insulation
- Low-energy lighting

ONGOING ENERGY CRISIS

The jump in wholesale gas prices has had a wide-ranging impact, as many homeowners have clearly been moved by the ongoing energy crisis and are looking at making their homes more energy efficient.

These price rises have impacted on the energy bills of millions of UK households. The survey identified cost is a barrier for many homeowners when it comes to making energy-efficient improvements.

There are several lenders that offer incentives to its borrowers for making energy improvements to their home.

The Green Finance Institute has also called for an energy-adjusted Stamp Duty Land Tax (SDLT) to drive demand for energy-efficiency works and further support the UK's green home finance market. ◆

- The amount of energy used per m2
- The level of carbon dioxide emissions (in tonnes per year)

Properties are rated on a colour-coded scale (A–G). A is the most efficient with the cheapest energy bills and the lowest impact on the environment. EPC ratings (A–G) are based on the Energy Efficiency Index, roughly a scale from 1–100. Homes that rank from a C grade upwards would be considered 'green'.

>> COULD YOU SAVE MONEY BY TAKING OUT A 'GREEN' MORTGAGE? <<

Increasingly, lenders will reward you with a lower mortgage rate on certain deals when you buy an energy-efficient home. To find out more and to discuss your options, please speak to **Agentis Financial & Mortgage Solutions Ltd**
– telephone **01733 367800**
– email **info@agentisfinancial.co.uk**.

Source data:

[1] Research of 2,000 homeowners in the UK was carried out by Leadership Factor on behalf of Coventry Building Society from 30 September to 6 October – https://www.ethnicity-facts-figures.service.gov.uk/housing/owning-and-renting/homeownership/latest
[2] UK housing: Fit for the future? – Climate Change Committee (theccc.org.uk)

Rise in landlord confidence

Consumer-driven shifts to the property market are reasons to be positive

“The survey of over 600 landlords highlighted a link between optimism and portfolio size, with landlords managing larger portfolios tending to be more upbeat about the prospects for their own lettings business.”

THE PROPORTION OF landlords feeling optimistic about different aspects of letting is at the highest level for five years, which is an indication of the strength of the sector, according to new research[1].

Landlords were asked to rate their expectations for rental yields, their own lettings business, capital gains, the private rental sector and the UK financial market.

INVESTOR OPTIMISM

The proportion who deemed the outlook for these measures to be either ‘good’ or ‘very good’ exceeded levels seen in Q3 2016, the survey taken just before the Brexit vote, with investor optimism consistently rising following the record low levels seen in Q1 2020.

The survey of over 600 landlords highlighted a link between optimism and portfolio size, with landlords managing larger portfolios tending to be more upbeat about the prospects for their own lettings business – 56% of landlords with eleven or more properties felt ‘good’ or ‘very good’, falling to 46% among those with between one and ten properties.

LETTINGS BUSINESS

The research also found a correlation between confidence and property purchase behaviour. A positive outlook was noted among almost two-thirds (63%) of those who have recently purchased a property, compared to just under half (48%) among all respondents.

In addition, over three-quarters (78%) of landlords who plan to expand their lettings business in the next year are optimistic, whereas confidence was seen in a lower proportion, 26%, among those looking to divest.

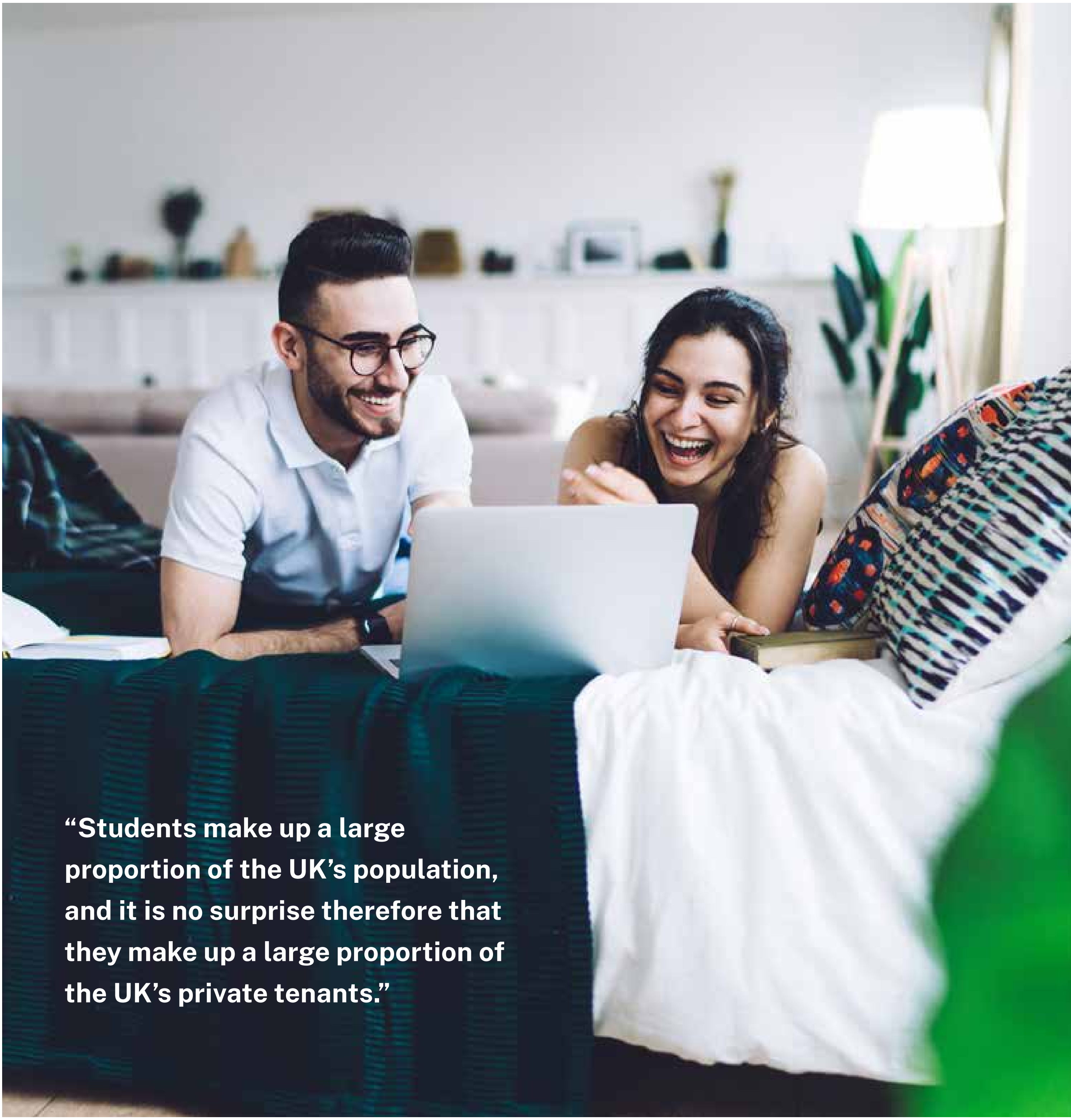
RENTAL YIELDS

The data outlined not only increased general confidence levels but a greater willingness from landlords to purchase property, potentially re-mortgaging in order to fund this, and the greater likelihood they will utilise limited company vehicles.

This may be explained by landlord confidence in rental yields and their own lettings business improving, as well as the fact that interest rates for alternative savings investments are almost zero. And there’s the existential threat of a return to inflation after the crisis is over. ◆

>> NEED A MORTGAGE TO HELP FUND YOUR PROPERTY INVESTMENT? <<
If you are looking to buy a property to rent out or add another investment to your property portfolio, there are lots of things to consider. Let us help you make a success of your investment, whether you’re a first-time buyer or building up your property investment portfolio. For more information, contact **Agentis Financial & Mortgage Solutions Ltd** – telephone **01733 367800** – email **info@agentisfinancial.co.uk**.

Source data: *[1] Paragon Bank survey conducted of over 600 landlords by BVA BDRC, 02 November 2021*



“Students make up a large proportion of the UK’s population, and it is no surprise therefore that they make up a large proportion of the UK’s private tenants.”

Renting to students

Stereotypes are diminishing as landlords learn students make great tenants

AS A LANDLORD, you may have steered clear of the student market in the past. But student accommodation is not what it was ten or twenty years ago. Today, the student housing market is exceptionally diverse.

The UK's top universities are consistently ranked among the best in the world and have long and illustrious histories. For many students, leaving home to study is an exciting first taste of freedom and life in 'the real world', making the private rented sector an integral aspect of the higher education experience.

Students make up a large proportion of the UK's population and it is no surprise, therefore, that they make up a large proportion of the UK's private tenants. But there are a number of common misconceptions that exist among some property investors about renting to students that may put them off or cause some concern when thinking about including student lets in their portfolios.

RENTAL INCOME

For many landlords, the decision whether or not to rent out a buy-to-let property is usually centred on two key factors: How much will the rental income from this investment be each month? How much will it cost in terms of maintenance, management and other factors?

Seemingly undeterred by the threat posed by COVID-19 and the impact this may have on the teaching and social aspects of student life, 2021 saw another record year for student applications[1].

Recognising this, the student letting market has been very popular with many private investors. Landlords who have adapted their proposition to cater to this niche sector have seen healthy and growing demand, the stability of parental rent guarantors and the ability to achieve attractive yields.

HIGHER YIELDS

Rental yields are an important consideration for investors and historic data reveals a trend of higher yields among those who let to students compared to those who don't. It is unsurprising that when asked what is appealing about letting to students, according to a 'Studying student buy-to-let' market report, 79% of landlords cited rental yields[2].

For landlords who prioritise yields, the report highlighted that single university locations, where student populations are typically below 25,000, appeared to offer some of the best investment opportunities.

One reason for smaller towns and cities faring particularly well could be the observation that they will typically have a lower proportion of purpose-built student accommodation, which has become more commonplace in major cities, whilst major cities also offer a wider array of property that students could rent, such as city centre apartments or build-to-rent schemes.

MOTIVATORS OF LETTING TO STUDENTS

When asked what is appealing about renting to students, 79% of landlords stated that it is the ability to generate rental yields, rising to 83% among active student landlords. This is closely followed by parents or guardians being reliable rent guarantors, appealing to 64% of survey respondents, and reliable demand, which was chosen by 63% of landlords who let to students.

For some landlords there is a positive social aspect of letting to students, with 16% stating that the 'Feel-good factor of providing housing for the younger generation' is appealing. Other factors landlords considered included the appeal of shorter-term tenancies (26%) and the availability of stock (10%).

The survey found that 33% of landlords think it is likely that they will purchase a student let property in the next 12 months, rising to 50% among landlords who have

11 or more properties in their portfolios. Landlords were also asked how likely they would be to sell property during the next year, to which 83% responded that it was unlikely.

WHAT STUDENTS WANT

In some cases, there is a considerable gap between what an investor deemed to be important when purchasing the property and what they now know after marketing and letting student accommodation.

The proximity to the university campus was deemed to be the most important factor by landlords, but students placed a greater importance on good Wi-Fi and a competitive rent level. At the other end of the scale, the energy efficiency of the property and proximity to a gym were deemed less important.

STUDENT LETTING CONCERNS

The relatively low number of landlords who include at least one student let in their portfolio could be explained by a number of factors, one being the perceived increased risk posed by this tenant type.

When asked what, if anything, concerns them about letting to students, the most common answer was the competition of build-to-rent or purpose-built student accommodation (PBSA), which was chosen by 38% of respondents, rising to 40% among active student landlords.

Property damage was the second most common concern, chosen by 31% of all landlords surveyed but, suggesting that the risk is actually lower than some perceive, the proportion falls from 66% among landlords who would consider letting to students to 22% among those who currently do.

The research revealed 25% of landlords reported an increase in student tenant demand since the start of the COVID-19 pandemic and 55% reported no change, while the remaining 20% felt demand had decreased.

Although student numbers can be affected by the macro environment, particularly government policy, 63% of landlords who were asked what appeals to them about letting to students stated reliable demand, making it the third most popular choice.

This may be because, as we've seen, while there have been some dips in university applications, the trajectory of student numbers is one that travels upwards overall.

In addition, this section of the buy-to-let market benefits from the predictability of seasonal demand, with tenancies commencing before the first academic semester in September and lasting for a period of between 9 to 12 months.

NON-STUDENT DEMAND IN UNIVERSITY LOCATIONS

Although the report looked at student lets, it is interesting to recognise the opportunities that also exist in providing homes for those associated with universities for means other than study.

Universities are often among the largest local employers, with 19 UK institutions directly employing more than 5,000 people, and ten of these accounting for at least 5% of all jobs in their local authority area.

Although single university towns and cities often perform best in terms of yields, employment is boosted to a greater degree in locations with more than one institution. ◆

Source data: *[1] https://www.ucas.com/corporate/news-and-key-documents/news/record-levels-young-people-accepted-university [2] Paragon Bank 'Studying student buy-to-let' market report 2020*

BUYING BUSINESS PROPERTY?

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Whether it's for office, industrial or mixed-use premises, our experienced mortgage advisers will advise on mortgages that are tailored to your individual needs. We know property can be a big cost for many businesses, that's why we help you manage that investment wisely.

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AGENTIS
FINANCIAL & MORTGAGE SOLUTIONS LTD

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

UK RENTS 'RISING AT FASTEST PACE IN 13 YEARS'

Tenants opting for larger, more expensive properties

THE UK RENTAL MARKET last year continued to see strong demand, which caused rents to increase and the time it took landlords to let a property to decrease.

But while renters are returning to cities, the rise in demand is not being met by an increase in the number of homes available to rent, forcing rents higher. However, the good news is that despite the increase in rents, affordability has remained largely unchanged thanks to rising pay, with rents accounting for an average of 37% of a single tenant's monthly income[1].

PANDEMIC-INDUCED SEARCH FOR SPACE

Households looking for the flexibility of rental accommodation, especially students and city workers, are back in the market after consecutive lockdowns affected demand levels in major cities. Average UK rents, excluding London, increased by 6% during last year.

Strong rental growth has been driven by a return of workers to city centres and students to universities. Renters have been opting for larger, more expensive, properties as part of the pandemic-induced search for space.

EXPERIENCED THE BIGGEST JUMP

Last year the South West experienced the biggest jump in rental growth at 9%, due to its popularity as a place to live, followed by regions where renting remains most affordable, namely Wales, where rents have risen 7.7% year-on-year and the East Midlands at 6.9%.

Rent increases are running well ahead of the five-year average in many of the UK's largest cities, with Bristol seeing the strongest rise of 8.4%, while Nottingham wasn't far behind at 8.3%, and Glasgow was in third place at 7.2%.

OFFICES REOPEN AND CITY LIFE RESUMES

Even in London, rents, which fell lower for 15 months in a row, are rising again, increasing by 1.6% as offices reopen and city life resumes. Despite the bounce back, rents in the capital are still 5% lower than they were at the start of the pandemic, following significant falls during the past 18 months.

During August last year, the government announced that a gradual return to offices could begin with the proviso that home working continues to be an important mitigation for controlling the virus. Subsequently, many companies pushed their return-to-office dates to 2022, meaning there will now be a need for more rented accommodation as workers return to urban and city places of work.

WHAT'S DEMAND FOR RENTAL HOMES LIKE?

Across the UK as a whole, demand from renters is 43% higher than the five-year average. The net result is a fast-paced market with homes taking an average of just 15 days to rent across the UK.

Unfortunately, this increased demand is not being met by a rise in the number of homes available to rent, with properties on the market 43% below the five-year average.

The lack of supply is being driven by a combination of long-term factors which have caused landlords to exit the sector, such as the 3% stamp duty surcharge on additional properties, and the post-lockdown spike in demand.

“Even in London, rents, which fell lower for 15 months in a row, are rising again, increasing by 1.6% as offices reopen and city life resumes.”

WHAT COULD THIS MEAN FOR YOU?

If you're a landlord with a property to rent, the dual trend of rising demand and higher rents is good news for you. The current buoyancy of the rental market may mean it's a good time to think about extending your property portfolio.

But bear in mind that demand patterns have changed compared with during the height of the pandemic, with renters returning to city centre locations.

Tenants looking for a new home to rent have two issues to contend with, namely intense competition and rising rents. They may find they're able to get somewhere with a lower rent if they're prepared to compromise on property type, such as opting for a flat rather than a house, or choosing a less central location.

WHAT'S THE OUTLOOK?

Looking ahead, the shortage of homes available to rent looks set to continue due to lower levels of investment by landlords. Meanwhile, demand is also expected to be strong as the employment market remains relatively robust and there is still pent-up demand, particularly for homes in city centres.

This mismatch between supply and demand will continue to push up rents. Overall, rents across the UK, excluding London, are likely to end 2022 4.5% higher than they started it, while rents in London are likely to rise by 3.5% to exceed their pre-pandemic levels. ◆

>> LOOKING TO BUY A PROPERTY TO RENT OUT? <<

With rental demand increasing, this further shows the importance of the private rented sector and the need for more high-quality rental properties to become available. We'll help you find a buy-to-let mortgage that works for you. To discuss your options, contact **Agentis Financial & Mortgage Solutions Ltd** – telephone **01733 367800** – email **info@agentisfinancial.co.uk**.

Source data: *[1] Zoopla Rental Market Report 2021, published 16 November 2021*

Build-to-rent

A more flexible, rewarding and affordable lifestyle choice

ONE OF THE MOST common reasons for the popularity of 'build-to-rent' has been a demand from younger generations to have a say in how they choose to live. Professional millennials are starting to become weary of traditional mortgages and looking at renting as a better lifestyle choice that is more flexible, rewarding and affordable.

Build-to-rent is the building of homes for rent, rather than for sale. This is fast becoming an established sector in the UK housing market to meet demand for high-

"Professional millennials are starting to become weary of traditional mortgages and looking at renting as a better lifestyle choice which is more flexible, rewarding and affordable."

quality, well-managed rental housing.

It refers exclusively to properties that are designed to appeal solely to the rental market and to those seeking short-term home ownership – they are properties that are purpose-built for renters. Each development will typically include at least 50 homes, and be owned and managed by one landlord with dedicated on-site management.

Build-to-rent provides an enhanced experience for tenants including:

- Good-quality homes aimed at general or targeted demographics, with longer-term tenancies and predictable rents. They are mainly in larger towns and cities, and often situated near good public transport interchanges.
- Communal facilities and social activities. Residents will typically have access to generous communal facilities, such as resident lounges, gyms, roof terraces, guest rooms to hire and social activities.
- Integrated, scheme-wide property management. Many developments have staff on-site and they operate 24/7 to provide security and support.
- Many offer superfast broadband, helpful concierges, storage lockers and bike parking, and additional services such as car hire, dry cleaning and childcare.

PROSPECTIVE RENTERS' LIFESTYLES

Build-to-rent anchors on a thriving location with good local amenities and access to jobs, services and infrastructure. Designed specifically for renting communities, these developments are built to suit prospective renters' lifestyles.

For investors, the surrounding neighbourhood is linked to investment gains while for providers it is linked to maintaining occupancy. This includes prioritising the provision of trees and

green spaces, walking and cycling infrastructure, a strong local economy with diverse retail offerings and access to transport links.

Build-to-rent offers longer tenancy options of over three years and there are no upfront fees involved, other than deposits and rents in advance. The main benefit is having one landlord responsible for managing and operating the whole development, which makes is easier for tenants to get in touch with the landlord and any issues can be resolved quickly. ◆

SELLING RENTED PROPERTY

What are my options with sitting tenants?

YOU CAN SELL your rental property with sitting tenants. However, it's important to remember that your tenants have certain rights. If you want to sell your rental property, you have two options available – sell with vacant possession, or sell with the tenants in situ.

However, selling a rental property with tenants in situ affords a number of benefits for the seller, buyer and the sitting tenant. New buyers will not need to go through the time-consuming process of referencing potential tenants and can forgo the costs of preparing a property for rent, too.

HOW DO YOU SELL YOUR PROPERTY IF YOU HAVE SITTING TENANTS?

It may be more complicated to sell your buy-to-let property if it currently has tenants in it; however, it's still possible. If you want to sell the property, you are not entitled to evict the tenants.

You can only sell the property with sitting tenants or you will need to give the tenants notice to end the tenancy. You can do this using section 21 of the Housing Act 1988, which requires at least two months' notice in writing, or section 8 of the Housing Act 1988.

Section 8 gives reasons for wanting possession such as:

- You want to move back into the property yourself
- Your tenants have used the property for illegal reasons
- The tenants are behind on payments
- There is a 'break clause' in your contract

It is important that you seek professional legal advice before trying to give notice to tenants to remove them from the property.

HOW SHOULD YOU CONDUCT VIEWINGS WHEN THE TENANTS STILL LIVE IN THE PROPERTY?

You do not automatically have the right to show potential new tenants or buyers around the property. You are only to do this if it is agreed in the tenancy agreement and you give the existing tenants at least 24 hours' notice in writing. If you do not have this, you will need to ask the tenants for permission.

WHAT HAPPENS IF THE PURCHASER BECOMES THE NEW LANDLORD OF THE TENANTS?

This means the tenants continue to live in the property. You sell the property to the buyer and transfer the tenancy agreement and deposit. Otherwise, everything else remains the same.

The tenancy agreement is still valid, but the landlord's name will need to be changed. In these cases it is useful to get the new tenancy agreement agreed and signed as soon as possible.

At times, the tenant may decide to refuse to sign anything. They have the right to do this and in this situation the new landlord should communicate in writing with the tenants telling them the change of landlord and give them the new payment details for the rent. ◆

Later-life landlords

It’s official, buy-to-let landlords are getting older

"Older borrowers are no longer facing the age restrictions they once did if they want to invest in property."

THERE WAS A DISTINCT spike in the number of buy-to-let purchases made by those nearing retirement age once the housing market reopened in May 2020. The acquisitions made by later-life landlords nearing retirement age increased by more than half following the re-opening of the housing market – more than any other age bracket, analysis has revealed[1].

Older borrowers are no longer facing the age restrictions they once did if they want to invest in property. There was a 52% increase in the number of buy-to-let house purchases made by landlords aged between 60 and 64 in the 12 months to the end of June last year compared to the same period the year before.

OVERALL MARKET

This was the highest percentage increase of any age group. However, as a proportion of the overall market, this age bracket remained the second smallest at 5.08% of buy-to-let purchases. When it comes to buy-to-let, retired borrowers may have previously found it difficult to secure a mortgage to purchase a buy-to-let property.

LENDERS MORE RELAXED

Some lenders were reluctant to offer them finance, particularly if they were still in debt in their retirement. But as the official retirement age has increased, lenders are becoming more relaxed about the restrictions they impose on older borrowers.

There could be many contributing reasons for this trend, with low returns from savings and stock market volatility being a potential factor as this demographic seeks to boost their retirement income. The majority of lenders will lend up to the age of 75 and some even higher.

NEARING RETIREMENT AGE

The COVID-19 pandemic may also have led to an increase in those nearing retirement age deciding to either take redundancy or early retirement, which would have given them potential access to a lump sum of money to invest, or they are simply experienced landlords who took advantage of the stamp duty holiday to lower their purchasing costs.

Landlords aged between 40 and 44 recorded the second highest percentage increase at 49%, and this group also recorded the greatest increase as a proportion of overall purchases, rising from 15.2% of the market in the year to the end of June 2020 to 16% in 2021.

SHARP INCREASE IN OLDER LANDLORDS

The third highest increase was among 55 to 59-year-olds (45%), while over-65s recorded the weakest increase at 26%.

Whilst the analysis highlighted a sharp increase in older landlords purchasing new homes, it was also encouraging to see the majority of purchases in terms of absolute numbers being made by those aged between 35 and 50. This suggests that there's a strong pipeline of younger landlords growing portfolios. ◆

Source data: *[1] Paragon Bank, 13 October 2021*

Preparing your rental property for winter

Essential winter check list for landlords to avoid expensive repair bills

WINTER IS THE TIME when landlords need to be aware of some additional checks that will need carrying out on their properties. While a lot of these checks may not seem necessary during the summer, they can mean the difference between an enjoyable winter and a cold one for tenants, resulting in expensive repair bills.

Being on top of essential maintenance isn't just about maintaining happy relations with your tenants. It also makes sound financial sense. Unfortunately, winter is often the season when properties seem to develop faults. Whether it's broken boilers or leaking guttering, this is the season when many landlords see a peak in calls to arrange emergency repairs.

Rather than waiting for disaster to strike, consider our tips to protect your property during winter and avoid any costly repairs.

"Being on top of essential maintenance isn't just about maintaining happy relations with your tenants."

Carry out these steps to reduce the chances of something going wrong with your rental property this winter

- Keep pipes frost-free by wrapping them in lagging. Not only will lagging stop pipes from freezing, it will help avoid blockages and burst pipes
- Loft insulation will make a real difference when it comes to preserving heat. Even if you have insulation, it's worth checking it's up to standard
- Do your tenants know where the stopcock is? It's important they can locate the stopcock to switch off the water mains in the event of a burst pipe
- Check for draughts around the edges of window frames, and gaps under doors and around the letterbox – for windows and other small gaps, just seal the openings to keep the cold out this winter
- Ensure the boiler is serviced by a Gas Safety registered engineer at least once a year – this will not only save you money in the long run but also reduce the risk of leaking carbon monoxide – boiler insurance is also a good idea
- Check the radiators for air trapped inside them. Bleeding them will release the built-up air, allowing the radiators to work better and also save money for your tenants on their energy bills
- If the weather gets particularly cold, remind tenants to heat the house for at least an hour every day – even if they're at work or away
- Check every habitable floor has a working smoke alarm – and any room with a solid fuel appliance, for example a working fireplace, is equipped with a carbon monoxide alarm
- Ensure your current home insurance policy gives adequate protection for any winter-related damage. If your property has a flat roof which can be prone to collecting water, check the policy covers flat roof damage

EXTERNAL CHECKS

- Clear guttering and downpipes so they don't become blocked with leaves and debris to limit blockages and prevent water damage
- Repair and maintain garden fences, windows and other features
- Inspect the roof for any leaks or other damage, particularly in roof voids where you can't see the scope of the problem
- Cover drains with grates or bubbly drain covers – these will prevent water from building up under paving slabs and causing further damage
- Check for any cracks or holes in outside walls through which cold air can find its way to pipes
- Ensure nothing is stored under outside steps or balconies which could potentially be blown off during winter storms and cause further problems for other tenants or home owners below

PUT ON YOUR GARDENING GLOVES

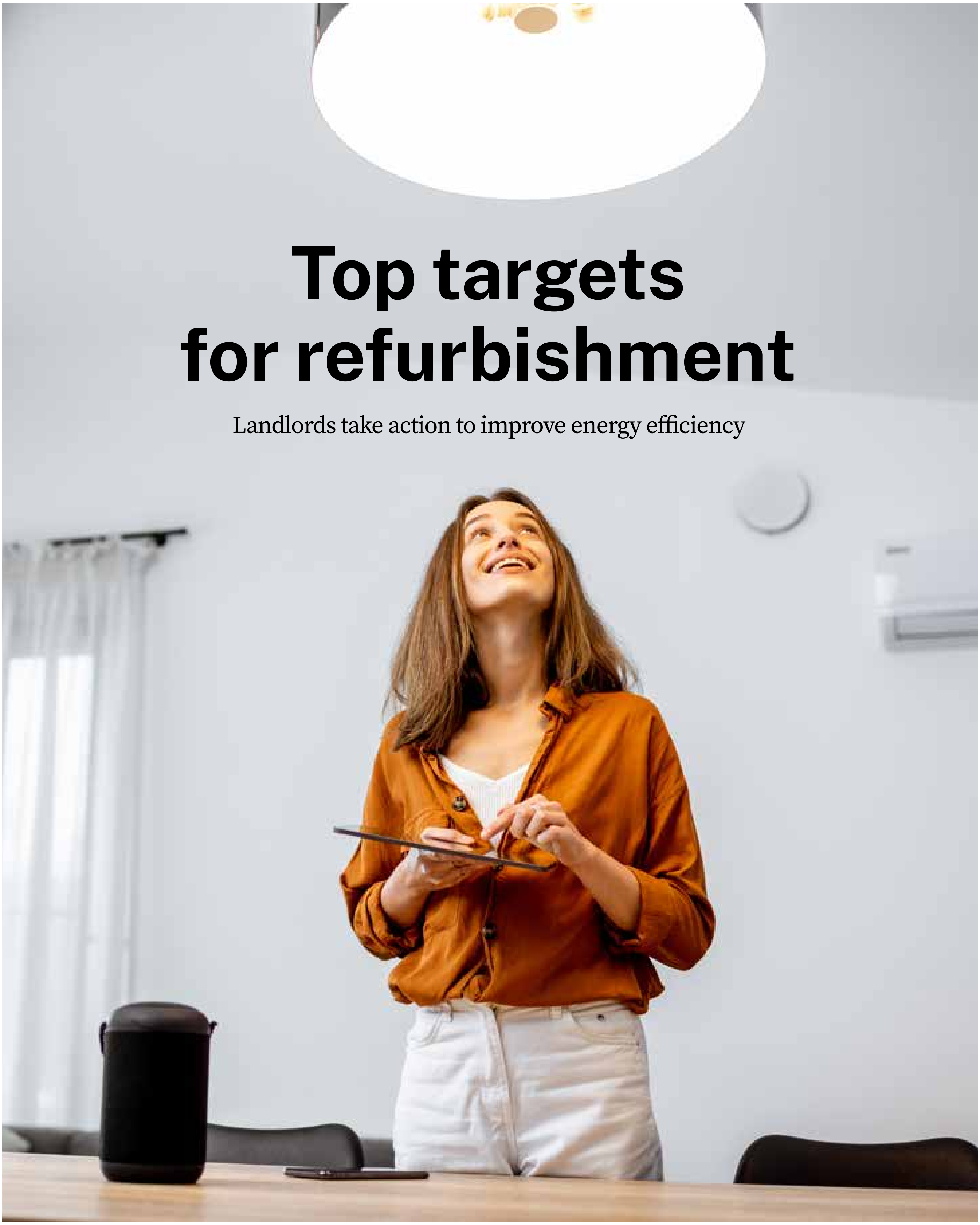
- Make sure bamboos and other garden plants are kept trimmed back to prevent damage to walls – particularly if they risk knocking down any loose bricks or encroach over paths where people walk. ◆

>> LOOKING TO APPLY FOR A BUY-TO-LET MORTGAGE? <<

You may have seen a property you'd like to purchase and rent out. There are a range of products available, whether you're a first-time landlord, or someone who's already got a property portfolio. For further information about how we can help, contact **Agentis Financial & Mortgage Solutions Ltd**
– telephone **01733 367800**
– email **info@agentisfinancial.co.uk**.

Top targets for refurbishment

Landlords take action to improve energy efficiency



"Tenants were also happy to pay more in rent if landlords made certain changes to their property."

NEW ENERGY EFFICIENCY rules due to take effect from 2025, which state landlords cannot rent their property without an Energy Performance Certificate (EPC) rating of C or above, have prompted some buy-to-let landlords to undertake a refurbishment in the last 12 months to improve the energy efficiency of their home.

Research shows 17%[1] of landlords have made efforts to improve the energy efficiency of their property, rising to 22% of portfolio landlords (landlords with four or more buy-to-let properties).

ENERGY-EFFICIENT

For example, of all the landlords that have undertaken a refurbishment, 22% replaced the boiler and heating system in their property, a further 23% replaced the windows and 18% installed new white goods. All these actions could have an impact on a property's EPC rating and help landlords move closer to achieving a rating of C or above.

Making properties more energy-efficient can boost demand from tenants, too. Indeed, one in ten (10%) private renters said that they would stay in their current property longer if their landlord made changes to the property that benefit the environment.

INVESTMENT PROPERTY

Tenants were also happy to pay more in rent if landlords made certain changes to their property. 18% of tenants said they'd pay more if windows were replaced, 15% would pay more for a new boiler and heating system and 10% suggested that installing solar panels would justify paying more rent.

With energy bills predicted to continue to rise substantially this year, making changes to an investment property to improve its energy efficiency will not only help the environment but could also save tenants a significant amount.

LESS ENERGY EFFICIENT

However, for those landlords who own older properties, which are typically less energy efficient, it can be harder to improve the rating. This could mean that by 2025 some properties could be 'unrentable' and 'unsellable'.

According to data from the Ministry of Housing, Communities and Local Government, there are close to 13 million homes in England and Wales currently with an EPC rating of D or below. ◆

>> READY TO APPLY FOR YOUR NEW BUY-TO-LET MORTGAGE? <<

If you're looking for a new buy-to-let mortgage or are ready to switch your current mortgage to a different deal, or you just want to have a look at what we have on offer, to discuss your options contact **Agentis Financial & Mortgage Solutions Ltd** – telephone **01733 367800** – email **info@agentisfinancial.co.uk**.

Source data: *Shawbrook Bank, 09 November 2021*

Protecting yourself from property fraud

Is it really possible for fraudsters to steal your home?

FOR MANY OF US, our property is the most valuable asset we own. It can be sold and mortgaged to raise money and can therefore be an attractive target for fraudsters. The prospect of having our home stolen and sold from under us may seem somewhat fanciful, but it does happen.

Fraudsters may attempt to acquire ownership of a property either by using a forged document to transfer it into their own name or by impersonating the registered owner. If a property is fraudulently transferred into a different name with the use of fake documentation, the property can then be sold without the real owner's knowledge or consent.

FRAUDULENTLY SOLD

Homeowners may be unaware that information held with the Land Registry is available to view by anyone through the Land Registry website. This includes fraudsters, who can easily find out who owns a property, their correspondence address, lender details and even samples of their signature.

When a home is owned mortgage free, rented out or left vacant, it can be more susceptible to property fraud. But you can take steps to protect your property from being fraudulently sold or mortgaged.

RECEIVE ALERTS

Firstly, ensure that the title deed information the Land Registry holds for your property is accurate and up to date.

Then you can sign up to receive property alerts if someone applies to change the register of your property, for example, if someone tries to use your property for a mortgage. For more information, visit HM Land Registry: https://propertyalert.landregistry.gov.uk/

“Homeowners may be unaware that information held with the Land Registry is available to view by anyone through the Land Registry website.”

As a prospective buyer, if you are purchasing a property which is not registered with the Land Registry, make sure your vendor provides you with sufficient evidence to confirm their ownership before any money changes hands.

WHAT DO YOU DO IF YOU SUSPECT PROPERTY FRAUD HAS TAKEN PLACE?

If you're a victim of property fraud you can contact the HM Land Registry property fraud team, email: reportafraud@landregistry.gov.uk; telephone: 0300 006 7030: Monday to Friday, 8am to midday and 1:30pm to 3:30pm.

Taking a few simple steps to protect you and your family against fraud can help to achieve peace of mind in an uncertain world. ◆

This will not automatically block any changes to the register but will alert you when something changes so that you can take action. You can receive alerts for up to ten properties and no fee is payable for the service.

PROPERTY RESTRICTION

You can stop HM Land Registry registering a sale or mortgage on your property unless a conveyancer or solicitor certifies the application was made by you. Your conveyancer or solicitor may charge you for providing a certificate if one is required by a restriction on your property.

Have you fully insured the things that matter?

Homeowners undervaluing their contents insurance by £115 billion

THE THINGS WE OWN mean a lot to us, after all we've worked hard over the years to acquire them or been fortunate enough to inherit them. They may also have a high value in monetary terms and replacing them could be costly.

Have you ever wondered how you'd cope if you lost your valuables to fire, theft or damage from flooding? That's what contents insurance is for, to provide financial protection if those things happen. It can cover the costs of repairing or replacing them if something goes wrong.

POSSESSIONS AT RISK

Contents insurance policies typically cover the items in your home for loss, theft and damage, including items inside your home, in outbuildings and in the garden.

But, worryingly, homeowners and renters across the country could be undervaluing their contents insurance by as much as £115 billion, despite a third believing their possessions are at risk, research reveals.

CONTENTS UNDERVALUED

When asked to estimate the value of all contents in their home, the average figure from those polled

"Contents are defined as everything from a wardrobe of clothes, to pots and pans, to any gadgets owned. Anything not fixed down in the home is covered by contents insurance."

came out at between £18,333 to £16,667 less than the average contents value of £35,000[1]. Across the UK that works out at a total of £115 billion[2] worth of contents that could be undervalued.

While two-thirds of respondents (67%) typically update their contents insurance on an annual basis, just under a quarter (23%) said they didn't think it was necessary to increase their insurance level regularly, for example, when they buy a high-value item such as jewellery or home technology.

ACTUAL VALUE

Contents are defined as everything from a wardrobe of clothes, to pots and pans, to any gadgets owned. Anything not fixed down in the home is covered by contents insurance.

This large disparity between the perceived contents value and actual value becomes even more alarming as more than a third (36%) revealed their contents were at risk in some way, whether from burglary or flooding.

Top five most valuable items by average estimate

1. Tech: computers and games consoles £600
2. Clothes £580
3. Tech: radios and TVs £568
4. Beds and bedding £559
5. Tech: phones and tablets £508

UNDERVALUED CONTENTS

When it comes to property types, people living in a rented, shared flat are the least likely to have insurance; more than half (58%) of flat renters said their contents weren't covered at all. They also undervalued their contents by the most at £7,717, almost £30,000 under the national average – despite the fact that they're the most likely to feel their contents are especially at risk of theft or damage (58%).

It's important homeowners or renters provide an accurate estimate for their contents, otherwise they could end up without enough cover if they need to make a claim.

HIGH VALUE ITEMS

The value of most items can be searched on the internet, but antiques or jewellery should be valued by a professional before being added to your policy. Seven out of ten people said they feel attached to the items in their house, so getting the right level of cover is especially important if you think your contents are at risk in any way.

While some people update their cover annually, some forget to amend their policy when they buy or receive high value items (worth over £1,000) – think Christmas, birthdays and anniversaries. The research reveals a quarter (25%) wouldn't inform their insurer and add them to their policy, with a further 51% not planning to do this at all. ◆

>> NEED MORE HELP? <<

Contact **Agentis Financial & Mortgage Solutions Ltd** – telephone **01733 367800** – email **info@agentisfinancial.co.uk**.

Source data:

[1] Based on data from Admiral Insurance survey carried out by Atomik Research on 1,000 UK adults and ABI data – https://www.abi.org.uk/news/news-articles/2018/02/britain-uncovered-the-average-ukhousehold-now-owns-35000-worth-of-stuff/

[2] Based on 29 million residential properties – https://www.theccc.org.uk/wpcontent/uploads/2019/02/UK-housing-Fit-for-the-future-CCC-2019.pdf

PROPERTY JARGON BUSTER

New year, new home: securing the perfect property for 2022

GETTING CONFUSED BY 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're likely to encounter as you search for your new home in 2022.

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 that represents the true cost of a loan or mortgage, taking into account not just the interest rate, but also the other costs, such as arrangement fees and charges.

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
A tax paid when buying a property over a certain value. If you're buying a home in England or Northern Ireland from 1 October 2021, you will pay Stamp Duty on residential properties costing more than £125,000, unless you qualify for first-time buyer's relief. If you're buying a second home, you'll still pay an extra 3% Stamp Duty on properties costing more than £40,000 at the relevant rates at that time.

If you're buying a home in Scotland you will pay Land and Buildings Transaction Tax (LBTT) on properties costing more than £145,000. If you're buying an additional property, you might need to pay an extra 4% on the total purchase price of the property, as well as the standard rates of LBTT that may apply.

If you're buying a home in Wales you will pay Land Transaction Tax (LTT) if the property costs more than £180,000. If you're buying your main home, you will pay no LTT on purchases under £250,000. If you're buying an additional property, you will need to pay the higher residential rates for each band.

STANDARD VARIABLE RATE (SVR)
The default mortgage interest rate a lender will charge 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 property inspection and report conducted by a qualified surveyor 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
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 particular situation and find out how much you could borrow, contact **Agentis Financial & Mortgage Solutions Ltd** – telephone **01733 367800** – email **info@agentisfinancial.co.uk**.

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