

Mortgage Payment Difficulties?

If you are experiencing difficulties paying or anticipate you might please talk to us – we are here to help. It can be tempting to ignore the problem and carry on as normal. However, we are here to help so it's best to talk to us as soon as possible – even if you haven't yet missed a payment.

How to contact us:

Our friendly team can be **contacted on 0800 783 2367, or at customersupport@teachersbs.co.uk** - they have years of experience helping our members.

What will happen when I speak with you?

Don't worry – calling us won't mean we add notes to your credit file. We will only do that if we both agree an arrangement to help you. If you do go into arrears a record will appear on your credit history and could affect your ability to obtain credit in the future.

We will talk to you about your current circumstances and look at what options we can offer to support you.

The first step is to complete and return to us a personal budget form

www.teachersbuildingsociety.co.uk/docs/default-source/consumer-documents-downloads/tbsfinancialdifficultiesplanner.pdf - this will help us see what you can afford to pay.

We are signed up to the Mortgage Charter so can offer you flexible, short term support if you are having temporary payment difficulties

www.gov.uk/government/publications/mortgage-charter/mortgage-charter

We will also let you know of other agencies that might be able to help you such as StepChange, your local Citizens Advice Bureau, or the Department for Work and Pensions.

We will keep in touch to make sure any arrangement made remains suitable for your circumstances.

Options we may consider for you:

Please note options marked with an * will be recorded against your credit file and could impact your ability to obtain credit in the future

Short term measures:

Change the date you pay your mortgage or the way you pay it.

You may find it easier if we changed your payment date for you. For example, if you currently pay on the 3rd of every month, we could change this to the 15th or the 28th of every month, which may be more suitable for you taking into consideration the date you receive your salary. Please remember that if you decide to change it to a date earlier in the month, there will be a shorter time frame between your two mortgage payments. For example, if you last paid your mortgage on the 28th of June and now wish to change to the 3rd of the month, you will be expected to make your next payment on the 3rd of July.

***Payment Holiday**

You may be able to take a break from making your mortgage payments for a short period of time. We call this a payment holiday. Please remember that your payments will increase when you start paying your mortgage again, as you will not have paid any of your mortgage back and you will continue to accrue interest when you don't pay your mortgage. We will need to make sure that the increased mortgage payments after the payment holiday are affordable for you.

***Temporarily Change your Mortgage to Interest Only**

If you currently have a repayment mortgage, which means you are paying capital and interest every month, we can change your mortgage to interest only for a short period of time. This will reduce your monthly mortgage payments. Please remember that when the interest only period comes to an end, we will change your mortgage back to repayment. We will then recalculate your mortgage payments based on what term you have left on your mortgage at that time. As you will not have paid any of the capital back to us over this period, this will mean that your mortgage payments will go up.

Temporarily change your Mortgage to Interest Only (under the Mortgage Charter)

If you have not already missed a payment and haven't previously had a Mortgage Charter measure, we can consider this change under the Mortgage Charter for a period of 6 months. Under the Mortgage Charter this will not be reported to credit reference agencies. We will inform you if you qualify for this when reviewing your options.

Government Initiatives

The Society will consider Government Initiatives that is supporting and/or available at the time of your enquiry. Some of these are included in the options above.

Longer term measures:

Reduce the interest rate being charged

If you are not currently in arrears and are on a Standard Variable Rate you may find it beneficial to consider moving onto a new discounted or fixed product.

Extend the term of your mortgage

We may be able to increase the term of your mortgage, which will reduce your monthly mortgage payments if you have a repayment mortgage. We may allow you to increase the term up to the age you plan on retiring (maximum age 70). For joint mortgage account holders, we base this on the account holder that is due to retire first. This will not have an impact on your credit file and if you find yourself in a better financial position later, we will let you reduce your mortgage term again in the future without any affordability checks. Please remember that extending the term of your mortgage, means that it will take you longer to pay back your mortgage and you will pay more interest overall.

Permanent change to Interest Only

In some circumstances we may be able to consider a request to permanently change your mortgage to interest only from a Capital and Repayment basis. This would be subject to you having an acceptable repayment strategy to repay the balance outstanding at the end of the mortgage term and meeting wider criteria for interest only mortgages. If you do not qualify for this change a temporary change to interest only may be appropriate depending on your circumstances

Capitalisation of Arrears

If your home is worth more than the mortgage, you have been back on a firm financial footing for a material period and any arrangements with the Society have been maintained, the Society may let you add your arrears to the total amount you owe and pay it back over the lifetime of the mortgage.

*Waiving of interest and/or Capital

In very specific circumstances the Society can consider partial or full waiving of interest/capital. Specific circumstances would include situations for example where very high levels of arrears have accumulated linked to severe financial hardship outside your control and you are looking to sell your property.

Selling your Home

If you find yourself in the situation where you believe you won't be able to afford to stay in your home in the medium or long term and that you are looking to sell we can consider what options may be available to you during the sale period.

We are committed to working with you through your payment difficulties. However, because your mortgage is secured on your property it is important you keep up payments to avoid your home being repossessed



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