

# Need help with your mortgage?

A guide to help you to understand what you can do,  
and where to find help through challenging times



**Leeds Building Society**

[www.leedsbuildingsociety.co.uk](http://www.leedsbuildingsociety.co.uk)

# Taking the first step

We all go through changes in our lives that can lead to financial struggles. Whether you're already having trouble paying your mortgage, or you think that you might experience a problem in the future, it's important you don't try to tackle the situation alone. We're fully committed to helping you find a solution that's tailored to your individual needs and circumstances.

## **We're here to listen, support and provide help**

We want to talk to you as soon as you're experiencing financial difficulty. We'll look together at your financial situation and explore options available. Our goal is to keep our customers in their home wherever possible.

Call us: **0113 225 7972\***

Email us: **lbssecurecollections@leedsbuildingsociety.co.uk**

Opening hours:

Monday to Thursday – 8am to 8pm

Friday – 8am to 5:30pm

Saturday – 9am to 12.30pm

## **When we talk to you we'll:**

- **Be open and honest**
- **Try and help you find a solution that best suits your circumstances**
- **Give the options available to help you make an informed decision**
- **Make everything as simple and straightforward as possible**
- **Let you know other sources of help**

## **Is illness making the situation worse?**

Whether it's you, or a member of your family, health issues can make dealing with financial worries even harder. If you are suffering from an illness, such as cancer, depression or anxiety, it's important you let us know. You may find it easier to request a third party, such as a relative, deal with your account on your behalf. If we have your authority, we will be happy to speak with them.

## **Important information**

If you miss a mortgage payment or fall into arrears, you could be liable for extra charges – so it's important you speak with us as soon as possible to prevent this happening. In certain circumstances, where all other attempts to contact you to discuss your arrears have been unsuccessful, we may need to arrange a visit from a third party agent. If this is necessary, we will write and tell you about it with sufficient notice.

# Understanding your circumstances

We'll need to get an understanding of your financial position both now, and how this may change in the future. We may need to complete a budget planner to run through your monthly income and outgoings to help us get a realistic view of your finances. We'll need to know details around:

- **Your income**
- **Details of your household spend**
- **Any other debts you may have**

It's very important that the information you provide regarding your income, outgoings and what you spend, is accurate. This is so we can help you avoid any further worries and help you find a solution that works for you.

## **We're here every step of the way**

We'll guide you and provide any help you may need when completing the Budget Planner. If you'd prefer, you can also do this privately and/or get independent advice to help you complete the Budget Planner.

We'll also send you a copy once it's completed. It is important that you check the information provided carefully to make sure that it is reflective of your circumstances.

You should retain a copy for future use. This will be helpful when your repayment plan is due for review.

## **Resolution**

Once we have gathered and assessed all of the information relating to your personal and financial situation, we will work with you to explore all options that are available to you. The options available are outlined on the following page. These are assessed on an individual case-by-case basis. We can't guarantee a specific outcome, as solutions offered are subject to your individual circumstances. Please rest assured that we are dedicated to helping you stay in your home whenever possible.

## **Costs and charges**

If your mortgage is in arrears, we may charge you for reasonable administrative or legal costs that we incur. This is in line with our standard tariff of mortgage changes. We will tell you about any charges added to your mortgage.

# Alternative payment solutions

Dependent on your circumstances, we may be able to change the type of mortgage you have or review your interest rate. We could also change the way you make your payments or the date you make them.

After reviewing your current financial situation, we can see which solution might work best for you. They work in the following ways:

## **Temporary transfer to Interest Only**

This means that for an agreed period your mortgage payment will reduce and you will only pay the interest owed, and not the capital amount.

## **Concession**

A monthly payment less than the contractual payment, with the amount agreed based on your personal circumstances. Arrears will accrue during this period.

## **Capitalisation**

An arrangement to restructure your

repayments by spreading the amount of arrears and interest over the remaining term of your mortgage.

## **Extension of Term**

An agreement to extend the term of the mortgage which could reduce your monthly repayments by spreading the amount owed over a longer period of time.

## **Mortgage Payment Plus**

An arrangement to repay your arrears over a reasonable period of time, in addition to your monthly mortgage payment.

## **Selling the property/Assisted Voluntary Sale**

It may be that none of these options are suitable and the mortgage is not sustainable in the medium/long term, so selling the property could be in your best interests. We can give you time to sell the property yourself, or we may be able to offer support through an 'Assisted Voluntary Sale' that may help with the costs of selling.

## **Important points to note**

If we can arrange one of these options with you, we'll explain how it works and offer you time to consider it. It is important that you fully understand any implications that these options have, as although it may be affordable for you in the short term, it could cost you more over the life of the mortgage. There could also be an impact to your credit file, and your ability to get credit in the future.

We will discuss any impact with you so that you can make a fully informed decision. We therefore strongly recommend that you seek independent advice, such as a debt counsellor, solicitor or financial advisor, before agreeing to these resolutions.

# What happens if we can't agree a solution?

We'll always do our best to help you but if we're unable to resolve the situation, please be aware:

- If we can't get in touch with you we may send a field agent to visit you. The cost of the visit may be charged to your mortgage account.
- We may start court proceedings to repossess your home. This does not necessarily mean that we will repossess your home as we'll keep trying to solve the problem with you. Repossession is a last resort.
- If the property is repossessed you will remain liable for the total loan outstanding. If we sell the property and the sale proceeds aren't enough to pay the loan in full then you will need to repay any outstanding amount.

Be careful when it comes to companies offering you additional loans. Some companies may even invite you to sell your property to them and then rent it back as a way of resolving your short-term financial difficulty. Such actions may not be in your long-term best interests and we would advise speaking to us first or seeking independent advice before entering into any arrangement of this type.

You may be thinking about handing your keys over to us. If you do this, you will still owe us any outstanding debt, so it's important you discuss this option with us before taking such action. We provide information to a credit reference agency on a monthly basis and any arrears or repossession action on your mortgage may result in a negative credit reference. This could affect your ability to obtain credit or other services, such as a mobile phone contract or a tenancy, in the future.

## Remember

As soon as you start experiencing financial difficulties please keep in contact with us so that we can support you to find the right solution. Repossession will only be a last resort, and we'll only start court proceedings because we haven't been able to resolve the situation. We want to help you as much as we can to keep your home.

Even after we've agreed a solution, we know that your circumstances can still change, leading you to struggle more. It's important that you keep in touch, let us know how you are doing and talk to us.

# Other help and support

When you're struggling financially, it can be hard to know where to turn. It's important that you check if you can get help with your mortgage payments by taking the following steps:

## **Seek independent advice**

There are lots of free advice services available across the UK so you can find help in a way that's best for you.

## **Check your insurance policies**

Mortgage Payment Protection Insurance, also called Accident, Sickness and Unemployment Insurance, can help with your mortgage repayments if your income has fallen because of redundancy, accident or sickness. You might have taken it out when you got your mortgage – we'll check our information, you should also look through your paperwork as well. You may have other policies that could help you dependent on your personal circumstances, such as those relating to critical illness or life insurance.

## **Find out if you are entitled to state benefits**

Depending on your circumstances you might be eligible for certain benefits and/or for government help towards your interest payments. We will help point you in the right direction.

We understand that it can take time to get help elsewhere so we'll give you time to complete any actions that are needed, for example, applying for benefits.

## **Key contacts**

### **Charity Choice**

[www.charitychoice.co.uk](http://www.charitychoice.co.uk)

### **Citizens Advice Bureau:**

[www.citizensadvice.org.uk](http://www.citizensadvice.org.uk)

### **Debt Advice Foundation**

0800 138 1111 or  
[www.debtadvicefoundation.org](http://www.debtadvicefoundation.org)

### **Money Advice Scotland**

0141 572 0237 or  
[www.moneyadvicescotland.org.uk](http://www.moneyadvicescotland.org.uk)

It's important to keep everybody responsible for the mortgage up to date with what's happening. This would include a guarantor and/or the housing association where a property is owned under a shared ownership scheme. Some changes to the mortgage will require their agreement before proceeding.

**Money Advice Service**

0800 138 7777 or  
[www.moneyadviceservice.org.uk/en](http://www.moneyadviceservice.org.uk/en)

**National Debt Line**

0808 808 4000 or [www.mymoneysteps.org](http://www.mymoneysteps.org)

**StepChange:**

0800 138 1111 or [www.stepchange.org](http://www.stepchange.org)

**Turn2Us**

[www.turn2us.org.uk](http://www.turn2us.org.uk)

**The Department for Work and Pensions**

0800 055 6688

**Were you happy with the service you received?**

We aim to provide a high quality service to customers at all times. If there is anything you would like to discuss or if you weren't quite satisfied with the service you have received, get in touch or follow the link below. We're always happy to listen to any feedback and will do our best to resolve any issues.

**[www.leedsbuildingsociety.co.uk/resolving-problems](http://www.leedsbuildingsociety.co.uk/resolving-problems)**

Remember we're here to help, get in touch today and speak to one of our team.

**Email us: [lbsecurecollections@leedsbuildingsociety.co.uk](mailto:lbsecurecollections@leedsbuildingsociety.co.uk)**

**Call us: 0113 225 7972\***

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**THE MORTGAGED PROPERTY (WHICH MAY BE YOUR HOME) MAY BE AT RISK  
IF YOU DO NOT KEEP UP TO YOUR MORTGAGE REPAYMENTS**

## Talk to us

We're here to listen, support and provide help

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**WARNING: THE MORTGAGED PROPERTY (WHICH MAY BE YOUR HOME) MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE.**

\*We may monitor and/or record your telephone conversations with the Society to ensure consistent service levels and for colleague training purposes.