

What I Need to Consider When Arranging to Purchase a Holiday Let

This snappy checklist highlights the essential professional and logistical steps required when buying a UK property for commercial holiday letting.

#	Essential Consideration	Action Point
1	Specialist Mortgage	Do NOT use a residential or standard Buy-to-Let (BTL) mortgage. You need a specific Holiday Let Mortgage ; consult a specialist broker early.
2	Higher Rate Stamp Duty	Budget for the additional 5% SDLT surcharge on the <i>entire</i> purchase price, as this is a second property purchase. (This is applied on top of the standard SDLT rates).
3	Specialist Conveyancer	Use a solicitor (conveyancer) experienced in Furnished Holiday Lets (FHLs) , as they understand the necessary property searches, letting covenants, and planning rules.
4	Building Survey	Commission a detailed survey (e.g., Home Survey Level 3/Full Structural) due to the higher wear and tear from renters and potential maintenance costs.
5	Holiday Let Insurance	Arrange a specialist policy that covers commercial letting risks, including public liability and periods of unoccupancy, which a standard home policy will not cover.
6	Furnishing & Inventory	Plan the budget for furnishing, kitting out, and decorating the property to a high standard. This is required for both the mortgage and FHL tax status .
7	Tax Planning & FHL Status	Engage an accountant <i>before</i> purchase to structure the ownership and ensure the property meets the Furnished Holiday Let criteria for potential tax benefits (especially crucial given the recent changes to the FHL regime).
8	Health & Safety Compliance	Budget for and arrange immediate certification: Gas Safety Certificate (annual), Electrical Installation Condition Report (EICR) (every 5 years), and a Fire Risk Assessment .

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9	Management Strategy	Decide <i>before</i> completion who will manage the property (you, a local agent, or a national platform). Factor their fees (15-25% of gross income) into your financial projections.
10	Local Regulations & Planning	Check with the local council for any new or existing local licensing/registration schemes or planning restrictions (e.g., Article 4 Directions) that could prevent short-term letting.