



Family Springboard Mortgage

A mortgage that allows family members to help each other get on or move up the property ladder.

Let's go forward

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Helping buyers get on or move up the property ladder

Finding enough money for a deposit is one of the biggest barriers for buyers trying to get on or move up the property ladder

How one generation can help another to buy their new home

As property prices have increased, the amount of deposit required to buy a property has also risen, making it difficult for a lot of buyers to find the funds they need without help.

The people many buyers turn to are close family, usually their parents or guardians, as well as family friends, who are increasingly being asked to help, and want to help, with paying a deposit.

However, the helpers will also need to think about their own future financial security, and whether they can afford to contribute some of their savings towards the deposit.

That's where the Family Springboard Mortgage comes in. We've been listening to both sides of the conversation and have created a mortgage that simply formalises the financial arrangement between buyers and helpers. It means that a new generation gets help purchasing a new home, and after five years their helpers will be able to get access to their money again with interest – providing that repayments are kept up on the mortgage.

How the Family Springboard Mortgage works

Climb the property ladder with a little help from your loved ones

Making it easier to get your deposit together

Family Springboard Mortgages come in two parts. The borrower takes out a Family Springboard Mortgage, while their helper opens a Helpful Start Account linked to that mortgage. The helper then puts 10% of the purchase price into the Helpful Start Account.

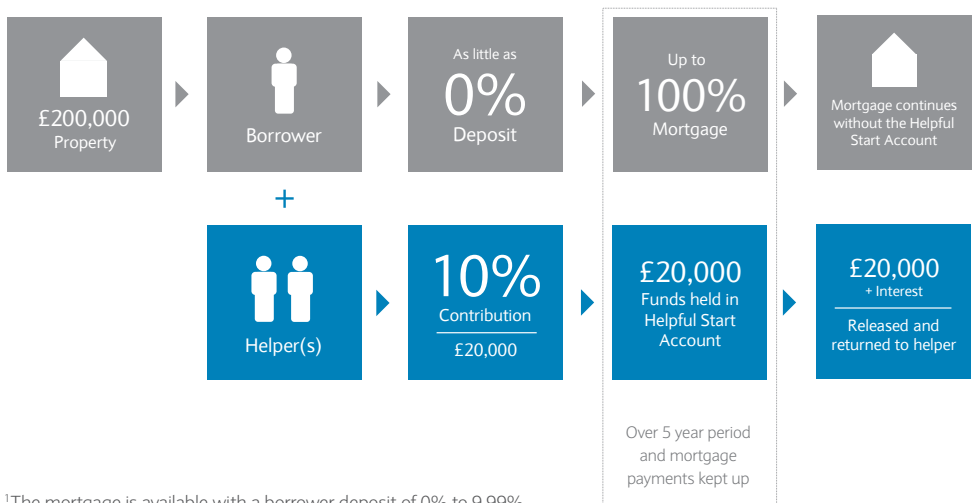
This means we can offer the borrower(s) a mortgage, where a deposit is not required.¹

The helper cannot withdraw the funds until after five years. The ability of the

helper to withdraw the funds also depends on the borrower keeping up repayments. If three or more payments are missed the funds will be retained until the mortgage account is up to date and there are no missed payments in the last 12 months and no more than two in the last 60 months. If the property is reposessed, the funds will be used to clear any losses on its sale.

Family Springboard Mortgage explained

The diagram below is an example only which explains each of the five steps of the process for the borrower and the helper, where all mortgage payments are maintained and kept up to date.



¹The mortgage is available with a borrower deposit of 0% to 9.99%.

How the Jones' could use the Springboard Mortgage to help their son get on the property ladder

David recently graduates and starts a new job. He moves back in with his parents post university but has his eye on a one bedroom flat. His Mum and Dad are willing to provide financial assistance to help him become independent.

That's when they discover the Family Springboard Mortgage. David has enough money to repay the mortgage but needs some help with a deposit. He realises he can buy a property without a deposit if his Mum and Dad help. If they put 10% of the purchase price in a Helpful Starter Account, he will be able to buy the property without a deposit. His Mum and Dad seek Independent Legal Advice² to understand what this means for them.

David will soon be able to complete on his dream home and Mum and Dad can start thinking about what to do with their money when they get their 10% back, with interest, after the 5 years.

If three or more payments are missed, the funds will be retained until the mortgage account is up to date and there are no missed payments in the last 12 months and no more than two in the last 60 months. If the property is repossessed, the funds will be used to clear any losses on its sale.

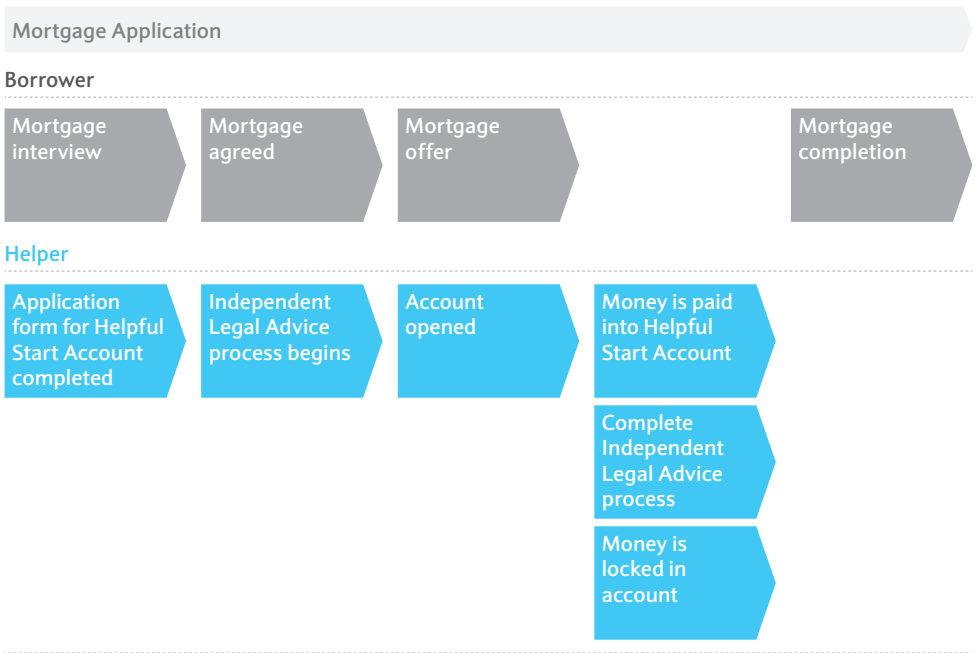
YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE.

²Independent Legal Advice is where a solicitor (but not the solicitor involved in the conveyancing of the mortgage) ensures that the helpers have the implications and risks associated with taking out the Helpful Start Account explained. The solicitors will also ensure that you complete paperwork from Barclays to enable the Family Springboard Mortgage to commence. Fees will apply.

A step-by-step guide for borrowers and helpers

Who does what, and when

The diagram below explains the step-by-step process for both borrowers and helpers assuming their applications are successful. The diagram below is a summary of the Helpful Start process only; there are more steps involved in applying for a mortgage and buying a property.



The borrower and helper do not have to apply at the same time, although both applications must be received in order for the mortgage to progress.

Your guide to taking out a Family Springboard Mortgage

What a borrower needs to know

Before applying

Use our mortgage calculator [barclays.co.uk/mortgagecalculator](https://www.barclays.co.uk/mortgagecalculator)

to get an idea of how much you could borrow and how much you could afford to pay each month on your mortgage.

1. Mortgage interview

Make an appointment with a Mortgage Adviser either in branch, over the phone or with an Independent Financial Adviser. You'll need to provide the following key documents:

- Proof of personal identification, for example, your passport.
- Proof of your address for the last three years.
- Proof of income.
- Your most recent statement for any loans, credit cards, hire purchase agreements or storecards.
- Details of any insurance you hold, including life, critical illness or income.

During the interview, your Mortgage Adviser will ask questions about your circumstances and show you a mortgage information sheet setting out the details of the Family Springboard Mortgage, before completing your application.

2. The application

After your interview your application will be checked and assessed by our specialist mortgage team.

3. Your offer

If the application has been approved, we'll instruct for a valuation to be carried out on the property. We'll also send you a letter outlining our offer of a Family Springboard Mortgage, which will include the legal mortgage documents. All you need to do is read and accept it and get ready to buy your dream home.

4. Completion

Finally, once the helper's funds are in place and the mortgage has been completed, you can pick up the keys and move into your new home.

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

How to set up a Helpful Start Account

What a helper needs to know

Before applying

Existing Barclays customers can apply for an account straight away. If you're new to Barclays you'll need one of the following key documents to open a Helpful Start Account:

- A full, current passport.
- A current photocard driving licence (full or provisional).
- A full UK driving licence.

To confirm your address you also need to bring one of the following:

- A current photocard driving licence (full or provisional).
- A full paper driving licence (if you haven't already used this to prove your identity).
- A UK bank, mortgage or credit card statement from the last three months (NOT an internet statement).
- A utility bill (NOT a mobile phone one) from the last three months.
- A current financial year council tax bill (NOT an internet statement).

You are able to book an appointment and arrange your visit by calling **0345 734 5345**.

1. Your application

Before completing your application,

please read the 'Helpful Start Account Terms and Conditions', 'Rates for Savers & Current Accounts' leaflet and 'Terms and Conditions for Personal Customers'.

2. Seek Independent Legal Advice

As part of the application you'll need to tell us which solicitor you're getting Independent Legal Advice (ILA) from. This cannot be the same solicitor who is conducting the conveyancing on the mortgage, but can be someone from the same firm. ILA will make you aware of the implications and risks associated with taking a Helpful Start Account as part of the Family Springboard Mortgage.

3. Opening your account

Your Helpful Start Account will be opened and you'll receive a welcome letter, including terms and conditions.

4. Place 10% in your Helpful Start Account

To finish the Independent Legal Advice process, you will sign and return documents to Barclays confirming you understand the implications of setting money aside in the Helpful Start Account. You will then need to deposit the funds in the Helpful Start Account so the mortgage can complete.

THE FUNDS IN YOUR HELPFUL START ACCOUNT WILL BE AT RISK IF ANY CONTRACTUAL PAYMENTS ON THE CONNECTED MORTGAGE ARE MISSED.

Your questions answered

For borrowers

Am I covered by the Financial Services Compensation Scheme?

Your Helpful Start Account will be covered by the FSCS and you may be entitled to compensation from the scheme. The FSCS pays compensation to eligible depositors if a bank is unable to meet its financial obligations.

For further information about the compensation provided by the FSCS (including the amounts covered and eligibility to claim), please ask at your local branch, refer to the FSCS website www.fscs.org.uk or call the FSCS on **020 7741 4100** or **0800 678 1100**.

Please note only compensation related queries should be directed to the FSCS.

Can I take out more than one Family Springboard Mortgage?

No, the Family Springboard Mortgage is specifically designed to help buyers get on or move up the property ladder.

How long is the mortgage term?

The term can be anywhere up to a maximum of 35 years.

Can I take out a further advance with my Family Springboard Mortgage?

You can't borrow more on top of your Family Springboard Mortgage for the period of time the Helpful Start Account is open alongside it.

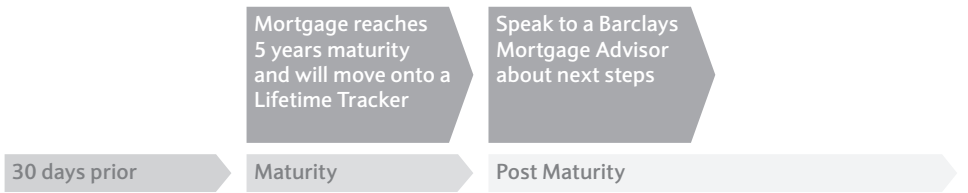
What rate will I pay on my Family Springboard Mortgage?

The Family Springboard Mortgage offers our five-year fixed rate.

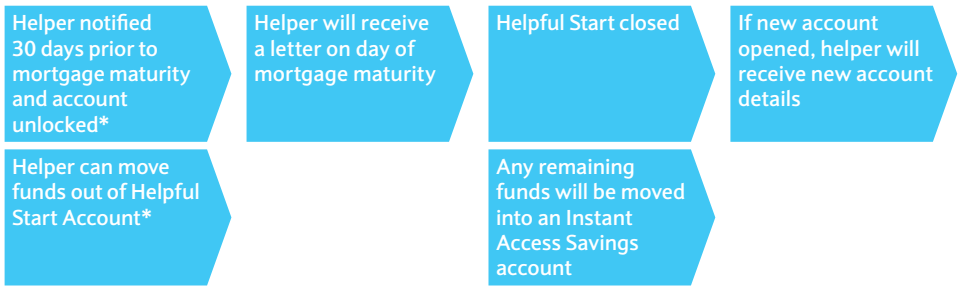
What happens to my Family Springboard Mortgage after the five-year period?

If all your payments to your mortgage account have been maintained after five years we will close the Helpful Start Account and release the funds back to your helpers. We may however, extend the period to release the funds if payments have not been maintained on the Family Springboard Mortgage, in line with the Helpful Start Account terms and conditions. After the fixed rate ends, the Family Springboard Mortgage will revert to a Lifetime Tracker Mortgage.

Borrower



Helper



*Process should the mortgage account be up to date

Should all the terms and conditions of the 60 month mortgage term be met the funds from the Helpful Start will be released.

The helper will receive a letter notifying them the account has been unlocked and they will have 30 days to withdraw their funds and move to an alternative Barclays account or elsewhere.

After the 30 days, any remaining funds will be moved into an Instant Access Savings account and the details of the new account will be sent to the helper.

At any point the mortgagee or the helper can visit a Barclays branch or call on 0345 734 5345 to discuss their next steps with their mortgage or savings.

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

For helpers

Can I help more than one member of my family?

Yes, you simply have to set up a separate Helpful Start Account for each Family Springboard Mortgage.

Are there any circumstances in which some or all of my funds will be retained by the bank?

This can happen if the property is repossessed and sold, and there's a shortfall between the sale price and the amount of the mortgage. We may also retain funds in the Helpful Start account in the event of missed payments on the mortgage account.

Do I have any rights over the property?

As a helper you have no rights over the property.

Why do I need legal advice?

You will need to seek Independent Legal Advice to ensure you understand your responsibilities and commitments clearly before opening a Helpful Start Account. There will be a legal charge over the deposit for the duration of the time the funds are unable to be withdrawn, a minimum of 5 years.

Can I use an existing offset arrangement with Helpful Start Account?

Yes, the account can be included as part of an existing or new offset arrangement. In this case, the funds will serve two functions for the helper – reducing the interest payable on an offset mortgage

and providing the security for the Family Springboard Mortgage. No interest will be payable on the funds held in the Helpful Start Account but it will continue to reduce the interest accruing on your mortgage as part of the offset arrangement.

What if I want to draw money from my Helpful Start Account in an emergency?

Any funds put into your Helpful Start Account will be unavailable until the end of the five-year term³.

³ The five-year term may need to be longer in the event of the borrower facing financial difficulties and missing three or more missed payments in the five-year period. The funds will be returned if the following conditions are satisfied:

- a) the mortgage account is up to date; and
- b) no monthly payments have been missed during the previous 12 months; and
- c) no more than two monthly payments have been missed during the previous 60 months.

The money deposited in the Helpful Start Account will be used in the event of a default of the mortgage and to clear any financial loss in the event of repossession.

Are the funds in my Helpful Start Account covered by the Financial Services Compensation Scheme?

Your Helpful Start Account will be covered by the FSCS and you may be entitled to compensation from the scheme. The FSCS pays compensation to eligible depositors if a bank is unable to meet its financial obligations.

For further information about the compensation provided by the FSCS (including the amounts covered and eligibility to claim), please ask at your local branch, refer to the FSCS website www.fscs.org.uk or call the FSCS on **020 7741 4100** or **0800 678 1100**.

Please note only compensation related queries should be directed to the FSCS.

THE FUNDS IN YOUR HELPFUL START ACCOUNT WILL BE AT RISK IF ANY CONTRACTUAL PAYMENTS ON THE CONNECTED MORTGAGE ARE MISSED.

[Find out more today in branch | \[barclays.co.uk/familyspringboard\]\(http://barclays.co.uk/familyspringboard\)](#)

You can get this in Braille, large print or audio by calling **0800 400 100** (via Text Relay or Next Generation Text Relay if appropriate). Barclays also welcomes calls via SignVideo for BSL users. Visit barclays.co.uk/signvideo

Call monitoring and charges information

Calls may be recorded and/or monitored for security and training purposes. Calls to 03 numbers are charged at the same rate as dialling an 01 or 02 number. If your fixed line or mobile service has inclusive minutes to 01/02 numbers, then calls to 03 are counted as part of this inclusive call volume. Non-BT customers and mobile phone users should contact their service providers for information about the cost of calls.

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