

Strategies for future-proofing your portfolio

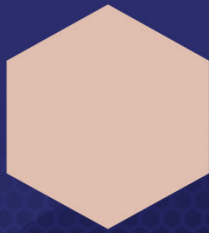


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1.

An introduction to portfolio landlords

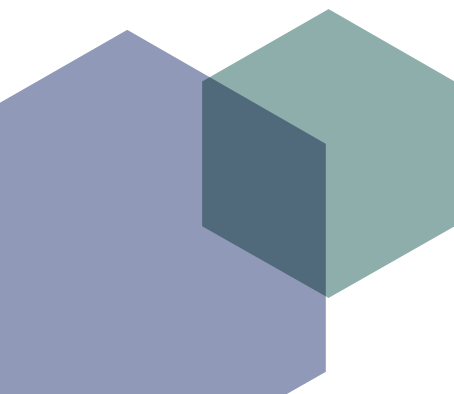
For portfolio investors with 10+ properties, knowing the next step for your property business and how to increase yields is essential.

Large portfolios come with unique challenges. Keeping up with constant regulation changes, juggling compliance across different property types, whilst staying on top of the finance, all take skill, and that's where having the right support makes a difference.

As experts in supporting large portfolio investors, we understand these pressures and know exactly how to help you boost your profits and unlock new opportunities across your portfolio.

In this guide, we cover:

- Financing challenges and solutions for large portfolio investors
- Opportunities to expand your property portfolio
- How to increase your portfolio's tax efficiency
- Strategies for future-proofing your investments
- How our expertise can support your next steps





Professional advice, friendly service

I have done business with MFB for over ten years and have always been impressed. Highly professional, they have continued to provide me with excellent advice and found just the right product at the best rates. I feel valued and [...] I feel I know the team, and they know me.

Celia, portfolio landlord



2.

Mortgages for portfolio landlords



The key challenge portfolio landlords face when securing funding is **navigating lender maximum borrowing**

Many lenders' risk appetite is such that the criteria will have:

- Maximum overall debt leveraging across your portfolio
- A maximum number of properties

Currently, there are:

52

total buy to let lenders

40

lenders that will lend to portfolios of 4-15 properties

26

lenders that lend if a portfolio is greater than 15

Many of these specialist lenders only operate through intermediaries, meaning their products and criteria aren't accessible directly. As a whole-of-market broker, working with us ensures you're not missing out on lenders that cater for complex portfolios and are better equipped to support larger-scale landlords.

The application process

The more investment properties you own, the more complex and onerous mortgage applications become, and the fewer lenders you can access.

Rather than underwriting a single asset in isolation, lenders need to understand the overall structure, asset mix, debt level and performance of your portfolio to ensure it meets their risk tolerance and is sustainable in market fluctuations.

How to ensure a smooth application process

In addition to the standard documentation required for mortgage applications, we recommend keeping these documents up to date to include in your applications:

- Full portfolio itinerary including addresses, values, rents, mortgages, yields and EPCs
- Property investment business plan
- Details of cashflow management



Portfolio loans

Managing multiple mortgage payments, refinancing deadlines, and other mortgage-related administration can be a massive drain on your time.

A portfolio loan allows you to consolidate some or all of your buy to lets under one mortgage, streamlining your administration. In the application process, instead of assessing each property individually, lenders review:

- The rental income across the portfolio, rather than properties in isolation
- Profitability across your portfolio
- The loan-to-value ratios and your overall borrowing
- Stress-testing to ensure affordability

The benefits

- ✓ Simplified cashflow management, with a single loan against multiple properties
- ✓ Competitive rate options available, offering a more cost-effective solution to your portfolio management

Key considerations

- ⚠ The total number of properties can prolong the application
- ⚠ Some property types are restricted from portfolio loans, but we can help you understand your options
- ⚠ If you choose to sell one of the properties under the portfolio loan, the lender reserves the right to retain the sale proceeds, reducing your loan-to-value. However, they may not choose to do so

How often should you review your portfolio?

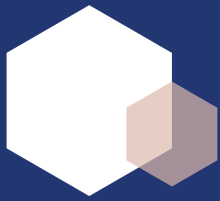
We recommend having an expert mortgage broker review your property portfolio at least once a year, or more frequently when rates are rising.

It's a good time to have your portfolio reviewed if:

- You've built up significant equity across your portfolio
- You're preparing for upcoming regulation changes
- You're thinking about expanding your portfolio
- You're looking to diversify across asset classes
- You're looking to incorporate your portfolio
- You're considering your estate planning

Our free portfolio reviews work like a health check for your investments. We'll look at your current mortgages to see if there's a more competitive deal available, identify ways to reduce your costs, and highlight opportunities to improve overall profitability.





Featured Case Study

At a glance:

Established investors with a £2.8 million portfolio

Incorporating their portfolio into a newly formed SPV Limited Company

Seeking the cheapest 5-year fixed rate due to substantial loan amount

The finance:

Rates secured:

- 5.19% 5-year fixed at 75% LTV (Properties 1-3, 5-8)
- 4.99% 5-year fixed at 75% LTV (Property 4)

Rates as at July 2025

Total portfolio loan:

£2,148,750

Total monthly rental income:

£14,050

Gross yield:

5.88%

The case:

Our experienced investor clients held 8 properties jointly in their personal names. After consulting with a specialist accountant, they decided to incorporate their portfolio into a newly formed SPV Limited Company to improve their long-term tax efficiency.

Incorporation requires applications to be processed as purchases rather than standard remortgages, as the legal ownership of the properties changes. That's where the joined-up advice between a specialist accountant and a broker is so essential.

This resulted in loans totalling £2.1 million; naturally, our clients' priority was to keep interest costs down and secure the most competitive 5-year fixed rate. To achieve this, we needed to consider the overall cost of each option, including arrangement fees and added charges, not just the initial rate.

The challenge:

The main challenge with this case was that the Limited Company also included a holding company. Not only did we need a specialist lender experienced in handling the complex incorporation process, but it also had to accommodate the non-straightforward company setup.

Limited to the specialist buy to let lender market with higher rates due to the added risk, we had the additional challenge of finding the most competitive rate to keep our clients' costs down.

After carefully reviewing the market, we found a lender offering the best 5-year fixed rates available for our clients. After we submitted the application, we continued to monitor rates right up to completion, ensuring our clients benefited from any rate reductions. When 2 rates changed during the process, we acted quickly to secure them, maximising savings and delivering the best possible outcome.

3.

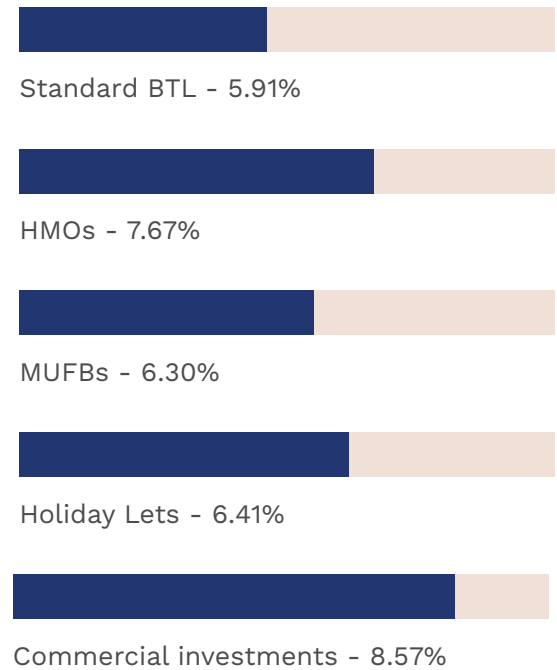


Opportunities for portfolio landlords

Asset diversification

A sustainable portfolio with long-term growth and strong cashflow is built on a mix of asset types. Diversification helps mitigate risk, stabilise income, and create opportunities for capital growth. This strategy allows investors to navigate volatile market changes and rate rises.

Average property yields



Source: MFB, Q4 2025

HMOs & MUFBs

HMOs and Multi-Unit Freehold Blocks (MUFBs) are straightforward options for asset diversification. They offer several clear advantages that can strengthen portfolio performance.

The benefits

- ✓ Consistently outperform standard buy to lets on rental yields, generating an **average of 7.67% and 6.30%** for HMOs and MUFBs in Q4 2025, respectively. This allows you to cover maintenance costs while you scale your portfolio
- ✓ Both generate significant tenant demand
- ✓ Lowered risk of void periods with multiple income streams from multiple tenants

Key considerations

- ? Location. Cities and commuter towns with good transport links attract students and young professionals, helping to draw significant demand to your property
- ? Licensing. Local authorities are increasingly implementing licensing requirements for HMOs, with significant fines for non-compliance

Holiday Lets

With Airbnbs and staycations becoming a cornerstone of UK holidaymakers' and tourists' trips, holiday lets offer property investors an excellent diversification opportunity. This growing demand, coupled with the potential for higher rental yields, generating an **average yield of 6.41% in Q4 2025**, makes them a property type to consider.

Key considerations

- ? You'll need to ensure that the property has no covenants restricting its use as a holiday let
- ? Not all BTL lenders accept holiday lets, and even fewer accept properties listed on Airbnb, so securing the right finance can be challenging
- ? Some holiday lets are subject to Business Rates depending on how many nights a year the property has been let for in the last 12 months
- ? Holiday lets are liable for Stamp Duty and the additional 5% second home surcharge

Semi-Commercial Properties

Semi-commercial (or mixed-use property) is a growing area that all established property investors should consider, with benefits such as:

- High rental yields due to dual income streams from the commercial and residential units
- Multiple income streams offer a safety net from rental void periods
- Long-term financial stability with longer commercial leases

However, the biggest draw to semi-commercial investment is the tax advantages.

The benefits



Stamp Duty surcharge exemption means reduced purchase costs



Mortgage interest relief is typically deductible as a business expense



Possible tax deductions on certain fixtures and fittings within the commercial element of the property, reducing your overall tax bill



If the property is VAT-registered, you may be able to reclaim VAT on some expenses

Commercial Investment



A commercial investment could be a fantastic diversification opportunity for strategic investors looking to unlock stronger returns. As a commercial investor, you benefit from higher rental income from the trading tenants and capital gains if the property's value increases.

In Q4 2025, commercial investment properties generated an impressive **average rental yield of 8.57%**, outperforming all other property types.

When investing in commercial property, lenders want to see:

- Strong letting demand for the property in an area with high footfall, which should allow for short void periods and resale demand if they need to repossess
- Financially sound tenants in a stable business sector, as well as a lease with a few years remaining
- Details on you (the borrower), the property, and the lease





Refurbishment projects

Refurbishment projects generate significant capital growth and strong rental yields, either through existing property refurbishment or portfolio expansion.

For many investors, the priority is to comply with evolving standards and upgrade properties. Alternatively, you may be looking to expand your portfolio with a new refurb project purchase.

Refurb-to-let

In this scenario, a cost-effective solution is a refurb-to-let strategy, in which you secure low-value properties (whether at auction or in the open market) and refurbish them to improve rental performance and asset value.

Refurb-to-let is typically funded through raising equity from existing assets to cover refurbishment costs. We can help you secure short-term finance to complete the works and remortgage the property onto a competitive buy to let deal once the project is finished. With higher property values and greater tenant appeal, this strategy can deliver a significant boost to rental yields and long-term portfolio resilience.



4.

Tax for portfolio landlords



A growing portfolio often means an increasing tax burden that eats into your profits. If you invest personally, maintaining strong rental yields requires reviewing your tax-efficiency options to protect your profits.

Limited Company structures offer large-portfolio investors tax savings through Corporation Tax liability (19-25%) rather than Income Tax rates (20-40%) and the ability to deduct full mortgage interest as a business expense.

Incorporation Relief allows you to mitigate CGT when you transfer personally-owned properties into a Limited Company. To incorporate your portfolio, all properties are transferred to the Limited Company on the same date, and you receive shares in the company.

This change of ownership requires new mortgages with a lender that accepts Limited Company structures. Furthermore, as Incorporation Relief is only available on one transaction, it's best to incorporate all your properties at once.

KEY STATISTIC

63%

of landlords plan to invest in their next property via a Limited Company

32%

plan to incorporate their portfolios

Source: Paragon Bank

As your mortgage broker, we search the top deals to meet your needs and liaise with your solicitor to arrange for the Incorporation to occur at the same time the mortgages complete, allowing for a seamless process.

Please be aware that we cannot offer tax advice. Always seek professional tax advice before making any property investment decisions.



Online Tool

Scan the QR code to watch our webinar on landlord incorporation and tax planning for more insights

5.

Estate planning

Having established your wealth and a successful property business, understanding how to reduce your family's or beneficiaries' inheritance tax bill is essential.

How you invest will have a significant impact on your tax position, for example:

Factor	Personally Owned Property	Limited Company Structure
IHT Flexibility	Very limited reliefs are available, and full property values are assessed.	Highly flexible, as shares can be gifted, transferred, or issued strategically.
CGT on Gifting	Immediate CGT based on market value.	Often, there is no CGT when transferring shares to a trust or issuing growth shares.
Control After Gifting	Lost completely, as children can sell or misuse the asset.	Retained through a trustee or shareholder structure.
Trust Use	Trusts cannot hold mortgaged properties directly.	Trusts can hold shares, while Limited Companies retain mortgages.
Lender Compatibility with Trust/Shareholder Planning	Simple, but limited planning options.	Accepted by some specialist lenders if the structure remains transparent, with minor shareholders (below 20%) largely ignored.
7-Year Rule	Potentially Exempt Transfers (PETs) require 7-year survival	Large parts of the estate can be placed into trust or "frozen" using growth shares.
Tax Planning Potential	Low	Very high and often used for long-term succession strategies.

Many estate planning strategies involve refinancing or restructuring existing assets to move into a new Company, trust, or shareholder framework. We work closely with lenders to ensure your mortgages remain compliant and, most importantly, commercially viable. We can:

- Help transfer borrowing into a Limited Company structure
- Find lenders happy with minority shareholders or family trusts

Online Tool



For all things tax, such as your Incorporation and Estate Planning needs, we recommend our partner tax advisors at Comprehensive Tax Planning.

Watch our webinar on IHT and Estate Planning for Portfolio Landlords

6.

Other considerations



MEES changes

Regulatory changes regarding minimum EPC requirements in the PRS mean large portfolio investors face significant bills and tight deadlines to meet new legislative requirements.

- Investors have until **1st October 2030** to increase ratings to C or above (or register an exemption)
- The spending cap on energy-efficient improvements is **£10,000 per property**
- Any energy-efficient improvements made from October 2025 will count towards the new spending cap

For investors with 10+ properties, a £10,000 spending cap still means you face a significant bill to increase the EPC rating on all of your investment properties. However, failure to meet the 2030 deadline will result in your properties becoming unmortgageable and unlettable.



Potential grants to consider



Heat Pumps

£7,500 universal grant for heat pump installation



Boiler Upgrade Scheme

This scheme provides grants to replace fossil fuel heating systems with renewable alternatives



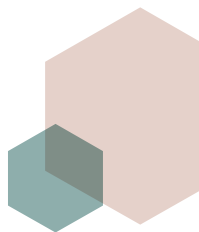
Local council

Various local councils offer specific grants for things like insulation or solar panels



VAT relief on energy resources

Some reduced VAT rates are available for installing specific energy-saving resources



EPC Finance

Financing solutions to help you meet new EPC requirements, including:

- Remortgage with a capital raise – Releasing cash from your property or your background portfolio to fund the works
- Further advance – Securing an additional loan based on available equity to cover the costs of the works
- Bridging finance – A short-term loan to make quick improvements to a property before refinancing onto a buy to let mortgage and letting it out

7.

Why portfolio landlords choose MFB

When managing an extensive property portfolio, you need more than just a standard broker. You need a team of experts who understand the scale and complexity of your property business.

By working with MFB, you benefit from:



A single, informed point of contact who knows your portfolio, structure, and investment strategy, saving you time and avoiding repeated explanations



Long-standing relationships with specialist lenders, giving you access to exclusive options and limited-edition solutions that aren't always available on the market



Centralised paperwork and key information, ensuring every future application is quick and easy



Extensive experience with large and varied portfolios, so we know how to present your case clearly and confidently



In-depth market knowledge built from years of working with large portfolio investors with complex needs. We understand lender expectations, shifting criteria, and the products that best support different long-term strategies



A smoother, more efficient process, freeing up your time to focus on running and growing your property business rather than managing mortgage admin



Ancillary services

Tax Advice for Landlords

Comprehensive Tax Planning offers personalised advice and tax-efficient strategies specific to your situation and business plan.

Their services include:

- Property restructuring
- Incorporation
- Inheritance Tax planning
- Capital Gains Tax planning
- Stamp Duty Land Tax advice
- Accountancy services



Find out more about our other services

Letting Agents

How a property is let and managed directly impacts its long-term performance. Our partner Hello Neighbour, a modern letting and property management platform, makes renting simpler and transparent for landlords.

You can expect:

- Great value, with streamlined processes and reduced overheads
- Built in compliance with tenant checks and record keeping
- Full transparency and expert support

Hello NEIGHBOUR

Mortgage Protection Insurance

We're partnered up with Just Mortgage Cover to offer you expert mortgage protection advice. Their dedicated insurance advisor works closely with our teams to bring you:

- General Insurance
- Life insurance
- Critical illness cover
- Income protection

justmortgage
cover

*Let's discuss your portfolio.
Speak to an expert.*

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YOUR HOME, MAY BE REPOSSESSED IF YOU DO NOT
KEEP UP REPAYMENTS ON YOUR MORTGAGE

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