

Important information

What to do if you are unable to pay your mortgage with Yorkshire Building Society

If you are having trouble making your mortgage payments, please contact us as soon as possible on freephone 0800 915 0411. By discussing your circumstances with you, we may be able to offer help.

What will we do to help you?

- If you haven't already been in touch with us, we will contact you to discuss your situation
- We will consider your circumstances and may be able to:
 - Arrange a new payment plan with you that suits both of us
 - Change the way you make your payments, or the date you make them
 - Allow you to pay your mortgage over a longer period of time (to reduce your monthly payments)
 - Change the type of mortgage you have (eg. from repayment to interest-only)
 - Arrange for a debt counsellor to visit you and discuss ways of managing your finances. The cost of the visits will be charged to your mortgage account

We will provide you with full details on how these options work and give you time to consider any changes. If we can't offer you any of these options we will explain why.

- We will give you reasonable time to pay back the debt
- If you wish, we will refer you to Payplan, with whom we work closely. Payplan is the UK's largest provider of free debt management arrangements. They are experts in helping people in financial difficulty, providing realistic and affordable ways of solving debt problems. They are independent and you can talk to them free of charge.

Alternatively, we will talk to any agency like Citizens Advice Bureau to arrange a payment plan for you.

- We will only start proceedings to repossess your home if we cannot solve the problem with you

If we cannot offer any of these options we might agree to you remaining in the property to sell it yourself.

What can you do to help?

- Let us know straight away if you are having problems repaying your mortgage or think that you might experience problems in the near future
- Talk to Payplan, who will be able to offer you free, independent advice. As the UK's largest provider of free debt management arrangements, they have helped many people to find realistic and affordable ways to solve their debt problems - this is why we have chosen to work with them. You can call Payplan direct on freephone 0800 280 2483, or find out more at www.payplan.com
- If you do not want to talk to Payplan, there are other companies who provide free advice on money problems:
 - Citizens Advice Bureau – www.adviceguide.org.uk
 - Consumer Credit Counselling Service – 0800 138 1111 www.cccs.co.uk
 - National Debt line – 0808 8084000 www.nationaldebtline.co.uk
 - Money Advice Scotland – 0141 5720237 www.moneyadvicescotland.org.uk
- Refer to our free online budget planner at www.ybs.co.uk/budgetplanner. This could help you better manage your finances
- Contact us quickly, if we need you to
- Make sure you keep other people responsible for the mortgage (and anyone guaranteeing the mortgage), up to date with what's happening
- Keep to any payment plan we may agree with you or tell us as soon as possible if there is a change in your circumstances which may affect the arrangements. If you don't make the agreed repayments, we might have to go to court to get any money you owe us or to repossess your property
- Keep us up to date with any changes to your circumstances, including if you move to a new address
- Check whether you can get any state benefits or tax credits which could help to increase your income
- If you have a mortgage payment insurance policy, check if it can help with your payments
- If it is unlikely that your situation will improve in the future, you may need to think about selling your home

You may want to talk to a professional adviser, such as a debt counsellor or a solicitor, before you change your mortgage arrangements. We would strongly advise that you seek independent debt advice – see above for organisations who provide free advice on money problems.

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

Costs and Charges

If you are in arrears, we may charge you for administration or legal costs we incur. You will be informed about all charges which we may make. These will be charged to your mortgage account.

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

- We may send a debt counsellor to see you and discuss your financial circumstances. The cost of the visits will be charged to your mortgage account
- We may have to go to court to start proceedings to repossess your home. If proceedings take place, we strongly recommend that you attend court and that you seek independent legal advice
- Starting court proceedings does not necessarily mean that we will repossess your home. We will keep trying to solve the problem with you. Repossession is very much a last resort

What happens if we repossess your home?

- If we do have to repossess your home, we will suggest that you get in touch with your local authority to see if they can find you somewhere else to live
- We will sell it for the best price we can reasonably get. We will try and sell it as quickly 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 pay it to you

What happens if selling your home does not raise enough money to pay off your mortgage?

- If there is still not enough money from the sale to repay the whole of your mortgage, you will still owe us the amount that is left (this is known as a shortfall debt). We will tell you how much this is as soon as possible
- Everyone named on the mortgage is responsible for all the money borrowed. This is true even if you normally only pay part of the mortgage
- We will contact you to arrange for you to pay back what you still owe. We have 6 years to do this (5 years in Scotland) but we're likely to be in touch earlier
- We will take account of your income and outgoings when we arrange a payment plan for this shortfall debt with you. But if we cannot arrange a suitable plan, we may have to go to court to get our money back. You may have to pay additional court costs as a result
- If a shortfall debt is not paid, it could affect whether you are able to get credit in the future

What happens if you hand your keys over to us?

Even if you decide to hand your keys back to us, you will still be responsible for paying the mortgage until the property is sold. If your house sells for less than you owe, your mortgage won't be fully repaid and you will still owe us the amount that is left. Please discuss this option with us before taking such action.

Other issues to think about

Some companies may offer you new loans or even invite you to sell your property to them and then lease it back as a way of resolving your short-term financial difficulty. Please be careful, as such actions may not be in your best interests in the long term. We would strongly advise that you seek independent advice before entering into any arrangement of this type.

Complaints

If you have concerns about how we have dealt with your case please contact our Helpline on: 0800 056 5252

Alternatively you can write to us at: Service Quality Department, Yorkshire House, Yorkshire Drive, Bradford BD5 8LJ

Yorkshire Building Society is authorised and regulated by the Financial Services Authority.

Communications with us may be monitored/recorded to improve the quality of our service and for your protection and security.

Charges to 0845 numbers may vary. Prices can be checked with your phone provider. Mobile calls usually cost more.