



Mortgage Problems?

Are you in danger of losing your home?



**Information about Mortgage
Rescue Schemes in
North Yorkshire and York**



Are you worried that you might lose your home?

Are you having problems paying your mortgage or secured loan?

Do you know where to turn for advice about the problems you are experiencing?

The problems you are currently experiencing may be as a result of a redundancy or job loss; an illness that has resulted in a drop in income; a relationship breakdown that has meant that the household income has been reduced; or for a variety of other reasons. It may be that the difficulties will only be for a short period of time because you are expecting the problem to be resolved in the near future, or it could be that you can't see any way out of the situation.

This booklet tells you about the Mortgage Rescue Schemes available in your area and if you might be eligible. Not everyone will be eligible for these schemes but there may be other options available to prevent the loss of your home. This booklet will tell you where you can go for advice about your housing problems, where you live.



MORTGAGE RESCUE - GOVERNMENT MORTGAGE TO RENT

Under the Government Mortgage to Rent Scheme a housing association will buy your home from you and you will remain there as a tenant. This scheme may be suitable if you don't think you can keep up with your mortgage payments any more.

Who may be eligible?

You may be eligible for the Mortgage to Rent Scheme if:

- you, or someone you live with, has dependent children who live with you
- you are, or someone you live with is, pregnant
- you are, or someone you live with is, elderly, ill or disabled

You must also:

- not own any other properties
- have a yearly household income under £60,000

The value of your property will also be taken into account.

How does it work?

The housing association will value your home and use this to work out how much rent you will need to pay. You may be able to claim Housing Benefit to help with the rent.

The housing association will then buy your property from you and the money must be used to pay off your mortgage and other secured loans.

You will then be given an Assured Shorthold Tenancy for a fixed term of at least 12 months and, if you keep up with the rent payments and the other conditions of the tenancy, may be for much longer. The housing association will now be responsible for maintaining your home and carrying out any repairs.



MORTGAGE RESCUE - SHARED EQUITY SCHEME

Under the Shared Equity Scheme a housing association will lend you a low interest equity loan to be used to pay off part of your mortgage, so that your monthly payments are reduced. An equity loan means that the housing association is lending you a percentage of the value of your home so that, if your home goes up in value, you will pay the housing association more but, if the value goes down, you will still pay back the original amount you borrowed. This scheme is suitable for you if you currently have serious financial difficulty but you would be able to keep to lower mortgage payments over the long term.

Who may be eligible?

You may be eligible for shared equity if you have at least 25%, but not more than 40%, equity in your home. The mortgage and any other loans secured on the property must not be more than 75% of the value of your home.

How does it work?

With the help of an independent money adviser you must work out how much you can afford to pay each month towards your mortgage.

The housing association will then work out how much equity loan you will need to pay off some of the mortgage and reduce your monthly payments to the affordable amount. The loan is paid directly to your lender.

You will now have two payments to make each month:

- the mortgage payment to your lender
- an interest only payment to the housing association

The two payments added together will be less than your current monthly payments.



You will make an interest payment to the housing association each month which they will calculate for you. The monthly payment will be affected by changes in interest rate.

You can pay the interest on the loan:

- over 25 years
 - over the life of the mortgage
- whichever is the soonest

You will also need to pay back the loan itself. You will not do this in monthly payments but will pay it in lump sums. You could do this by:

- saving up until you have enough to make a lump sum payment which would be a minimum of 10% of the value of your home
- remortgaging to borrow a larger amount from your lender if your home increases in value, which means you have more equity
- selling your home, if this would raise enough money to pay off your mortgage and your equity loan.

To find out whether you are eligible for either of the Government Schemes you will need to contact your local Housing Authority. Details of how you can get in touch with your Housing Authority can be found on pages 10 to 15.



HOMEOWNERS MORTGAGE SUPPORT

This scheme is designed to help homeowners whose household income has reduced because of the economic downturn. For example you may have had your work hours reduced, or you are now relying on one income when previously there were two. If you are interested in getting help through Homeowners Mortgage Support you will need to contact your lender and get independent money advice. For further information on the Government Schemes go to www.direct.gov.uk/mortgagehelp

SUPPORT FOR MORTGAGE INTEREST

If you are claiming Income Support, income-based Job Seekers Allowance, income-related Employment and Support Allowance, or Pension Credit and you are a homeowner, your benefit may include addition support for mortgage interest.

Support for Mortgage Interest can be made towards mortgage interest rates on loans used to purchase your home or to carry out certain home improvements.

Since January 2009 there is:

- a waiting period of 13 weeks after which there will be assistance with 100% of the eligible mortgage interest
- a capital limit of £200,000
- a 2 year limit for claimants of income-based Job Seekers Allowance.

The rules for those on Pension Credit are slightly different - check these with the Pensions Service or with your local Citizens Advice Bureau.



GOLDEN TRIANGLE HOMESAVE PLUS - MORTGAGE RESCUE SCHEME

Under this scheme an equity loan is provided by the Golden Triangle Partnership - a partnership between Leeds City Council, Harrogate Borough Council and City of York Council.

In the areas covered by this booklet, those homeowners resident in York or Harrogate, who are in financial difficulty and facing the threat of losing their home, may be considered.

Who is eligible?

You may be eligible for assistance if:

- you have a mortgage on your property and this is your only home
- you are experiencing financial difficulties with your mortgage and/or secured loan
- you live in the Golden Triangle area
- you have suffered a recent loss of income
- your property is worth less than £350,000
- you have at least 3% equity in the property, although there are some exceptions to this.

How does it work?

The Homesave Plus Scheme has three options available depending on your circumstances:

Option 1 - If you are experiencing short to medium term financial difficulties and need some help in paying your mortgage arrears

An equity loan of up to £35,000 can be given to clear arrears and, if needed, pay your future mortgage and/or secured loan instalments for up to 12 months.



Option 2 - If you have suffered a permanent loss of income but you could afford your mortgage payments if they were smaller

An equity loan of up to £35,000 can be given to clear your mortgage and/or secured loan arrears. The loan can also be used to reduce the outstanding balance on the mortgage and/or secured loan to make the monthly payments affordable.

Option 3 - If you cannot sustain your mortgage payments but need time to sell the property

An equity loan of up to £35,000 can be given to clear your arrears and pay the future instalments on your mortgage and/or secured loan for up to 12 months to allow time for a planned sale

The equity loan is a lump sum payment secured against the value of your home. You do not make monthly repayments but the loan must be repaid when you sell or transfer ownership of your home.

To find out whether you are eligible for the Golden Triangle Homesave Plus Mortgage Rescue Scheme contact City of York Council or Harrogate Borough Council. Details of how to contact the Councils are on pages 15 and 11.

BREATHING SPACE LOAN SCHEME

This scheme is administered by Wakefield Metropolitan District Council and may be available in your area. It is suitable for homeowners experiencing a temporary drop in income.

How does it work?

- it pays mortgage and/or secured loan arrears and/or the monthly instalments for up to 12 months
- it gives an interest free loan for three years which is repayable in full at the end of this period
- the loan is secured as a legal charge on the property
- there is no fee and no regular payments, although you can choose to repay it by instalments
- however, if the loan is not repaid in full at the end of the three year period your Council could take legal action against you and could repossess your property.

For details of the Breathing Space Loan Scheme and whether your Local Authority is using it, contact your local Council. Details of how to contact them are available on pages 10 to 15.

IMPORTANT ADVICE - Wherever possible you should contact an advice agency before a repossession hearing and should always attend court in person

NORTH YORKSHIRE AND YORK HOUSING ADVICE RESOURCE PROJECT (HARP)

HARP - a Key House Project - is a charitable organisation providing **free** independent legal advice to anyone experiencing housing problems and who lives in the North Yorkshire or York area. HARP can assist you in negotiating with your lender if you have mortgage arrears and can refer you to your local council if you are likely to be eligible for one of the Mortgage Rescue Schemes.

If you have court proceedings in the York, Scarborough, Whitby or Bridlington County Courts HARP can represent you at the hearing. This is a free service.

HARP may be able to provide welfare benefit and debt advice. However, they cannot provide independent financial advice.

Where to get advice...

...IF YOU LIVE IN CRAVEN DISTRICT



The Housing Options Team, based at 62 Newmarket Street, Skipton, can work with you to prevent you from losing your home. This may include referring you to one of the Mortgage Rescue Schemes.

To speak to someone please ring

01756 704500



and ask for the Housing Options Team
or call in between 9am and 4.30pm Monday to Friday



Craven Citizens Advice Bureau
St Andrews Church
Newmarket Street, Skipton

01756 700210

Or drop in on Monday & Thursday 10.30am to 2.30pm
Wednesday 10.30am to 12.30pm



Key House can provide free representation at Skipton County Court if you have a repossession hearing

01535 211311

...IF YOU LIVE IN HAMBLETON DISTRICT



The Housing Options Team, based at Stone Cross, Northallerton, can work with you to prevent you from losing your home. This may include referring you to one of the Mortgage Rescue Schemes.

To speak to someone please ring

0845 1211 555

and ask for the Housing Options Team
or call in Monday to Thursday 8.45am to 5.15pm
Friday 8.45 am to 4.45pm



Hambleton Citizens Advice Bureau
277 High Street, Northallerton

01609 776551

Advice line: 0845 1228689

Or drop in Monday to Thursday 9.30 to 11 am
Friday 9.30am to 1pm

Stokesley Outreach 0845 1211 555
Easingwold Outreach 01609 776551



HARP may be able to provide free representation at
Darlington, York or Teesside County Court if you have a
repossession hearing

01845 521458

... IF YOU LIVE IN THE HARROGATE DISTRICT



Working for you

The Housing Options Team, based at Victoria Park House, 18 Victoria Avenue, Harrogate, HG1 5QY, can work with you to prevent you from losing your home. This may include referring you to one of the Mortgage Rescue Schemes.

To speak to someone please ring

01423 500600

and ask for the Housing Options Team
or call in between 9am and 4pm Monday, Tuesday, Thursday
and Friday. 9am to 12.30pm Wednesday



Harrogate Citizens Advice Bureau
Victoria Park House

Advice line: 01423 567150

Appointments: 01423 503576

Or drop in Monday, Wednesday and Thursday 9.15am to 3pm
Tuesday and Friday 9.15am to 12.30pm

Harrogate Citizens Advice Bureau is present at Harrogate County Court on housing possession days to provide free representation.

... IF YOU LIVE IN RICHMONDSHIRE DISTRICT



The Housing Options Team, based at Community Office, Dundas Street, can work with you to prevent you from losing your home. This may include referring you to one of the Mortgage Rescue Schemes.

To speak to someone please ring

01748 827188

and ask for the Housing Options Team
or call in between 8.45am and 5.15pm Monday to Thursday
Friday until 4.45pm



Richmond Citizens Advice Bureau
23 Newbiggin, Richmond

Advice line: 01748 823978
Appointments: 01748 823862

Or drop in on Tuesdays and Thursdays 10am to 4pm



HARP may be able to provide free representation at Darlington County Court if you have a repossession hearing

01845 521458

... IF YOU LIVE IN RYEDALE DISTRICT



The Housing Options Team, based at Ryedale House, Malton, can work with you to prevent you from losing your home. This may include referring you to one of the Mortgage Rescue Schemes.

To speak to someone please ring

01653 600666

and ask for the Housing Options Team

or call in between 8.30am to 12.30pm, 1.30pm to 4.30pm
Monday to Friday



Ryedale Citizens Advice Bureau
Community House, Malton

01653 692740

Call this number for Wednesday evening appointments or drop in on Monday, Wednesday and Friday 9.30am to 12.30pm



HARP legal advisers are present at York and Scarborough County Courts every housing possession day and can provide you with free legal representation at your hearing

01845 521458

... IF YOU LIVE IN SCARBOROUGH BOROUGH



The Housing Options Team, based at the Customer First Centre, Town Hall, Scarborough, and Northern Area Office, 10 Skinner Street, Whitby, can work with you to prevent you from losing your home. This may include referring you to one of the Mortgage Rescue Schemes. To speak to someone please ring

01723 232323

and ask for the Housing Options Team
or call in between 9.30am to 4.30pm Monday to Friday



Scarborough Citizens Advice Bureau
62 Roscoe Street, Scarborough

01723 368710

Or drop in on Monday, Tuesday and Thursday 10.30am to 3.30pm
Whitby Citizens Advice Bureau

01947 605157

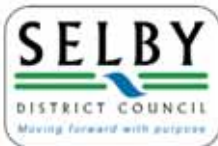
Or drop in on Tuesday and Thursday 10.30am to 12.30pm and
1.30pm to 3.30pm



HARP legal advisers are present at Scarborough, Whitby and Bridlington County Courts every housing possession day and can provide you with free legal representation at your hearing

01723 350755

... IF YOU LIVE IN SELBY DISTRICT



The Housing Options Team, based at Access Selby, Market Cross Shopping Centre, Selby, can work with you to prevent you from losing your home. This may include referring you to one of the Mortgage Rescue Schemes. To speak to someone please ring

01757 292125

and ask for the Housing Options Team
or call in between 9am and 5pm (Monday, Tuesday, Thursday)
10am to 5pm Wednesday, 9am to 4pm Friday



Selby Citizens Advice Bureau
Rear of 4 Park Street, Selby

08451 203718

Or drop in on Monday, Wednesday and Friday 9.30am to 1pm, Tuesday 1.30pm to 4pm



HARP legal advisers are present at York County Court every housing possession day and can provide you with free legal representation at your hearing

01845 521458

... IF YOU LIVE IN YORK



The Housing Options Team, based at Customer Advice Centre in George Hudson Street, can work with you to prevent you from losing your home. This may include referring you to one of the Mortgage Rescue Schemes. To speak to someone please ring

01904 554500

and ask for the Housing Options Team
or call in between 8.30am and 5pm Monday to Friday



York Citizens Advice Bureau
Blossom Street

Advice line: 0844 826 9705

Between 9.30am and 1pm Monday to Thursday
Or drop in Monday, Tuesday and Thursday 9.30am to 12 noon
Wednesday 4pm to 6pm



HARP legal advisers are present at York County Court every housing possession day and can provide you with free legal representation at your hearing

01845 521458

