Want to talk to us?

Call us on: **0345 601 0014**

Lines are open Monday to Friday, 8 am to 6 pm.

Calls to 0345 numbers cost the same as a call to a standard '01' or '02' landline number, even when calling from a mobile. Calls from landlines and mobiles are included in any bundled minutes or free call packages. The actual cost you are charged will depend on your landline or mobile provider. Please contact them to get information about the cost of the call. We may monitor and record telephone calls for training and security purposes.

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Newcastle Building Society

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

HM Revenue and Customs practice and the law relating to taxation are complex and subject to individual circumstances and changes which cannot be foreseen.

Joint Mortgage Sole Proprietor

Customer brochure

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Newcastle Building Society

We're here to help you own your own home

Buying a home isn't always easy. That's why we offer mortgage options that work for real people and real life.

Our Joint Mortgage Sole Proprietor (JMSP) mortgage could help you get on the property ladder, with support from a trusted friend or family member.

What is a JMSP mortgage?

The name may be a bit of a mouthful, but the idea is simple. A JMSP mortgage helps you borrow more by combining your income with someone you trust, such as a close family member or friend. This can help if your income alone isn't enough to buy the home you want.

Importantly, while both of you are named on the mortgage, only you will own and live in the property. Your supporter won't be on the deeds, which may help them avoid additional costs like Stamp Duty on a second property.

If you're looking to buy a home with someone who will live with you, there are other options available.

Key features of a JMSP mortgage

This type of mortgage allows the owner, who will live in the house, to be supported by additional income from another borrower. The additional borrower, a family member or friend, will be jointly responsible for the mortgage but will not be named on the title deeds or live in the property.

- You live in the property and use someone else's income to help you borrow more.
- The second borrower does not own the property or live there.
- Only available for residential properties (not Buy to Let).
- Up to 2 borrowers on the mortgage.
- Loans from £25,000 up to £3,000,000 (subject to product terms and conditions).
- Up to 95% of the property value (LTV).
- Affordability is based on the incomes of both borrowers (the one who will live in the house and the one who will not).
- Repayment mortgages only.
- Minimum age is 18.
- Both applicants must have an income (employed, self-employed, or pension).
- If you're remortgaging with a JMSP, you can't borrow extra to pay off debts.
- The person not living in the property must get independent legal advice, as they'll share responsibility for the mortgage but won't own the property.
- All lending is subject to affordability checks.

Why choose a JMSP mortgage?

If your income isn't enough on its own, then a JMSP mortgage means that friends or family members can support you, using some of their income. You can increase the affordability of your mortgage and may be able to get a larger loan than you could on your own.

Who is a JMSP mortgage for?

This type of mortgage could be right for borrowers who need the income support of someone else to either buy their first or next home, or remortgage their current home.

This could include people whose circumstances have changed. For example, their income has reduced, they are nearing retirement, or they have separated from a partner and want to buy out their share of the property.

There are lots of other reasons why a JMSP mortgage could be a suitable option.

Loans of up to 95% of the property value may be available. All lending is subject to eligibility and affordability checks.

Who is the legal owner of the property?

Only the borrower who lives in the property (the occupying borrower) will be the legal owner listed on the title deeds.

Whose name is on the mortgage?

The names of both borrowers will appear on the mortgage.

What you both need to know before applying for a JMSP mortgage

It's really important that you understand that both of you are equally responsible for every monthly mortgage payment and the entire mortgage loan. If payments are missed, we may ask either or both of you to repay what's owed.

Before you apply, please make sure that you're both comfortable with how this works.

If you're the one helping out (non-occupying borrower)

You will not live in the property and you will not own any part of it. But your name will be on the mortgage which means that you have the same responsibility for repaying it as the person who lives there does.

This is a long-term commitment

Mortgages can last up to 40 years, depending on the mortgage term you choose. A lot of things can change in that time. Think about how you would manage payments if either of you changed or lost your job, started a family or had other unexpected costs.

It will show up on your credit record

This mortgage will show up on any future credit reports for both of you. That may limit how much you can borrow from other lenders.

Your responsibilities do not change, even if life does

You are both fully responsible for this mortgage, no matter what changes in your lives. Here are some things to consider:

- **What happens if the person living in the property (the owner) dies?**
  It's sad to think about it, but if the person living in the property dies, the other borrower is fully responsible for making the mortgage payments until the property is sold.
- **What happens if the owner loses some or all of their income?**
  If you as the property owner cannot make your share of the mortgage payments for any reason, then the other borrower is responsible for covering the full amount.
- **What happens if you have a dispute or a falling out?**
  Things can and do go wrong between people who trust each other. No matter what your relationship becomes in future, you are both still responsible for making the mortgage payments. Personal issues do not cancel financial obligations.

Joint responsibility is about more than just money

You must both be responsible for making sure that the property has suitable buildings insurance and is kept in a good condition.

There may be tax implications

Being named on this mortgage could have tax implications including Capital Gains and Inheritance Tax. This can be complicated, so it's worth getting independent financial advice.

HM Revenue and Customs practice and the law relating to taxation are complex and subject to individual circumstances and changes which cannot be foreseen.

The one helping out (non-occupying borrower) will need a solicitor

As a condition of your mortgage offer, the additional borrower must seek independent financial and legal advice. Your solicitor must be different from the one dealing with the property purchase. You will have to pay for this advice yourself, but it's there to protect you and make sure you understand what you're signing up for.

What happens if the owner (the occupying borrower) wants to take on the mortgage alone?

You will need to prove that you can afford the mortgage on your own. We'll also need to check that your application meets our lending criteria. Fees may apply for any changes made.