



# Buying Your First Home

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## Homeownership Is Closer Than You Think — Let's Help Make It Happen

Buying your first home is one of life's most exciting milestones, but it can feel like an uphill battle — especially when you're trying to save for a deposit, worrying about your credit score, and feeling stuck in the rental cycle. And while some might say it's all those streaming subscriptions holding you back, we're here to tell you that with the right advice, securing a mortgage could be within your reach. Our mission is simple: to connect you with experienced mortgage advisers helping first-time buyers like you. No matter your financial situation, we're here to guide you every step of the way, trying to turn the dream of homeownership into a reality — **yes, even if you do enjoy the occasional cappuccino.**



## Securing a Low-Deposit Mortgage

Buying your first home is a monumental step, and securing the right mortgage is crucial to making this dream a reality. With the UK housing market constantly evolving, first-time buyers must navigate various mortgage options, particularly those requiring low or zero deposits. This guide will walk you through the most viable low-deposit mortgage options, providing you with the insights needed to make an informed decision.



## Why Low-Deposit Mortgages Matter

The struggle to save for a deposit is one of the most significant barriers to homeownership for many first-time buyers. With the average house price in the UK hovering around £290,000 , even a 5% deposit can amount to a daunting £14,500. Low-deposit mortgages<sup>1</sup>, therefore, play a pivotal role in helping aspiring homeowners' step onto the property ladder sooner.

**Source:**

<sup>1</sup> HM Land Registry. (2024). UK House Price Index for January 2024. GOV.UK. Available at: <https://www.gov.uk/government/news/uk-house-price-index-for-january-2024> [Accessed 15 Jan. 2025]

# 1.

## Skipton Building Society: Track Record Mortgage

Skipton Building Society has revolutionised the market with its Track Record Mortgage, a 100% mortgage aimed at renters who have consistently paid rent over a 12-month period within the last 18 months. This product requires no deposit, making it an attractive option for those who have struggled to save while renting. The mortgage is fixed for five years at a competitive rate.

### Why Choose Skipton?

#### Eligibility:

Must be a first-time buyer and have a strong rental payment history.

#### Benefits:

No deposit required, making homeownership more accessible.

#### Considerations:

Higher interest rates and the potential for negative equity if house prices fall.

**Information correct as of January 2025**

# 2.

## Generation Home (Gen H) Mortgages

Generation Home (Gen H) offers a suite of innovative mortgage products designed to maximise your buying power through collaborative financial support. Their offerings include:

### Income Booster:

A family member or friend can add their income to your mortgage application, increasing the amount you can borrow.

### Deposit Booster:

This allows loved ones to contribute to your deposit in a structured way, either as an interest-free loan, an equity investment, or a gift.

### Dynamic Ownership:

Ideal for shared ownership, this feature allows multiple buyers to hold individual equity stakes that can adjust over time.

### Why Choose Gen H?

#### Flexibility:

Tailor your mortgage to your needs with the help of family and friends.

#### Innovation:

Dynamic ownership and booster options provide more financial freedom.

#### Considerations:

Involves complex financial arrangements that require careful planning.

# 3.

## 95% Loan-to-Value (LTV) Mortgages

For buyers with a small deposit, 95% LTV mortgages offer a middle ground between traditional and no-deposit mortgages. Lenders such as Nationwide, Virgin Money, and Halifax are known for offering these products at competitive rates.

### Why Choose a 95% LTV Mortgage?

#### Accessibility:

Requires only a 5% deposit, making it more achievable for many first-time buyers.

By entering the market quicker, you can build equity in your house and potentially take advantage of rising house prices by remortgaging for a better-suited mortgage with a different interest rate.

#### Considerations:

Higher interest rates compared to larger deposit mortgages and potential risks of negative equity.

You may have to pay extra fees, such as the high lending charge, which protects the lender if you are unable to meet the mortgage payments.

# 4.

## Family Assist and Guarantor Mortgages

Family Assist and Guarantor Mortgages provide an alternative route for buyers who have strong family support but lack the deposit.

### Family Assist:

Typically involves a family member placing savings into an account linked to your mortgage or using their property as collateral.

### Guarantor Mortgages:

A family member or close friend guarantees your mortgage, meaning they agree to cover payments if you default.

### Why Consider This Option?

#### Support:

Leverages family support to overcome deposit challenges.

#### Considerations:

Family members' assets are at risk, and these mortgages often come with higher interest rates.



# 5.

## Government-Backed Schemes

While the Help to Buy equity loan scheme has been phased out, there are still government-backed options for first-time buyers:

### Shared Ownership:

Allows you to buy a portion of a property (usually between 25% and 75%) and pay rent on the rest, with the option to purchase more shares later.

### First Homes Scheme:

Offers new homes to first-time buyers at a discount of at least 30% compared to market value, with the discount retained for future sales.

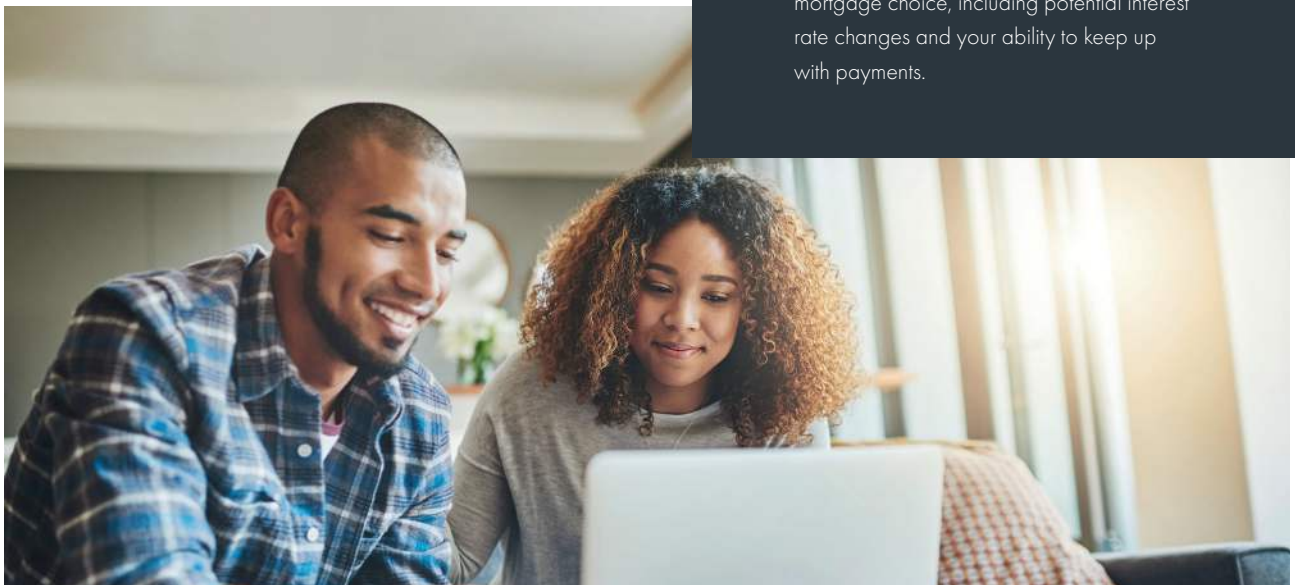
### Why Consider Government-Backed Schemes?

#### Supportive:

Designed to make homeownership more accessible.

#### Considerations:

Specific eligibility criteria and limitations on property choice



## Next Steps: Making Your Dream a Reality

Buying your first home is an exciting journey, and choosing the right mortgage is the first step. To maximise your chances of securing the best available deal:

1.

### Check Your Eligibility:

Use online tools to understand how much you can borrow.

2.

### Consult a Mortgage Adviser:

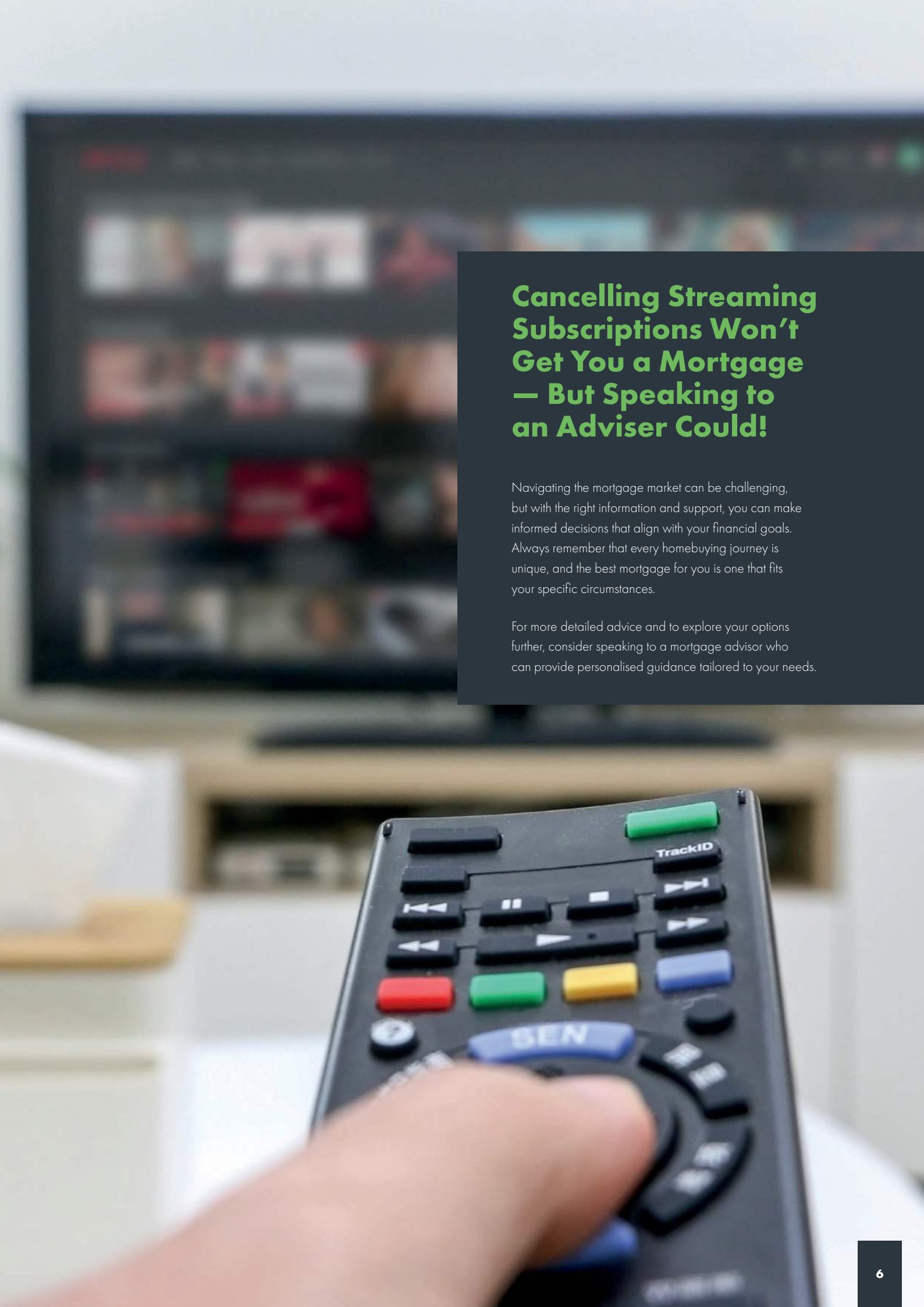
Professional advice tailored to your situation is invaluable.

3.

### Plan for the Future:

Consider the long-term implications of your mortgage choice, including potential interest rate changes and your ability to keep up with payments.





## Cancelling Streaming Subscriptions Won't Get You a Mortgage — But Speaking to an Adviser Could!

Navigating the mortgage market can be challenging, but with the right information and support, you can make informed decisions that align with your financial goals. Always remember that every homebuying journey is unique, and the best mortgage for you is one that fits your specific circumstances.

For more detailed advice and to explore your options further, consider speaking to a mortgage advisor who can provide personalised guidance tailored to your needs.



## We're here to help

Choosing the right home loan or protection plan can be a big challenge. There are literally hundreds of lenders and policy providers in the marketplace, so how do you know you've made the right choice for you and your family?

That's where we can help, saving you time, effort and unnecessary expenditure. As mortgage brokers, we help finding our customers the right, affordable mortgages and protection plans for their individual needs in finding our customers the right, affordable mortgages and protection plans for their individual needs.

So if you're looking for a mortgage, or want to review your current deal, or need advice on how to protect your income, your possessions or the roof over your head, then your adviser is only a phone call away and ready to help you.

### Contact Details:

T: 01276 986333

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## *We look forward to helping you fulfil your goals.*

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There may be a fee for mortgage advice. The precise amount of the fee will depend upon your circumstances but will range from £549 to £899 and this will be discussed and agreed with you at the earliest opportunity

The information contained within this brochure is subject to the UK regulatory regime and is therefore targeted at consumers based in the UK.

**Your home may be repossessed if you do not keep up repayments on your mortgage.**