

RAMSAY & WHITE



Buy To Let

The Ultimate Guide
For Property Investors

Guide

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WHAT IS BUY-TO-LET?

A buy-to-let property is purchased with the intention of renting it out, rather than living in it yourself.

It is one of the most common strategies used by property investors to build long-term wealth.

Unlike residential mortgages, buy-to-let finance is primarily assessed on the income the property can generate, rather than just your personal income.

In simple terms, the property needs to work as an investment, not just an asset.

WHY INVEST IN BUY-TO-LET?

Buy-to-let offers **two** key drivers of return.

Firstly, it provides monthly **income** through rent.

Secondly, it offers potential **long-term capital growth** as the property increases in value.

For many investors, the real advantage comes from combining both — using income to support the asset while benefiting from long-term appreciation.

However, strong returns don't come from buying any property.

They come from:

- **Buying** at the right price
- **Structuring** finance correctly
- Choosing the **right strategy**



WHAT CAN BUY-TO-LET BE USED FOR?

Buy-to-let can be used in different ways depending on your **goals**.

- LONG-TERM RENTAL

The most common approach.

Buy, rent, and hold for **consistent income** and **long-term growth**.

- PORTFOLIO BUILDING

Buy-to-let allows investors to build multiple income-producing assets over time.

With the **right structure**, one deal can lead into the next.

- REFINANCE STRATEGY

Often used as an **exit** from a refurbishment or development project.

Once works are complete, the property is **refinanced** onto a buy-to-let mortgage, **releasing capital** to reinvest.

DIFFERENT STRATEGIES

Buy-to-let includes a range of approaches:

• Standard single lets

Lower complexity and easier to finance. Typically more stable, with yields around 4–6%.

• HMOs (higher yield, more complex)

Higher income potential, often 7%+ yields, but with increased regulation, management, and lender scrutiny.

• Multi-unit blocks

Multiple units under one title. Strong for scaling, but require more structured lending and experience.

• Holiday lets (in specific cases)

Short-term strategy that can outperform on income in the right areas, but more seasonal and management-heavy.

Each approach comes with different returns, risks, and lending criteria.

HOW MUCH CAN I BORROW?

Most buy-to-let mortgages are based on **loan-to-value (LTV)** and **rental income**.

Typically, lenders offer **up to 75% LTV**.

The rental income must also meet a **stress test**, usually around **125–145%** of the mortgage interest.

The exact amount you can borrow depends on:

- **Rental income**
- **Property type**
- **Your experience**
- **The lender's criteria**

Strong structuring can often achieve **better outcomes** than simply chasing the highest loan.

HOW IS A BUY-TO-LET MORTGAGE REPAYED?

Buy-to-let mortgages are usually **interest-only**.

This means you pay the **interest monthly**, keeping payments **lower** and **maximising cashflow**.

The loan itself is typically repaid through:

- **Selling the property**
- **Refinancing**
- **Or holding long-term with a clear exit plan**

Your repayment **strategy** should always be considered before entering the deal.



WHAT SECURITY IS NEEDED?

The **property** is used as **security** for the loan.

The lender takes a legal charge over it, meaning if repayments are not met, the property could be repossessed.

In some cases, additional properties can be used as security to:

- **Increase borrowing**
- **Reduce deposit requirements**
- **Strengthen the deal**

HOW LONG CAN I GET A BUY-TO-LET MORTGAGE FOR?

Buy-to-let mortgages are **long-term** products, typically ranging from **25 to 35 years**.

However, interest rates are usually fixed for shorter periods, such as:

- **2 years**
- **5 years**
- **10 years**

At the end of that period, the mortgage can be reviewed or refinanced.



“Buy to let is often seen as simple, but the detail sits in the structure.

How the deal is set up will affect cash flow, tax, and what you’re able to do next.

Most of the work is done before you even complete, not after.”

- Joel White, Founder of Ramsay & White

WHAT IF I WANT TO REFINANCE?

Refinancing is a **key** part of most **property strategies**.

If a property **increases in value**, whether through refurbishment or market growth, you may be able to **release equity** from the deal.

This allows you to pull capital back out, reinvest into your next project, and continue **building your portfolio**.

For many investors, this is how momentum is created over time, turning one deal into the next.

HOW LONG DOES IT TAKE TO ARRANGE?

Buy-to-let mortgages typically take between **4 to 8 weeks** to complete, depending on the lender, the valuation process, legal timelines, and the overall complexity of the deal.

Delays can often come from valuations or solicitors, so having the right structure and support in place is key.

Working with an **experienced broker** can help streamline the process and ensure the deal progresses as efficiently as possible.

HOW MUCH DOES BUY-TO-LET COST?

There are several costs to consider:

- INTEREST

The main cost of borrowing, influenced by market conditions, LTV, and risk.

- LENDER FEES

Usually around 1-2% of the loan amount.

- VALUATION FEES

Required to confirm property value and rental income.

- LEGAL FEES

Both you and the lender will have legal representation.

- BROKER FEES

May apply depending on the complexity of the deal.

CONSIDER ALL COSTS

Focusing purely on interest rates can be misleading.

The **overall structure** of the deal **matters more** than the cheapest rate.

A **slightly higher rate** with the **right lender** and **flexibility** can often deliver a better **long-term** outcome.



BENEFITS OF BUY-TO-LET

Buy-to-let remains one of the most proven investment strategies.



Key benefits include:

- Consistent rental **income**
- Long-term capital **growth**
- Leverage through **finance**
- Ability to **scale** over time

“BUY-TO-LET ISN’T ABOUT BUYING A
PROPERTY.

IT’S ABOUT BUILDING A STRUCTURE
THAT ALLOWS YOU TO SCALE YOUR
PORTFOLIO”

- Paul Davies, Partner & Managing Director of Ramsay and White



RISKS OF BUY-TO-LET

There are also **risks** to consider:

- Interest rate increases
- Void periods
- Maintenance costs
- Changes in tax and legislation

Successful investors manage these risks through **planning, structure, and experience.**

WHAT DO YOU NEED TO GET APPROVED?

Lenders typically require:

PERSONAL DETAILS

Income, employment, and background

PROPERTY DETAILS

Value, rental income, and condition

EXPERIENCE

Track record as an investor (if applicable)

DOCUMENTATION

ID, bank statements, and portfolio details

• HOW DOES A LENDER ASSESS YOU?

Lenders assess both the **borrower** and the **deal** when reviewing a buy-to-let application.

Key factors include the **rental income**, the **loan-to-value**, the **type of property**, **your experience**, and the **overall exit strategy**.

While your personal profile is important, the strength of the deal itself can often carry significant weight, and in many cases, a **well-structured deal** can outweigh a weaker borrower profile.

• WHY USE A BROKER?

Buy-to-let lending **varies** significantly across lenders, with each having **different** criteria, appetites, and approaches to risk.

A **broker** helps you **access the full market**, **structure deals correctly** from the outset, **avoid unnecessary delays**, and **secure the right lender** for your **specific strategy**.

In many cases, it's not just about getting a mortgage, it's about **structuring** the deal in a way that allows you to **scale** over time.

• WHY STRUCTURE MATTERS

In buy-to-let, the difference between a good deal and a great one often comes down to how it's **structured**.

The **right structure** can **improve cashflow**, **increase borrowing capacity**, and make it easier to **scale** over time. The wrong one can limit your options, reduce profitability, and slow down future growth.

This includes how the property is financed, how it's held, and how the exit is planned from the start.

Getting this right early on puts you in a much **stronger position** as your **portfolio** grows.



BUY TO LET SUMMARY

Buy-to-let remains one of the **most effective ways** to build **long-term wealth** through **property**, but success doesn't come from simply buying assets. It comes from understanding the **numbers, managing risk**, and **structuring** each deal properly from the outset.

The difference between a good deal and a great one often comes down to how it's **financed, how it's held**, and how it fits into your wider **strategy**.

At Ramsay & White, we work with **property investors** across the UK to **structure finance** that not only works for the deal in front of them, but supports their **long-term growth** and ability to **scale**.

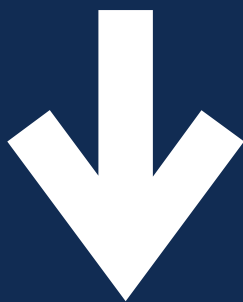
If you're looking to start or grow your portfolio, get in touch.



Ramsay & White is a **specialist mortgage brokerage** supporting **property investors** across the UK. We **source** and **structure** buy-to-let finance across a wide range of strategies, from single lets to complex portfolio lending, working with **specialist lenders** across the market.

Whether you're starting or scaling your property portfolio, we can help, having facilitated over **£800 million** in lending across projects of all sizes. **Get in touch** today to see how we can support your next investment.

THANK YOU FOR YOUR TIME



CONTACT DETAILS



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