THE MORTGAGE & PROPERTY MAGAZINE

ISSUE 6 - SPRING 2022

SUSTAINABLE HOMES

Creating better places for people to live

BIGGER MORTGAGE LOANS

How to boost your mortgage borrowing power

INTEREST RATES ARE RISING

What could it mean for your mortgage?

10 STEPS TO BUYING YOUR FIRST HOME

What you need to know when you're a first-time buyer

NIGHTINGALES WEALTH MANAGEMENT

6 Burkes Parade,
Beaconsfield, Bucks,
HP9 1NN

T: 0345 2221177
W: nightingaleswm.co.uk
E: customer@nightingaleswm.co.uk

NIGHTINGALES
WEALTH MANAGEMENT

LOOKING FOR EXPERT MORTGAGE ADVICE?

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Whether you're investing in a buy-to-let property or looking to buy your first home, we can help. Our expert professional mortgage advice will find you the best mortgage deal, whether you're buying a property investment or home.

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THINK CAREFULLY BEFORE SECURING OTHER DEBTS AGAINST YOUR HOME.

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

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Spring 2022

Mortgage finance

Selling property

ON THE COVER

Sustainable homes - creating better places for people to live.

Property matters

Property investment

Financial protection

Property glossary

Welcome

WELCOME TO the Spring 2022 quarterly issue of *The Mortgage & Property Magazine* from Nightingales Wealth Management Ltd.

When it comes to sustainability, having greener homes and a lower environmental impact is now sitting near the very top of many Britons' property priorities. Sustainability can no longer be considered a niche. The Government's intention is for all new homes to be zero-carbon by 2050 and produce a 75% to 80% reduction in carbon emissions by 2025. With pressure on natural resources and the uncertainty of climate change, on page 56 we look at why it is important that homes of the future are built in ways that provide benefits for both homeowners and the environment.

Are you looking to take your first step and get onto the property ladder? When you're buying your first home, there is so much to think about. The process can fill you with a mixture of both nerves and excitement. From getting together a deposit to investigating the different types of mortgage, and, of course, what kind of property you should buy, it's decisions, decisions. And that's before you've even considered where you might like to live. Turn to page 16 for our top 10 tips to help you at each stage of your journey.

When it comes to obtaining a bigger mortgage, there are a few things you need to consider. Firstly, you need to make sure that you are eligible for a bigger mortgage and can meet the mortgage repayments. This depends on your income, credit score and other financial factors. On page 34 we look at how you could boost your mortgage borrowing power and what can determine a successful mortgage approval.

Recent years have seen an extraordinary period of competitive and low interest rate mortgage deals but, even before the Bank of England's rate-setting Monetary Policy Committee began increasing interest rates last December, there were signs that the era of ultra-low mortgage rates was at an end. Turn to page 30 to see what this could mean for your mortgage.

We hope you enjoy our selection of articles in this issue. A complete list appears on pages 03 to 05. We always welcome your feedback and if you would like to discuss how we could help you with your mortgage requirements, please contact us. ◆

John Franks - Company Director
Sam Farmer - Company Director

THE
MORTGAGE & PROPERTY
MAGAZINE

EDITOR-IN-CHIEF
Rachel Garrahan

DEPUTY EDITOR Hugo Arnoult **ASSOCIATE EDITOR** Harrison Gordon

EDITORIAL
LIFESTYLE EDITOR Mollie Hammond

EDITORIAL CONTRIBUTORS
Charlotte Roberts, Tobias Spencer, Matt Woolf, Ella Crosbie, Jack Reid, Matt Willis, Josh Hartwell, Trixie D'Arcy, Charles Magnus, Lucy Bowen, Emily Hall, Felix Wong, Edwin Clement, Leonardo Harris, Claudia Lysander, Jan Conrad

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CONTENT PLANNING EDITOR Poppy Willis **CONTENT EDITOR** Arabella Berkeley

PRODUCTION
PRODUCTION DIRECTOR Janet Noone **PRODUCTION CONTROLLER** Kathryn Chen **DIGITAL PROJECT MANAGER** Edmond Rafferty

PUBLISHING
SENIOR ACCOUNT DIRECTOR Francis Clarence **ACCOUNT MANAGER** Amelia Eldon

GOLDMINE MEDIA LIMITED
Floor 2, The Pinnacle, 170 Midsummer Boulevard, Milton Keynes, Buckinghamshire, MK9 1BP

T: 0845 686 0055
E: info@goldminemedia.co.uk

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Finding the right deal

See if you could save money by moving your mortgage

"Big changes in your life, planned or unexpected, could mean that your current mortgage no longer suits your needs."

THERE ARE VARIOUS reasons why you might want to remortgage your home. Perhaps you are looking to take advantage of a more competitive interest rate, or you need to borrow more money and your current mortgage doesn't allow for that, or you want to be able to make overpayments.

Big changes in your life, planned or unexpected, could mean that your current mortgage no longer suits your needs. Whether you're starting a family or expecting a significant change to your income, remortgaging could give you a chance to find a more competitive deal that's a better fit for you now and in the future.

INCREASED FLEXIBILITY TO BORROWING MONEY

Remortgaging can also help you save money on your monthly payments if interest rates have gone down since you took out your original mortgage loan. You could potentially save a lot of money by switching to a new mortgage deal with a lower interest rate.

It could also give you more flexibility when it comes to borrowing money. If you need to borrow more money for a home improvements project or for another reason, a new mortgage may allow you to borrow more than you were originally approved for.

MORE AFFORDABLE MONTHLY PAYMENTS

When you remortgage, you take out a new loan to pay off your old one. This new loan usually has a lower interest rate than your original mortgage, which could save you a considerable sum of money, possibly thousands of pounds, over the term of your mortgage loan.

You might also be able to obtain a longer repayment term, which could make the monthly payments more affordable. But there are a couple of things initially to consider when deciding whether or not to remortgage your home. The first is whether you can afford the new mortgage payments. The second is whether you will be able to save money in the long run by switching to a lower interest rate.

DIFFERENT INTEREST RATES AND TERMS

If you're thinking about remortgaging, it's important to ensure you obtain the right mortgage deal for your particular situation. There are a lot of different lenders out there, and each one offers different interest rates, terms and fees.

We can help you by comparing the different offers and finding the loan that's right for your requirements. And the good news is that if everything looks good, the lender will approve your application and you will be able to switch to a new mortgage. ◆

>> YOUR REMORTGAGE STARTS HERE <<

If you are considering remortgaging your property, it is important to understand the process involved. Whatever the reason why you may be considering remortgaging, you should look to obtain professional mortgage advice before you make any decision. To discuss your requirements, contact **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.

What is loan-to-value (LTV) and why does it matter?

Understanding how these three letters impact on you financially

WHEN YOU BORROW money to buy a home, the loan is typically expressed as a percentage of the property's value. This is known as the loan-to-value ratio (LTV). Lenders look at your LTV when deciding if they'll accept your mortgage application – the lower, the better.

Your LTV will come up whenever you look to remortgage or if you're a first-time buyer, as it directly affects the amount of equity you have in your property. Equity is the portion of your property's value that is not encumbered by debt, and it can provide a cushion against financial hardship if you ever need to sell the property or refinance the mortgage at a future date.

HOW TO CALCULATE LTV

For example, let's say you're buying a £450,000 property and you take out a £427,500 mortgage. Your LTV ratio would be 95% (£427,500/£450,000). That means you have 5% equity in your home.

If your LTV ratio is high, it means you have less equity in your home. This can be a problem if you need to sell your home or refinance your mortgage, because you may not have sufficient equity to qualify for a loan.

It can also be a problem if your home value decreases, because you could end up owing more than your property is worth (known as being in 'negative equity' on your mortgage).

"Your LTV will come up whenever you look to remortgage, or if you're a first-time buyer, as it directly affects the amount of equity you have in your property."

That's why it's generally a good idea to keep your LTV ratio as low as possible. One way to do this is to have a larger deposit when you purchase your home. Another way is to wait until your home value goes up before refinancing your current mortgage.

If you're considering taking out a mortgage, make sure you understand how the LTV ratio will affect your loan. It's an important factor to consider when you're looking to get the best deal on your home loan.

3 REASONS YOUR LTV COULD CHANGE

1. SAVING FOR A HIGHER DEPOSIT

The more deposit you have saved, the more of your property you will own from the start – meaning you will need to borrow less to buy it. It can also mean you are able to access more competitive mortgage deals with lower interest rates.

This will impact on what interest rate you are offered and how expensive your monthly repayments are. Typically, the larger deposit saved, the lower your repayments, term and interest rate will be. This is because the more money you have to put towards your property purchase, the less of a risk you pose to the lender.

2. OVERPAYING YOUR MORTGAGE

Overpaying your mortgage means your LTV ratio falls faster. And if your LTV falls, it means when it comes to remortgaging, you may be able to obtain a more competitive deal than if you hadn't overpaid.

Also, having more equity in your home could give you a cushion if you ever faced difficult financial times, so it gives you more options. It's worth remembering, too, that overpaying your mortgage can be an effective way to save money on interest and clear your mortgage loan sooner.

3. CHOOSING TO REMORTGAGE

If you're looking to remortgage and want to secure the most competitive deal possible for your situation, it's important to think about your LTV. It can affect the interest rate you're offered and the amount you're able to borrow.

If you have been paying off your mortgage loan for a while, and your home has also gone up in value, then your LTV will be lower than it was when you first took out your mortgage. This means that other deals may now be available, with lower interest rates. ◆

>> TIME TO GET IN TOUCH TO DISCUSS YOUR MORTGAGE NEEDS? <<

So you are ready to find and apply for the right mortgage. Whether you want to take that first step or plan your next move, your search starts here. To discuss your options, contact **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.

What is an Agreement in Principle?

Why it's important to show sellers you can afford to buy their property

FOR MOST OF us, arranging a mortgage is an important step towards buying a new home. One term you may come across is an 'Agreement in Principle' (AiP) *(also called a 'Decision in Principle' or 'Mortgage in Principle')*. But what does it really mean? And how can it potentially help you buy the home you've set your heart on?

An AiP is a way for you to secure the funds you need to buy a property before you have found one. It's a written statement from the mortgage lender that sets out how much money you could potentially borrow for your home purchase.

"To obtain an AiP, you will need to provide some information about yourself and your finances. This will include your income, outgoings and credit score."

When you're house-hunting, the chances are you're likely to be up against other potential buyers. An AiP shows sellers, developers or estate agents that you're a serious buyer who can genuinely afford the properties you're viewing and possibly making offers on.

HOW MUCH MONEY YOU COULD POTENTIALLY BORROW

Knowing how much you can realistically expect to borrow also helps you focus and gives you the confidence to go and look at properties. That's particularly important if you're a first-time buyer (it's worth remembering there are schemes such as Help to Buy specifically created for people looking to get on the property ladder).

HELPING YOU TO SPEED UP THE BUYING PROCESS

This means that you can start looking for your dream home knowing that the money is already in place. It's important to remember that it isn't a formal offer and isn't guaranteed, and will only last for a certain period of time – usually around 90 days.

But it is an indication from the lender that they are likely to be able to lend you the amount of money that you need to purchase the property. This gives you the peace of mind of knowing that you have the funds available to buy your new home, and it can also help speed up the buying process as sellers will know that you are serious about purchasing.

INFORMATION ABOUT YOURSELF AND YOUR FINANCES

To obtain an AiP, you will need to provide some information about yourself and your finances. This will include your income, outgoings and credit score. The lender will then use this information to calculate how much they are likely to be able to lend you.

As has been mentioned, an AiP is not a binding agreement, and the final loan amount may be different depending on your individual circumstances. It is also important to remember that you will still need to pass a credit check before you can be approved for a mortgage.

OBTAINING PROFESSIONAL MORTGAGE ADVICE

If you are thinking of buying a property in the near future, it is worth considering obtaining an AiP. This can help you get started on the property search process and give you the peace of mind that you need. It also means you can use it to show your potential sellers that you have the ability to secure a mortgage and can realistically afford to buy their home.

When you ask for an AiP from a lender, it's worth knowing that each application may leave a mark on your credit file. So before you start, it makes sense to obtain professional mortgage advice. We can assist you through this process.

COMPLETE AND DETAILED CREDIT CHECK

Before a lender decides to fully approve your mortgage, they'll run a complete and detailed credit check. They'll also look at your payslips and bank statements. When it comes to this full credit check, it can be worth asking if it's a 'soft' or 'hard' check.

A 'soft' credit check is a background one that won't negatively affect your credit score. However, numerous 'hard' checks over a short period can lower your credit score and stay on your report for four years. But if you are thinking of buying a property in the near future, it is worth considering getting an AiP. ◆

>> READY TO GET STARTED ON THE YOUR PROPERTY SEARCH? <<

We can help you through the process of obtaining an AiP. We'll help assess your situation and recommend a lender who is likely to be able to offer you the amount of money that you need. To find out more, please contact us today. To discuss your requirements, speak to **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.

10 STEPS TO BUYING YOUR FIRST HOME

What you need to know when you're
a first-time buyer

WHEN YOU'RE buying your first home, there is so much to think about. The process can fill you with a mixture of both nerves and excitement.

From getting together a deposit to investigating the different types of mortgage, and, of course, what kind of property should you buy, it's decisions, decisions. And that's before you've even considered where you might like to live.

DO YOUR RESEARCH AND UNDERSTAND THE PROCESS

10 TIPS TO HELP YOU GET STARTED

1. Save up a deposit. Deposits to purchase a home usually start at as little as 5% and can go up to 20% and beyond, depending on your financial situation. Most of us have to buy our first home with the help of a mortgage – a loan that generally runs for 25 years. At the moment, most lenders may typically offer up to four-and-a-half times your salary for a mortgage. Any shortfall between your mortgage and the price of the property you want to buy will have to be made up by you, which is why you need a deposit.

For a first-time buyer, the minimum deposit is usually 5% of the property value. If you can save up a larger deposit, you'll be able to apply for mortgage deals that offer a more competitive rate of interest. The government-backed mortgage scheme could help you secure a mortgage with just a 5% deposit.

If you're a first-time buyer, you may also be able buy a home for 30% to 50% less than its market value. The First Homes scheme is for new homes built by a developer, or a home you buy from someone else who originally bought it as part of the scheme. The First Homes scheme is only available in England.

2. Work out what you can afford. We can help you determine how much you could borrow, but it's important to know your own budget as well. Don't forget to factor in things like conveyancing, surveys, insurance and stamp duty. When you're trying to work out how much you could afford to pay in terms of monthly mortgage repayments, remember you'll still have to cover everyday costs like energy bills, travel, council tax and food.

3. Check your credit score. Your credit score is one of the most important factors lenders look at when approving a loan. Make sure you know where your score stands and take any necessary steps to improve it if necessary.

Getting on the electoral roll, closing credit cards you no longer use and not missing any debt repayments will help.

4. Find the right mortgage. There are many different types of mortgages available, so be sure to choose one that fits your requirements. The mortgage market can be a confusing place full of options: fixed rate, variable, repayment, interest-only – the list goes on. We can help you to compare interest rates and terms from different appropriate lenders.

5. Get an Agreement in Principle (AiP) *(also called a 'Decision in Principle' or 'Mortgage in Principle')*. An AiP is exactly what it sounds like – confirmation from a lender that they would, in principle, be willing to lend you a certain amount of money. As a first-time buyer it's really useful to have one, as it proves you can afford to buy a property and gives you a good idea of which homes are within your budget.

6. Work out where you want to live. It's a cliché but 'location, location, location' still rings true. When trying to work out the best area for you, there are many factors to consider, such as transportation, shops, schools, restaurants, green spaces, crime levels and more.

If you've found somewhere you like, it's often worth just walking around the area to get a better feel of the place. Sometimes you can even discover hidden gems and more affordable homes on the edge of sought-after neighbourhoods.

7. View the property. Once you've found a property you're interested in, there are some useful questions you should consider asking while you're looking around:

- How long has the property been on the market?
- How old is it?
- Has it been renovated recently?
- Has there been a large insurance claim in the past five years?
- What's the council tax?
- What's the ownership – leasehold, freehold or part-freehold?
- If it's leasehold, how long is the lease?
- Are there any service charges?
- Is there parking available?

Last but not least, have a good nose around. Pay close attention to things like the windows (new-build UPVC windows keep the heat in better), signs of damp on the walls or ceilings, ventilation and the state of any drains and guttering.

8. Make an offer. Once you've found your dream home, you'll need to put in an offer. You do this by telling the estate agent managing the home what you can pay for it, and detailing the position you're in. The agent will then pass your offer on to the homeowner. Your offer can be made in person, over the phone or via email.

You may need to provide proof that, as a first-time home buyer, you can secure the required mortgage. This might be by way of an 'Agreement in Principle', 'Decision in Principle' or 'Mortgage in Principle' from the lender that's offering you the mortgage loan. As a first-time home buyer, you're in a strong position to negotiate because you're not part of a chain. And sellers like this.

9. Arrange a survey. It's not a legal requirement to have a survey on a property you're buying, but it could end up saving you thousands of pounds in the long run. There are three types of survey available: a condition report (basic), a homebuyer report (suitable for buildings under 50 years old) and a building survey (very thorough).

10. You'll need a property solicitor. They might also be known as a conveyancer. Their job is to help you manage the legal side of your home purchase. They'll draw up the contract, deal with the Land Registry and manage the stamp duty charges. The Land Registry fees will vary depending on how much the property is worth. ◆

>> LOOKING TO TAKE YOUR FIRST STEP AND GET ONTO THE PROPERTY LADDER? <<

Buying your first home is an exciting time and a big achievement, but it can also feel overwhelming. We're here to help with each stage of your journey. To discuss how we can help you get the keys to your first home, contact **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.

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.

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

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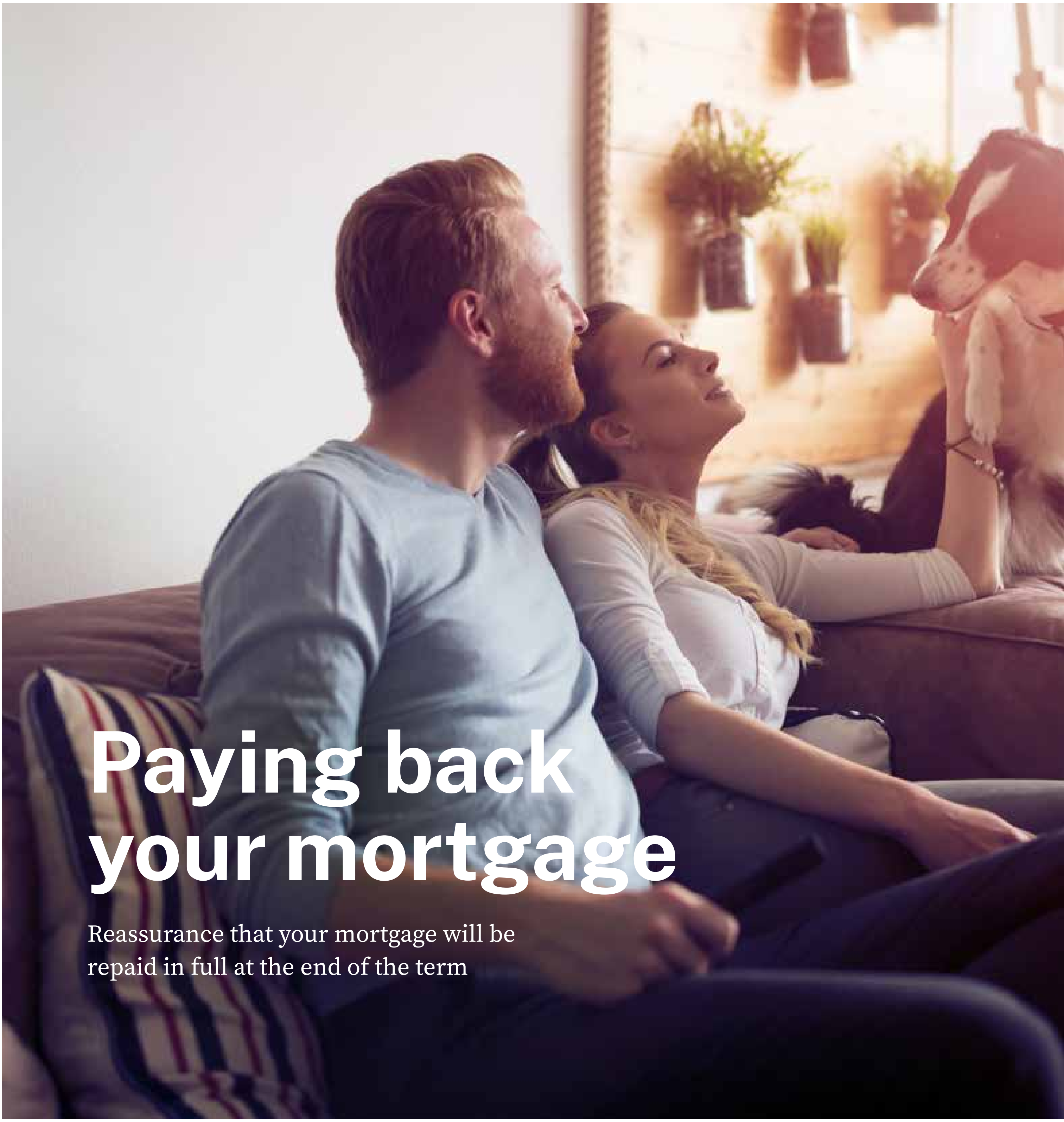


Paying back your mortgage

Reassurance that your mortgage will be repaid in full at the end of the term

IF YOU'RE LOOKING to purchase a new home and you need to obtain a mortgage, there are a number of different types of mortgage available to consider. However, a capital and repayment mortgage is the most common type of mortgage that will typically be offered to most mortgage borrowers, although it will depend on your particular situation.

With this type of mortgage, you'll make monthly repayments that go towards both the principal (the amount you borrowed) and the interest accruing on the loan. At the beginning of the term, most of the payment is used to cover the interest and only a small amount is paid towards reducing the mortgage.

DEBT STARTS TO REDUCE

Over the course of the repayments, increasingly over time more of the monthly payment is used to pay back the capital borrowed. As the debt reduces, the element of capital increases and the interest element reduces, so although the monthly repayment stays the same (assuming the interest rate remains unaltered) the debt starts to reduce more quickly as the term of the mortgage progresses.

With this type of mortgage you are also less likely to suffer from negative equity because your mortgage balance will be reducing month on month. Assuming your property has not dropped in value, as the capital repaid increases you will see an increase in the level of equity in your property. Consequently, if you remortgage or move home you may find it easier to obtain another mortgage loan.

AMOUNT YOU BORROWED

This means that the amount you owe reduces every month and, as long as you keep up the repayments, your mortgage will be repaid at the end of the set term, which is usually 25 years.

A capital and repayment mortgage is generally considered to be more favourable than other types of mortgage, as it allows you to pay off the mortgage loan amount sooner. Additionally, they typically have lower interest rates than other types of mortgage.

If you currently have an interest-only mortgage your monthly mortgage payments are only paying the interest due on the amount you borrowed. This means the original amount you borrowed will become due when your mortgage term comes to an end.

MOST APPROPRIATE CHOICE

So if you currently have an interest-only mortgage – or part of it is interest-only – if may be appropriate to look at changing some or all of this element to a capital repayment mortgage. If you move your entire mortgage to capital repayment you will have paid it off in full by the end of the term.

For the vast majority, a capital and repayment mortgage is the most appropriate choice – but changing your mortgage repayment type can have a big impact on your financial situation, so it's really important that you understand your options and obtain professional mortgage advice. ◆

>> NEED HELP NARROWING DOWN THE RIGHT MORTGAGE TYPE BEST SUITED TO YOU? <<

Choosing the right type of mortgage is incredibly important – and getting it wrong could cost you a lot of money. Narrowing down the mortgage type that is best suited to your finances will help you to choose a lender and a mortgage product. To make an informed decision about the right mortgage for you or to discuss your situation, contact **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@ nightingaleswm.co.uk**.

MONEY TALKS

How to make an offer on a property and negotiate the right price

BUYING A HOME is an exciting time, but the process can be daunting, as it's likely to be one of the most significant transactions you will make. When you're ready to make an offer on a new home, there are a few things to keep in mind.

Once you've found the home of your dreams, here are some important tips to consider to get you prepared.

GET PRE-APPROVED FOR A MORTGAGE

First, make sure you have your financing in order. You'll need to get pre-approved for a mortgage and have a clear idea of how much you can afford to borrow. Before looking at properties it's important to set a realistic budget. We can arrange for an 'Agreement in Principle (AiP)' *(also called a 'Decision in Principle' or 'Mortgage in Principle')* saying that, in principle, a mortgage lender would lend you the required funds needed.

Next, carry out your research on the property market in the area where you want to live. This will give you an idea of how much similar properties have recently sold for, so you can make an appropriate offer.

EXTERNAL FACTORS TO CONSIDER

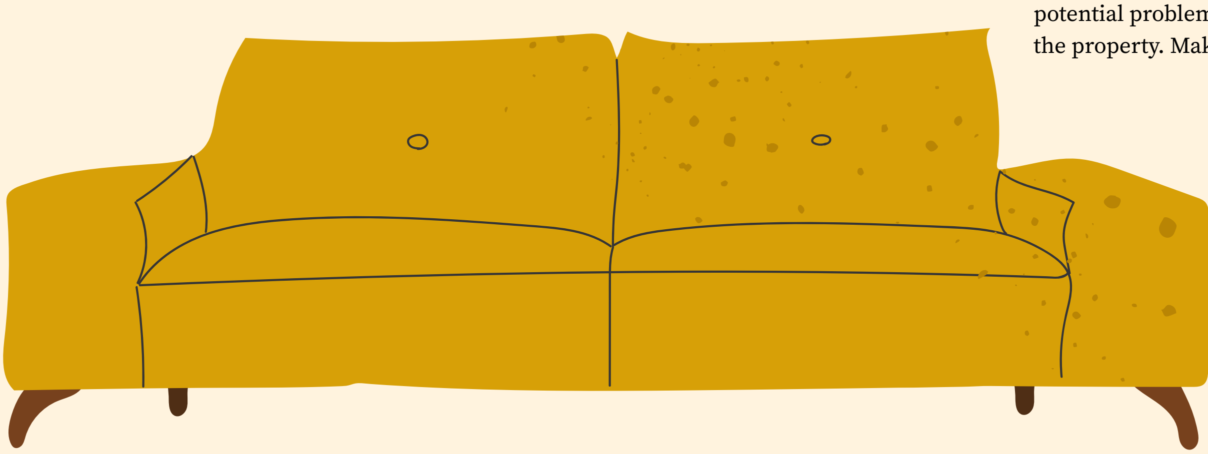
It's not just the property itself that will determine the value, there are external factors to consider that can also affect the price. These can include school catchment areas, transport links, crime levels, flood zones and development applications in the area, which can all impact on the home's value.

When viewing properties, prepare a list of questions to ask the estate agent to get as much information as possible. This can include: How long has the property been on the market? Why is the current owner selling? How long have they lived there? How much are utility bills and council tax? Have there been any other offers? What's the minimum asking price the seller would accept?

And remember, go into a viewing with an open mind, as there are lots of ways to 'spruce up' an older home.

MAKE AN OFFER ON A HOME

It's now time to make that all-important offer. Be sure to take into account things like the asking price, recent comparable sales and any potential problems with the property. Make your



"The seller may counter your offer, so also be ready to compromise."

offer as close to the asking price as possible so that the seller takes your offer seriously, especially if the property is in high demand.

Set yourself an upper limit of what you can afford to pay and, initially, you may want to consider going in with a slightly lower offer – around 5% – so you have room to negotiate upwards with the seller. But be prepared to negotiate on the price and terms of the sale.

The seller may counter your offer, so also be ready to compromise. However if other people are interested in the property, it might be worth offering the asking price or slightly higher, but you need to make sure you're still not paying over the odds for the property.

Submit your offer to the estate agent, either over the phone or in person. You should also provide a written offer (email is usually fine – but check this) and ask that this should be passed on to the seller.

Needless to say, the seller will be mostly interested in the price you are offering. However there may be other deciding factors for them, depending on how quickly they are looking to progress the sale, such as:

Having a 'Agreement in Principle (AiP)' – so they know upfront you can afford to buy the property

Being a cash buyer – you're able to move much faster than other buyers that may likely be waiting on a mortgage approval or for their own property to sell – sometimes both

Being chain free – i.e. a first-time buyer who doesn't need to sell their own property to finance the deal

Being flexible on the moving date – as the seller themselves might still be looking for their new home

Being organised – already have a conveyancer and surveyor set up so if your offer is accepted you are ready to go

DON'T OVERSTRETCH YOURSELF

You should make it clear to the seller that your offer is subject to the property being taken off the market too, so no more viewings.

If your offer isn't accepted, don't panic! You could consider making a higher offer if you can afford it, but don't overstretch yourself.

NEGOTIATING A PRICE

When entering into negotiations, there are a few things to keep in mind:

Try to keep your budget private – revealing the maximum amount you are willing to pay might make the agent tell the seller to hold out for more money

Act interested, but not desperate – if they know you have fallen in love with the property, the agent might think you'll be willing to pay more

Get a property survey done – if there are structural issues you may need to offer less than the seller is asking, depending on the money that needs to be spent

CONSIDER YOUR OPTIONS

Don't be overly influenced by things the seller might throw in with the deal. For example, white goods – unless nearly new, these are worth very little so you shouldn't pay too much for these to be left in the house.

Always take your time to consider your options. The agent might try to rush you to seal the deal but this is a big decision, so make sure you think it through before increasing your offer.

If your offer is accepted, then it's time to celebrate! However, if not, don't be discouraged – another home will be waiting for you just around the corner.

AGREEING ON THE CONTRACT

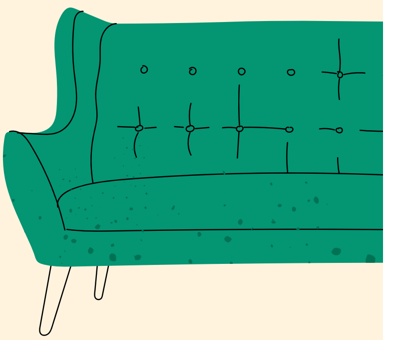
After your offer has been accepted, you will need to agree on the contract.

If the property you're buying is in England and Wales, your offer is not legally binding until you and the seller have exchanged contracts.

In Scotland, once the seller is happy to accept your offer, you'll receive a 'qualified acceptance' letter, informing you that the seller accepts the offer and lists any conditions to be agreed before the sale is finalised.

Solicitors will then send a series of letters (known as 'missives') between each other, negotiating the conditions. Once both parties are happy, a final 'concluding missive' will be written which, when signed, is a binding contract between you and the seller.

Making an offer on a new home can be daunting, but by doing your research and getting prepared, you'll stand a higher chance of having your offer accepted. Whether you're still shopping for your dream home or you've found a property you love, we hope our tips on how to make an offer on a home will put you one step ahead. ◆



Mortgage options

Which type of mortgage is right for me?

IF YOU ARE not in the fortunate position of being able to buy your home entirely in cash, finding the right property is only half the battle. The other half is choosing the best type of mortgage for your specific requirements.

When you're looking for a mortgage, the first thing you need to do is consider what kind of mortgage is right for your situation. There are many different types of mortgages available so you'll need to take into account your financial situation, your job security and your future plans when choosing a mortgage. You should also compare different mortgages to find the best deal for you.

YOUR OVERALL MONTHLY PAYMENTS

The interest rate on your mortgage will also have an impact on your overall monthly payments. We can help you compare interest rates from different lenders so you get the right deal for your needs.

The term of your mortgage, which is the length of time over which you'll have to repay the loan, is important. You should choose a term that is comfortable for you, but be aware that longer terms will usually result in higher interest rates.

For most mortgages you'll need to put down a deposit of at least 5%. This is important because the size of your deposit will affect the interest rate you're offered and the amount you'll need to borrow.

MAKE AN INFORMED DECISION

Choosing the right type of mortgage is incredibly important – and getting it wrong can cost you a lot of money. Narrowing down the mortgage type that is best suited to your finances will ensure you choose a lender and a mortgage product that meet your requirements.

Your mortgage lender will want to know about your income, your debts and your financial goals. You'll need to be honest about your situation so that the lender can make an informed decision to offer you the right mortgage deal.

Your mortgage should also fit into your long-term plans. If you're planning on selling your property or moving to a new one, you might want to consider a shorter mortgage term.

SO WHICH TYPE OF MORTGAGE IS RIGHT FOR YOU?

It depends on your individual circumstances and what's important to you. There are a number of different types of mortgage available, so it's important to choose the right one for your individual requirements.

HERE'S A BRIEF OVERVIEW OF THE DIFFERENT TYPES OF MORTGAGE

Standard Variable Rate (SVR) mortgage: A SVR mortgage means your interest rate can go up and down over time, and your monthly payments can vary.The variable rate you are on will be set by your lender and won't necessarily always rise or fall in line with changes to the Bank of England base rate.

Fixed rate mortgage: With a fixed rate mortgage, the interest rate is fixed for an agreed period of time, typically 2 to 5 years. This gives you certainty over your monthly repayments during that period, but after that the rate will usually revert to the lender's SVR.

Tracker mortgage: A tracker mortgage tracks the Bank of England base rate plus a margin set by the lender. So if the base rate changes, your repayments will change too. Tracker rates are often only available for a limited period, typically 2 to 5 years.

Discounted rate mortgage: A discounted rate mortgage gives you a discount off the lender's SVR for an agreed period of time, typically 1 to 5 years. After that the rate will usually revert to the SVR.

Capped rate mortgage: A capped rate mortgage offers you a maximum interest rate for an agreed period of time, after which the rate will revert to the lender's SVR. This can give you some protection against rising interest rates.

Offset mortgage: An offset mortgage allows you to offset your savings against your mortgage balance, so you only pay interest on the net amount. Offset mortgages tend to have higher interest rates than other types of mortgage. ◆

>> NEED HELP FINDING THE RIGHT MORTGAGE? <<

There are many mortgage deals available, each with different rates, fees and conditions. With this in mind, we can help you find the right mortgage based on your needs and personal circumstances – and support you through your application. Contact **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.

Growing burden on first-time buyers

Raising a deposit continues to be the biggest obstacle

“The average total income of joint first-time buyers has risen from £63,800 in 2019 to £72,200 in 2020, and to £70,500 in 2021.”

ONE OF THE consequences of high house prices relative to earnings is that it makes raising a deposit a significant challenge for prospective first-time buyers. The average income of a first-time buyer (buying solo) has risen from £45,900 in 2019 to £50,300 in 2020, and to £50,800 in 2021, according to new data[1].

The average total income of joint first-time buyers has risen from £63,800 in 2019 to £72,200 in 2020, and to £70,500 in 2021. Additionally, over half of those surveyed (56%) said they wouldn’t have been able to get on the property ladder without family support.

AVERAGE DEPOSIT PAID

The data also shows the average deposit paid by a sole first-time buyer in 2021 was £61,100, a figure which fell significantly from £71,400 in 2020. For joint buyers, the average deposit was £61,000 in 2021, which decreased slightly from £63,800 in 2020. Respondents to the survey cited the struggle to save for a deposit as the single biggest obstacle to home ownership (35%).

The average first-time buyer starts saving at the age of 24, with the average age at completion 32 – which has remained static for the past three years, according to the research. Almost three quarters (73%) of those surveyed said that they wish they had started saving for their deposit even sooner.

MISMATCH IN EXPECTATIONS

In other research[2], 58% of would-be first-time buyers say they do not expect any financial assistance from their older relatives, whilst 71% of parents expect to provide some financial help to the younger generation.

Nearly half of parents (49%) said they expect to leave a bequest when they die to the younger family members, but less than one in three first-time buyers (29%) are expecting it. There’s also a mismatch in expectations on giving and receiving a monetary gift towards buying a home, with 41% of parents expecting to do this, but only 24% of first-time buyers expecting it.

VALUE OF THE LEGACY

The findings also show that parents under the age of 60 are less inclined to provide financial support to younger members of their family compared to parents aged over 60. This is likely to be due to the higher value of assets held by older generations.

Whilst the high level of support on offer from older members of the family will be welcome news for first-time buyers, it cannot necessarily be relied on. The older generation have more cash savings, investments and property equity than the younger generations, but much of this is likely to be left as inheritance, only accessible at a future date. It may also be the case that some of their wealth will be spent on social care, reducing the value of the legacy they eventually pass on.

INFLATION AND WAGE GROWTH

It is not surprising, therefore, that 68% of first-time buyers say they will be using their own accumulated savings to fund their deposit

So with house prices rising considerably more than inflation and wage growth, it’s not surprising that first-time buyers find raising a deposit the most difficult aspect of getting on the property ladder and something it is hard to keep pace with. But it’s clear that many families are more willing to share their wealth and give financial help than the younger generation appreciate. ◆

>> LOOKING TO GET A MORTGAGE FOR YOUR FIRST HOME? <<
If you are looking to buy your first home we can discuss your options. From working out your budget to getting the keys to your first home, we’re here to help. There are several government schemes that can help you buy a home. For more information contact **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.

Source data:

[1] Barclays own data based on first-time buyer completions in 2021. Research conducted by Censuswide in February 2022, polling 2,011 first-time buyers (defined as those who are looking to buy their first property and those who have bought their first property within the last five years).

[2] Property Tracker Report from the Building Societies Association (BSA) survey. Fieldwork was undertaken between 2-3 December 2021. Total sample size was 2,094 adults. The survey was carried out online. Additional fieldwork was undertaken between 7–8 December. The total sample size was 2,000 adults. The figures have been weighted and are representative of all GB adults (aged 18+). All figures, unless otherwise stated, are from YouGov Plc.

Mortgages in retirement and later life

Home-buying that takes you into your 60s, 70s and beyond

"Home-buying trends and the challenges that retirees face when purchasing a home can change, adapting to shifting retirement ages."

WHETHER YOU'RE looking to downsize or move home after you've retired or are approaching retirement, you may be wondering if you can get a mortgage. There are many different reasons why you may want a mortgage that takes you into your 60s, 70s and beyond.

Home-buying trends and the challenges that retirees face when purchasing a home can change, adapting to shifting retirement ages. Whether you're retired or close to retirement, you may be thinking about buying a home for one of a number of reasons, including remortgaging, moving elsewhere, buying to let, downsizing your home or helping out your children or grandchildren to buy a property of their own.

EXTEND BEYOND RETIREMENT AGE

Typically, lenders like banks and building societies are likely to be reluctant to approve loans that extend beyond retirement age, because that's when your income is likely to drop. This is despite the fact that plenty of borrowers will continue to earn beyond retirement age and be able to support a mortgage, either through working longer or by using income from savings and investments.

If appropriate, one option to consider is a retirement interest-only mortgage. This is a home loan aimed at older borrowers who may struggle to get a mainstream mortgage due to age limits. Each lender has different limits on how much you could borrow against your property.

AVAILABLE ON YOUR MAIN RESIDENCE

A retirement interest-only mortgage is only available on your main residence and is very similar to a standard interest-only mortgage, with two key differences. The loan is usually only paid off when you die, move into long-term care or sell the property; and you only have to prove you can afford the monthly interest repayments.

While there's no minimum age requirement, retirement interest-only mortgages are generally aimed at older borrowers, such as the over-55s, over-60s and pensioners who might find them easier to qualify for than a typical interest-only mortgage. If you're borrowing on an interest-only basis, you're likely to be able to borrow less than if you get a deal where you also pay down the loan.

PASSED ON TO YOUR LOVED ONES

Some retirement interest-only mortgages carry terms like a regular mortgage, meaning you either pay them back after a set number of years or when you reach a certain age – 90, for example. Some will also allow you to repay capital as well as interest. This will cut down the size of your loan over time, meaning that more of your property can be passed on to your loved ones.

You'll need to pass the mortgage affordability checks to prove you can afford the interest-only repayments and your home will be sold off to repay the loan when you die, enter long-term care or sell your home. Your home is at risk if you do not keep up the repayments and the amount you can borrow is based on your retirement income. ◆

>> TIME TO DISCUSS YOUR OPTIONS? <<

Whether you're stepping up, moving on or staying put, when it comes to finding competitive rates we're here to help. For more information, contact **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.

Interest rates are rising

What could it mean for your mortgage?

RECENT YEARS have seen an extraordinary period of competitive and low interest rate mortgage deals but, even before the Bank of England's (BoE) rate-setting Monetary Policy Committee began increasing interest rates last December, there were signs that the era of ultra-low mortgage rates was at an end.

For many people, rate rises will mean an increase in their outgoings at a time when incomes are already stretched.

It is therefore important to consider how a rise in interest rates might affect your ability to meet your mortgage payments.

CALCULATE IF YOU CAN AFFORD THE INCREASE

How you'll be affected by an interest rate rise depends on what mortgage you're on and when your deal comes to an end. But if your mortgage repayments are likely to go up, you need to calculate if you can afford the increase and consider your options.

Create a budget and see if there are any areas where you might be able to cut back. If the increases are likely to be in the future, then start building up a savings buffer so you'll be able to afford your mortgage when repayments start increasing.

HOW WILL INTEREST RATE RISES AFFECT ME?

If you have a loan or mortgage that charges you a variable interest rate, you might find that the cost of your repayments go up.

Say you have a £130,000 mortgage that you want to pay off over 25 years. If the interest rate on the mortgage is 2.5%, the monthly repayment will be £583.

But if the interest rate is 0.25% higher – the amount the Bank Rate was raised in March 2022 – the monthly repayment rises by £17 to £600.

If you're on a fixed rate you won't see any change until the end of your fixed period.

"For many people, rate rises will mean an increase in their outgoings at a time when incomes are already stretched."

IMMEDIATE IMPACT ON YOUR MORTGAGE REPAYMENTS

If you have a variable rate tracker mortgage linked to the BoE base rate you are likely to see an immediate impact on your mortgage repayments when there is an interest rate rise. But if you've got some time left on your current deal, it can also be worth considering your options to switch. You might have to pay some fees, but if the savings are worth it you may want to consider this.

Those on a standard variable rate mortgage will probably see an increase in their rate in line with any interest rate rise. How much is decided by your lender, so this isn't guaranteed. If you are unsure, check your mortgage terms and conditions in your original mortgage offer document.

People with fixed rate mortgages are likely to be affected once they reach the end of their current deal. If your current deal is coming to an end, if appropriate, consider switching to make sure you're on the best rate.

SEE IF YOU ARE ELIGIBLE FOR A DIFFERENT TYPE OF MORTGAGE PRODUCT

If you are worried about how higher mortgage repayments could impact on your finances, speak to us to see if you are eligible for a different type of mortgage product, such as a fixed rate, which would give you some protection against further interest rate rises.

We can also make sure that you are on the best mortgage deal for your circumstances. If you have not reviewed your mortgage in the last few years, then now is a good time to do so. There are many deals available and you may be able to get a better rate by switching lenders. ◆

Source data:
https://www.bankofengland.co.uk/knowledgebank/why-are-interest-rates-in-the-uk-going-up

>> CONCERNED ABOUT HOW HIGHER INTEREST RATES COULD AFFECT YOU? <<

If you are concerned about how higher interest rates could affect your ability to meet your mortgage payments, then please speak us. We can help you to find the right mortgage product for your needs and circumstances. To talk to us about your requirements, please contact **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.

Double-digit house price growth

High demand and low supply in the housing market

IF YOU WANT to buy a home now, there is no denying that buying a property is more expensive than pre-pandemic. Mortgage rates are still relatively low, despite the Bank of England increasing the base rate of interest in March for the third consecutive time since December in order to get a handle on soaring inflation.

As time goes on, rising rates could impact the housing market by making it more expensive to borrow money and more difficult to find a cheaper mortgage deal. Recent data[1] has provided an insight into how the cocktail of double-digit house price growth, rising interest rates, the

escalating cost of living and the Russian invasion of Ukraine is impacting consumers.

BARRIER TO BUYING A PROPERTY

The data reveals that just 18% of people think now is a good time to buy a property. It also highlights that almost half of people (48%) say affordability of monthly mortgage repayments is a barrier to buying a property, a significant increase from 39% just three months ago.

Consumers have been experiencing price rises for some time. However, many are aware that there is more pressure to come due to the energy price cap increase in April and higher National Insurance payments that came into effect at the same time.

COST OF LIVING HAS INCREASED

It's therefore not surprising that 65% said they are worried about the rising price of goods and services over the next six months and many are taking action. Nearly half (48%) said they will cut their energy use and the same proportion (48%) say they will spend less on purchases they consider non-essential because their cost of living has increased.

A third of people (33%) say they will be spending less on essential purchases, such as food. And of those trying to buy their first home, one in three (30%) say they will work more hours or find a new job over the next six months because their cost of living has increased.

MORTGAGE PAYMENTS

But it's encouraging that the majority of those with an existing mortgage (90%) say they are confident they will be able to meet their regular mortgage payments over the next six months. This is probably due to 81% of all UK mortgages being on a fixed rate[2] and therefore protected, for a period, from rising interest rates.

It's a different story for those trying to get a foot on the housing ladder, with mortgage payments as a share of take-home pay higher now than the long-run average[3], despite relatively low mortgage interest rates. Raising a deposit continues to be the biggest barrier to buying a home with 59% citing this, an increase from 55% in December.

HOUSE PRICES

The increase in the number of people citing mortgage affordability as a barrier to buying a home is likely to continue if there is continued high demand and low supply in the housing market. Price growth at the current pace is clearly unsustainable and a much higher volume of new build and resale homes coming to market is needed to change this dynamic. Whilst lenders expect some flattening of new mortgage demand as the year progresses, the re-mortgage market is anticipated to remain buoyant.

As we all experience the impact of the rising cost of living, and watch how the Russian invasion of Ukraine and the consequent sanctions are affecting energy prices, it's not surprising that many are feeling worried about making their budgets stretch and are considering changes they can make. ◆

>> LOOKING FOR A MORTGAGE DEAL? <<

Let us help you find the right mortgage deal. To discuss your requirements, contact **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.

Source data:

[1] Property Tracker Report from the Building Societies Association (BSA) survey. Fieldwork was undertaken between 3–4 March 2022. Total sample size was 2,271 adults. The survey was carried out online. The figures have been weighted and are representative of all GB adults (aged 18+). All figures, unless otherwise stated, are from YouGov Plc.

[2] https://www.bankofengland.co.uk/statistics/mortgage-lenders-and-administrators/2021/2021-q4

[3] https://www.nationwidehousepriceindex.co.uk/reports/house-price-growth-makes-a-strong-start-to-2022

BIGGER MORTGAGE LOANS

How to boost your mortgage borrowing power

"If you're looking to secure a bigger mortgage, one of the best things you can do is to pay off your debts."

WHEN IT COMES to obtaining a bigger mortgage, there are a few things you need to consider. Firstly, you need to make sure that you are eligible for a bigger mortgage and can meet the mortgage repayments. This depends on your income, credit score and other financial factors.

FIRST THINGS FIRST – PAY OFF YOUR DEBTS

If you're looking to secure a bigger mortgage, one of the best things you can do is to pay off your debts. This will show potential lenders that you're a responsible borrower and improve your chances of getting approved for a bigger loan-to-value (LTV).

Paying off debt isn't always easy, but it's worth it if it means securing the amount of mortgage you require. Start by creating a budget and making extra payments on your debts each month. If appropriate, you may also want to consider consolidation or refinancing to get a lower interest rate and save money in the long run.

CLOSE ANY OLD CREDIT ACCOUNTS

If you have any old credit accounts that you no longer use, it's a good idea to close them. This will help improve your credit rating. When you close an account, the credit card company will report this to the credit bureaus. Your credit score will then go up because you'll have one less open account on your report.

If you're not sure whether or not to close an account, you can always contact the credit card company and ask for their advice. They'll be able to give you guidance so you can make an informed decision for your situation.

IMPROVE YOUR OVERALL CREDIT RATING

Your credit score is one of the most important factors that lenders will consider when you apply for a mortgage. A higher credit score will usually mean a lower interest rate and vice versa. Make sure you pay all your bills on time, including your credit card bills and any loans you may have. This shows prospective lenders that you're responsible with your finances and are less likely to default on your loan.

Also, try to keep your credit card balances low. Lenders like to see borrowers who use their credit cards responsibly and don't max out their limits and don't open any new lines of credit before applying for a mortgage. Lenders will see this as a sign of financial responsibility and are more likely to approve your mortgage loan.

GET YOUR ACCOUNTS ORGANISED

If you're self employed, it's important to get your accounts in order before you apply for a mortgage. This is because the lender will want to see that you're generating a regular income and that your business is stable.

Having up-to-date and accurate financial records and accounts will help to reassure the lender that you're a responsible borrower and that you can afford the monthly mortgage payments. It will also make the application process quicker and smoother.

CUT YOUR SPENDING

It is important to cut your spending when applying for a mortgage because the lender will evaluate your debt-to-income ratio. This is the amount of money you spend each month on debts, divided by your

monthly income. A high debt-to-income ratio may make it difficult to get approved for the mortgage you require.

In addition, having lower monthly outgoings can help you qualify for a better interest rate on your mortgage. This could save you thousands of pounds over the life of the mortgage loan. Therefore, it is worth it to make some sacrifices in your budget in order to get a lower interest rate and monthly payment.

EXTEND YOUR LOAN OVER A LONGER TIME PERIOD

When it comes to applying for a bigger mortgage loan, it may make it more affordable to extend the loan over a longer time period. This can help to reduce your monthly payments and make them more manageable. However, it's important to weigh up the advantages and disadvantages of extending your mortgage before you make a decision.

For example, you'll end up paying more interest in the long run if you extend your loan term. So be sure to consider all of your options before making a decision. If you're thinking about applying for a longer mortgage term, we can help you assess the various options available to you.

CONSIDER GETTING OTHER PEOPLE INVOLVED

If you're looking to obtain a bigger mortgage loan, another option to consider is to get other people involved as guarantors. A guarantor is a person who agrees to be responsible for the debt if you, the borrower, cannot repay it.

They are usually a family member but could be a friend, and they sign a legal agreement stating that they will be responsible for the debt if you cannot repay it. Having a guarantor can help you to get approved for a bigger mortgage, but if you default on the mortgage, your guarantor will be responsible for paying it back. So, think very carefully whether you should get a guarantor involved in your mortgage application.

OBTAIN PROFESSIONAL MORTGAGE ADVICE

It is always important to obtain professional mortgage advice. We are able to help you find the right mortgage product available that will fit with your individual needs and circumstances, and provide advice and guidance so that you can make an informed decision.

We will always aim to negotiate the best terms and conditions on your behalf with the lender, and offer you our specialist knowledge and support throughout the entire process. This peace of mind can be invaluable, especially if you are a first-time buyer or self-employed. ◆

>> CONTACT US TO FIND THE RIGHT MORTGAGE LOAN FOR YOU <<

So, if you are thinking about taking out a mortgage, whatever the size or value, we can help make the whole process as smooth and stress-free as possible for you. To discuss how we can help you, contact **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.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 Nightingales Wealth Management Ltd
– telephone: 0345 2221177
– email: customer@nightingaleswm.co.uk

NIGHTINGALES
WEALTH MANAGEMENT

THINK CAREFULLY BEFORE SECURING OTHER DEBTS AGAINST YOUR HOME.

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

AUTHORISED AND REGULATED BY THE FINANCIAL CONDUCT AUTHORITY.

Shift in buyer preferences

Cities start to attract property buyers again

THE COVID-19 PANDEMIC redefined the role of the home and placed new emphasis on its importance, and people looked for more room in order to work, exercise and often teach under one roof.

City centres had become less attractive places to live for those who were not going into an office, or – during the height of the pandemic – were unable to socialise or enjoy the entertainment attractions of urban centres.

There was a surge in buyers during 2020, as people reassessed where and how they wanted to live. Government support through stamp duty holidays, as well as historically low mortgage rates, also encouraged many people to move, or bring forward future plans to relocate.

BRINGING PEOPLE BACK TO THEIR DESKS

Tenant demand has also increased. The pandemic has resulted in some employers in major cities now encouraging hybrid working models, bringing people back to their desks. As well as professionals, students have also returned to cities as universities return to in-person teaching.

The data shows the UK housing market was relatively immune to the economic effects of the pandemic, with demand and price rises remaining high throughout the crisis. UK property prices hit record levels as factors including the rise of home and flexible working fuelled a buying boom outside cities driven by the race for space, with buyers attracted by larger, coastal or rural properties.

FLATS BEING IN HIGHEST DEMAND

The biggest demand, and subsequent rise in prices, were for houses in outer city or countryside locations. This resulted in concerns that some local people were being priced out of the market as a result.

But as the COVID-19 restrictions eased towards the end of last year and workers returned to city centre offices, so has demand for properties there. Prospective property buyers have started to return to cities, with flats being in highest demand, according to latest data[1].

BUYERS WILLING TO PAY MORE FOR SPACE

The data also highlights there has been a long-term shift, with buyers willing to pay more for space and privacy. That means the gap in asking prices between detached and semi-detached homes has been stretched.

Some prospective buyers are widening their searches by an average of 50 sq km, perhaps willing to move slightly further away from transport links and High Streets as they spend more time working and entertaining themselves at home.

MOST IN-DEMAND TYPE OF PROPERTY

As workplaces and venues reopened – before the onset of the Omicron variant – the data shows there was a shift in buyer preferences. The slowest rise in prices over the last year was for flats, and demand was much lower than for houses, especially those with gardens.

By the autumn of 2021, flats had moved to the top of the list among prospective buyers to become the most in-demand type of property, showing demand to live

"But as the COVID-19 restrictions eased towards the end of last year and workers returned to city centre offices, so has demand for properties there."

in London and other major cities has been restored faster than anticipated as employers encouraged people to return to their desks, at least through a hybrid working model. ◆

Source Data:
[1] https://www.rightmove.co.uk/news/house-price-index/

5 tips for first-time sellers

How to make the process as smooth and stress-free as possible

"Receiving offers on your property can be a very exciting time, but it is always good to keep level-headed to ensure you get the right offer for you. There is no need to accept or reject an offer straight away, it is perfectly normal to think things over for a day or two."

SO YOU WANT TO sell your home? When you're selling your home for the first time, it's important to be prepared for everything that could happen.

Whether it's because you're moving, upgrading or downsizing, selling your home for the first-time can be a daunting task. But with a little preparation and planning, you can make the process as smooth and stress-free as possible.

TAKE A LOOK AT OUR TOP 5 TIPS FOR FIRST-TIME SELLERS.

1. PREPARING YOUR HOME TO SELL

Presentation matters. Buyers are coming to look around your property, and you need to make an effort to show your home at its best. Go all out to impress. The photographs of your home will be the first thing a potential buyer sees, and you want your property to attract as many potential buyers as possible.

So, make sure your home is clean, de-cluttered, bright and feeling spacious before you even consider putting it on the market. And, once your house is on the market, it's important to try to keep it as tidy as possible – after all, you don't want to constantly be running around cleaning up before a last minute viewing!

2. MAKE SURE YOUR NUMBERS ADD UP

There are a number of costs involved when selling your property. So it's essential you understand these costs and any associated fees, so there are no nasty surprises. Make sure you work out the total cost you will incur and be sure to compare quotes for the services you need to avoid paying unnecessary costs.

Take into consideration these main costs: estate agent fees; mortgage exit fees; Energy Performance Certificate (EPC) in England and Wales, Home Reports in Scotland; conveyancing fees; and removal costs.

3. FINDING YOUR NEW HOME

Finding a new home can be as exciting and inspiring as it can be stressful and tiring. Identify your wants and needs. With a clear idea of how much you can afford, you can look for a suitable property that meets your criteria. If you have to be near a particular school, station or workplace, identify them on a map so that when you see sales details, you can quickly tell if the property is close enough. Make a list of all the things you need in a property.

Then there's the age-old question: Do I buy before I sell, or sell before I buy? In most situations, it makes sense to put your property on the market and get an offer before setting your heart on a new home. If you have already accepted an offer on your current property, you are a much more appealing buyer and are far more likely to get your offer accepted on your new home.

4. CHOOSING THE RIGHT ESTATE AGENT

You have to make a decision about how many estate agents you should use. Initially, home sellers usually select just one estate agent. But when it comes to choosing the best estate agent to sell your home, it can help if you can shortlist your options to three. Ask family, friends and neighbours – it's always good to have a personal recommendation.

Invite your shortlisted estate agents to your home to discuss their offer and conduct a valuation. This is a good opportunity for you to ask them some further questions to help find the best estate agent to make your sale.

5. OFFER STAGE

Receiving offers on your property can be a very exciting time, but it is always good to keep level-headed to ensure you get the right offer for you. There is no need to accept or reject an offer straight away; it is perfectly normal to think things over for a day or two. It makes sense to find out from your estate agent: What is the financial position of the potential buyer? What are the buyer's timescales for moving?

Also consider your own position: Do you have to move quickly in order to secure your next property? If you are in no hurry to move, then you could hold out for a higher offer. A buyer who is not part of a chain and who already has a mortgage approved is a more favourable purchaser than someone who needs to sell their own home in order to fund the purchase, and who hasn't yet got a mortgage approved. ◆

>> READY TO MOVE TO A NEW HOME? <<

Running out of room? Thinking of downsizing? Wherever your next move takes you, we'll help you find the right mortgage for your plans. To talk to us about your requirements, please contact **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.

Level of home-moving activity increases

Spring is on the way and is the perfect time to sell your home

THE DAYS ARE getting longer, which means that spring is on the way and is the perfect time to sell your home. Since there are fewer buyers in winter and more competition in summer, selling your home during the spring months can potentially secure you a better price.

As we start seeing the traditional increase in property activity occurring around this time of year, spring is officially the best time to get your property on the market and start selling, according to new data[1]. March is the strongest month of the year for prospective sellers to come to market.

FINDING YOUR NEW HOME

The study, which compared home-moving data over the last five years, excluding 2020 to account for the closed market periods, showed March was the month when the highest number of buyers enquired about each property available on average.

Selling your home during the spring months also means that you can take your time finding your new home and avoid being rushed into a decision.

COMPETITION BETWEEN BUYERS

April is the next strongest month to sell, based on competition between buyers for each available property, followed by May. As this year's spring surge gathers momentum, the level of home-moving activity has continued to increase since the start of the year.

With warmer weather hopefully on its way, buyer searches for gardens jumped 70% in January compared to January two years ago, as more people look for outdoor space heading into spring.

BEST TIME OF YEAR TO SELL

The spring months always come out on top as the best time of year to sell your home. This is probably because people aren't away for the summer holidays or busy with Christmas celebrations.

Another good thing about spring is that your home will look better when the garden is coming into bloom and the sun is hopefully out for longer.

HOMES ARE FINDING BUYERS

Currently, the data highlights approximately three quarters of all properties are successfully finding a buyer, compared to a historical average of around half, and homes are finding buyers in an average of 39 days, compared to an average of 59 days over the last five years.

The number of new listings coming to market was also historically at its highest in March, though the high levels of buyer demand seen in the month means March was still the strongest month to sell. ◆

"The spring months always comes out on top as the best time of year to sell your home. This is probably because people aren't away for the summer holidays or busy with Christmas celebrations."

>> TELL US ABOUT YOUR MORTGAGE NEEDS <<
The spring months mean the market is full of buyers looking to match their purchase with the end of the school year. We know how important it is to get the right mortgage. Finding the right mortgage for you starts here. To find out more, please contact **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.

Source data:
[1] https://hub.rightmove.co.uk/march-revealed-as-the-strongest-month-to-sell-as-spring-surge-gathers-momentum/

Energy efficiency

Guiding the way many Britons are making home-moving decisions

IT'S NO SECRET that energy prices have been on the rise in recent months, and this is something that is now having a big impact on the way people live their lives. One way that people are reacting to increasing energy costs is by making decisions about where they live based on how energy efficient the property is.

In the wake of the current energy crisis and growing general awareness of our individual carbon footprints, new research highlights that around three in four homeowners (73%)[1] say they are worried about the energy performance of their current home, with around a quarter (24%) saying energy efficiency will be 'crucial' to their next home move.

EMITTING LESS CARBON

The research has revealed the extent to which energy efficiency is now guiding the way many Britons are making home-moving decisions. Buyers of new-build homes are saving more than £400 per household on their energy bills, and emitting almost 600,000 tonnes less carbon than if last year's new-build homebuyers had chosen an older property.

If you're in the market for a new home, be sure to consider energy efficiency as a top priority. You may have to spend a bit more money at first, but you'll save in the long run. And who doesn't want to save money?

GENERATING VALUABLE SAVINGS

Homeowners of new-build houses and flats will save an average of £435 a year, rising to £555. The average new-build home emits 2.38 tonnes less carbon each year, around one-third of the carbon produced by the average older property.

The research shows that despite new-build homes being, on average, 7.4% larger than older properties, new homebuyers are still generating valuable savings every month. And with more lenders beginning to offer green mortgages – such as lower interest rates for buyers of more energy efficient homes – and stricter requirements for landlords renting out domestic properties, home builders are urging lenders to go further and faster to assist homebuyers in making the right environmental choice.

NEW-BUILD DEVELOPMENTS

Factoring in mortgage calculations, the lower bills paid by new-build buyers should enable even further savings to be made by buyers. The research revealed the pivotal relationship that the new homes industry can play in driving the UK's burgeoning electric vehicle industry, as 71% of people responded that they would be more persuaded to buy an electric car if their house came with an electric vehicle charging station, which are becoming prevalent on new-build developments throughout the country.

The energy efficiency of homes has become increasingly important in recent years, amid the ongoing crisis surrounding rising energy prices and an enhanced focus on environmental issues. Builders of new-build homes are able to adapt to new technologies, materials and regulations to embed energy efficiency at the point of construction, while owners of existing properties will often find themselves facing disruptive, extensive and costly retrofit works to bring their homes to the same standard.

'Eco friendly' and 'Having a good Energy Performance Certificate (EPC)' were rated as the second and third most important factors respectively, behind 'Private outdoor space'.

ENERGY-EFFICIENT HOME

There are a number of reasons why people might want to live in an energy-efficient home. For some, it's about saving money on their energy bills; for others, it's about doing their part to reduce their environmental impact. Whatever the reason, it's clear that more and more people are making energy efficiency a key factor when choosing where to live.

This trend is likely to continue in the years ahead, as energy prices continue to rise and people become increasingly aware of the benefits of living in an energy-efficient home. So if you're thinking of moving in the near future, be sure to consider how energy efficient your potential new home is – you might be surprised at just how much of a difference it can make. ◆

>> WANT HELP WITH MAKING GREENER CHOICES? <<

Increasingly more lenders will reward you with a lower mortgage rate on certain deals when you buy an energy-efficient home. To find out how we can help you with greener choices, contact **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.

Source data:

[1] https://www.hbf.co.uk/news/location-location-insulation-new-homes-week-research-shows-desire-sustainability/

How to take the stress out of moving home

60% of people fear the process is one of the most stressful life events

MOVING HOME IS FAMOUSLY STRESSFUL. It can also bring up an incredibly complex range of emotions, from fear and anxiety about the change, to self-doubt about the decision, to grief and loss about the memories and the connections you have in the area.

There are a lot of factors that contribute to the stress of moving, including packing up all of your belongings, dealing with logistics and saying goodbye to your old home. But even if you're prepared for the stress, it can still be overwhelming. When asked why people put off moving, 60%[1] said in a recent survey they fear the process will be stressful, uprooting their life and family being a big decision even if they are only moving around the corner. That's why well over half of people commentated that change is stressful – and that's why they've been put off moving.

THERE ARE OTHER WORRIES ABOUT MOVING, TOO...

- 46% of people are worried about having noisy neighbours next to their new home
- 41% are concerned about traffic
- 38% worry about their new area being affected by litter

HAPPIER MOVERS

Of course, moving to a new place means that you get a new neighbourhood too – and you might not know much about it until you settle in. That doesn't stop most people searching for their dream home, though, as more than half think that moving will make them happier.

MOVING HOME IS MORE STRESSFUL THAN...

- Getting divorced (34%)
- Having a baby (31%)
- Starting a new job (27%)
- Getting married (25%)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"Because of the stress of moving home, 65% of people reported that they have lost sleep. On top of that, 40% say that moving has made them feel stressed and ill. But despite all of this, 62% of people think that moving home would make them happier."

BIG LIFE CHANGES

That's right – moving to a new home is ranked by many people as being more stressful than these other big life changes. It's no surprise given the perceived costs involved with moving, which people surveyed estimated to be on average £6,600, and which 53% said was the worst part of moving.

SO HOW MUCH STRESS DOES MOVING ACTUALLY CAUSE?

Because of the stress of moving home, 65% of people reported that they have lost sleep. On top of that, 40% say that moving has made them feel stressed and ill. But despite all of this, 62% of people think that moving home would make them happier.

And it's no wonder, considering that a new home can mean more room for your family and access to the amenities that are important to you. Another 82% of people said they had browsed property sites while dreaming of a new home, even if they were not necessarily looking to move currently.

7 TIPS FOR MANAGING THE STRESS OF MOVING

1. Start packing early Don't wait until the last minute to pack up your things. Start packing as soon as you know you're going to move. This will help you avoid the rush and panic of trying to pack everything at the last minute.

2. Delegate tasks to friends and family Ask your friends and family for help with packing, moving and unpacking. This will lighten the load for you and make the process a little less stressful.

3. Take breaks When things get tough, take a break. Go for a walk, watch a movie or take a nap. Taking a break will help you recharge and enable you to continue working on your move.

4. Stay organised Keep track of what you're doing and what still needs to be done. This will help you stay on top of things and avoid feeling overwhelmed.

5. Don't procrastinate Procrastination will only add to the stress of moving. Tackle tasks as they come up and you'll feel more productive and less stressed.

6. Take care of yourself Moving is hard on your body and your mind. Make sure you take time to relax and de-stress. This will help you stay healthy during the moving process.

7. Accept that there will be stress Moving is a stressful event, no matter how prepared you are. Don't beat yourself up if you feel overwhelmed at times. Just remember to take breaks and stay organised.

With these tips, you can manage the stress of moving and make the process a little less daunting. ◆

>> READY TO MAKE A HOUSE YOUR HOME? <<

Although moving home can be incredibly exciting, it's not always plain sailing. We can help you through the process so that you can stay on top of things. To discuss your requirements or find out more about how we could help, contact **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.

Source data:

[1] https://www.yopa.co.uk/blog/yopas-new-study-how-stressful-is-moving-home/

Live-work space

How we now live in our homes has changed profoundly

THERE'S NO PLACE like home. The phrase has always been true, but especially during the pandemic. What used to be a place to return to after a long working day, during the pandemic homes served multiple purposes to people all day, every day. For many, home has been an office, school, restaurant, gym, playroom and more.

While our private spaces remain the same, how we live in them has changed profoundly. More than four in ten (41%) British homeowners transformed their spare bedrooms into offices, gyms, cinemas and more throughout the pandemic. British homeowners have adapted their homes to suit their changing needs, sacrificing around 8.8 million bedrooms in the process, findings from a new survey have revealed[1].

HOME OFFICES

In their place nearly five million new home offices have been created, alongside over one million home gyms. The average household spent £3,714 adapting their home during the pandemic – that's a national total of approximately £36.5 billion.

Among those who changed their homes, more than half (53%) said they completely repurposed at least one bedroom, while one in five households (22%) said they changed multiple bedrooms.

HYBRID WORKING

Nationally, this equates to a staggering 8,856,000 bedrooms that have been 'lost' amongst the UK's 24 million privately owned homes during the pandemic. With remote and hybrid working now set to be a mainstay for many, almost half (46%) of those who have made changes have created a home office.

That means more than 4.5 million new home offices have emerged across the UK. And over half of homeowners (58%) say they plan to permanently keep them. Alongside home offices, there are plenty of other ways Britons have reincarnated rooms in their homes since March 2020.

HOME OFFICES: WHO SHOULD PAY FOR THEM?

Home offices, in particular, have been one of the more contentious room changes, with many being forced to give up living space in order to simply

ACROSS THE UK:

1.3m home gyms have been created

984,000 home bars

900,000 home cinemas or music rooms

688,800 dedicated classrooms

carry out their jobs. In fact, 16% of homeowners who created one say they resent giving up space in their home for the benefit of their employer.

Nearly seven in ten (67%) believe that employers should pay all or some of the cost of setting up a home office, with 12% thinking that they should even offer compensation for the space lost.

However, the reality is that just 2% of those who set up home offices say that their employer offered compensation, and only 30% say they made any contributions towards costs at all. Just 10% covered the full costs.

AN UNHAPPY COMPROMISE?

For those who have had to repurpose rooms, more than half (55%) say this has meant they have had to compromise on their space at home, leaving homeowners less happy with the space they have. Amongst those who have, 28% say they now have less space for guests to stay, 21% say they have less or no privacy and 11% state that their children now have to share a bedroom.

However, this feeling of not being completely happy with your home rises significantly amongst younger homeowners, who are likely to have smaller properties. More than eight in ten (83%) homeowners under age 25 say they are currently having to compromise with their living spaces.

For many, having to change their home setup during the pandemic has highlighted the need to find somewhere new and more suited to their changed needs. Of homeowners who have made changes, nearly a third (32%) say that this has made them consider moving home.

The rise of open-plan living also means that it can be tricky to find space to set up a home office, but it really does present a more flexible property for buyers to consider purchasing if you do decide to sell in the future.

It's also worth considering a garden office, which could be anything from a glorified shed to a swanky purpose-built luxury cabin.

Not only can it enable a better work/life balance and space to work outside of the family home, but it can add value to your property and not take it away, which could be the case if you convert a bedroom. ◆

>> READY TO MAKE YOUR NEXT MOVE? <<
Whatever you're looking to do, we'll help you find a mortgage to suit your needs. To find out how much you could borrow, or to discuss your options, contact **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.

Source data:
[1] https://www.zoopla.co.uk/discover/property-news/changing-rooms-nearly-9-million-bedrooms-lost-in-the-uk/

SPRING INTO ACTION

How to prepare your garden for the new season

NOW THAT WINTER IS WINDING DOWN, it's time to start thinking about getting your garden ready for spring. There's nothing like the start of spring to get you in the gardening mood! There are a few things you can do to prepare your garden for the upcoming season.

One of the most important tasks is to clean up any debris left over from winter. Remove any fallen branches or leaves, and rake up any remaining dirt or gravel. This will help to ensure that your garden is clean and ready for new growth.

TIME TO START PLANTING

If you have any plants that died during the winter, remove them from the garden and discard them. You may also want to consider dividing any perennials that have grown too large, in order to make room for new plants.

Once you've cleaned up the garden, it's time to start planting. You can plant seeds directly into the ground, or you can use starter pots to get your plants started. Be sure to water your plants regularly, and keep an eye out for pests and diseases.

If you're looking to get your garden ready for the new season, here are a few tips to help you out.

SPRING GARDEN PREPARATION CHECKLIST

- **Clean up your garden beds.** Remove any debris or dead plants from the previous season. This will help make room for new growth and give your plants a healthy start.

- **Improve your soil.** If your soil is nutrient-poor, add some organic matter to improve its quality. This will help your plants get off to a strong start and increase their overall yields. Boost your soil quality by digging, forking and mulching. Digging and forking through the soil allows you to loosen any compaction and remove weeds and debris, as well as providing the perfect opportunity to add the organic matter.

- **Add fertiliser.** A good fertiliser will provide your plants with the nutrients they need to grow big and strong. Fertilisers provide crops with nutrients like potassium, phosphorus and nitrogen, which allow crops to grow bigger and faster, and to produce more food. Be sure to read the label carefully to choose the right product for your needs.

- **Start planting.** Make sure you plant according to the climate in your area – for example, tomatoes won't do well in cold weather, so wait until it's warmer before putting them in the ground. For flowers, try geraniums, primulas, pansies. For vegetables, consider planting peppers or cucumbers as well as tomatoes. And don't forget herbs – they're a great way to add flavour to your meals.

- **Install stakes or cages.** If you are growing tall plants, be sure to install stakes or cages to help them stay upright. This will help to prevent them from falling over and becoming damaged.

- **Water regularly.** During the early stages of growth, your plants will need regular watering to get off to a good start. Be sure to check the weather forecast before watering, and adjust your schedule accordingly.

With a little bit of work, you can have a beautiful garden ready for spring! ◆

>> TIME TO UPSIZE YOUR HOME FOR MORE OUTDOOR SPACE? <<

Whatever your reason for moving home, it can still be an overwhelming process. Your family might be growing, and you need a larger property and garden. To discuss your mortgage options, contact **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.

INTERIOR DESIGN

Colour psychology and the home – is there anything to it?

WHEN IT COMES TO THE PSYCHOLOGY of colour, there is a lot of discussion around what different hues can do to our mood and emotions. But what about when it comes to our homes? Can the colours we choose for our walls, furniture and decor have an impact on our wellbeing?

It's decision time: you're redecorating and need to pick out colours. Exciting! But, what happens if you haven't got a clue where to start? There are so many options. That's why choosing a colour palette is both the most important part and yet the most daunting part for many when it comes to decorating our homes.

MOOD AND EMOTIONS

Have you ever asked yourself why you feel so energised after stepping into a vivid red room scheme or so tranquil when in a beautifully neutral living space? It's likely to be because of colour psychology closely connecting colour to our emotions.

But there is some debate over whether or not colour psychology actually holds any sway when it comes to the home. Some people believe that the colours we surround ourselves with can affect our mood and emotions, while others think that it's all nonsense. However, there is some evidence to suggest that certain colours can be beneficial in certain settings.

RELAXATION AND PEACE

For example, blue is often seen as a calming colour, so it could be a good choice for a bedroom. It can help to promote feelings of relaxation and peace, making it a soothing option for those who struggle to sleep or experience anxiety. Green is another calming colour that can be used in the home. It's said to be beneficial for stress relief and has been shown to improve productivity in office spaces.

Orange is often associated with happiness and vitality, so it could be a good choice for a living room or kitchen. It can help to create a warm and welcoming atmosphere, which is perfect for social spaces. Red is another fiery hue that can be used in moderation. It's said to stimulate the senses and can be great for creating excitement in rooms where people gather.

CHOOSE A COLOUR

However, it's important to keep in mind that not everyone will respond to colours in the same way. What might be a relaxing shade of blue for one person could feel cold and uninviting to someone else. So, it's important to experiment with different colours and see what works best for you and your home.

What's the bottom line? Ultimately, the best way to find out what works for you is to experiment with different colours in your home. See which ones make you feel happy, relaxed or creative, and go with those. And if you're ever in doubt, remember that it's always better to choose a colour that you like than one that someone tells you to use! ◆

>> LOOKING FOR A MORTGAGE? <<

We're here to help you find the right mortgage that is suitable for your needs. We'll explain the options to find a mortgage type that matches your unique circumstances. To find out more and to discuss your options, please speak to **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.

"Find out what works for you by experimenting with different colours in your home. See which ones make you feel happy, relaxed, or creative, and go with those."

SUSTAINABLE HOMES

Creating better places for people to live

WHEN IT COMES TO SUSTAINABILITY, having greener homes and a lower environmental impact is now sitting near the very top of many Britons' property priorities. Sustainability can no longer be considered a niche.

The government's intention is for all new homes to be zero-carbon by 2050 and produce a 75% to 80% reduction in carbon emissions by 2025. With pressure on natural resources and the uncertainty of climate change, it is important that homes of the future are built in ways that provide benefits for both homeowners and the environment.

IMPROVE AND PROTECT THE ENVIRONMENT

As the pace of UK house building is set to increase, now is the time to make a significant shift to homes that use resources more efficiently. Such a move will improve the quality of the built environment, create better places for people to live, and improve and protect the environment.

Climate change is a hot topic and cuts in global greenhouse gas emissions are still far from where they need to be to preserve a liveable climate. This was highlighted during COP26 (the UN Climate Change Conference) last year.

Consumer sentiment is increasing towards more sustainable 'green' homes and a 'green' premium.

WATER AND ENERGY EFFICIENCY

Energy prices are steadily increasing year by year, and with a growing population, the demand and costs for energy are only set to increase.

Incorporating energy-efficient systems throughout your home will noticeably cut the price of your bills, and the initial setup cost will soon be earned back through the savings you'll make.

"The demand and costs for energy are only set to increase."

LESS MAINTENANCE

Sustainable home-builders are not only concerned with building homes that are more environmentally friendly; they also want to build quality homes that will last. When you purchase a sustainable home you will not have to worry about costly maintenance and repairs for many years to come as your home will be made out of the highest-quality materials, and it will contain components and appliances meant to last a lifetime.

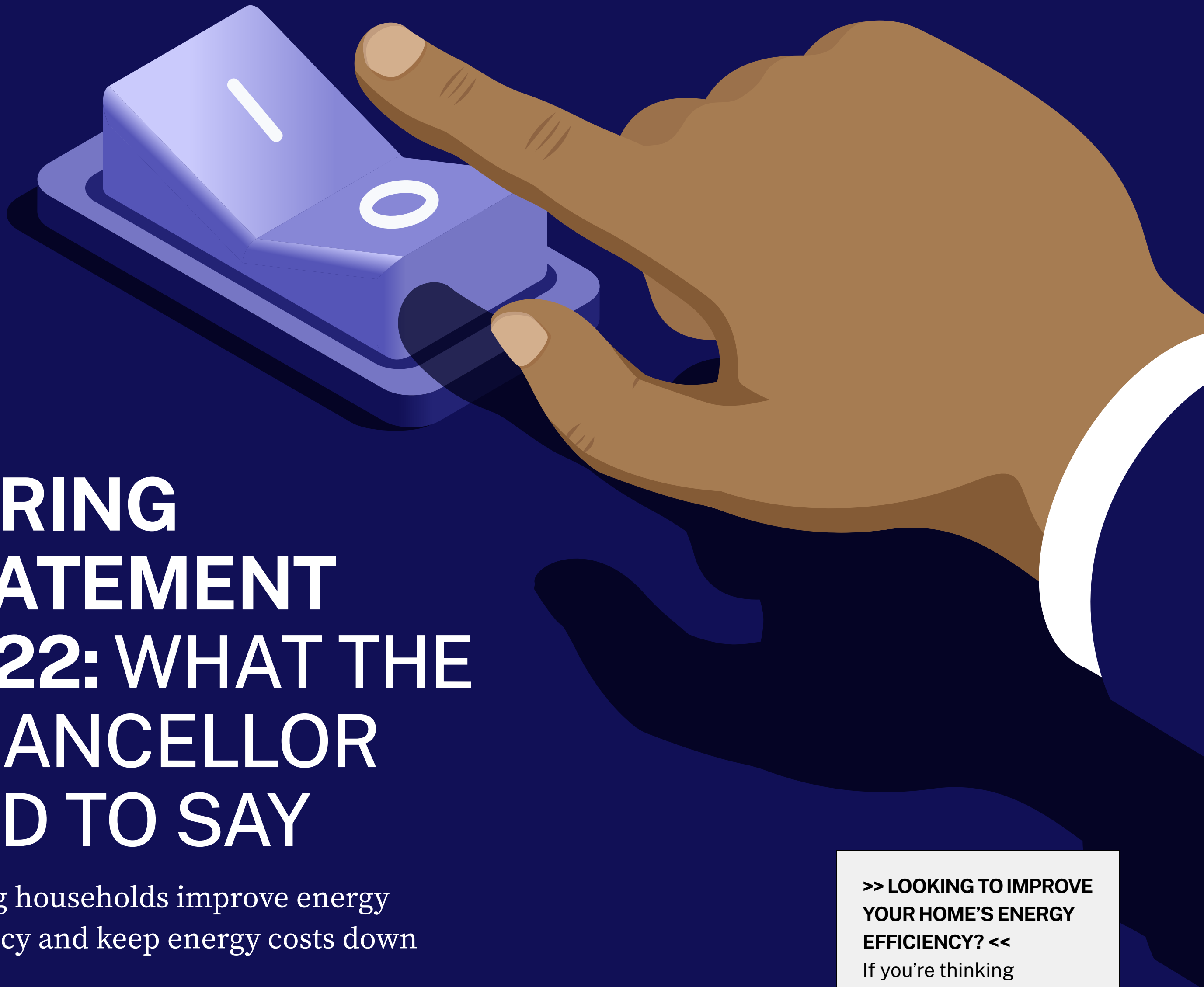
"Green homes can also be a good investment as they tend to have a higher resale value than regular homes."

HEALTHY INDOOR ENVIRONMENT
In order to reduce their impact on the environment as much as possible, sustainable home builders try to be as environmentally friendly as possible during the building process by using paints, adhesives, sealants and other materials that are more sustainable and that give off fewer chemical emissions. Sustainable homes also use purer ventilation systems that help to further improve indoor air quality, making it easier to breathe and creating a healthier living environment for you and your family.

LOWER CARBON FOOTPRINT
Another reason to consider buying a sustainable home is knowing that you are doing your part to limit greenhouse gas emissions and help reduce the effects of climate change. In particular, the energy efficiency of a sustainable house will greatly reduce the amount of energy you consume. A large amount of the energy that is produced goes to residential consumers. The production of this energy often requires the consumption of precious natural resources and fossil fuels.

HIGHER PROPERTY VALUE
When you purchase a sustainable home not only will you find yourself spending less money on utilities and maintaining your home, but green homes can also be a good investment as they tend to have a higher resale value than regular homes. Green homes are now highly sought after, and as such may attract a much higher property value than their non-green counterparts. Investing in an eco-friendly home now means you'll be one step ahead for the future. ◆

>> LET US HELP YOU FIND A MORTGAGE YOU FEEL AT HOME WITH <<
Whether you're buying, moving or improving your home, we're here to help with your mortgage or remortgage options. To discuss your requirements, contact **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.



SPRING STATEMENT 2022: WHAT THE CHANCELLOR HAD TO SAY

Helping households improve energy efficiency and keep energy costs down

THE CHANCELLOR OF THE EXCHEQUER, Rishi Sunak, delivered the Spring 2022 Forecast Statement to Parliament on Wednesday 23 March 2022. With house prices increasing and high demand from buyers remaining steady, the Chancellor steered clear of focusing too much on the housing sector in his Spring Statement.

Rising inflation and increasing gas and electricity bills mean that many households across the UK are facing significant financial pressures. The cost of living crisis dominated the Chancellor's Spring Statement this year.

To help households improve energy efficiency and keep energy costs down – as well as supporting the UK's long-term net zero ambitions – the government is extending the VAT relief available for the installation of energy-saving materials (ESMs). The government will include additional technologies and remove the complex eligibility conditions that restricted the application of the relief.

Relief will be further increased by introducing a time-limited zero rate for the installation of ESMs. The Chancellor said, 'A typical family having roof-top solar panels installed will save more than £1,000 in total on installation, and then £300 annually on their energy bills.' The changes take effect from April 2022. The Northern Ireland Executive will receive a Barnett share of the value of this relief until it can be introduced UK-wide. ◆

>> LOOKING TO IMPROVE YOUR HOME'S ENERGY EFFICIENCY? <<

If you're thinking about remortgaging to improve your home's energy efficiency and keep energy costs down, comparing all the financial details and understanding the costs that remortgaging might incur is essential to help you make the right decision. For more information about how we can help, speak to **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.

FIRST-TIME BUYERS

House-viewing checklist: questions you should ask

WHEN YOU'RE BUYING a property for the first time, there are certain questions you need to ask yourself in order to make the right decision. From the sellers to estate agents to solicitors, you're bound to deal with a wide range of people on your journey to buying your first home. But what should you be asking yourself and these people?

Here are some questions you should consider asking if you are not planning to buy a new build property:

✓ HAVE YOU CONSIDERED WHERE YOU WANT TO LIVE?

You might already have an idea of where you want to live but try not to discount certain areas. Areas that are not great now might be on the brink of change. Look for signs like new shops or cafés appearing and other businesses investing in the area. Think about how much space you could get for your money in one area

"The time it takes to sell a property varies depending on local market demand, the price and type of property, so it shouldn't put you off if it's been on for a few months."

compared to another (if a spare room or a garden is a priority for you).

Consider how near you will be to family, friends and the amenities you need. How far will you have to travel to work? Is there frequent public transport if you need it?

It is a good idea to walk around an area to get a feel for the neighbours and the local community. You will also be able to spot 'For Sale' signs and might find a property that you have missed online.

WHY ARE THE CURRENT OWNERS LOOKING TO SELL THE PROPERTY?

This information will help when it comes to putting in an offer. It's good to find out if they are very motivated sellers who may need to move quickly, or if they've just put their home on the market to see what kind of interest it gets.

If they're looking for a quick sale there could be an opportunity to offer a lower price, especially if you're in a good position with no chain and a Mortgage in Principle already sorted.

HOW LONG HAS THE PROPERTY BEEN ON THE MARKET?

The time it takes to sell a property varies depending on local market demand, the price and the type of property, so it shouldn't put you off if it's been on for a few months.

Normally, if it's been on for longer than six months there could be an opportunity to negotiate on the asking price, unless it's already been reduced recently.

HAS THE PROPERTY HAD ANY MAJOR BUILDING WORK DONE RECENTLY?

It's recommended that you have a full structural survey on a property you'd like to buy, but you can ask some questions before then as well.

You could ask on the viewing if the house has been extended and how long ago that was. It's also worth asking if there's any potential to extend the property, but bear in mind this will need to go through planning permission so may not be approved.

WHAT'S THE PARKING SITUATION?

If your property doesn't come with a garage or parking space, you'll have to work out where you can park.

Do you need a disabled parking spot on a main road, for instance? Contact the local council to find out how you can get a designated space.

HOW MUCH WILL THE BILLS BE?

Ask the estate agent if they know how much the Council Tax is for the area, and also have a look at the Energy Performance Certificate (EPC), available on the property listing, to see how energy efficient the house is.

The EPC will tell you the current rating from A – G and the potential rating it could be if the energy efficiency is improved.

IS THE PROPERTY PART OF A CHAIN?

This may give you a little bargaining power. If a seller has already found their next property, they may be willing to accept a lower offer to ensure that a move happens quickly.

However, if they haven't, you might become part of a longer chain, so you need to think about how long you're willing to wait.

DOES THE LOCAL AREA HAVE ANY ISSUES TO BE AWARE OF?

Investigating the location properly is massively important. Do your research. Visit the house and ask neighbours what they think of the area.

Also, if you're new to the area and will be commuting by train or bus, try and visit the area both during the day and also at night.

WHAT'S INCLUDED IN THE SALE?

Get as much information as you can here. For example, will any white goods, such as a dishwasher or washing machine, be included in the price?

Having these essentials already in the property will make the move feel a lot smoother as you spend the following days and weeks unpacking. If you already have your own white goods you may even be able to make some money by selling what's been left behind.

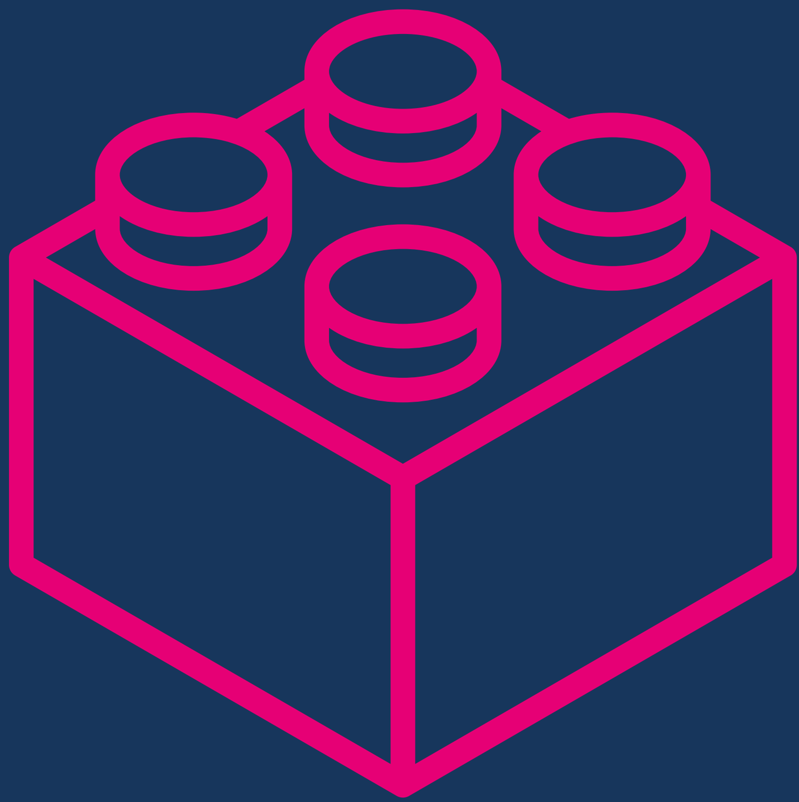
WHO ARE THE NEIGHBOURS?

How much this answer affects your decision will vary from buyer to buyer. Noisy neighbours who party all night long could be a massive turn-off for some people.

But for others, it might not be such a big deal. Alternatively, a community with really friendly neighbours may make up for any negatives a property has. ◆

>> READY TO GET YOUR FOOT ON THE PROPERTY LADDER? <<

Thinking about buying your first home? Getting onto the property ladder can be a big step. To discuss how we could help you through the mortgage process, speak to **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.



EXTRA COSTS WHEN BUYING A HOME

What to consider before jumping onto the property ladder

BUYING A HOME, or any kind of property, will quite possibly be one of the biggest financial decisions that we make in our lifetime, so it is important to be aware of the extra costs associated with buying a property before jumping onto the property ladder.

Whilst you may be aware of the bigger expenses, there may also be some additional costs you need to consider. For example, the legal fees, stamp duty or the actual cost of moving.

It's crucial to make sure you have budgeted for all the different costs involved. Here's what you need to know.

STAMP DUTY

Stamp duty – or Stamp Duty Land Tax (SDLT) to give it its full name – is a fee charged by the Treasury that's paid on property purchases. It applies to residential properties involved in sales over £125,000, and all non-residential properties or land in sales over £150,000. If you're buying a property in Scotland, you'll pay Land and Buildings Transaction Tax (LBTT) rather than stamp duty, over £145,000.

Conversely, you might have to pay an even higher rate than most homebuyers – it all depends on your own circumstances. In any property sale where it's required, stamp duty must be paid by the buyer rather than the seller and is liable from the point that the transfer of ownership is completed.

CONVEYANCING

Conveyancers transfer the ownership of a property from one party to another, and you will need one when buying or selling a home. A few common conveyancing fees include land registration fees, transfer fees and local authority searches.

The cost of conveyancing fees can vary depending on a number of factors, such as the value of the property, whether it's freehold or leasehold and the local searches that need to be completed.

SURVEYS AND VALUATION FEES

Your mortgage lender will carry out a valuation survey that will look solely at the property's worth – it doesn't cover structural issues and won't highlight any problems with the property, and you may be liable to cover the costs as part of your mortgage product. How much a property survey costs can vary hugely depending on the type of survey you get.

A house survey is a detailed inspection of the condition of a property. It's completed by a surveyor who visits the property, carries out an inspection and prepares a report on what they've found. Home buyers generally have a survey done on a property after their offer has been accepted by the seller (but the system works differently in Scotland).

Depending on the property's value and what type of report you go for, this could cost anywhere from a few hundred pounds to over a thousand pounds.

MORTGAGE ARRANGEMENT AND OTHER FEES

The number of fees and costs associated with buying a property can be overwhelming. There are various mortgage arrangement and other fees you will be required to pay at different stages of the purchasing process. These can range from small administration fees and electronic transfer fees to larger charges that will cover essential services, and they can all have an impact on the true cost of your mortgage.

Any fees associated with the mortgage are set out clearly in the documents your lender provides before you commit to any specific mortgage. All lenders will take a different approach with regard to costs, which is why obtaining professional mortgage advice is essential.

ESTATE AGENT FEES

Estate agents' fees vary enormously, and can add thousands of pounds to the cost of selling a home. If you sell your property using a traditional high-street estate agent, fees will usually be calculated as a percentage of the price paid by your buyer. This kind of estate agent's fee is called 'commission'.

While an estate agent's fee can seem like an eye-watering sum, it's not always advisable to choose the company offering to sell your home for the lowest fee just so you can save money. But, if you're a first-time buyer, don't worry, the seller will cover these costs!

INSURANCE

A property is likely to be the biggest purchase you'll ever make. Having insurance can give you a safety net – and peace of mind – if things go wrong. So, it stands to reason that you'll want to make sure you protect yourself and your home should the worst happen.

Buildings insurance is usually compulsory if you have a mortgage, and could save you a fortune if something damages your home, like a fire or flood. General insurance is used to protect the economic value of your assets against accidents, damages or loss.

Contents insurance protects your belongings too. It may be cheaper to buy buildings and contents insurance together – but you can also buy them separately.

Life insurance covers the cost of paying off your mortgage, if you die before it is paid off. Critical

illness cover helps cover the cost of paying off your mortgage if you are diagnosed with a specified life-changing condition. Income protection helps cover your mortgage payments each month if you are unable to work due to an accident, sickness or redundancy.

REMOVAL SERVICES

Moving day can be hugely stressful. You can reduce that stress by booking a professional removals company early in the process. When it comes to removal services, prices range depending on a number of factors.

The cost will vary greatly depending on the size of your property, the amount of items you want moved and how far it needs to be transported.

If you are moving locally removal companies are likely to charge you per hour. It is very unusual to be charged by weight of your belongings or distance travelled.

Alternatively, if you opt for the DIY approach, this will increase the amount of time required, however can reduce the total cost of moving. ◆

"Moving day can be hugely stressful. You can reduce that stress by booking a professional removals company early in the process."

>> THINKING OF MOVING HOME? <<

Whether you're an existing client or you're simply researching your options, we'll help you find the right mortgage deal for you. To discuss your mortgage options, contact **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.

Old Town Beach, St. Mary's, Isles of Scilly, Cornwall UK.

New rules for second homes

Owners claiming their 'often-empty' properties are holiday lets will pay more tax

"Owners of second homes in England can avoid paying council tax and access small business rates relief by simply declaring an intention to let the property out to holidaymakers."

SECOND HOMEOWNERS who falsely claim properties are holiday lets will need to pay more tax under new proposals introduced by the government. The government plans to introduce the new rules to close the 'second homes loophole', which sees people claim their 'often-empty' properties are holiday lets.

The changes will target people who take advantage of the system to avoid paying their fair share towards local services in popular destinations such as Cornwall, Devon, the Lake District, Suffolk, West Sussex and the Isles of Scilly.

GENUINE HOLIDAY LETS

Currently, owners of second homes in England can avoid paying council tax and access small business rates relief by simply declaring an intention to let the property out to holidaymakers. However, concerns have been raised that many never actually let their homes and leave them empty and are therefore unfairly benefiting from the tax break.

Following consultation, there will be changes to the tax system, which will mean second homowners must pay council tax if their properties are not genuine holiday lets. From April 2023, second homeowners will have to prove holiday lets are being rented out for a minimum of 70 days a year to access small business rates relief, where they meet the criteria.

NEW OPERATIONAL THRESHOLDS

Holiday let owners will have to provide evidence such as the website or brochure used to advertise the property, letting details and receipts. Properties will also have to be available to be rented out for 140 days a year to qualify for this relief.

Establishing these new operational thresholds for self-catering businesses has been welcomed by the tourism industry as it makes a very important distinction between commercial self-catering businesses that provide revenue and employment for local communities, and holiday homes which lie vacant for most of the year.

SUPPORTING LOCAL ECONOMIES

It is recognition that tourism is the lifeblood of many small towns and villages, maintaining the viability of local shops, pubs and attractions. The move will protect genuine small holiday letting businesses across the country and will support local economies by encouraging tourism and by ensuring second homeowners pay a fair contribution towards public services.

Around 65,000 holiday lets in England are liable for business rates, of which around 97% have rateable values of up to £12,000. Currently there is no requirement for evidence to be produced that a property has actually been commercially let out.

The government's consultation response announces that, from 1 April 2023, a property will only be assessed for business rates rather than council tax if the owner can provide evidence that:

- it will be available for letting commercially, as self-catering accommodation, for short periods totalling at least 140 days in the coming year
- during the previous year, it was available for letting commercially, as self-catering accommodation, for short periods totalling at least 140 days

- during the previous year, it was actually let commercially, as self-catering accommodation, for short periods totalling at least 70 days

The Valuation Office Agency will be responsible for determining whether a property should be assessed for council tax or business rates under this new system. ◆

>>LOOKING TO BUY A SECOND HOME AND NEED A MORTGAGE? <<
Looking for a second home mortgage? We're committed to working with you to ensure you get the right mortgage to suit your individual circumstances. To find out more and to discuss your options, please speak to **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@ nightingaleswm.co.uk**.

BUYING A NEW-BUILD HOME

Low maintenance and significantly reduced running costs

THERE ARE MANY FACTORS to consider when buying a house. Location, size, price range, outdoor space and features all come into the decision-making process. There's also the matter of choosing between a period property with historic character, or a new-build home with low maintenance and significantly reduced running costs.

Your inclination may be to opt for an older-style home, perhaps because you've always lived in this type of property before. However, it's worth considering the real advantages of buying a new-build home.

SIGNIFICANTLY CHEAPER

New-build homes today are built to a much higher standard. Regulations dictate that new builds must adhere to minimum standards for energy efficiency – which is great news for both our planet and your finances!

Generally speaking, new-build homes are significantly cheaper to run and will reduce your household carbon footprint. Though it's possible to improve energy efficiency in an older home, this tends to be a costly process.

PERFECT CONDITION

Furthermore, a brand new home will be in perfect

condition, with no need for repairs or renovations. You'll also have a wide variety of choices when it comes to floor plans, finishes and other features. Plus, your new home will come with a warranty from the builder, which guarantees that any defects in the construction will be fixed free of charge.

You'll get the reassurance of a ten-year warranty from an organisation like the National House Building Council (NHBC) or similar, which will cover any structural defects with the building. This means that if any problems do arise, the builder (for the first two years) or the NHBC (for eight years after that) will cover the cost of putting it right.

And you'll be able to personalise your new home exactly to your taste and needs.

5 OF THE MAIN BENEFITS OF PURCHASING A NEW-BUILD PROPERTY

Buying new comes with a number of specific advantages, including:

1. EVERYTHING IS NEW

No one has lived here before, no one has used the appliances or the shower, made marks on the carpet or little holes in the wall. There's nothing to clean because everything is straight out of the box. What you get included varies from each new development, but everything that you do get will be new and will be covered by a warranty for a period of time.

2. BETTER FOR THE ENVIRONMENT

It's more environmentally friendly than an older property, and is therefore extremely energy efficient. Modern houses are better insulated, have more efficient boilers and appliances, there are no drafts round the windows and doors, the heating comes on and goes off when the button is pressed. This is better for the environment and, as a bonus, also means your monthly bills could be lower.

3. PROPERTY SPECIFICATIONS

If you buy off plan some developers might allow you to design certain areas of your new home. For example, you might be able to design your kitchen and bathrooms. If you don't have the opportunity to buy off plan, new-build homes tend to be built to contemporary specifications to meet the needs of a modern lifestyle.

4. YOU DON'T NEED TO DO DIY

One of the best things about buying a new-build property is that it is completely ready for you to move into; you don't need to spend your time painting walls, doing DIY or renovating. You can move in and start enjoying your new home right away. You can start with a blank canvas when it comes to decorating or laying out the furniture. Just move in, unpack and relax.

5. FINANCE SCHEMES

There are financial incentives, such as Help to Buy, which are only available for buyers who are purchasing a new-build home. If you are a first-time buyer, Help to Buy could help you to get onto the property ladder sooner. This is a government scheme to help first-time buyers get a property with just a 5% deposit. You can borrow 20% of the purchase price (40% in London), interest-free for five years. You can apply to the scheme until 31 March 2023. ◆

How to get help with your energy bills

54% price hike affecting 22 million households

BRITAIN'S COST-OF-LIVING crunch has hit the country hard, with inflation at its highest level in three decades, petrol prices spiralling, retail price increases rising to their highest levels in ten years and, most recently, the regulator Ofgem announcing a 54% price hike in energy bills affecting 22 million households.

Chancellor Rishi Sunak announced an emergency £350 of support per household to help with the cost of heating. Almost half (47%) of those not retired say that they cannot afford to save right now due to the rising costs of everyday living, a new survey has revealed[1].

IMMEDIATE FUTURE

The news comes following widespread reports of many UK households struggling to make ends meet following higher inflationary pressures – sending everyday bills soaring – as the country tries to recover from the effects of the COVID-19 pandemic.

Millions of households faced an energy bill rise from 1 April after Ofgem lifted the cap on default tariffs to the equivalent of just under £2,000 a year for an average user. The price cap is a limit on a unit of gas and electricity – it's not a cap on customers' overall energy bills, which will still rise or fall in line with their energy use.

A typical customer paying by direct debit will be charged 28p a kilowatt-hour for electricity and 7p a kWh for gas from 1 April. This is approximately double the unit prices being charged by the cheapest providers at the start of 2021.

Under the new Ofgem cap, the average dual-fuel bill for a direct debit customer will go

up by £693 a year, from its current level of £1,277. This will affect 22 million households.

WHAT HELP IS AVAILABLE TO PAY FOR ENERGY BILLS?

1. £150 COUNCIL TAX REBATE IN APRIL

Households in council tax bands A–D in England (about 80% of all households) received a £150 council tax rebate in April to help with the cost of energy. This will not need to be paid back.

To obtain this money first, bill-payers were advised to set up a direct debit to pay their council tax from April so they receive their £150 energy rebate payment more quickly. You can still receive the money if you don't have a direct debit set up. But it may take longer as your council will have to contact you and then you'll have to make a claim. Devolved administrations will receive an equivalent amount of funding to cover this.

2. £200 ENERGY BILLS REBATE

All households will receive £200 off their energy bills this October, when the price cap is expected to increase again. But the amount will need to be paid back at £40 a year for the subsequent five years, starting in April 2023. This does not cover Northern Ireland as energy policy is devolved, but extra funding has been made available.

3. EXTRA £144 MILLION FOR THOSE ON LOW INCOMES

The Chancellor has promised discretionary funding of £144 million to support vulnerable people and individuals on low incomes who do not pay council tax. There is also help for those in council tax bands E–H and with an annual household income of less than £79,000. But it isn't clear how this can be accessed at an individual level.

GRANTS AND BENEFITS TO HELP YOU PAY YOUR ENERGY BILLS

You can apply to receive help if you're struggling to afford your energy bills or top up your prepayment meter. You might be able to take advantage of certain benefits, grants and help offered by the government and energy suppliers.

You may also able to receive additional help and support from your energy supplier by signing up to the Priority Services Register. You can sign up if you've reached state pension age, you're disabled or sick, or if your energy network considers you 'vulnerable'.

WARM HOME DISCOUNT SCHEME

You might be able to receive £140 off your electricity bill or a £140 voucher for your prepayment meter.

WINTER FUEL PAYMENT

The Winter Fuel Payment is an annual one-off payment to help you pay for heating during the winter. You can usually receive a Winter Fuel Payment if you were born on or before 26 September 1955.

COLD WEATHER PAYMENTS

Cold Weather Payments are one-off payments to help you pay for extra heating costs when it's very cold. You'll receive a payment each time the temperature drops below a specific temperature for a set period of time.

GRANTS TO HELP PAY OFF YOUR ENERGY DEBTS

If you're in debt to your energy supplier, you might be able to obtain a grant to help pay it off.

LOCAL ENERGY GRANTS

Check if you can receive a local energy grant. You might also be able to find grants or schemes run by your local council. Find your local council on GOV.UK. ◆

Source data:

[1] https://yougov.co.uk/topics/politics/articles-reports/2022/02/04/cost-living-crisis-four-ten-britons-expect-their-h

LOOKING FOR EXPERT MORTGAGE ADVICE?

Let us arrange the perfect mortgage for you

Whether you're investing in a buy-to-let property or looking to buy your first home, we can help. Our expert professional mortgage advice will find you the best mortgage deal, whether you're buying a property investment or home.

Your dedicated mortgage adviser will learn about your situation and needs before narrowing down your mortgage options.

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

Contact Nightingales Wealth Management Ltd
– telephone: 0345 2221177
– email: customer@nightingaleswm.co.uk

NIGHTINGALES
WEALTH MANAGEMENT

THINK CAREFULLY BEFORE SECURING OTHER DEBTS AGAINST YOUR HOME.

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

AUTHORISED AND REGULATED BY THE FINANCIAL CONDUCT AUTHORITY.

SHARED OWNERSHIP CHANGES

Opening the door to homeownership in England

SHARED OWNERSHIP OPENS the door to homeownership in England, helping people to get on the property ladder. It offers the chance to buy a share of your home (between 10% and 75% of the property's value) and pay rent on the remaining share. At a future time, you could then look to buy a bigger share when you can afford to.

The government is funding a new model for Shared Ownership through the Affordable Homes Programme 2021/26. Up to 50% of homes delivered through this programme will now be for the new model of Shared Ownership.

OVERVIEW OF SCHEME

- The initial stake has been reduced from 25% to 10%.
- 10-year repair has been introduced, during which the shared owner will receive support from their landlord to pay for essential repairs – bridging the gap between renting and homeownership.
- New 1% gradual 'staircasing' model has been introduced, enabling shared owners to staircase in smaller instalments of as little as 1%, down from 10%, with heavily reduced fees.
- Shared owners are given more control when they come to sell their home (shared owners will be able to take control of the resales process from the landlord at an earlier point, giving them greater influence over the sale).
- The new model is available to purchase from 2022 (the government will continue to fund the present Shared Ownership scheme until 2023 through the Affordable Homes Programme 2016 to 2023 – there will, therefore, be a transition period in which both the former and new Shared Ownership models will be available).

ELIGIBILITY

You could buy a home through Shared Ownership in England if:

- your household earns £80,000 a year or less, or £90,000 a year or less in London
- you are a first-time buyer, you used to own a home but can't afford to buy one now or are an existing shared owner looking to move.

NEWLY BUILT HOME

With Shared Ownership you can buy a newly built home or an existing one through resale programmes from housing associations. You'll need to take out a mortgage to pay for your share of the home's purchase price, or fund this through your savings. Shared Ownership properties are always leasehold.

Only military personnel will be given priority over other groups through government-funded Shared Ownership schemes. However, councils with their own shared ownership home-building programmes may have some priority groups, based on local housing needs. ◆

Upsizing to a new property

Thoughtful planning is crucial to a successful outcome

MAKING THE DECISION to upsize to a new property is a big one. Have you outgrown the current family home? Is there a queue to get to the shower every morning? Do you dream of an en suite all to yourself or grown-ups lounge free of the kids' clutter? If so, then maybe it's time to upsize.

It may ultimately mean more space, more privacy and often a better location, but there is much to think about. Do your research and make sure you're making the right decision for you and your family.

Outgrowing your current home is a natural process, but how do you make sure you get the best deal on a larger property, and how do you choose the right one for your requirements? When looking to upsize your home, thoughtful planning is crucial to a successful outcome. Start by listing the reasons why you need to upsize and how this fits in to your short- and long-term goals.

If you're considering upsizing to a new property, do your homework first.

HERE ARE SOME THINGS TO THINK ABOUT BEFORE UPSIZING:

How much space do you need? Make sure you measure the space you currently have and the space you need. This will help you determine if upsizing is right for you. What do you need in your new home? What do you

want? Once you have a clear idea of what you're looking for, it will be easier to focus your search.

What are your budget restrictions? Upsizing can be expensive, so make sure you know what your budget is and what type of property you can afford. Consider how much you can afford to spend on your new property. Don't forget to factor in moving costs, renovation expenses and any other associated costs.

What kind of neighbourhood do you want to live in? Consider factors like schools, public transportation and amenities. Do you require somewhere with a lot of green space or a vibrant nightlife? Narrowing down your search parameters will make it easier to find the right property.

What are your must-haves in a property? Make a list of the features you need in a property and make sure the new property has them.

How will you sell your current property? If you're upsizing to a new property, you'll need to sell your current one. Talk to an estate agent to get an idea of how much your house will be worth and how long it could take to sell. But remember, not all estate agents are the same, especially when it comes to the price they charge for selling your current home.

What are your mortgage options? When you're upsizing, it's tempting to remain with your existing mortgage provider. But it always pays to shop around. Even a mortgage with only slightly more favourable terms could save you thousands in the long run, or give you more (and cheaper) options for repaying your mortgage early if you find the means. That's where we can help you. ◆

>> READY TO START EXPLORING YOUR UPSIZING MORTGAGE OPTIONS?<<
So you're looking to upsize and want to get an idea of what you could borrow to move on up. To discuss your requirements, contact **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.

Knowledge is power, but only if you use it

10 questions to ask when viewing a property

WHEN VIEWING A PROPERTY to purchase, there are important questions you should ask yourself. You'll probably already know quite a bit about the property. This will help you determine if the property is right for you and if you are getting a good deal.

These are some important questions to ask when viewing a property. Not every one of these questions will apply to you – but they're all worth thinking about. Now, the only thing that's left to do is find your dream home.

1. HOW LONG HAS THE PROPERTY BEEN ON THE MARKET?

If the property has been on the market for six months or more, then you need to ask why. Is there a problem with it that you haven't discovered yet but more savvy buyers spotted? Surveys will discover any potential problems but it's better to find out before you get too attached to the idea of buying a property.

2. HAS THERE BEEN MUCH INTEREST IN THE PROPERTY?

If you really like a property, there's no point wondering how many other people feel the same way

as you. Ask how many viewings there have been and if any offers have been made. Choose a busy time to view the home, like a Saturday morning, and if other people are viewing before and after you then you know it's popular. You should also ask what (if any) offers there have been so far – the estate agent will usually tell you although they cannot disclose the amounts.

3. WHAT'S THE AREA LIKE?

What are the schools like? What's the crime rate like? A good question to ask your estate agent is 'Would you be happy to live here?' Make sure you do some independent research as well. Keep in mind that any house can be renovated but it can't be moved.

4. HOW LONG HAVE THE OWNERS LIVED THERE?

If the owners are moving out after a short period, why? This is vitally important. The owner might just be moving to a different area or a bigger property, but there could be plenty of other reasons that are unappealing to you. Remember, sellers are legally obliged to divulge any disputes with neighbours.

5. HAVE ANY MAJOR RENOVATIONS BEEN DONE RECENTLY?

If you don't intend to have a full structural survey on the property make sure you find out about work that's been recently undertaken and ask to see evidence, like builder's receipts or guarantees. Make sure you can see planning permission for any recent works and consent of the freeholder (if applicable). If proper permission wasn't obtained for an extension then you could have to tear it down. A fresh coat of paint could mean the sellers are covering cracks or damp. Lift rugs to make sure they're not hiding anything unsightly. Be aware of the musty smell of damp.

6. IS THE PROPERTY LISTED OR IN A CONSERVATION AREA?

This will show up during the conveyancing process but why wait until then? If you buy a listed property the changes you can make both outside and, in some cases, inside too can be restricted. And if the property is in a conservation area other restrictions may also apply.

7. WHAT'S THE WATER PRESSURE LIKE?

Check the water pressure and plumbing. It may seem trivial but imagine waking up on the first morning in your new home to discover that the shower is a trickle. Check the taps and shower yourself as you're looking around. These things may not make or break your decision but they're recurring expenses that will add to the monthly cost of owning your new home and are important to think about.

8. HOW MUCH WILL YOUR BILLS BE?
Investigate how much the council tax and utility bills are and try to get an exact amount from the owners, if they are at the viewing, for monthly bills. Alternatively, you can ask the estate agent to ask the seller.

9. WHAT'S INCLUDED IN THE SALE?
Is the garden shed or greenhouse included? Are the fixtures and fittings? Exactly where does the boundary lie? Make sure you know what you're getting for your money.

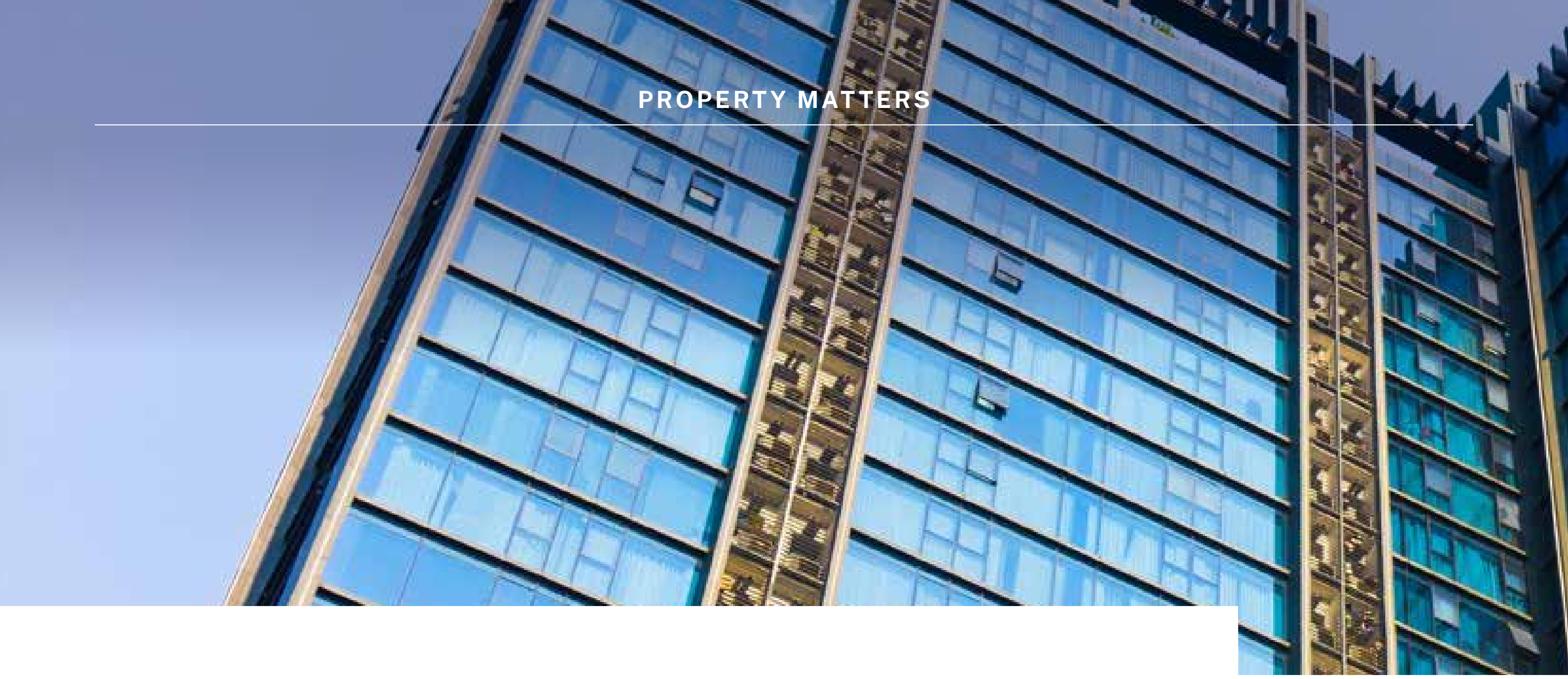
10. HAVE THE SELLERS FOUND THEIR NEXT PROPERTY?
When are they planning to move? Being in a chain can create complications as any delays or complications for the sellers will have a knock-on effect for you. The ideal situation is that the property is chain-free but, if not, knowing the sellers are organised and keen to move quickly can bode well for a quick and uncomplicated sale.

AND, FINALLY…
Another thing to find out is whether the property is leasehold or freehold. The listing will probably display this clearly. If the property is leasehold, how long is left on the lease? A short lease reduces the value of a property so you'll need to extend when you come to resell. Is it possible to buy the freehold or a share of the freehold? How much is the service charge? Are there any issues with the management company?

Finally, which way does the property face? If you have a garden or terrace then you'll want to make sure it gets the sun when you want it to – whether you like to wake up with the light streaming through the windows of your bedroom or you prefer sunny summer BBQs in the late afternoon. ◆

>> MOVING HOME, REMORTGAGING, OR WANT TO DISCUSS RATES OR BORROWING MORE?<<
Whether you're stepping up, moving on or staying put, when it comes to finding competitive rates and a mortgage deal that's right for you, we're here to explain your options. Contact **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.

"Is the garden shed or greenhouse included? Are the fixtures and fittings? Exactly where does the boundary lie? Make sure you know what you're getting for your money."



LEASEHOLD, FREEHOLD, SHARE OF FREEHOLD

Key differences between the properties you can purchase

IN ENGLAND AND WALES, there are two types of property: freehold and leasehold. It's important you know which yours is when you purchase it. There are differences in Northern Ireland and Scotland, so be sure to do your research for those locations.

It's important to understand the key differences between the properties you can purchase. Leasehold and freehold are two different ways of owning property. If you buy a leasehold property you are entering a legal agreement where you own the property but not the land that it is built on. You will enter a lease agreement with the freeholder of the land.

If you're buying a freehold property you are purchasing the legal rights to the property and the land that it is built on. Your name will be listed on the land registry as the 'freeholder'.

MAIN DIFFERENCES BETWEEN THEM:

Freehold: Essentially, freehold is the complete free rights to the ownership of a property. Aside from planning permission, if you own a home under freehold you are entitled to do what you want with it.

- There is no annual ground rent to pay.
- Sole responsibility for the maintenance of the building and managing the land rests with you, the freeholder.
- There are no limitations on what you can do in your home, for example, you are free to own pets, smoke or carry out building work (with planning permission).
- There is no fear of declining value purely related to the term of a lease running out, or the need to pay for

an expensive renewal of the lease.

- Freehold is the most normal way of selling houses as they are standalone properties and include the land they sit on.

Leasehold: Leasehold means that you just have a lease from the freeholder (sometimes called the landlord) to use the home for a number of years. The leases are usually long term – often 90 years or 120 years and as high as 999 years – but can be short, such as 40 years.

- A leaseholder buys a lease for a property from the freeholder.
- The contract between the leaseholder and freeholder details the legal responsibilities and rights of each party.
- The freeholder is usually responsible for the upkeep of the common areas of the building, as well as the roof and exterior walls.
- As well as the initial purchase price of the leasehold property, the leaseholder will need to pay annual ground rent, annual service charges, maintenance fees and a share of insurance for the buildings.
- Leaseholders cannot usually undertake any major works on the property without the permission of the freeholder.
- Leaseholders may be subject to other restrictions on how they use their property, such as subletting rooms or pet ownership.
- The lease can become forfeit if a leaseholder does not fulfil their side of the contract.
- Leaseholders can claim the ‘Right to Manage’, which means they can legally take over management of the property from the freeholder.

SHARED FREEHOLDS

A similar system to commonhold, shared freeholds involve all leaseholders jointly owning the freehold. Each owner of a leasehold property within the development or complex owns a share of the freehold, and management of the building as a whole is shared by all the leaseholders. ◆

>> WHAT KIND OF MORTGAGE DO YOU NEED?<<
It’s not always as straightforward as freehold versus leasehold; what suits you ultimately depends on your unique situation. We’ll help you find a mortgage that’s right for your specific needs. To discuss your options, contact **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.

Record-high spike in demand for property up by 50%

'Search for space' still one of the factors creating record demand for homes

THE EFFECTS OF THE COVID-19 pandemic on the housing market cannot be underestimated. Even after two years, the pandemic-led 'search for space' is one of the factors still creating record demand for homes. The market is also being boosted by office-based workers re-thinking where and how they are living amid more hybrid working models. But in some cases, as offices re-open, some demand is flowing back into city centres.

Couple this trend with a return of international demand and the more modest price rises in flats compared to houses over the last two years, and it's clear why we are now seeing a record-high spike in demand for flats outside London, and the highest rate of demand for flats in the capital than at any time since the end of the first lockdown.

RIVALLING RECORD DEMAND

Since the start of this year, demand for property has increased by 49% compared to the markets of 2018 to 2021, rivalling record demand seen during the stamp duty holiday[1], according to new research. But the pandemic still continues to shape the property market, with 2022 continuing to be focused on the pandemic-led search for space, and it's three-bed houses in particular that are most sought-after.

The demand for three-bed houses outside London is driving this trend, being four times higher than the five-year average, becoming the most listed for sale. Geographically, the suburbs remain in the highest demand with Thurrock (Essex), and the suburbs of Birmingham, Glasgow and East London (Barking & Dagenham) all topping the list of most sought-after areas.

SHARP UPWARD TRAJECTORY

As hybrid working continues to become the norm and city workers slowly return to offices, demand for flats is on a sharp upward trajectory, reaching its highest level for five years. Many estate agents are reporting that relatively modest price increases (2% for flats compared to 9% for houses) have helped reignite their popularity amongst many buyers.

Given the concentration of properties, the demand for flats is almost entirely unique to cities. In London it has reached the highest level for 19 months, with agents reporting an influx of overseas buyers from Hong Kong proving prolific in the flats market thanks to the British National (Overseas) visa rules.

ADDITIONAL SPACE BY FAMILIES

Despite unprecedented levels of demand for additional space by families and a sharp rise in demand for flats by office workers, supply constraints may have finally turned a corner. Whilst the total number of homes for sale is still -44% down on the five-year average, this is a rise compared to -47% at the end of 2021, indicating that new supply is indeed coming to the market.

Some prospective homebuyers may be spurred on to move, with many keen to lock in a home loan before interest rates start to rise even further – amidst expectations that the Bank of England will continue to increase the base rate further during 2022.

COMPETITIVE MORTGAGE DEALS

Even so, the current levels of mortgage rates and bank base rates will remain low by historical standards, and the increased popularity of fixed-rate deals mean that many homeowners are protected from rises.

But even with recent rate rises there are still competitive mortgage deals, high volumes of accumulated savings and a desire for more space and greenery which is fuelling activity.

TEMPORARY SWEET-SPOT

Apartments are also moving back onto the radar of buyers as lockdown restrictions have been lifted, which has created a temporary sweet-spot of extremely high demand.

The employment outlook for the UK is positive and while inflationary pressures are lingering longer than most people would like, there is no sense they will be permanent. ◆

>> LOOKING TO COMPARE MORTGAGE DEALS?<<

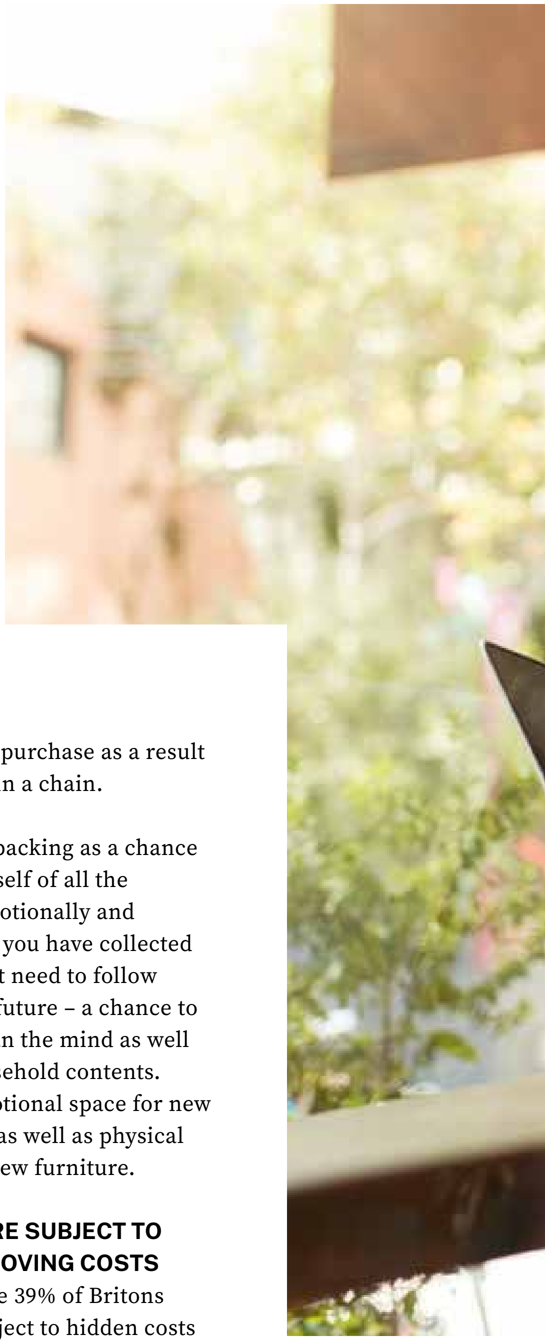
We know how important it is for you to get the right mortgage deal. We'll help you find a mortgage that's right for you and guide you through the process. To discuss your options, contact **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.

Source data:

[1] Research from Zoopla – New Year average measured over the past three years – demand for flats reaches highest level for five years, excluding London – 74% of borrowers hold fixed rate mortgage deals, according to UK Finance.

THINGS YOU WISH YOU'D KNOWN BEFORE YOU MOVED HOME

Careful planning can help to avoid mistakes, and good advice helps you plan



BUYING A HOME IS one of the biggest investments many of us are ever likely to make. So it's only natural that the process of moving can inspire a wide range of emotions. 'If only I'd known that before!' How many times have we said that to ourselves?

But because moving home for most of us is such a rare event, you have no need to know the ins and outs of home moving in any great detail. Until you do want to move home, that is. Careful planning can help you avoid mistakes, and receiving professional advice helps you plan.

When asked about the things they wish they'd known before moving, this is what buyers and sellers surveyed highlighted[1]. Their advice might help you avoid some pitfalls when it's your turn to move.

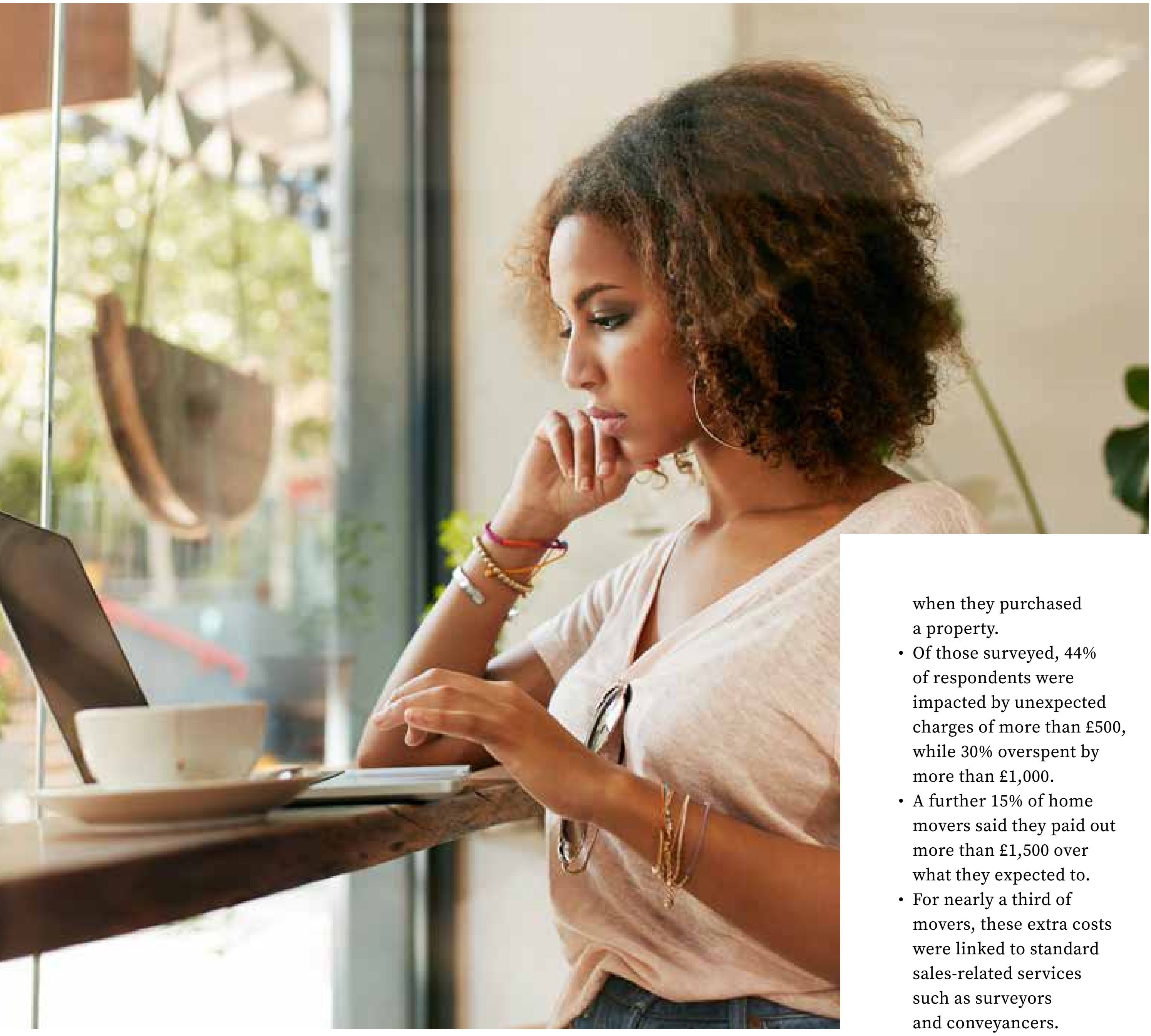
1. THE EMOTIONAL COST OF MOVING WAS HIGHER THAN WE THOUGHT

- Of the people surveyed, 62% found moving home more stressful than they expected.
- Just 11% of people said that the buying process went smoothly.
- However, 18% of buyers said they lost or nearly lost their property purchase as a result of being in a chain.

TIP: View packing as a chance to rid yourself of all the clutter (emotionally and physically) you have collected that doesn't need to follow you in the future – a chance to spring-clean the mind as well as the household contents. Create emotional space for new memories as well as physical space for new furniture.

2. WE WERE SUBJECT TO HIDDEN MOVING COSTS

- A sizeable 39% of Britons were subject to hidden costs



when they purchased a property.

- Of those surveyed, 44% of respondents were impacted by unexpected charges of more than £500, while 30% overspent by more than £1,000.
- A further 15% of home movers said they paid out more than £1,500 over what they expected to.
- For nearly a third of movers, these extra costs were linked to standard sales-related services such as surveyors and conveyancers.

TIP: It pays to set aside an extra sum to cover any unforeseen moving costs. There are many different factors that contribute to these extra costs when moving home. It depends on where you are moving to next, how big the property is, if you're a first-time buyer, how much the new property you are moving into costs and whether there's a significant change in maintenance bills. Identifying any hidden costs is an effective way to keep track of any extra fees you may incur when moving.

3. WE SHOULD HAVE CHECKED ON THE TECH

- Nearly half of the people (46%) wished they'd been more rigorous with their research when deciding where to buy.
- With many of us now working from home more, it's no surprise that 15% of respondents wish they'd investigated broadband speeds further.
- Also, 11% of buyers and sellers wished they'd looked into the strength of the mobile phone signal in the area more.

TIP: The Ofcom mobile and broadband checker lets you check indoor and outdoor mobile availability for voice, 3G and 4G services from all major providers and view broadband availability and speeds. Enter the postcode to view mobile coverage by provider, or availability of broadband services (standard, superfast and ultrafast). You can also view the results as interactive maps.

4. WE WISH WE'D SPOKEN TO THE NEIGHBOURS

- Not checking in with neighbours was also among buyers' biggest regrets.
- Some 16% of people surveyed wished they had knocked next door before purchasing their home.

TIP: It's always worth knocking on the doors of the street where you want to make an offer. People are often generous about sharing local knowledge. Social media is also a good way to connect with would-be neighbours.

5. WE SHOULD HAVE STAGED OUR HOMES FOR VIEWINGS

- The majority of homemovers (84%) agree that staging a home before selling is worthwhile.
- More than half of respondents (53%) even went as far as saying that they would have sold their home for more money if they'd taken the time and effort to stage it.

- But 31% said they didn't have the additional budget to do so.

TIP: Home staging is a growing trend to showcase property. It is the art of dressing a home using props and accessories to highlight the kind of lifestyle that your home offers. It should emphasise all the best bits of your home. Think of your home as the backdrop, with home staging being a way of setting the scene to potential buyers.

6. IT WOULD HAVE MADE SENSE TO DECLUTTER WELL IN ADVANCE

- Decluttering was high on the priorities list, with 52% of homemovers wishing they had done more before moving.
- Around a third of movers confessed that they were too nostalgic when packing. And needed to get rid of more stuff.

TIP: Moving presents a perfect opportunity to walk around your home and look for items you might not need once you have moved. Work one room at a time, otherwise you'll get tangled and might end up doing nothing. First, segregate questionable items, take out the junk and then decide what you need to keep. Repeat until you're happy.

7. WE WISH WE'D STARTED THE SALES PROCESS EARLIER

- One in five (20%) sellers admitted that the process took far longer than they expected.

TIP: Because many of us underestimate the work involved with moving home, it can help to get started sooner. That could involve getting your mortgage Agreement in Principle before looking, getting a good solicitor and surveyor lined up, and decluttering your home well in advance of moving. Work on the basis that the total time from new property listing to completion of sale could typically be around six months. ◆

>> LOOKING FOR A MORTGAGE TO HELP YOU FEEL RIGHT AT HOME?<<
Moving home is a major life event, so it's important to be as well informed as possible beforehand. Important factors to consider include understanding how long every step of the process might take and anticipating unseen events. We'll explain the process and, if you're looking for a mortgage, we'll provide competitive deals to find something that suits you. To discuss your options, contact **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.

Source data:
[1] Source: Zoopla survey of more than 2,600 active buyers and sellers – 21 October 2021.

SPACE FOR WORK

How to create the perfect home office

DURING THE COVID-19 pandemic, many employees were furloughed or worked from home. Research shows that the majority of workers would still like to continue to work from home at least some of the time[1].

As restrictions are lifted, organisations are considering how to return home workers to the office. Some are making a strategic decision to continue to allow either home working or a combination of home and office working (known as 'hybrid working').

WHAT DO YOU NEED IT FOR?

When it comes to creating the perfect home office, there are a few key things to keep in mind. First, think about the purpose of your home office. What do you need it for? Consider whether you're looking to set up a space for work or just want a place to organise your bills and files, and make sure you have a plan in place before you start designing.

Once you know what you need your home office for, think about the layout. How much space do you have to work with? If you're tight on space, consider using a corner of your room or even setting up a desk in your bedroom. If you have more room, think about including a seating area or adding some shelves for storage.

57% OF EMPLOYEES EXPECT TO BE IN THE OFFICE TEN DAYS OR LESS EACH MONTH[2]

77% OF PEOPLE SAY THEY WILL EMBRACE A FLEXIBLE WORKSTYLE[2]

WORKING ENVIRONMENT AND SPACE

There are many benefits to working from home. It goes without saying you can save money on your travel costs and you don't have to worry about getting dressed up for work. You can also work at your own pace and take breaks when you need them. Additionally, you can spend more time with your family and friends. But how do you create the best working environment and space?

10 TIPS TO CREATE THE PERFECT HOME OFFICE

1. Invest in a comfortable chair and desk You'll be spending a lot of time in your home office, so make sure you have furniture that is comfortable and ergonomic to eliminate discomfort and risk of injury.

2. Get plenty of storage A home office can quickly become cluttered if you don't have enough storage space for all of your files and supplies.

3. Choose a quiet location If possible, choose a room in your home that is away from the main living area to minimise distractions.

4. Make sure you have good lighting Proper lighting is important for both your productivity and your eye health.

5. Keep it organised A tidy home office will help you stay focused and productive. Invest in some organisation solutions, such as filing cabinets, shelves and desk organisers, to keep your office neat and organised.

6. Set boundaries Let your family and friends know that you need some privacy when working in your home office, and put up a sign or door hanger to let them know when you're busy.

7. Take breaks It's important to take regular breaks during your work day, even if you have a home office. Get up and walk around or take a quick break to stretch your muscles.

8. Stay motivated One of the biggest challenges of working from home is staying motivated. Make sure you have some goals set for yourself and find ways to reward yourself for meeting them.

9. Stick to a schedule Having a set work schedule will help you stay on track and be more productive.

10. Invest in some home office essentials In order to make your home office as effective as possible, there are some essential items you'll need, such as a reliable computer, printer and comfortable chair. ◆

>> IT'S GOOD TO TALK <<

If you've been thinking about moving or carrying out home improvements, now is a good time to speak to us. To find out more and to discuss your funding options, please speak to **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@ nightingaleswm.co.uk**.

Source data:

[1] https://yougov.co.uk/topics/economy/articles-reports/2020/09/22/most-workers-want-work-home-after-covid-19

[2] https://www.webex.com/hybrid-work.html

BUYING A SECOND HOME?

What you need to know

THE UK HAS SOME of the best locations in the world, from our fantastic cities and breathtaking coastlines to our rolling green countryside. This love of our towns, cities, counties and regions has seen significant numbers of people choosing to lay down some additional roots in their favourite location, through the purchase of a second home.

With many buyers seeking the benefit of a rural retreat alongside their urban primary residence, demand for second properties has grown since the start of the pandemic. Many of these second purchases have been motivated by lifestyle factors in desirable areas where they can spend leisure time.

SIGNIFICANT DEMAND FOR PROPERTIES

This has lead to a significant demand for properties in places like the Cotswolds, Somerset and Cornwall, as more people shift their mind-set from seeing their homes simply as a place to sleep, to places where they are going to live, work and play.

But before you commit to purchasing a second home, you will need to decide how to finance it. There are a number of mortgage options available depending on your financial situation. For many, releasing equity to buy another property can be an option, while investors may need a buy-to-let mortgage.

INCOME AND COVERING COSTS

You should factor in additional expenses such as Stamp Duty Land Tax (SDLT) and potential capital gains tax on a second property in the future when doing your calculations, as these can add significantly to the overall cost. There will also be ongoing expenses to consider such as council tax, insurance and utilities, which can all add to the cost of buying a second home

Owners who choose to rent out their second home do so for a variety of reasons, but a source of income and covering costs

"Owners who choose to rent out their second home do so for a variety of reasons, but a source of income and covering costs are the primary drivers. Security purposes and avoiding leaving the property empty are other motivators."

are the primary drivers. Security purposes and avoiding leaving the property empty are other motivators.

INFORM YOUR INSURER

If you are considering making a decision about how to use your second home, you need to check whether your insurance is valid to use your home as a holiday let or if you need to obtain permission and inform your insurer.

If the property is leasehold, will the landlord permit the intended use and do you need planning permission from a local council to let your property for a set period of time, which may constitute a material change of use. You must also ensure that any agreement to let is for a specified time so that the holidaymakers must vacate at the end of the term.

EXPLORING YOUR OPTIONS

If you are buying a second home, you have to pay extra SDLT. In England and Northern

Ireland you'll pay a 3% surcharge on each band. In Scotland, Land and Buildings Transaction Tax (LBTT) on properties is charged at an additional rate of 4%, and in Wales rates on properties are charged at an additional rate of 4%.

All things considered, the summer holidays can be a great time to use and enjoy a second home. If you're interested in exploring your options, a conversation with your lender is recommended. You will need to inform your lender of how you plan to use your second home and ensure they are comfortable before proceeding. ◆

Boomerang tenants help city rents grow

Double digit growth in rents, after a year of falls

THE COST OF RENTING a property in a city centre is rising with more office workers, students and international residents returning, according to new rental activity data in the UK[1]. As tenants boomerang back to cities, a number of city centres across Great Britain have seen double digit growth in rents, after a year of falls.

HOTTEST COMPETITION

This increase in rent is being seen across many major cities, including Birmingham, Edinburgh, Leeds and Manchester. Rents have risen sharply in recent months, amid a backdrop of rising living costs. Tenants looking to move are seeking out bigger flats, leading to the hottest competition for three- and four-bedroom flats. Competition for a four-bedroom flat is up by 131%, and up by 124% for a three-bedroom flat, the data has revealed.

High demand and properties being let out quickly has led to rents outside London rising at the fastest rate ever, up by 8.6% on a year ago. Competition among tenants for flats is up by almost double (+95%) that of a year ago, the biggest jump of any property type, with three- and four-bed flats attracting the most attention.

TENANT DEMAND

In terms of rental affordability, in most markets rents are still close to the ten-year average. The average rent accounts for 37% of gross income for a single earner. For renters who want to buy a home there is frustration with rising house prices, and any pressure on the cost of renting would be unwelcome for them.

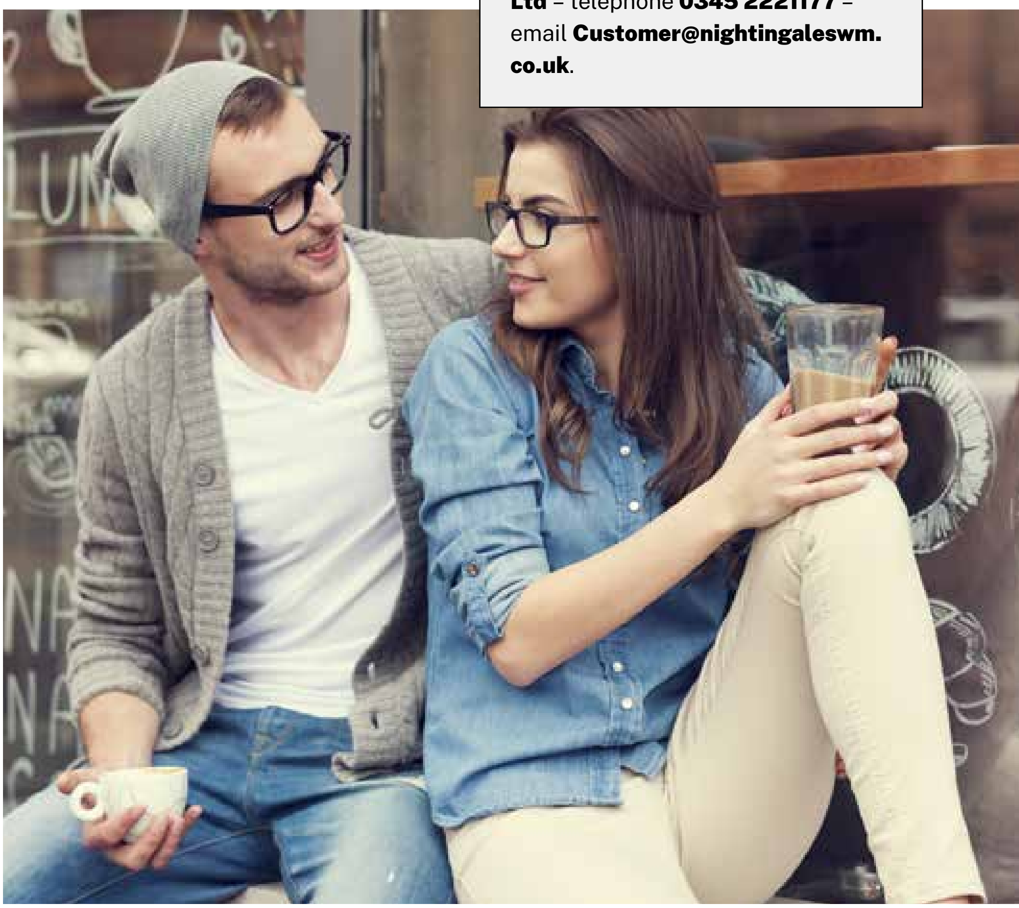
As society has opened up again, cities have not only bounced back but are now seeing strong rental growth, fuelled by increased tenant demand and limited available properties. It's still easier to secure a place in a city centre than in some of the popular suburban and rural rental markets right now, but as more tenants boomerang back to busier locations this is likely to change. ◆

Source data:

[1] https://www.rightmove.co.uk/news/content/uploads/2021/10/Rental-Trends-Tracker-Q3-2021-FINAL.pdf

>> TIME TO EXPAND YOUR INVESTMENT PROPERTY PORTFOLIO? <<

If you are a landlord looking to expand your portfolio due to a combination of rising house prices, attractive yields and growing demand from tenants, we would welcome the opportunity to discuss your funding options. Contact **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.



Landlord licensing

The UK is a very mixed picture when it comes to licensing

ONE OF THE MOST complex sides to life as a landlord is the controversial subject of licensing. Private landlords in parts of some cities must obtain a licence for their properties from the local authority. Commencing April 2022, 11 new landlord licensing schemes came into effect across the country. Landlords who don't comply could face significant fines as high as £30,000.

Licences typically last for five years, and cost between £400 and £1,000, depending on the council; usually, a licence must be obtained for each property owned. Licences can be another cost to factor into a landlord's operating outgoings. But they don't apply to everyone, though, so it's important to be aware of your local requirements.

SELECTIVE SCHEMES APPLY TO LANDLORDS

Landlord licences must be obtained for certain property types – namely, large house in multiple occupation (HMO) – as well as in certain areas for any property type being let out. These additional and selective schemes apply to all landlords operating in a designated area, or across a whole authority.

The schemes can appear complicated for buy-to-let operators, as the rules vary depending on where the property is based. There are not only more schemes to look out for, enforcement through fines and Rent Repayment Orders (RROs) are also increasing, so it's important agents act to protect themselves, landlord customers and their tenants.

OBTAINING A MANDATORY LICENCE

There is no central database to show all schemes to help landlords decide what rules apply to them. Every landlord must look into this with their local authority before letting a property out, and follow the rules in their area accordingly.

Landlords who run large HMOs will need to obtain a mandatory licence. This applies to a property let to three or more unrelated people from two or more separate households. Those who own small HMOs may also be required to get a licence, depending on the local authority rules. The same goes for normal buy-to-let properties in certain areas. ◆

>> LOOKING FOR THAT BUY-TO-LET? <<

If you are looking to buy a property to rent out or add another investment to your property portfolio, we can discuss the options available to you. To find out more, contact **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.

BUY-TO-LET

Sector continues to grow and is providing the vital rental market backbone

THE UK HAS FACED a persistent shortage of new housing, adding to soaring house-price growth, with many people being forced to rent for longer.

In more recent years the government has tried its hardest to dampen investment into the private rental sector, with a string of legislative changes around tax relief, Stamp Duty Land Tax and tenant fees reducing the profitability of some buy-to-let investments.

LEVEL OF CAPITAL APPRECIATION

The COVID-19 pandemic has also proved problematic for landlords who have suffered lengthy void periods due to factors such as the tenant eviction ban and a reduction in rental demand across major UK cities, in particular.

But despite all of this, the sector continues to grow and is providing the vital rental market backbone that so many are reliant on. At the same time, the nation's landlords have benefited from a considerable level of capital appreciation on their buy-to-let investment and the value of the sector as a whole has increased substantially.

NATION'S BUY-TO-LET PROPERTIES

The UK's buy-to-let sector has grown substantially in value over the last five years, increasing by almost £240 billion, new research reveals[1]. There are an estimated 5.5 million private rental properties within the UK rental sector and based on current market values, the estimated total value of the nation's buy-to-let properties is £1.7 trillion.

With just over 1 million private rental homes, the London market accounts for 19% of the UK's total buy-to-let properties. With London also home to the highest property values, it sits top where the total worth of the buy-to-let sector is concerned at over £500 billion in value.

"The COVID-19 pandemic has also proved problematic for landlords who have suffered lengthy void periods due to factors such as the tenant eviction ban and a reduction in rental demand across major UK cities, in particular."

PRIVATELY RENTED HOMES

The South East is home to the next most valuable buy-to-let market at £247 billion, with buy-to-let values also exceeding £100 billion in the East of England (£168 billion), the South West (£156 billion), the North West (£110 billion) and the West Midlands (£104 billion).

While the level of privately rented homes has remained largely flat across the UK over the last five years, the total value of the buy-to-let sector has seen a significant boost due to strong house price growth. The UK's buy-to-let market is estimated to have climbed by £239 billion since 2017, a 16.8% increase.

UPLIFT IN BUY-TO-LET MARKET VALUE

Even with London house price growth lagging behind the rest of the UK, the capital has still enjoyed the largest uplift in buy-to-let market value with a £57 billion jump, followed by the South West (£34 billion) and the East of England (£27 billion).

Privately rented properties account for around a third of all homes in the UK and are clearly crucial in providing accommodation for many thousands of tenants, many having been priced out of homeownership due to high prices. ◆

>> READY TO PURCHASE A PROPERTY AND NEED A BUY-TO-LET MORTGAGE? <<

The private rented sector, which is predominantly supported by private individual investors, has a key role to play in addressing the future housing need in the UK. Whether you're starting out or expanding your property portfolio, speak to us about a mortgage to suit your requirements. Please contact **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.

Source data:

[1] https://www.octanecapital.co.uk/media/press-releases/buy-to-let-sector-value-up-%C2%A3239bn-since-2017

HOW TO CHOOSE A BUY-TO-LET PROPERTY

The first thing to think about is what your investment goals are

THERE ARE MANY different types of property in the UK, each with its own unique characteristics. So, when it comes to deciding which is the best type of property to invest in right now, it's important to consider all the options carefully.

The first thing to think about is what your investment goals are. Are you looking for a short-term investment that could give you a quick return, or are you planning for a longer-term investment that will appreciate in value over time?

OPTIONS TO CONSIDER

If you're looking for a quick return on your investment, then properties in high-demand areas such as London and the South East of England are an option to consider. Prices in these areas have been rising steadily for some time, and show no sign of slowing down.

However, if you're looking for a longer-term investment that could offer greater stability, then you may want to consider buying property in less popular areas. These can be an option if you're looking to buy at a lower price and rent out the property to cover your mortgage payments.

COMPETITIVE RENTAL YIELDS

The answer will vary depending on your individual circumstances, but there are some general trends that can be observed. Generally speaking, apartments offer more competitive rental yields than houses – especially if they're in popular locations.

They have also generally outperformed other property types over the past few years. This is largely due to the fact that they offer a more affordable entry point into the housing market, making them attractive to first-time buyers and buy-to-let investors alike.

CAPITAL GROWTH POTENTIAL

However, this doesn't mean that flats are always the best option – it really depends on your specific needs and goals. If you're looking for capital growth potential, then a house may be a better choice.

The number of bedrooms will affect who wants to live there. Bigger properties with several bedrooms will see interest from more families, while studios, one-beds and two-beds are likely to be filled with young professionals – particularly in city centres.

NO ONE-SIZE-FITS-ALL ANSWER

While there may be more demand in many areas for flats for youngsters, there are benefits to renting out houses to families, too. Often, families will stay for longer, meaning a more reliable income and fewer void periods, for example.

With each option it's important to do your research before making any decisions. Ultimately, there is no one-size-fits-all answer to this question. The best property type to invest in right now will vary depending on your individual circumstances and goals. However, by doing your research and obtaining professional advice, you should be able to find the option that's right for you. ◆

Rental housing market trends

How will the typical renter of the future look different from today's?

HOMES HEADED BY a person over the age of 45 will account for at least half of all privately renting households by 2035, according to new research[1]. A report by the Social Market Foundation (SMF) titled *Where next for the private rented sector?* found that 35% of households currently private renting are headed by somebody aged 45 or over.

This is expected to rise to half of households by 2035 according to the SMF's projections, equating to an additional 1.14 million households, bringing the total number of age 45+ households to 2.7 million.

HOMEOWNERSHIP FALLING

Conversely, the proportion of households in the sector where the head is aged 34 or under will fall from the current 39% to 35%. Those in the 35-44 age group will experience the greatest decline, falling from 25% of households today to 15% in 2035.

The projections on housing market trends forecasts that the proportion of total households privately renting will increase from 20% currently to 22% in 2035, with those in homeownership falling from 63% to 61%.

PRIVATE RENTED SECTOR

The UK has an ageing population and the research highlights that a growing proportion of older households will live in privately rented accommodation in the next 15 years. The challenge for the private rented sector is how to adapt to accommodate more mature tenants, including where and how they want to live.

More mature tenants look for greater security in the form of longer tenancies and control over their property, such as the freedom to make cosmetic changes. They also want to have pets in their homes and these are all things landlords need to consider.

RANGE OF FACTORS

The typical renter of the future will look different from today's. But how different will depend on a range of factors including rates of construction, interest rates, house price inflation and government housing policy. That said, one thing is clear: the private rented sector will be getting older.

That reality means landlords need to revisit any preconceptions about renting being the preserve of young, mobile households. Mature tenants have different needs and preferences. They want accessible, ground-floor homes within a stone's throw of shops, transport links, health services and their loved ones.

"More mature tenants look for greater security in the form of longer tenancies and control over their property, such as the freedom to make cosmetic changes. They also want to have pets in their homes and these are all things landlords need to consider."

MORE MATURE TENANTS

Policymakers, developers and landlords therefore face a challenge ahead to future-proof the private rented sector and ensure that renting policies and homes are suitable for all tenants, including those who are renting for longer and into later life.

In terms of what is important to more mature tenants in relation to the location of the property, there are clear differences in priorities compared with those in younger age brackets.

WHAT RENTERS WANT

Nearly half (48%) of those aged 55 or over said that being close to shops was in their top three priorities, compared to 32% of those aged between 35 and 54. Good transport facilities (40%), being close to friends and family (36%) and proximity to health services (34%) also scored highly for those aged 55+.

With regard to what renters want from a property, 41% of those aged 55 and over said having an unfurnished property was in their top three priorities, compared to 16% of 35-54-year-olds and 11% of 18-34-year-olds. This age bracket also expressed a greater desire for pets, with 21% stating this was a top priority, compared to 14% of those aged 34 or under. ◆

Source data:

[1] The report Where next for the private rented sector? *was published 14 March 2022 at smf.co.uk/publications/future-of-private-rented-sector/ – SMF surveyed over 1,300 UK adults who currently live in rented accommodation. Surveys were distributed by Opinium.*

Mind the gap

Top tips for reducing tenant void periods

THE SAVVIEST LANDLORDS know that it's possible to minimise void periods by acting fast and knowing how to find tenants quickly. The good news is that new data shows the incidence of void periods has declined over the last 18 months, reaching its lowest level for the last five years[1].

After peaking at 39% during the third quarter of 2020, the proportion of landlords reporting void periods has steadily declined, with just one in four (25%) having experienced empty rental properties during the previous three months.

RENTAL PROPERTIES

The survey of landlords found that the decrease is driven by a reduction in those with portfolios consisting of six or more properties indicating that one of their rental properties had remained vacant recently. One of the most notable shifts seen in void incidences can be seen in Central London, further evidence of the capital's rental market resurgence.

Splitting the data by region reveals that the greatest incidence of recent void periods was seen by landlords in Wales, with 39% facing at least one empty let. This compares with the South West and East of England where a substantially lower proportion (23%) of landlords have reported voids.

WELL-MAINTAINED

In the third quarter of 2020, driven by the pandemic, 68% of landlords operating in Central London recorded a void period, the highest proportion of any region. Today, the region sits below the national average after just 24% of landlords experienced a void within the last three months.

To minimise any void periods, it's important landlords make sure that properties are well-maintained and ready for new tenants as soon as possible after the previous tenant moves out. This means carrying out regular repairs and having a clean, tidy property.

POTENTIAL TENANTS

Having an up-to-date inventory list and condition report is also essential so that you can quickly assess any damage caused by the previous tenant and have it repaired.

In addition, landlords should make sure they have good-quality photos of each property and a well-written description.

"After peaking at 39% during the third quarter of 2020, the proportion of landlords reporting void periods has steadily declined, with just one in four (25%) having experienced empty rental properties during the previous three months."

Keeping rental prices in line with the market rates, and being available to show potential tenants around the property at short notice, will all help.

TOP TIPS FOR REDUCING VOID PERIODS

Finding the right tenants It's important to carefully screen potential tenants and only rent to those who are likely to stay in the property for the long term.

Regularly inspecting the property Checking on the property regularly can help identify any potential problems or maintenance issues that need to be addressed.

Maintaining a positive relationship with tenants Keeping communication open and being responsive to tenant requests will help create a positive relationship and reduce the chances of them moving out.

Set the rent competitively Take a pragmatic approach to this and remain flexible and if you're struggling to price your rental competitively, a local lettings agent will be able to provide advice.

Offering incentives Offering incentives, such as a discount on the first three months of rent or utility bills, can be a great way to encourage tenants to stay in the property.

Offer longer lets While many landlords only offer six months, generally speaking, longer lets attract more reliable and stable tenants while giving you peace of mind for longer.

Get insurance Rent guarantee insurance covers the rent if the tenant defaults on payments or if your rental is left empty, usually covering you up to 90 days.

With sustained strong tenant demand, it comes as little surprise that void periods have reached a five-year low, but by following our tips you can minimise void periods. ◆

>> LOOKING TO MAXIMISE YOUR PROFITS WITH A BUY-TO-LET MORTGAGE? <<

We can help you or your business to find the right mortgage to buy a property that you rent out to tenants. To discuss your requirements, contact **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.

Source data:

[1] BVA BDRC surveyed 796 landlords during December 2021 on behalf of Paragon Bank.

NEW RIGHT TO RENT GUIDELINES

Landlords must ensure they are compliant with the law

THE RIGHT TO RENT GUIDELINES for buy-to-let landlords are very important to follow in order to avoid any penalties. Commencing from 6 April 2022 the government has issued new Right to Rent guidelines for buy-to-let landlords.

If you rent out a property in the UK, either you or your agent – if you have one – is legally required to ensure that your tenants are allowed to rent. While a person's right to rent often relies on their immigration status, there is also a code of practice for landlords to follow to ensure they do not unlawfully discriminate against prospective tenants.

These checks have been made slightly more complicated since Brexit, as well as the onset of COVID.

The Right to Rent guidelines for buy-to-let landlords 6 April 2022 are as follows:

1) Check the tenant's immigration status before renting out your property. You can do this by requesting original documentation from the tenant, such as a passport or visa.
2) Make sure you keep copies of all documentation related to the tenant's immigration status. This will help protect you in the event that the Home Office decides to investigate your property.
3) Report any suspected illegal activity to the Home Office. This includes renting out properties to tenants who do not have the right to rent in the UK.
4) Keep up-to-date with any changes to the Right to Rent guidelines. The Home Office may update these guidelines from time to time, so it's important that you stay informed.

EQUALITY AND DISCRIMINATION

The guidance also covers equality and discrimination. It highlights the fact that landlords must not make assumptions on a person's right to rent based on their colour, nationality, ethnic or national origins, accent or length of time they have resided in the UK.

The Equality Act 2020 also applies when landlords are assessing tenants. This covers 'protected characteristics', including age, disability, marriage, pregnancy, race, religion or sexual orientation.

Furthermore, landlords must treat all applicants the same, and not discriminate based on whether they have a time-limited right to rent, for example.

If you follow these guidelines, you will be in compliance with the Right to Rent regulations. Remember, it is your responsibility as a landlord to ensure that you are compliant with the law. For more information on the Right to Rent guidelines, visit the Home Office website. ◆

Protect the things that matter

Could you pay for your mortgage should the worst happen?

"A mortgage is likely to be the biggest debt you leave behind should the worst happen, so having a policy in place will help give you peace of mind."

YOU'LL ALREADY KNOW HOW important it is to protect your home and its contents, but it's also important to think about how you might pay for your mortgage should the worst happen.

Protection to cover your mortgage gives you peace of mind in knowing that in the event of your death or you becoming too ill to work, your mortgage payments could be covered.

LIFE INSURANCE

You're not legally obliged to have life insurance for a mortgage, but some lenders may consider it a precondition for letting you borrow money to buy a home. For the vast majority of homeowners, having financial protection in place makes sense.

The amount of life cover you'll need will depend on the size of your mortgage and the type of mortgage you have. You may also want to factor in any other debts you may have, as well as money needed to care for dependants, such as a partner, children or elderly relatives.

If you're buying your home with your partner, your mortgage repayments could be calculated on the basis of two salaries. If you or your partner died prematurely while your mortgage loan was still outstanding, would one of you alone be able to keep up the regular mortgage repayments?

Life insurance can help by paying out a cash sum if you die during the length of your policy, which can be used to help pay the remaining mortgage – this is what 'mortgage life insurance' usually refers to – meaning your partner can continue living in your family home without worrying about the mortgage.

A mortgage is likely to be the biggest debt you leave behind should the worst happen, so having a policy in place will help give you peace of mind.

CRITICAL ILLNESS COVER

Life insurance covers the worst-case scenario, but it's also important to consider how you might pay your mortgage if you couldn't work because of illness. Critical illness cover insurance is designed to protect you and your loved ones from the financial impact of you being diagnosed with and suffering for a period of time from a specified critical illness.

A critical illness can affect anyone at any age and can turn lives upside down. In the event of being unable to work due to a critical illness, having a back-up plan in place can alleviate some of the financial stress of the situation.

Some people may use their savings to supplement their loss of income, others may rely on an employment benefit package, while others may find that critical illness cover is one of their best options if they need a cash sum.

If required, it could help to pay for things like installing adaptive equipment in your home, towards household bills, childcare costs, to cover regular home care or simply help maintain a reasonable standard of living for you and your family if you have to take time off work to recover.

INCOME PROTECTION INSURANCE

This type of insurance, also known as permanent health insurance, offers financial support if you can't work because of an accident or injury. You don't need it to get a mortgage, but it can give you a safety net in case something were to happen. It pays you a regular income and continues until you return to paid work or you retire.

The amount of income you are allowed to claim will not replace the exact amount of money you were earning before you had to stop work. You can expect to receive about a half to two-thirds of your earnings before tax from your normal job.

This is because some money will be taken off for the state benefits you can claim, and also the income you receive from the policy is tax-free. You can't claim income protection payments straight away if you fall ill or become disabled – you usually have to wait a minimum of four weeks.

This is because you may not need the money straight away as you may be entitled to sick pay from your employer or you may be able to claim Statutory Sick Pay for up to 28 weeks after you stop work. ◆

>> WANT TO DISCUSS YOUR PROTECTION NEEDS? <<

If you are planning to take to out a mortgage, or want to review your existing protection requirements, speak to **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.

Protecting personal possessions during a move

Do you have the insurance you need to tackle your next adventure with confidence?

"Many contents insurance policies will cover your possessions in transit, but you must check that this is the case for you. Check your policy documents or call your insurance provider to ensure your belongings, including your valuables, are covered whilst being transported."

WHETHER YOU'RE a seasoned mover or a first-time buyer, there are many factors to consider when moving home. Whether you're a first-time buyer, upgrading to a family home or downsizing to the countryside, moving house is widely regarded as one of life's more stressful experiences.

From buying and selling to packing up and transporting your belongings to an unfamiliar property, there is plenty that can go wrong – which is why it makes sense to have the right insurance in place.

POLICY DOCUMENTS

There is the risk of items going missing and valuable possessions being broken, but at least you're covered by contents insurance – or are you? Your existing home insurance policy may require an extra premium to cover your move (an 'outside the home' or 'personal possessions' supplement).

Many contents insurance policies will cover your possessions in transit, but you must check that this is the case for you. Check your policy documents or call your insurance provider to ensure your belongings, including your valuables, are covered while being transported.

VALUABLE ITEMS

Many home insurance policies will cover accidental damage or loss if you are using a professional removals company. But there is often a time limit applied to your claim, so again, read the small print so that you can make any necessary claims without being penalised. Remember to ask what the excess on the policy is.

You should also make sure you know whether your insurance policy requires you to complete an inventory of the items to be moved, including their values. It is also a good idea to get your goods valued, particularly precious or valuable items, to discover whether you need to take out any additional moving insurance cover.

REMOVAL COMPANY

In addition to this, you could ask your removal company about what their moving insurance policies cover and whether this can be increased. Check that they are fully insured – they should happily show you copies of their policy details.

Removal companies should have insurance cover as part of their contract with you. Have a look at the limit on claims as this can be surprisingly low. They should have goods in transit insurance, which covers your items while they are being moved.

INSURANCE COVERAGE

Discuss the insurance options available with your removal company as they may be able to increase the amount of cover if necessary. Again, check exactly what is covered including: scuffs, scrapes or dents; financial documents such as deeds, stamps, bonds; and whether your move is covered should weather conditions deteriorate or cause long delays.

Make sure you get the details of the insurance coverage your removal company offers in writing. Find out what the moving insurance entitles you to should you need to make a claim – is it a replacement, repair or financial compensation?

PROFESSIONALLY PACKED

Finally, but important to remember, a lot of insurance companies will not cover you for loss or damage if you packed the boxes yourself. Your boxes need to be professionally packed, otherwise damage to your goods cannot be validated and your claim is at risk of being refused.

Many removal companies offer a packing service, so be sure to mention that this is something you require to your removals company during any early discussions. Before your move, check with your removal firm on all of these points to ensure that you have sufficient removals insurance. ◆

Property jargon buster

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 **Nightingales Wealth Management Ltd** – telephone **0345 2221177** – email **Customer@nightingaleswm.co.uk**.