

# JUST A GUIDE TO BUY TO LET



Just  
Mortgages



# FINANCING YOUR PURCHASE

- Have you accounted for all your upfront costs? These include a deposit for the house, legal fees, stamp duty, and survey fees.
- What can you comfortably afford to borrow? Make an appointment with a Just Mortgages mortgage adviser to discuss what you can afford to pay back each month before you go house hunting.
- What do you earn? You will need to tell us and confirm it typically with your last three months pay slips and your P60 tax certificate for last year. If you are self-employed we need to see your trading accounts for the last three years.
- How much rent do you expect to earn through the letting of the property?
- How much will you be able to borrow? When we fully understand your current income and expenditure we shall be able to tell you, based on the repayments you can afford to make.
- Which mortgage suits your present and future needs? Your mortgage adviser will spend time discussing this with you before providing you with full advice and recommendation on a suitable mortgage for you.

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

Most Buy to Let Mortgages are not regulated by the Financial Conduct Authority.

# CALCULATING YOUR COSTS

As well as your mortgage payments, you may need to cover the following costs:

- Buildings insurance.
- Contents insurance (if your property is furnished).
- Maintenance costs.
- Periods when you are receiving no rental income because the property is empty or the tenants have fallen behind with their payments.
- Increases in your mortgage repayments due to a rise in interest rates, which you may not be able to recover immediately from rent increases.
- The profits from renting property are taxable but you may be able to offset some of the costs you incur as a landlord against tax.

You will have to pay the following taxes – Income Tax, Stamp Duty (when you buy your property) and Capital Gains Tax (when you sell it). There may also be a liability to inheritance tax when you die.

You can find out more about the tax treatment of income from rented property by seeking professional guidance from a qualified tax specialist and you can also visit [www.gov.uk/browse/tax](http://www.gov.uk/browse/tax).

HM Revenue and Customs practice and the law relating to taxation are complex and subject to individual circumstances and changes which cannot be foreseen.







# CHOOSING THE RIGHT PROPERTY

Now you know what you can afford, you can begin your search and Just Mortgages will be pleased to refer you to one of their colleagues from the Spicerhaart Group estate agents.\*

- You need to carefully research the area where you want to buy your property. You can either do this yourself or employ a specialist letting agent to help you. If you decide to do it yourself, you will need to speak to local estate agents, employers and the local authority.
- Families will have different needs to couples and single people. The majority of tenants are working professionals, on company or overseas relocations. You need to make sure they are fully referenced. If you are using an agent make sure you know the profile of the type of person that you wish to let your property to, at the same time you need to be mindful that the tighter you are with your requirements the longer it can take to find a tenant.
- Desirable properties will be conveniently located to public transport, shops, bars, schools etc and have parking facilities close by. When you are looking for a property, try to remember that it is not you who is going to be living there. Look at it with an objective eye and think about the property from a tenant's point of view.
- You need to consider buying a property whose size is attractive to people looking for rented accommodation in that area.
- A property that is well maintained will be much more in demand than one that is run down. Therefore a newer property may be more suitable if you have limited time or no interest in DIY.

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\*The Estate Agency services promoted here are not of the Openwork proposition and are offered in our own right. Openwork Ltd. accepts no responsibility for this aspect of our business.

Make an appointment with a **Just Mortgages Adviser** to discuss what you can afford to pay back each month before you go house hunting.



# MANAGING YOUR PROPERTY

When you have chosen your property, you will need to decide who will manage it for you. Ask your Just Mortgages adviser to put you in touch with a Lettings specialist from the Spicerhaart Group\* who can offer suitable services which can help your letting experience run as smoothly as possible.

- Your aim will be to cover your costs and make a profit. It is a good idea to talk to a Mortgage Adviser before you look for properties as lending criteria will differ and rental charges are a key factor. Research the market conditions thoroughly as charging too high a rent will put off prospective tenants.

If you decide to manage it yourself, you will be responsible for:

- Finding tenants.
- Checking tenants' references.
- Writing a tenancy agreement.
- Collecting the rent.
- Maintaining the property and any furniture provided.
- Dealing with any problems.
- Carry out repairs to the property.
- Ensure the safety of gas and electrical appliances.
- Ensure that any the furniture and furnishings meet fire safety requirements.

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**To contact Just Mortgages call 0345 2185211,  
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