



Helping family to buy their first home

Talking about money with a loved one

If you want to help someone buy a home you need to have a conversation about money at some point. And it's important to know how to talk about it. Our checklists and conversation guide will give you a few tips on where to start.

Conversations and expectations

Your expectations checklists

Once you've started talking about money, you'll need to move towards the fine detail. You can think about this in terms of your expectations around amounts, timelines and planning. Our checklists should help you form the picture.

Amounts checklist

1. How much deposit does your loved one need?
2. How much, if any, of the deposit can they provide?
3. How much can you provide?
4. What other costs might they have? For example, search and legal fees.
5. How much can they save a month? If they're buying with someone else, how much is the other person saving?
6. How much can you save a month if you don't already have the money available? And what implications will this have on your cash reserves or income?

Timelines checklist

1. How long do you need to keep saving to build up the amount you want to give or loan?
2. How much notice, if any, do you need to give on any savings that aren't in an instant access account?
3. If you need to sell investments to provide the amount, how long will that take?
4. If you need to sell property to provide the amount, how long will that take?
5. If you need to release equity to provide the amount, how long will that take?
6. If you need to withdraw from a pension or pensions to provide the amount, how long will that take?

Planning checklist

1. Will the help be a gift, loan, early inheritance or a combination?
2. Will your loved one need any further help in the future (financial or otherwise)?
3. Do you want to help your loved one by being a guarantor for the mortgage (offering your home/savings as security and agreeing to cover mortgage payments if they can't make them), or taking out a joint mortgage where you are named on the mortgage?
4. If you need to withdraw from a pension, is there a better, or ideal time to do it? For instance, depending on your age, you could lose benefits or create a tax liability.
5. If you need to sell investments or withdraw from your savings, is there a better, or an ideal time to do it? For instance, selling an investment in one go could create a tax liability or incur a loss if markets are at a low point.
6. Do you have any other future plans that you need to save for?

Time to have a chat with your loved one about how you can help them?

Take a look at these conversation hints and tips from nudge, the financial wellbeing platform that helps people take control of their money.



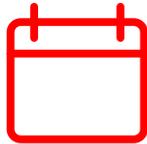
1. Ready, set ... go

There's never going to be a perfect time to start talking about money, so the sooner you get started the better you'll feel. If you're worried about what you're going to say, make sure to think about it first so you feel prepared.



2. Don't make it a big deal

The best approach is to talk a little bit about money every day rather than waiting until you're upset about something to broach the topic with a partner or loved one. Your finances are a big part of everyday life but they don't have to be a big deal if you make sure you address them face on and don't bury your head in the sand.



3. Make a date

It's useful to put a regular date in the diary to chat about finances. Make sure to set an agenda ahead of time so that you can all come prepared with what you want to say.



4. Ease yourself in

When you're talking about money with a partner or loved one it's a good idea to start with the easier topics, such as your long-term financial goals and then work towards more sensitive ones like debts, assets, and credit histories.



5. Speak up

It might sound daunting but one of the best ways to help others better understand your financial situation is to talk openly about your financial commitments. You may find this also encourages them to talk about their situation so you can better understand where they're coming from too.

It should also help you to avoid finding yourself in situations where you feel obliged to pay for something you can't afford.



6. Make sure you're all on the same page

Make sure everyone is clear on the outcomes of your discussion – make a note of what you've decided together, and review it periodically to make sure it still works for you all.

For more information on helping a loved one buy their first home, visit [Step up: Helping family to buy on santander.co.uk](#)

