

# TRY | FINANCIAL

## Let to Buy Guide

### What is Let to Buy?

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

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



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

- A buy to let mortgage is taken out specifically for a property you are buying to let out.
- With a let to buy mortgage, you are buying a property you are going to live in and letting out your current home.

## Are there any downsides to Let to Buy?

- You will be responsible for two mortgages, one on your residential property and one on the let property.
- You will pay the Stamp Duty surcharge (3% on top of the Stamp Duty band) when you buy a second property.
- Potential rental voids (as with any property that is let).



Published date: August 2021. The information in this guide is correct as at the date on the document. Disclaimer: This information is intended solely to provide guidance. Try Financial does not accept any responsibility for how the guide is used. Nor will they be liable for any loss arising from your use or reliance on this information.