

What is Let to Buy?

If you have enough equity in your home, you remortgage and release funds to use as a deposit on a new property. You then let out your current home and use the rental income to cover the mortgage on your existing home. This will then allow you to get a mortgage for a new home, assuming you can cover the repayments with your salary and other sources of income.

Let to Buy can be an option with couples looking to move in together, but both have their own properties. They could move in together and rent out the other property as a Let to Buy.

What is the difference between Let to Buy and Buy to Let

Buy to Let mortgages are taken out specifically for a property to let out (or to re-mortgage one they currently let out), Let to Buy mortgages are used when you live in a property and want to move elsewhere.

Are there any downsides to Let to Buy?

You will be responsible for two mortgages.

The stamp duty surcharge (3% on top of the Stamp Duty band removed at time of this guide) when you buy a second property. Although if you sell your first home within 36 months of completing on the purchase, HMRC will make a full refund.

What next

Contact the team at Try Financial on:

Tel: [01473 462288](tel:01473462288)

Or

Email: enquiries@tryfinancial.co.uk

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