Joint Borrower Sole Proprietor
Information for solicitors

Bank of Ireland UK

How does a Joint Borrower Sole Proprietor (JBSP) mortgage work?

A JBSP mortgage is where two or more individuals are joint borrowers, but only one of them owns the property. All applicants on a JBSP mortgage are treated as borrowers. This includes the non-owning borrower, known as the sponsor. A sponsor is usually a close relative, but other relationships may be allowed.

The sponsor's income increases the borrowing capacity for the JBSP mortgage. Each borrower is jointly and individually responsible for paying the mortgage. This means the sponsor is personally liable for payments, even though they won't own the property or have any interests or rights in it. Importantly, the sponsor isn't a guarantor.

Information for conveyancing solicitors

How does property ownership work?

We'll tell you in our offer which mortgage deed (Standard Security in Scotland) you should complete. All our conveyancing documents, including our deeds, can be found at **bankofirelanduk.com/legal-documents**

The sponsor won't own the property. All applicants, including the sponsor, must be named as a borrower on the deed. You don't need to tell us whether this is as joint tenants or tenants in common.

The special mortgage conditions in our Offer of Loan will state that the sponsor isn't going to be an owner. You should tell us straight away if these details are wrong.

If you're the solicitor handling the conveyance, another member of your firm can act separately for the sponsor. There must be no conflict of interest and they need to be registered with the relevant authority.

Information for solicitors giving independent legal advice

Is independent legal advice needed?

Yes, sponsors must seek and obtain independent legal, financial and tax advice as part of the application process to understand the nature and practical implications of the JBSP mortgage. This includes any inheritance tax or capital gains tax considerations.

As the sponsor isn't a named owner of the property:

- You must give your advice to the sponsor without the other borrower(s) being present.
- You should explain that they'll be personally responsible for mortgage payments if the other borrower(s) doesn't pay the mortgage for any reason.
- You must give them the opportunity to ask questions and seek further clarification.
- You must be satisfied they're not acting under any pressure, undue influence or misrepresentation.
- We'll need a letter from you confirming that the sponsor has been given independent legal advice, has understood that advice and wishes to proceed with the mortgage.
- We must receive this letter before the mortgage can complete.

To give independent legal advice to the sponsor, you must be registered with the relevant authority:

- England & Wales – Solicitors Regulation Authority
- Scotland – Law Society Scotland
- Northern Ireland – Law Society Northern Ireland.

Can the sponsor be removed from the mortgage after completion?

If the sponsor no longer wants to be on the JBSP mortgage, the remaining borrower(s) must apply to remove them. We can only remove a sponsor if the remaining borrower(s) meet our lending and affordability criteria at the time of the application to remove the sponsor.

Need documents in large print, Braille, audio, screen reader format, or on coloured paper? Just let us know.

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