



Mortgage Arrears and Repossessions

Mortgage arrears

If you are falling behind with your mortgage payments and ignore this, your debt will continue to grow and you may be at risk of having your home repossessed. The sooner you deal with it the more options you will have.

Talk to your lender

If your financial circumstances have changed, **talk to your lender as soon as possible**. This will help to stop your arrears from rising too quickly and show the lender that you want to find a solution. Some of the actions you may want to discuss are:-

- Making an arrangement with your lender to repay the arrears in instalments
- Negotiating with your lender to avoid the time and expense of going to court
- Selling your home voluntarily to avoid repossession
- And as a last resort, and after obtaining independent financial advice, you may consider voluntarily surrendering your property to the lender

Debt Advice/ Support Agencies

Don't try to tackle the problem on your own. There are various agencies that can help you prioritise your debts and negotiate with the lender on your behalf:

- **Shelter Scotland**
[Dealing with mortgage arrears - Shelter Scotland](#)
- **Citizens Advice Scotland**
[If your lender is trying to repossess your home - Citizens Advice](#)
- **National Debt line:** 0808 808 4000
[Debt advice | Free debt advice | National Debtline](#)
- **Money Advice Scotland:** 0141 572 0237
[Help for people in debt | Money Advice Scotland](#)

Preventing repossession

If your home is at risk of being repossessed you should get some urgent advice to help you consider your options. Contact Shelter Scotland's free housing advice helpline:

0808 800 4444

Home Owners' Support Fund

This Scottish Government scheme may help people whose home is at risk of being repossessed, to retain their home. There are two schemes available and there is eligibility criteria to meet. For further info see: [Home Owners' Support Fund - mygov.scot](https://mygov.scot/home-owners-support-fund)

After repossession

If the worst happens and your home is repossessed and you have moved out, the lender will try to sell it to recover costs owed. However, you will still have responsibilities until it is sold:

- Your lender will continue to charge interest on the loan. This will be deducted from the proceeds of selling the home
- You will still be responsible for repairs and maintenance, although your lender may arrange this and deduct the costs from the sale of the property
- You will be responsible for insuring the property

Continue to insure your property

It's important that you continue to hold buildings and contents insurance for your property. You are still legally obliged to maintain it and insurance provides a safety net, should something unexpected happen.

What happens to the proceeds of the sale?

Once the property is sold, your lender will take the money they are owed, and any other loans secured on the property will be paid off. If there is any money left, this is yours. Further info on repossession is available at:

[What happens when your home is repossessed - Shelter Scotland](#)

What if I'm not happy with the way the lender has acted?

If you feel that your lender has been unhelpful or treated you unfairly, you can make a complaint to the Financial Ombudsman. See more here:

[Financial Ombudsman Service: our homepage \(financial-ombudsman.org.uk\)](https://financial-ombudsman.org.uk/)

✉ **Contact** emptyhomes@moray.gov.uk for further information and guidance relating to bringing empty homes back into use

Moray Empty Homes Service delivered in partnership with:

