

Your guide to
Buy to Let Mortgages



Buy to Let: the right choice for you?

We've been providing mortgages for customers to invest in residential properties to let since 1996, during which time we have successfully arranged thousands of Buy to Let mortgages.

We offer a range of products with competitive interest rates and our Buy to Let mortgages provide you with the flexibility to let and manage your property in a way that best suits you.

So whether you're considering investing in a property to let for the first time, or you're already renting out a property and are looking for a more competitive rate of interest, a Barclays BTL mortgage could be the best that there could be for you.

Who could benefit?

Buying a property to let could be an attractive proposition for a wide variety of customers.

Investing in property may be another option for you to consider in your goal to build a balanced investment portfolio. Many people have invested in 'bricks and mortar' attracted by the potential of long-term capital appreciation or the possibility of getting a better return than putting the money in a normal deposit account, although there are significant risks and you should seek independent advice on those as we can't advise on that.

If you are thinking about moving, a BTL mortgage means you could retain your current home and rent it out rather than sell it.

If you have already invested in a property to let, you might be thinking about switching your existing BTL mortgage to a new lender or looking to release some equity. You may already have a portfolio of BTL properties and have reached your borrowing limit with other lenders – now may be an ideal opportunity to talk to us.

Types of borrower

You can choose to borrow:

- In your private name whether you are UK Resident, Non-UK Resident or Expatriate, provided you are resident in a country where we are able to lend. Contact us using the details in this document to find out if we can lend in your country of residence.

Lending terms

- A full income affordability assessment is undertaken which includes an interest rate affordability stress test. We consider both personal and rental income for affordability purposes
- You'll need to earn a minimum gross income £25,000 (for joint applications at least one applicant must earn £25,000) for individual loans of £35,000 – £1 million. Minimum gross income £75,000 (£100,000 for joint applicants where neither applicant earns £75,000) for individual loans above £1 million
- The maximum number of applicants is four
- A maximum of two applicants' income will be considered for affordability, and all applicants' commitments and liabilities will be considered
- The principal applicant must be at least 21 and the mortgage term cannot extend beyond the age of 80 of any applicant
- BTL Mortgages are subject to valuation

- You can have a maximum loan per property of £2,000,000 and aggregate BTL loans with Barclays of up to £3,000,000, subject to formal approval. Please note: the maximum LTV and minimum gross income requirements for individual BTL loans above £1,000,000 will differ from the standard criteria
- The maximum aggregate BTL borrowing with Barclays and other lenders must not exceed £4.5m in total
- The maximum number of mortgages for BTL properties held must not exceed six in total across all lenders, including Barclays
- BTL Mortgages are available on Interest Only and/or Capital Repayment basis. For an Interest Only mortgage, it is your responsibility to ensure that you have sufficient funds to repay the mortgage at the end of its term
- Loans terms of 5 to 25 years for Buy to Let Repayment mortgages and 5 to 35 years for Buy to Let Interest Only mortgages
- Our standard mortgage conditions contain an all monies clause which means that your BTL property will be security for any other debt you may owe to us
- A first ranking legal charge over the BTL property is required and this will be registered at Land Registry
- Please note that where you own the freehold and also have a leasehold interest in the property that we will register a charge on both
- All our products are subject to availability and may be changed or withdrawn at any time without notice

- If you repay the mortgage early, there may be an early repayment charge incurred.

We are a responsible lender and when considering your application for borrowing, your financial circumstances will be fully appraised. Remember, if you should run into difficulties, please contact us immediately.

Letting options

- We accept a range of Letting options not just Assured Shorthold Tenancy (AST)
- You can choose to manage the property yourself.

How to find out more

Speak to a Barclays Mortgage Advisor in branch. Alternatively, call our BTL Sales and Information Team on 0333 202 7555.*

Helping you become a landlord

When you buy a property to let you are becoming a landlord. Owning an investment property is very different from owning your own home; you are effectively running a small business. It is vitally important that you research thoroughly the potential of a property and the risks involved before embarking on an investment in residential property. We recommend that you seek professional advice wherever possible before proceeding.

Your Buy to Let Property may be repossessed or a Receiver of Rent appointed if you do not keep up payments on your mortgage

General information

- Buy to Let should be viewed as a long-term investment; remember, the value of property may go down as well as up
- Thoroughly research a prospective property. Consider whether it is well located for public transport and close to local amenities. Seek advice from local estate/letting agents to confirm its suitability and to ascertain the level of demand for letting; they will be able to provide you with a realistic indication of the possible rental income
- When you have found the right property work through the figures carefully. In addition to the mortgage repayment costs, you need to consider the potential 'hidden costs' such as mortgage protection, solicitor fees, stamp duty, letting agency fees, buildings and contents insurance, the ground rent and service charge for leasehold flats together with the costs of ongoing maintenance and repairs to the property
- Consider the implications on your tax affairs. For example, when you eventually come to sell your rental property, you may be liable for Capital Gains Tax. Interest on your Buy to Let mortgage and certain management costs and property repairs can be set against your rental income for tax calculation purposes. We strongly recommend that you take expert tax advice. Tax rules might change in future and their effects on you will depend on your individual circumstances
- Finally, don't forget to make provisions to ensure that you can pay the monthly mortgage payments in the event of interest rates increasing or your property falling empty.

YOUR BUY TO LET PROPERTY MAY BE REPOSSESSED OR A RECEIVER OF RENT APPOINTED IF YOU DO NOT KEEP UP PAYMENTS ON YOUR MORTGAGE

You can get this in Braille, large print or audio by calling **0800 400 100** (via Text Relay or Next Generation Text Relay if appropriate). Barclays also welcomes calls via SignVideo for BSL users. Visit [barclays.co.uk/signvideo](https://www.barclays.co.uk/signvideo)

Call monitoring and charges information

*To make sure we maintain a high-quality service, calls may be monitored or recorded for training and security purposes. Charges may apply when using a mobile phone or when calling from abroad. The price on non-BT phone lines may vary. Opening hours may vary.

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