

UK Expat Limited Company Buy-to-Let Continues to Grow

With UK Expat Limited Company Buy-to-Let growing again, we examine the reasons behind the continuing upwards trajectory.

MANCHESTER, GREATER MANCHESTER, UK, July 12, 2022 /EINPresswire.com/ -- The continual increase in the numbers of landlords looking toward limited company buy-to-let mortgages shows UK expats and foreign nationals the best way to use a UK expat or foreign national buy-to-let mortgage.

UK Expat Limited Company Buy-to-Let Growing Again.

According to a survey conducted by Paragon Bank, the number of landlords looking at [limited company buy-to-let continues to grow](#). 700 landlords were surveyed and 62% of landlords said that they were planning to set up a buy-to-let limited company to purchase property. This is an increase of 12% from the first quarter of 2022, showing that buy-to-let limited companies are undoubtedly continuing their upwards trajectory.

“

66% of landlords looking to complete purchases in the next year are planning to use a buy-to-let mortgage product.”

Stuart Marshall

‘We’re seeing a similar picture from the expat community’ says Stuart Marshall. ‘Many expats are having discussions with our brokers at Liquid Expat Mortgages about the possibility of utilising an expat or foreign national buy-to-let mortgage in conjunction with a limited company to maximise the profitability of their investment.’



62% of landlords said that they were planning to set up a buy-to-let limited company to purchase property. This is an increase of 12% from the first quarter of 2022.

The strength of proposition presented by the mortgage products available at the moment is also evident in the numbers of domestic landlords looking to the buy-to-let mortgage market in the near future. According to the same survey, 66% of landlords looking to complete purchases in

the next year are planning to use a buy-to-let mortgage product. This shows that buy-to-let landlords are not only looking to utilise limited companies to buy their investment properties but are also looking to utilise the excellent range of buy-to-let mortgage products available. As investors battle rising prices, a UK expat or foreign national mortgage is one of the best ways to secure a highly profitable buy-to-let property. Further, UK expat and foreign national mortgage products are faring better than those available to domestic customers. 'The mortgage products for the UK expat and foreign national sectors are holding up well as lenders are not passing on the continual interest rate rises to consumers in a bid to stay competitive. Competitive currency exchanges are adding to this advantage as non-sterling currencies continue to compete well against a somewhat depressed pound, while also not being subject to the rapid inflation that is taking place in the UK.'

Why are Limited Company Buy-to-Let Mortgages Flourishing for UK Expats and Foreign Nationals?

Tax burdens have increased massively on buy-to-let investment. However, careful navigation of the marketplace with good guidance from an expert mortgage broker will undoubtedly reduce costs. One of the most popular ways to do so has been to incorporate properties within a limited company. This will reduce the impact of increased energy and maintenance costs. The utilisation of limited company buy-to-let mortgages [has grown in popularity since 2020](#) when there was new legislation introduced that meant individuals could no longer claim mortgage interest as an expense. This saw many UK expat and foreign national landlords taxed at a higher rate on the earnings from their rental property. In contrast, for those using a limited company, the full interest can be offset against profits.



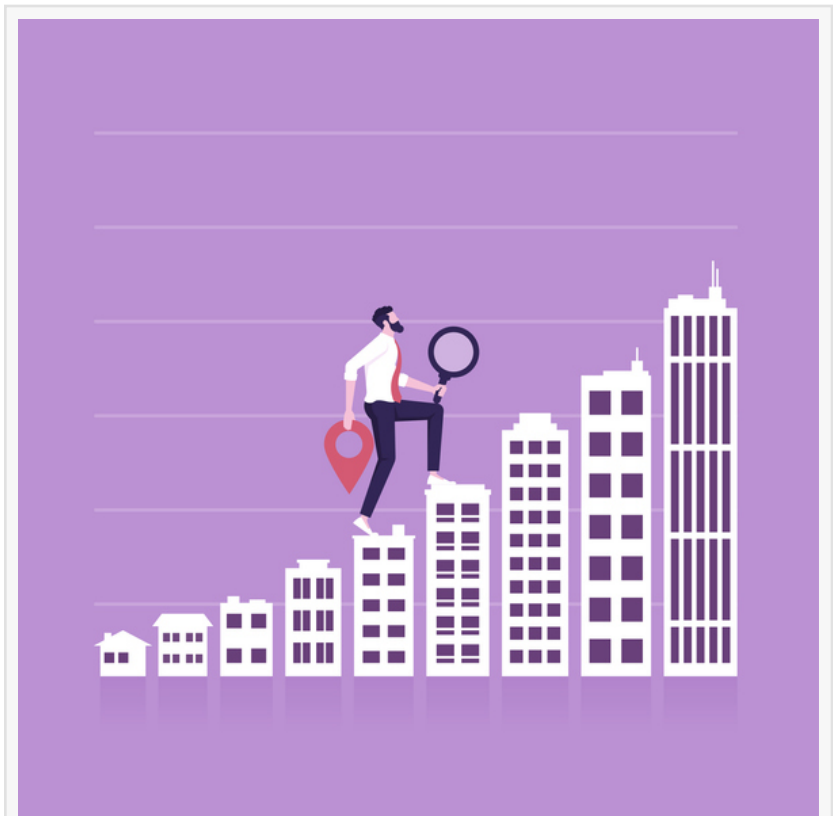
As investors battle rising prices, a UK expat or foreign national mortgage is one of the best ways to secure a highly profitable buy-to-let property.



Because of interest rates, inflation and currency exchange rates, UK expat and foreign national mortgage products are faring better compared with domestic mortgage products.

'For UK expat and foreign national investors with larger portfolios, limited company incorporation is even more attractive. Because portfolio investors who hold their properties in limited companies will not pay income tax on retained profits, they are able to more easily build their property portfolio within the company. They are therefore incentivised to re-invest their money and grow their portfolio further. UK expat and foreign national investors who hold their properties in limited companies are also not subject to the same affordability checks as if they were a private landlord so can usually borrow more. The figures speak for themselves: 78% of landlords surveyed with six or more buy-to-let properties said that their next buy-to-let purchase would be in a limited company. This compares to 47% of landlords owning between one and five rental properties.'

[There are also other tax benefits](#) to limited companies that are contributing to their popularity amongst UK expat and foreign national investors. For one, holding properties in a limited company helps to mitigate the effects of inheritance tax in the event of death, as UK expat and foreign national landlords can make their children shareholders in the company. Holding properties in a limited company also reduces liability as landlords will not be personally liable for tenant debts such as outstanding council tax or utility bills. In some cases, this can lead to problems like damaged credit scores. However, this will not happen if the property is held in a limited company.



Because portfolio investors who hold their properties in limited companies will not pay income tax on retained profits, they are able to more easily build their property portfolio within the company.



Holding properties in a limited company also helps to mitigate the effects of inheritance tax in the event of death, as UK expat and foreign national landlords can make their children shareholders in the company.

Upshot for UK Expat and Foreign Nationals.

'The picture is incredibly positive for UK expats and foreign nationals' says Stuart Marshall. 'The range of UK expat and foreign national mortgage products are incredibly strong at the moment. And when used in conjunction with a limited company, UK expat and foreign national investors are able to create an incredibly potent investment. Talking to an expert UK expat and foreign national mortgage broker will help to determine where to invest and how best to use the range of UK expat and foreign national buy-to-let mortgages alongside a limited company.'

Liquid Expat Mortgages

Ground Floor, 3 Richmond Terrace,

Ewood, Blackburn

BB1 7AT

Phone: 0161 871 1216

www.liquidexpatmortgages.com

Any media enquiries please contact Ulysses Communications.

sergio@ulyssesmarketing.com

+44 161 633 5009

Sergio Pani

Ulysses

+44 7811 326463

[email us here](#)

Visit us on social media:

[Facebook](#)

[Twitter](#)

This press release can be viewed online at: <https://www.einpresswire.com/article/580922800>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2022 Newsmatics Inc. All Right Reserved.