

One Week on From the Election: A Labour Government Offers Good Conditions for UK Expat and Foreign National Investors

One week on from the election and a new Labour government promises stability and profitability for UK expat and foreign national investors.

MANCHESTER, GREATER MANCHESTER, UK, July 12, 2024 /EINPresswire.com/ -- Last Thursday, Keir Starmer's Labour party won a massive majority in the General election. The Labour Party won an astonishing 412 seats marking a landslide victory and a commanding majority of 174. This majority falls only slightly short of Tony Blair's historic 179-seat majority in 1997.



The Labour Party won an astonishing 412 seats marking a landslide victory and a commanding majority of 174.

'The headline from the election result should be one word: stability' says Stuart Marshall, CEO of Liquid Expat Mortgages. 'Markets typically respond well to political stability as investors feel more confident in the investment landscape and lenders feel more secure with a less volatile political landscape reducing the likelihood of sudden change. With this in mind, a number of major lenders have already slashed rates, the pound was bolstered against the dollar, and foreign investors began to emerge in greater numbers again.'

“

While the last few years have been profitable, they have also been plagued with uncertainty and moments of huge instability have at times been massively damaging to investors.”

Stuart Marshall

UK Expat Deals.

UK expat and foreign national investors have already been emboldened by the Labour government. The size of Labour's majority and their confidence in their policy bodes well for stability in the housing market. This directly corresponds to the quality of mortgage products available

in the marketplace too. If lenders are confident with the marketplace, they are more likely to

lower the cost of lending to would-be investors. In fact, [many major lenders already cut rates](#) ahead of labour's predicted heavy victory. With a very stable political landscape now before us, rates are likely to drop further as the Bank of England sees more reason to lower the base rate. Labour's desire to rebuild a relationship with the EU may also create a more inviting landscape for non-UK residents who are investing.

'The situation is changing fast at the moment, with confidence affecting the lending situation day-by-day' says Stuart Marshall. 'This government's openness to overseas investment, coupled with lower rates means that there is a particular focus from specialist lenders to provide products for UK expat and foreign national investors. [Expert mortgage brokers are best placed to have sufficient knowledge](#) of the deals available and how best to access them.'

New Housing.

New chancellor, Rachel Reeves, has also announced mandatory housing targets to 'get Britain building again'. This will involve accelerating stalled housing sites and result in 1.5 million homes over the course of Labour's time in parliament. A strong mandate from the electorate means that labour will have the most power of any recent government to deliver on this promise. While some analysts predict that these goals will [still fall short of the UK's need](#), it should go some way toward addressing the supply-demand imbalance in the UK market.

The big question for UK expat and foreign national investors will be how this affects first-time buyers. This group have been the most important group of buyers in recent times as they account for over a third of all housing sales, and higher than this for most of the mainstream



Markets typically respond well to political stability as investors feel more confident in the investment landscape and lenders feel more secure with a less volatile political landscape reducing the likelihood of sudden change.



With a very stable political landscape now before us, rates are likely to drop further as the Bank of England sees more reason to lower the base rate.

builders. This is important because the number of would-be first-time buyers who are unable to buy in the current marketplace is a large part of what is creating the current supply/demand mismatch in the rental market. Supply of rental homes has remained static since around 2016, while demand has been booming. However, it's unlikely that labour's new housing will do much to lower rents. Rental inflation is slowing because of affordability constraints, rather than any effect of supply. Further, because of the total lack of social housing, private landlords will still be needed to make up the shortfall in supply of rented homes.



Labour's desire to rebuild a relationship with the EU may also create a more inviting landscape for non-UK residents who are investing.

This is where UK expat and foreign national landlords can help, by utilising quality, specialist mortgage products to invest in desirable rental properties.

With so many newbuild homes planned and the popularity of newbuilds in the rental market, there are likely to be many opportunities for UK expat and foreign national landlords to purchase very desirable – and consequently, lucrative – investment properties.

Change for UK Expat and Foreign National Investors.

'The new government certainly signals a change for UK expat and foreign national investors. The last few years have been a great time for UK expat and foreign national investor profitability: the huge demand from renters and the relative low supply of rental properties has meant that profits have been sky high for investors with desirable properties. However, the new government will only improve the investment landscape for UK expat and foreign national investors. While the last few years have been profitable, they have also been plagued with uncertainty and moments of huge instability have at times been massively damaging to investors. For example, Liz Truss and Kwasi Kwarteng's disastrous mini-budget which crashed the economy and sent mortgage rates skyrocketing. With the new government, these moments of instability look to be a thing of the past. Starmer has chosen a popular, qualified cabinet and has a commanding majority. Markets and investors are responding well to both, which means that UK expat and foreign national investors have access to enticing rates and mortgage deals from specialist lenders looking to lure in these lucrative buyers.'

'Further, while the building of new homes and a reduction in mortgage rates is welcome, this is only likely to make much of a difference to people at the extremes of the rental market. High earning renters will be buoyed by lower rates and a higher number of available homes, which will help them to finally jump onto the property ladder. New build homes are especially

attractive due to their government backing and guarantees in the event that anything goes wrong. Those in at the other end of the rental market – the housing insecure – are likely to benefit from an increased quantity of social housing, which could help them to get out of the private rented sector. However, for many in the middle of the rental market, things will continue fairly similarly as the number of new homes built under labour is still likely to fall short of meeting the necessary supply figures and private rentals will still be needed to pick up the short fall in housing. For those UK expat and foreign national investors who choose the right property, the right area, and the right deal, there is great business to be done under this new labour government.'

Liquid Expat Mortgages
Suite 4b, Link 665 Business Centre,
Todd Hall Rd,
Haslingden, Rossendale
BB4 5HU
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](#)
[X](#)
[LinkedIn](#)
[Instagram](#)

This press release can be viewed online at: <https://www.einpresswire.com/article/726265465>

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.

© 1995-2024 Newsmatics Inc. All Right Reserved.