

## 10 Steps to sorting out your Mortgage arrears



 **community law service**  
northampton & county

**1** Contact your mortgage company as soon as you get into difficulty. Explain the problems you are having and tell them how much you can afford. If you have mortgage protection check if you can make a claim

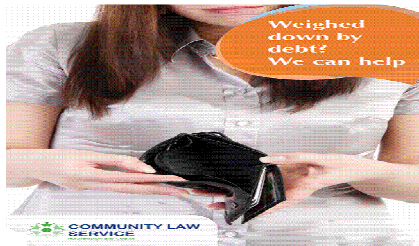
**2** Check whether you are entitled to any help with the cost of your mortgage—get advice

**3** Check if you are entitled to any other benefits e.g you may be entitled to Tax credits—get advice

**4** Ask your mortgage lender if they will accept reduced payments to cover only the interest for a time.

**5** If you have an endowment mortgage you could consider surrendering the endowment to reduce your mortgage and then change to a repayment mortgage

**6** Look at cutting your repayments by switching to a mortgage with a lower interest rate from a different mortgage lender.



**7** If your mortgage lender takes you to court for arrears it is important that you go along to the hearing. You will need to show the court that you can pay your current monthly instalment plus a reasonable amount towards the arrears each month.

**8** If you reach an agreement in court to pay the arrears (often called a suspended possession order) you must stick to that agreement. Remember you must continue with your current repayments as well, If you have problems keeping up with the terms of the order contact your lender and get advice as soon as possible.

**9** If you do not keep to the terms of the suspended possession order you will receive a letter saying you will be evicted on a certain date. You may still be able to save your home—get advice as soon as possible.

**10** If you are evicted for mortgage arrears your local authority may refuse to house you. You can sometimes challenge this decision—get advice

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