



# Industry insights

Home is where the heart is...

## SUMMER'S HERE!

### UK Holiday Lets creating ongoing broker opportunity

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2023 continues to see strong demand for UK holidays creating new opportunities for brokers as investors look to finance holiday let properties.

#### Staycations remain popular

Three quarters of us have said we're going to have a 'staycation' holiday this year according to research from Sykes holiday cottages who also state bookings are up 31% compared to 2022. (Yorkshire, Cornwall and the Scottish Highlands are apparently the most popular destinations).

These stats may come as no surprise when top overseas destinations like Greece have reportedly gone up in price by 20%-30% according to Which. There is certainly a trend for people to holiday nearer to home, largely to save money during the cost of living crisis say experts.

#### Surge in demand for UK Holiday Let mortgages

This demand for UK holidays is providing a stream of financing opportunities for both lenders and brokers as investors look to cash in and buy holiday let properties to rent out. We have many years of experience to compare and contrast and this is another bumper year for holiday let mortgage applications!

#### 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**
- **Lending in town and city centres as well as coastal areas**
- **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**
- **Top slicing available**
- **Holiday let, short-term inc AirBnB plus second weekend homes**
- **Minimum personal income of £30k for let property lending**
- **FTB/FTLs and non-OO considered**
- **Regulated/CBTLs considered**
- **Consider latest years income for self-employed applicants**
- **No maximum age**

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, savings, investments and pension income when a lending decision is made.

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](http://harpendenbs.co.uk/intermediaries) or contact the team at [brokerteam@harpendenbs.co.uk](mailto:brokerteam@harpendenbs.co.uk)

*Jean Errington*

Jean Errington, Business Development Manager, Harpenden Building Society

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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.