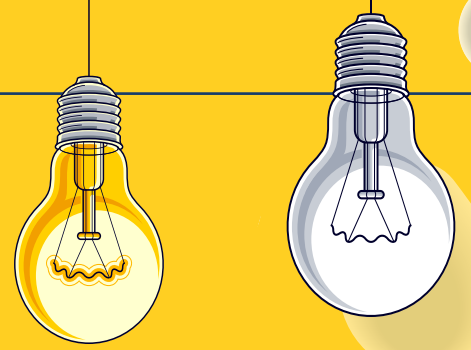


Industry insights

Home is where the heart is...



AIRBNB DEMAND BOOSTS MORTGAGE BUSINESS

Vanessa Hunt, Key Account Manager, Harpenden Building Society

Increasing numbers continue to purchase properties to rent out as short-term holiday lets. The popularity of Airbnbs has been a major factor in driving new business for brokers – as a specialist lender we've been delighted to arrange finance!

The 'Airbnb effect' is set to continue

Whether it's a historic country property, smart coastal apartment, rural retreat or city break option, the UK has a growing list of incredible Airbnbs.

When overseas travel was at its height pre-Covid it appeared to be an older demographic or young families favouring the staycation option. Now, the influential young adult market has also caught the bug and is holidaying closer to home too. In terms of age demographics, 36% of Airbnb guests are aged between 25 and 34 years old.*

Chloe Ring (25) from Hertfordshire told us: "Airbnbs are my go-to. I use them to meet friends from around the country in a central place so no one has to travel too far. Booking an Airbnb also means I can go to gigs further away and don't have to travel back the same night. Last month I went on a girls weekend away with my football team – these overnight stays are great. They are easy, good value with lots of options to choose from. Many of the properties have cool features too making it great for Instagram!"

With wide appeal across all ages, investors are looking to snap up holiday lets and maximise returns giving ongoing opportunities to mortgage brokers.

*iPropertyManagement.





Sourcing the right holiday let mortgage

As a specialist, mortgage provider, both in regard to pricing and criteria, we're seeing high levels of interest from brokers working on behalf of their customers.

Harpenden's Holiday Let mortgages include:

- Loans of up to £1m
- 90 days personal usage allowance per annum
- Airbnb considered
- Lending in town and city centres as well as coastal areas
- Top slicing available
- Locations throughout England & Wales
- Up to 3 properties on one title considered
- 75% LTV available on IO and 80% available on repayment
- Lending on properties above commercial units

Harpenden's manual underwriting provides a more in-depth review of the customer's financial position and a greater opportunity for complex applications to be accepted (many high street lenders solely rely on the use of algorithms).

Ideally the let property will be self-funding from the rental income, however in some cases we can also look into an applicant's income in more detail so there is greater opportunity to say 'yes!' The customer's earned income is considered from a range of sources in addition to rental fees including salary, their savings, investments and pension income when a lending decision is made.

Vanessa Hunt

Vanessa Hunt, Key Account Manager, Harpenden Building Society

We'd be pleased to hear about your customers' holiday let, mortgage needs.

Details relating to this and our wider specialist lending products can be found at Harpenden's website harpendenbs.co.uk/intermediaries or contact the team at brokerteam@harpendenbs.co.uk



We individually assess and approach applications.



We offer a manual underwriting process.



A flexible view on merits of all cases - we're very accommodating.



We provide clear, fair and transparent charges for all cases.



Many types of income are considered when assessing affordability.