

Mortgage Payment Deferral Request

The Mansfield Building Society are ready to support our borrowers who are experiencing issues with their finances as a direct result of COVID-19, including offering the option of suspending your Mortgage Payments.

We are proud to offer a personalised and empathetic approach and appreciate that this is an unsettling period of time. I wish to assure you that during this period of time we will do all we can to support you and your families through this difficult period.

Acceptance of the suspension of Mortgage Payments

Prior to the Society actioning your request, please can you read, understand and sign the declaration below. Please be advised that we will require all borrowers to sign and agree to these terms and conditions.

It is declared that:

- COVID-19 has impacted on my/our ability to repay the mortgage.
- I/We understand that other solutions are available however it is felt that this solution is the most appropriate to meet my/our current financial needs.
- It is understood that interest on the mortgage account will continue to accrue during the payment deferral period, therefore increasing the amount owed on the mortgage balance.
- The suspended mortgage payments will need to be addressed at the end of the suspension period and that the options available are to:
 - Repay the suspended payments immediately
 - Repay the suspended payments over a period of time
 - Extend the mortgage term by the suspended period.
- I/We are aware of, and have explored the alternative options provided by the UK Government and do not feel that these are appropriate for my/our current financial needs.
- I/We have read and understood the attached Question and Answers (Q & A) document and understand that there are other tailored options available to me subject to a full assessment of my/our current financial and personal circumstances.

If you are in any doubt of suspending your mortgage payment then you must speak to the Society or alternatively seek independent financial advice.

I wish for my Mortgage Payment suspension to commence on.....*

***If you require your payment to be suspended for November 2020, you must ensure that you contact the Society by 20 November 2020.**

Please be advised that we will require all borrowers to sign and agree to these terms and conditions.

Mortgage Account Number: Please specify your mortgage account number.

Signed:

Signed:

Name:

Name:

Dated:

Dated:

It is important that you contact the society on **01623 676340** should your circumstances change or you require clarification of the contents of this letter.

Yours sincerely

Sarah Thompson
Mortgage Customer Services Collections Officer
mortgages@mansfieldbs.co.uk

Q&A: Support for mortgage borrowers

Q: What is a payment deferral?

A: With a payment deferral, your mortgage payments are suspended, and you will not have to make any monthly payments for a set amount of time, up to a maximum of 6 months in total.

However, it's important to remember that you still owe that money and the interest on your mortgage still accrues during the payment deferral period, therefore increasing the amount owed on your mortgage.

At the end of the period for which your payments have been suspended, we will contact you to assess your circumstances and agree a manageable way for you to repay the interest charges incurred and make up the suspended payments. We have a range of options available to help you to do this.

Q: Will I be eligible for a payment deferral?

A: To be eligible for a payment deferral you must be directly impacted by COVID-19.

If you are a Buy-to-Let landlord, it will be available if your tenants have lost income because of the impact of COVID-19. Landlords are expected to pass on this relief to their tenants to ensure they are supported during this time.

There a number of options available and payment deferrals aren't always the most suitable solution for everyone. By speaking to us we can tailor the best option for you.

Q. What happens if I have already taken a 3 month payment deferral?

A: If you feel that your circumstances mean that you cannot resume your normal monthly payments you can apply to extend your payment deferral period for a further 3 months.

Q What happens if I have already taken a 6 month payment deferral?

A: Unfortunately it is not possible to offer a further extension of your payment deferral, however, we have a number of other alternatives that we can discuss with you. Please contact us on 01623 676340 so that we fully assess and understand your current financial circumstances.

Q: How do I apply?

A: You don't need to provide any documentation; you will just need to go through a few questions about your current situation and self-certify that your income has been either directly or indirectly impacted by COVID-19.

If you are a Buy-to-Let landlord, you will need to self-certify that your tenant's income has been impacted by COVID-19. Landlords are expected to pass on this relief to their tenants to ensure that they are supported during this time.

At the end of the payment deferral period we will contact you to assess your circumstances and agree a manageable way for you to repay the additional interest charges incurred and make up the deferred payments. We have a range of options available to help you do this.

Q: How long will it take for Mansfield Building Society to process my application?

A: We are doing our best to support customers during these unprecedented times. However, the spread of COVID-19 is also having an impact on our own staff and applications will be dealt with as quickly as possible. We would ask that you bear with us at this difficult time.

Q: What are the alternatives available to me rather than suspending my mortgage payments?

A: There are a number of other alternatives available, including a temporary switch to Interest Only payments, underpayments, a term extension, or if your mortgage payments are in credit due to you previously having overpaid. With the exception of using an accrued credit balance, these options would require you to speak to us so we can fully assess and understand your current income and expenditure.

Q: If I take a payment deferral what will happen to my credit score?

A: We will make every effort to ensure that if you take a payment deferral it does not negatively impact on your credit score. The suspension of mortgage payments will not be reported as mortgage arrears.

Q: What happens if I am already in arrears?

A: If you are concerned about the impact Covid-19 will have on your income, then you should contact us as soon as possible. We will review any changes to your circumstances to ensure that your payments remain sustainable. We are making every effort to support people already in financial difficulty, whilst ensuring your mortgage remains sustainable.

Q: Can my property be repossessed?

A: There is currently a moratorium on possession proceedings for both residential and buy-to-let mortgages until 31st January 2021, meaning that no homes will be repossessed at this difficult time.

We will suspend possession proceedings until after 31st January 2021 as follows;

- All possession orders will be suspended.
- We will not commence any court action, including putting the case to court or instructing on matters
- We are still able to issue a formal demand, so that the customer is aware of the money they owe and are informed that the case will (eventually) go to possession proceedings.
- The formal demand is valid for eight weeks, but firms will agree not to take any further steps until the end of the possession moratorium period.
- Exceptions apply for empty properties or where the customer wants the possession to go ahead.
- For buy-to-let mortgages, lenders would still use a Receiver of Rent where appropriate but would not move to possession if the tenant could not pay