



**EBOR**  
MORTGAGES

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**BTL & Market Update**

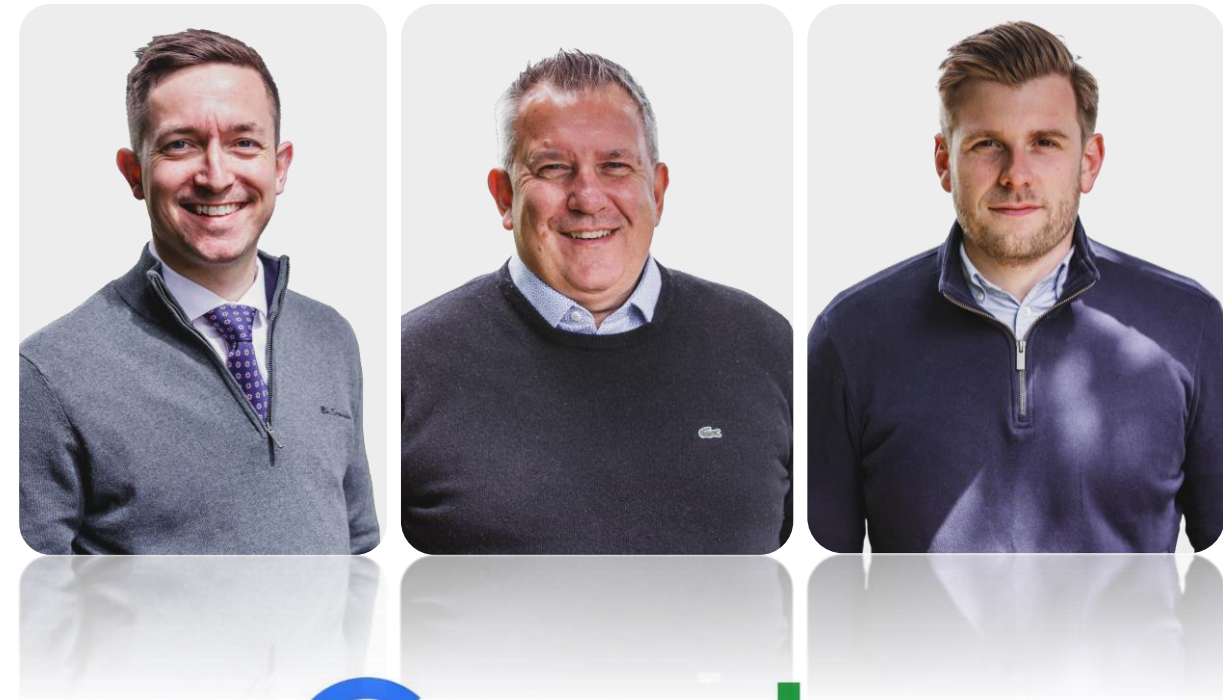


# Agenda

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1. Who we are? Benefits of using an independent local mortgage broker?
2. Buy to Let Market Update
3. Holiday Let Market Update
4. Interest Rates
5. How to best position yourself for raising finance?





Ebor Mortgages are an award-winning whole of market, independent mortgage and protection brokers. With a combined experience of over 40 years, our Mortgage Advisors sole aim is to find you the best terms with the least amount of stress, whilst ensuring you get the right advice for your individual circumstances.

We're independent meaning that we research the market to ensure you get the best terms for your individual circumstances.

We work around you and can arrange meetings outside of business hours to suit your requirements.

We provide personal advice, tailored for you.

We pride ourselves on the service that we deliver. We have over 180 5 Star reviews on Google.

Broker Exclusives that are not available on the open market and lenders. We are problem solvers.



# When we were last here. (Oct 2022)

Almost 1,000 mortgage deals pulled as panic grips UK housing market

Borrowers unable to secure loans and provisional offers withdrawn as some pay huge penalties to lock in longer fixed rates

- [Bank launches emergency intervention after Kwarteng mini-budget](#)
- [Treasury defends plans despite market turmoil](#)

Mortgage market panic could see 'massive intervention' from FCA

Buy-to-let landlords under strain from mortgage rate rises

Sharp jump in interest charges for those refinancing will hit profits

Rates for two-year fixed mortgage pass 6% mark for first time since 2008

News comes day before UK chancellor is due to discuss impact of market turmoil with high street lenders

Swathes of lenders pull buy-to-let mortgages due to market chaos, amid fears they will return with much higher rates and force landlords to hike rents

- Almost 40 lenders have pulled buy-to-let mortgages, with more tipped to follow
- It comes after last week's market-spooking mini-Budget and base rate rise
- When the mortgages return, rates could be 6% or even higher
- This could lead to an increase in rents as landlords move to protect profitability

TMW offers new BTL products and ups minimum stress rate



# The Headlines Now

Why landlords are positive about buy-to-let in 2024

The Mortgage Works offers sub-4% buy-to-let mortgage

It's the first sub-4% deal in the current cycle of price changes

**Buy-to-let landlords are using limited companies to cut tax... but it could actually be costing them MORE**

**BTL lending slumps amid rising costs for landlords**

Inflation could hit zero within months, defying Bank of England predictions, City economists say

Buy-to-let lending falls 55% in Q4 2023 – UK Finance

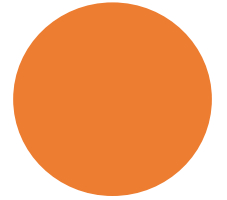
# Buy to Let Mortgage Market Update

- Press releases can be very overstated. Always good to look at the actual figures and facts.
- Interest Rates have stabilized for the short term. Have been reducing since end of last year.
- 5 year deals cheaper than 2 year deals most of the time.
- Big product fees on BTL products to adjust for ICR calculations.
- Ability to borrow more on longer term fixed products e.g. 5 year fixed.
- Niche or smaller lenders keen to look to more individual circumstances to underwrite cases.
- Mainstream products from 3.99%\*.



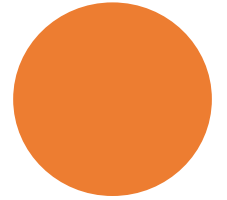
# Student/HMO/Portfolio Update

- Fewer lenders within this market so reduces the lenders available.
- Rates can be higher than standard AST lets.
- Products often carry high fees – can sometimes be added to the loan amount.
- Lenders can either value on standard AST value or per room value.
- Licencing laws/oversaturation can be an issue for some lenders.
- Good rental yields can be obtained in comparison to standard family lets.
- All lenders carry different policy/criteria. Differ on max number of rooms, licencing, locks on doors, landlord experience specific HMO products.
- Still a good number of reputable lenders within this space.



# Holiday Let

- Increased interest in this area over the last 10 years.
- Has provided more lenient taxable benefits in comparison to standard BTL.
- Different type of mortgage needed for Holiday Let.
- Rent calculated on low/mid/high season.
- Only a few mainstream lenders in the market. Lots of smaller regional Building Societies involved in this market.
- Some lenders requiring no experience, no minimum personal income.
- Some areas now becoming over concerned in some postcode areas.
- More likely to be proceedable on a 25% deposit.





# Interest Rate Predictions

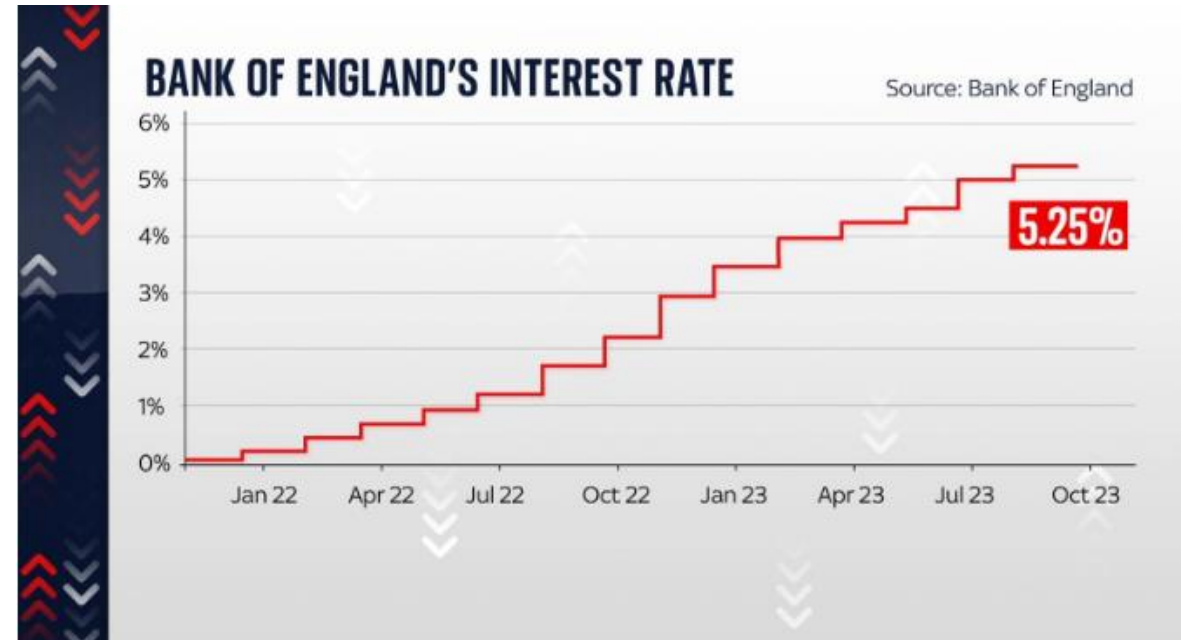
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# Interest Rates

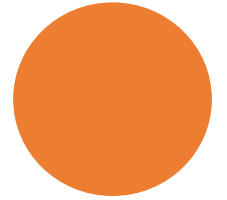


- BOE Rate now at 5.25%.
- Inflation has reduced significantly from the peak in October 2022 at 11.1 % to February 2024 rate of 3.4%. Looks likely that this will fall further and, if so, no reason to keep rates high.
- Base rate unchanged since August 2023 and market expects next move to be down .... but when?
- Unlikely to see steep cuts in rates it's likely to be a steady reduction by small cuts.
- Mortgage rates more linked to Gilts/ Swap rates which is effectively the cost of funds to the lenders.



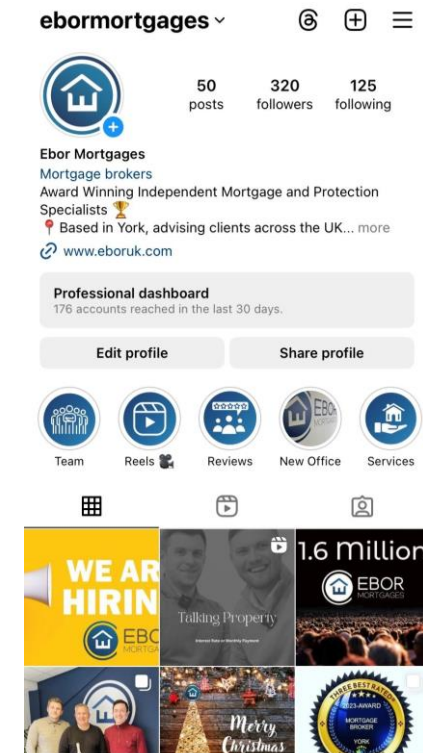
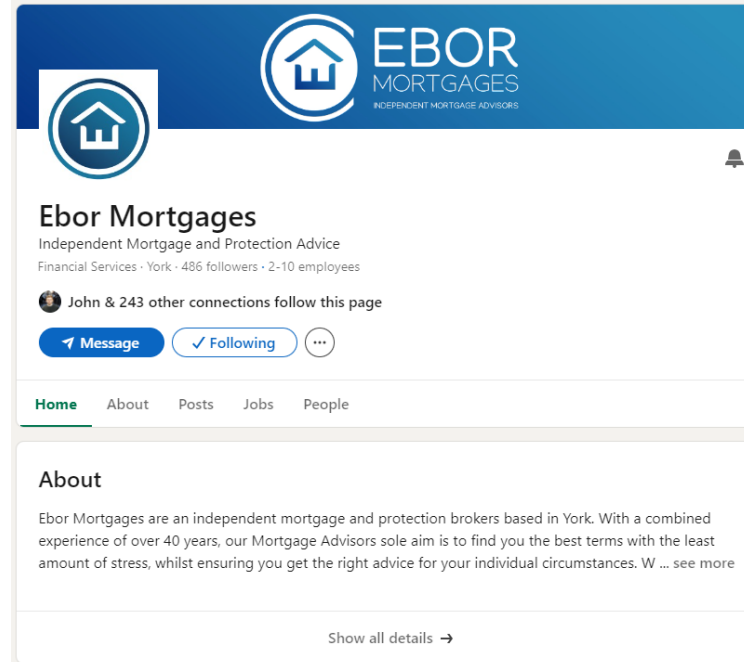
# How to best position yourself prior to obtaining a mortgage.

- Review your credit file.
- Pick up the phone and speak to a broker.
- Have at least a 25% deposit for BTL, HMO, Portfolio, Holiday Let.
- Obtain a decision in principle.
- Ensure you have a good solicitor.



# When should you speak to us?

- We are friendly, welcoming and helpful.
- If you are looking at restructuring your portfolio.
- If you are just starting out in your BTL journey.
- If you are coming to the end of your fixed deal.
- If you are looking at raising further capital for any reason.
- Other areas we cover. Residential Market.
- Follow us on socials.
- Our Fees.



Any  
Questions?

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