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Coronavirus Payment Holiday Guidance

To help assist the nation during this coronavirus pandemic the government announced that anyone financially struggling as a result of the coronavirus would be able to request a 3 month payment holiday from their mortgage lender. This was for all mortgage lenders to comply and is in force to assist residential and buy to let mortgage owners.

The FCA have indicated this will be regularly reviewed and potentially extended if required.

It is vital to note this payment holiday will not be a cancellation of your payments, they are purely being deferred. Some lenders will look to recalculate your monthly mortgage payments once the payment holiday has finished and some will add them on to the end of the term, this will be discussed when you make the call to your particular lender.

It has been confirmed your credit rating will not be affected if you take a payment holiday agreed with your mortgage lender.

Some mortgage lenders are allowing product transfers to take place while you have a payment holiday in place.

Who can consider a payment holiday?

This is an option for anyone who is financially struggling as a result of the Coronavirus.

You can only apply for this relief **once**.

Upon calling your mortgage lender they may offer you alternative options, such as reducing the monthly payment, switching from repayment to interest only or part and part.

If you are a landlord, you will only qualify for a payment holiday if the relief is passed on to your tenant.

If you are in arrears, you still may be eligible, it is still being encouraged that people call their lender to discuss all options available to them.



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How to apply?

You will need to contact your mortgage lender directly, it is not a process we as brokers can do however we do strongly recommend calling us before your mortgage lender so we can ensure you will be getting the right advice. This is particularly important if you are nearing the end of your current fixed rate.

Lenders are experiencing very high call volumes during these unprecedented times, and urge you only call them if it's absolutely necessary, that's why many have set up an online application form as an alternative quicker way of applying.

Should I apply?

It is important to understand if a payment holiday is the right option for you and the implications it may have on you and your mortgage.

Pros

- Financial relief during difficult times
- An agreed mortgage arrangement without it impacting your credit file
- Landlords to avoid rental voids

Cons

- After the payment holiday your mortgage payments OR your term will increase
- You will still accrue interest on the capital you owe
- If you are on a fixed rate, deferring payments could push you on to SVR which would be higher than your current monthly payment
- As a landlord looking to obtain a Buy To Let mortgage in the future, it is currently unclear how this will impact your application from an underwriting point of view.



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Below will you see a list of telephone numbers & website links to the many of the mortgage lenders; as mentioned above please do contact us if you are having concerns & worries over making your monthly mortgage payments and we will be happy to help discuss things through with you as prior to you calling your mortgage lender.

Lender	Telephone number	Coronavirus information page
Accord	0345 1200 872- Residential 0345 848 0225- BTL	https://www.accordmortgages.com/existing-customers/coronavirus-info/index.html
Barclays	0333 202 7492- Residential 0333 202 7439- BTL	https://www.barclays.co.uk/coronavirus/mortgages/
BM Solutions	0345 300 2627	https://www.bmmortgages.co.uk/existing-customers/payment-holidays/
Coventry & Godiva	0800 121 8899	https://www.coventrybuildingsociety.co.uk/consumer/help/mortgages/mortgage-payment-holiday.html
Halifax	0345 850 3705	https://www.halifax.co.uk/mortgages/existing-customers/payment-holidays/
Kent Reliance	Email only – recoveries@krbs.com	https://www.kentreliaanceforintermediaries.co.uk/paymentholiday
Leeds Building Society	0800 072 8738	https://www.leedsbuildingsociety.co.uk/mortgages/mortgage-payment-holiday/



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Lender	Telephone number	Coronavirus information page
Nationwide		https://www.nationwide.co.uk/support/coronavirus/mortgage-payment-holiday
NatWest	0800 161 5909	https://personal.natwest.com/personal/mortgages/existing-customers.html
The Nottingham		https://www.thenottingham.com/coronavirus-support/signup/
Paragon	btlcs@paragonbank.co.uk	https://www.paragonbank.co.uk/mortgage-payment-holiday-enquiry
Platform		https://www.co-operativebank.co.uk/news/2020/coronavirus-support-mortgage-payment-holidays
Precise	0800 298 5714	https://www.precisemortgages-customers.co.uk/Home/MortgageHoliday
Santander		https://www.santander.co.uk/personal/support/loans-and-mortgages/coronavirus-faq
Skipton Building Society	0345 850 1766	https://www.skipton.co.uk/mortgages/mortgage-hub/mortgage-payment-holidays
The Mortgage Works		https://www.tmwdirect.co.uk/payment-holidays
TSB	<u>0800 056 1088</u>	https://www2.tsb.co.uk/mortgages/existing-customers/flexible-features/#Mortgage_payment_holidays
Virgin Money	0345 602 8301	https://uk.virginmoney.com/virgin/mortgage-payment-holiday/