

Information about the Public Guarantee on Housing Credit for Young People

State Personal Guarantee Scheme

Young people up to the age of 35 can benefit from a Personal Guarantee provided by the State to facilitate the granting of credit for the purchase of their first permanent home, with a value not exceeding 450,000 euros.

The Public Guarantee aims to enable institutions to finance an amount between 85% and 100% (the total) of the transaction value of the property. The transaction value corresponds to the purchase price or, if lower, the appraisal value of the property at the time the credit is contracted.

The Guarantee (bail) is valid for a maximum of 10 years after the credit contract signature. The amount of the Guarantee cannot exceed 15% of the transaction value of the property.

In case of contract default, the State Guarantee can be triggered before the execution of the clients' and guarantors' assets.

Institutions are not obliged to grant credit, even if clients meet the requirements to access the State Guarantee.

Applicable Contract Conditions

- Purchase of the first permanent home where the transaction value of the property does not exceed 450,000 euros;
- With a mortgage guarantee;
- Signed by December 31, 2026.

Conditions of the State Personal Guarantee

The amount covered by the Guarantee cannot exceed 15% of the transaction value, with this percentage being adjusted to a proportionally lower value if the institution finances less than 100% of the transaction value.

If the client is unable to make the payments they committed to, the State, as guarantor, assumes the responsibility for making those payments to the institution that granted the loan, up to the defined limit for the amount of the Guarantee.

Borrowers' Access Conditions

- Between 18 and 35 years old (inclusive);
- Tax domicile in Portugal;
- Cannot be owners of an urban building or an autonomous fraction of a residential urban building;
- Cannot have previously benefited from the Public Guarantee;
- Income that does not exceed the 8th IRS bracket;
- If exempt from submitting an income tax return, they must have monthly work income declared to Social Security or receive social benefits that do not exceed the monthly amount corresponding to 1/14 of the maximum limit value of the 8th IRS bracket;
- Regularized tax and contributory situation.

For more information about the State Personal Guarantee scheme, visit the Banco Montepio website at bancomontepio.pt, and **Portal do Cliente Bancário**, at:
Credits > Housing Credits > What it is and different schemes and FAQ > Public guarantee on housing credit for young people up to 35 years old

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