

Information for Borrowers with Payment Difficulties

If you are having difficulty paying your mortgage, we will try to help you. This note explains how we will treat you fairly, and what steps you should take to help yourself.

We will

- Contact you as soon as possible to discuss your problem.
- Liaise with a debt advice agency on your behalf if we receive your authority in writing (for example Citizens Advice).
- Give you reasonable time to pay back your debt.
- Only commence proceedings to repossess your home if we cannot solve the problem with you.

We might be able to

- Arrange a new payment plan with you, taking your and our interests into account.
- Change the way you make your payments, or the date you make them.
- Allow you to pay back your mortgage over a longer period of time (this would reduce your monthly payments but you would then pay more interest to the Society over the mortgage term).
- Change the type of your mortgage for a limited period of time only.

If we cannot offer you any of these options, we will tell you why. If we can make one of these arrangements with you, we will explain how it will work and give you time to consider it. If we cannot offer any of these options, we may agree to you remaining in your home and allow you to sell the property yourself depending on the circumstances.

What you can do to help us

- Tell us as soon as possible if you are having difficulty repaying your mortgage or think that you might experience any problems shortly.
- Seek debt advice if you would like help with managing your finances.
- Contact us quickly, if we try to contact you.
- Make sure you keep anyone jointly responsible for paying the mortgage, and/or anyone guaranteeing the mortgage, up to date with what is happening.
- Keep to the payment plan we agree with you, or tell us if there is a change in your circumstances which may affect the arrangement. If you do not make the agreed payments, we may have to go to court to recover any money you owe us, or repossess your property.
- Check whether you can obtain any state benefits or tax credits which could help to increase your income.
- Check whether or not you have an insurance policy which would assist with your payments.
- Tell us if you move to a new address.
- Contact the Money Advice Service website for further information. www.moneyadviceservice.org.uk

You may wish to speak to a professional adviser, such as a debt counsellor or a lawyer, before you change your mortgage arrangements. We would strongly advise that you seek independent, free, debt advice.



Costs and Charges

If you are in arrears we may charge you for reasonable administrative and legal costs. We will tell you the amount you will have to pay.

If we cannot agree a solution

- We may send a debt counsellor to discuss your financial circumstances. The cost of the visit may be charged to your mortgage account.
- We may commence proceedings to repossess your home. If proceedings take place, we strongly recommend that you attend court and that you seek advice.
- Commencing court proceedings does not mean that we will ultimately repossess your home. We will keep trying to solve any problem that you may have before doing so.

Before we repossess your home, we will advise you to contact your local authority, to see if the authority can find you somewhere else to live.

If we repossess your home

- We will sell it for the best price we can reasonably obtain. We will try to sell it as soon as possible.
- We will give you reasonable time to take your possessions from your home.
- We will use the money raised from selling your home to repay your mortgage and any other loans or charges.
- If there is any money left over, we will return it to you.

If selling your home does not raise enough money to pay off the mortgage

- If there is not enough money from the sale to discharge the whole mortgage, you will still owe us the amount remaining (a shortfall debt). We will tell you the amount of this as soon as possible.
- If you bought your home with other borrowers, each of you will be responsible for all the money borrowed. This is the position even if you normally only pay part of the mortgage.
- We will contact you within six years of selling your property (five years if the property is situated in Scotland) to arrange for you to pay back what you still owe.
- In the event the Society claims the shortfall of debt under a "Higher Lending Charge" the insurer can reclaim from you the amount of money claimed by the Society under the policy (subrogation).
- We will take account of your income and outgoings when we arrange a payment plan for the shortfall debt with you. If we cannot arrange a suitable plan, we may go to court to recover the shortfall debt. You will have to pay the court costs.
- If the shortfall debt remains unpaid, it could affect your ability to obtain credit in future.

Complaints

If you do not think we have treated you fairly, you can complain to the Society's Complaints Administrator at Principal Office.



YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE.

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Lines are open Mon-Fri 8:30am – 5.00pm, Sat 9:00am – 12noon. Calls will be recorded and may be monitored.

Get in touch

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Write to us

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