

Bank of Mum & Dad Helping First Time Buyers



Newsletter

November 2012

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More than 100,000 first-time buyers have needed financial support from their families between 2008 - 2011, this equates to around 13% of all first time buyers. So if you think you cannot buy without help, you are not alone.

There have been a number of government and lender initiatives to help boost this side of the market, so now might be a good time to try and get on the ladder.

Aldermore have 100% mortgages available through their family guarantee mortgage. This product is designed for first or second time buyers who do not have a big enough deposit available. A parent or close relative can provide a guarantee secured against their residential property.

Another such scheme “Helpful Start TM” from Woolwich, mortgage from Barclays tackles the key issue of affordability. They combine your income with your parent’s income to get a joint mortgage. This scheme is available on all mortgages within their range so you can find the right mortgage for you.

Other options available to first time buyers are gifted deposits from family members. Most lenders will accept cash deposits from parents helping their children buy their first property and this can be a good option for parents who have money to invest.

A good option for students or training professionals can be guarantor mortgages. This means a parent or relative agrees to guarantee your mortgage if you fail to make the mortgage repayments with a view to the student or training professional taking over the mortgage after a few years. This can be a good option for parents that don’t have a cash deposit to gift but want to help their children buy a property.

A government scheme, launched in March this year, which aims to help first time buyers buy a new build home, is New Buy. Lenders participating on the scheme, such as Halifax, NatWest, Barclays, Nationwide and Santander provide a 90-95% loan-to-value



mortgage for buyers meeting their qualifying criteria.

Buying your first home can be a daunting task and it is a big commitment and all the above mortgages are subject to individual circumstances. There are many things to consider when taking out a mortgage, such as general insurance and protection. Here at The Mortgage Store we can take the hassle out of finding a mortgage and can help find the best deal for you. We are able to provide a full advice service and guide you through all the options available to you. We also offer a full service in insurance and protection.

To find out more why not contact us **Today**

We look forward to hearing from you.

Your Property may be repossessed if you do not keep up repayments on your Mortgage

For further details or to arrange an interview please contact:

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