

SINCE 1848

Family Guarantee Mortgage

Helping you get on the property ladder –
with a little support from your family.

scottishbs.co.uk



Family Guarantee Mortgage

A Family Guarantee Mortgage (sometimes called a guarantor mortgage) is designed to help first-time buyers who may not be able to borrow enough on their own to buy a home.

Buying your first home can feel difficult, especially if you're early in your career or still studying. Many families want to help, but in a way that feels manageable, clear and short-term.

A Family Guarantee Mortgage allows your family to support you for a period of time, while you build your income and become financially independent.

We know many first-time buyers aren't familiar with specialist mortgage options or what's available to them. This guide helps explain how a Family Guarantee Mortgage works and who might benefit from this kind of mortgage.



How does a Family Guarantee Mortgage work?

A Family Guarantee Mortgage lets a family member agree to support your mortgage payments if you can't, for a set period of time. The mortgage stays in your name, but their backing may help you borrow more or get approved more easily.

Their support is only needed for a limited time. As your income grows, you take on full responsibility for the mortgage and the guarantee is removed.

If you're studying or at the start of your career, there may also be the option of interest-only payments for a period, helping to keep your monthly payments more manageable.

This mortgage is designed to support people at the early stages of their careers, helping them take their first step onto the property ladder.



What this means for you

With support from your family, you may be able to **borrow more** than you could on your own

An **interest-only period** may be available at the start, helping keep your **monthly payments lower**

The mortgage is **fully in your name**

The support is only for a **set period**, with a clear point where you take **full responsibility** as your income grows

You have a **clear plan from the start**, giving you and your family **confidence** in how things will progress

What it means for your family

Your support is **limited to a set period** and a **defined amount**

The mortgage remains in the **buyer's name**, not yours

If the borrower is unable to keep up repayments, you may be required to **step in and cover the agreed amount**

There is a **clear point** where your support will **no longer be needed**

You can help them **when they need it most** – at the start

It's designed to be a **short – to medium-term commitment**, not a long-term obligation

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

How does it compare to other products?

A Family Guarantee Mortgage is designed for families who want to support their children for a period of time – without being tied into a long-term joint mortgage.

With temporary support from a family member, you may be able to borrow more than you could on your own.

It's similar to a Joint Borrower, Sole Proprietor mortgage (JBSP), but there are some key differences:

Joint Borrower, Sole Proprietor Mortgage (JBSP)	Family Guarantee Mortgage
Family member is responsible for the full mortgage	Family member's support is limited to an agreed amount
Often becomes a long-term arrangement	Designed to be temporary support
Typically full repayment from the start, meaning higher monthly payments	Interest-only may be available at the start, helping keep payments lower
Removing family support is more complicated	A clear route to removing the guarantee

Who could this work well for?

A Family Guarantee Mortgage could be right for you if your income is likely to grow as you progress in your career or complete your studies.

This might include students, people at the start of their careers, or those on training or graduate schemes – as well as anyone with a family member who's able to support them while their income increases.





For more information, please contact:
mortgages@scotbs.co.uk