

Hotspot Guide

United Kingdom

A Sample of what's on Offer

Hot Spot

Introduction



Why Invest in UK?

High inner city bonuses are driving house markets higher than ever as more people are looking to invest their money in this, the most secure form of investment.

The legalities of buying in England are very clearly understood, with secure contracts and established legal representation, eradicating much of the stress from buying and selling your investment.

On average UK property prices have doubled every decade for the last 100 years. There is still room for significant growth.

Property values have risen on average by 10.8% a year over the last five years. The long-term trend in UK house prices has been positive with increases averaging 8.4% a year since 1974. Last year, the increase was of 13.5%

A sound and solid market, the UK is tried and tested.



Fast Facts:

- **Location:** Is a sovereign state located off the northwestern coast of continental Europe. UK is surrounded by the Atlantic Ocean, the North Sea, the English Channel and the Irish Sea. The largest island, Great Britain, is linked to France by the Channel Tunnel
- **Capital:** London
- **Climate:** Warm summers, cool winters and plentiful precipitation.
- **Average Temperature:** 17.69°C
- **Total Land Area:** 245,000 square kilometers (94,600 sq mi)
- **Official Language:** English
- **Total Population:** 51.1 million
- **Population Density:** 246/km² 637/sq mi
- **Major Religion:** Christianity
- **Currency:** Pound sterling,
- **GDP:** \$2.230 trillion
- **GNI per capital:** \$36,523
- **Inflation:** CPI inflation 2.2%, RPI inflation -1.1%
- **Annual Growth:** 2.4% in Q1 2009.
- **Main Exports:** Manufactured Goods, Fuels, Chemicals; Food, Beverages, Tobacco
- **Main Sources of Income:** Taxes and Tourism
- **Unemployment** The Unemployment rate rose to 7.2% - up 0.7% over the quarter and 1.9% on last year.
- **Population Below Poverty Line:** 14%
- **Literacy:** The Number of Adults unable to read or count remains unacceptably high in England despite £5bn spent by Labour trying to improve the situation, according to an influential parliamentary spending watchdog.
- **Life Expectancy:** 77 years (men), 82 years (women)
- **Time Zone:** GMT (UTC+0)
- **Internet Domain:** .uk
- **International Dialling Code:** 44



Geography

- The total area of the United Kingdom is approximately 245,000 square kilometers (94,600 sq mi) comprising of the island of Great Britain, the northeastern one-sixth of the island of Ireland (Northern Ireland) and smaller islands.
- It lies between the North Atlantic Ocean and the North Sea, coming within 35 kilometers (22 mi) of the northwest coast of France, from which it is separated by the Channel. .



Economy

- The Industrial Revolution started in the United Kingdom with an initial concentration on heavy industries such as shipbuilding, coal mining,
- Tourism is very important to the British economy.
- With over 27 million tourists arriving in 2004, the United Kingdom is ranked as the sixth major tourist destination in the world.
- London, by a considerable margin, is the most visited city in the world with 15.6 million visitors in 2006, ahead of 2nd placed Bangkok (10.4 million visitors) and 3rd placed Paris (9.7 million).
- The creative industries accounted for 7% GVA in 2005 and grew at an average of 6% per annum between 1997 and 2005.
- The United Kingdom's agriculture sector accounts for only 0.9% of the country's GDP.
- The UK has a small coal reserve along with significant, yet continuously declining natural gas and oil reserves.

Politics

- The politics of the United Kingdom of Great Britain and Northern Ireland takes place in the framework of a constitutional monarchy, in which the Monarch is head of state and the Prime Minister of the United Kingdom is the head of government.
- Executive power is exercised by the UK government, the devolved governments of Scotland and Wales, and the Executive of Northern Ireland.
- Legislative power is vested in both the government and the two chambers of Parliament, the House of Commons and the House of Lords, as well as in the Scottish parliament and Welsh and Northern Ireland assemblies.



A Brief Guide to Purchasing Property in UK?

Property Market

- The process of transferring UK property ownership from one person to another is called conveyance. You can choose between a solicitor or a licensed conveyance to do this for you.
- If using a licensed conveyance make sure they are licensed by the Council of Licensed Conveyances (in England and Wales only.).
- Check if the fee is fixed or if it depends on the amount of work involved. Check to see if the figure includes stamp duty, search fees, land registration fees, other expenses, VAT, and get a breakdown of these costs.
- Also, find out what charges will be sought if the sale doesn't progress to the contracts being exchanged.
- From having your offer accepted, it can take up to 7 weeks to exchange contracts on UK, a member of the European Union, real estate.
- From exchange it can take up to another 4 weeks to completion. This is not an exact time scale but a guideline. Should there be any problems this process could take longer.
 - The value of land has risen almost ten fold in the last twenty years, and the gains made in the value of the property market have been even more dramatic.
 - Unlike other forms of investment that are austere and detached, property investment provides a real and tangible asset.
 - Property can be seen, walked around and touched. As well as this, they are at least as easy as other forms of investment to develop and appreciate in value.

Fees and taxes:

Capital Gains

When you sell your U.K. investment property you are liable to capital gains tax in Ireland on the amount of the gain at 20%

Council Tax

The main features of the council tax are:

It is a property based tax.

Liability to pay council tax will, in the main, fall on individuals residing in the dwelling in question.

UK Gift & Inheritance Tax

Non UK residents are not liable to UK CAT – therefore as an Irish resident individual only Irish CAT at 20% on the actual gain is payable in Ireland – this is subject to usual Irish thresholds

Hot Spots:

- **Cambridge:** It's not just its tightly packed core of exquisite architecture, or even the mind-boggling mass of brain power that has passed through its world-famous university, but also it's the sensation of drowning in history, tradition and quirky ritual.



- **London:** Sprawled endlessly along the magical banks of the Thames, London has been a beacon for people around the world for centuries, seamlessly absorbing their colorful influences while remaining quintessentially British.



- **Manchester:** Manchester knows all about improbable scenarios and has never shied away from responsibility. After all, this was the city that gave birth to capitalism and the Industrial Revolution.



- **Liverpool:** Dogged, determined and for many decades down-at-heel, Liverpool just refused to go down.

