

Final 28 October

The logo for The Family Building Society, featuring the text "THE FAMILY BUILDING SOCIETY" in white, stacked vertically within a teal square background.

Property tax reforms and Renters' Rights Bill - brokers warn government of landlord exodus.

Mortgage brokers object vehemently to property tax reforms trailed ahead of the Budget and the Renters' Rights Bill, now pending Royal Assent and expected to be enacted within weeks.

Brokers, responding to the latest six-monthly Business Outlook Survey from Family Building Society overwhelmingly disapprove of these latest government interventions in the housing market.

69 per cent of brokers feel that the property tax reforms likely to be announced on the 26th of November Budget will also have a negative impact on the housing market. Extending National Insurance to landlords and replacing Stamp Duty with an annual tax, for example, will also have *"a massive impact on the housing market which could take a dive."* replied one broker.

In addition, four out of five believe that the new Renters' Rights Act will have a negative impact on both landlords and tenants predicting that it will accelerate the exodus of the former and that rents will increase across the board. Among the forceful broker verdicts were that it is *"really awful. It will drive more landlords out of the market and will lead to fewer Buy to Let properties available to rent."*

Brokers were unconvinced the Government would achieve its target of building 1.5 million new homes by 2029, with 94 per cent stating it would not happen. *"Absolutely no chance"* was one view.

Alistair Nimmo, Family Building Society Director of Marketing, commented: *"Our survey, tracking the sentiments and views of brokers on the mortgage and housing market in general, which we have been running since 2023, reveals the depth of feeling to the government's tinkering with property tax and proposed legislation. Brokers are also nervous of the continued speculation about the Budget next month and the potential effect on the housing market."*

"The survey highlights that First Time Buyers remain the most active mortgage seekers although brokers report that the desire for younger people to get on the property ladder is down from 76 per cent reported April to 64 per cent this time. 75 per cent of brokers recorded an increase in applications for two rather than five-year fixed deals, reflecting uncertainty in future interest rates."

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About Family Building Society

The Family Building Society, launched in July 2014, is a trading name of National Counties Building Society.

1. National Counties Building Society is the UK's eleventh largest building society, with over 69,000 members and £2.7bn of assets. Operating from its head office in Epsom, Surrey, the Society employs approximately 220 people and offers a range of competitive savings and mortgage products throughout the UK.
2. National Counties Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.
3. Eligible deposits with Family Building Society are protected up to a total of £85,000 by the Financial Services Compensation Scheme, the UK's deposit guarantee scheme.