

Mortgage Payment Holiday Fact Sheet

The government has announced radical measures to support those who are having difficulties in meeting their mortgage payments. A "mortgage payment holiday" of up to three months is being offered by lenders to those who have been impacted by the coronavirus outbreak.

What is a mortgage payment holiday?

A payment holiday enables a borrower to temporarily stop paying all or part of their monthly mortgage payment. It can help if you have any short term or unexpected changes to your situation, and is being offered by lenders to those who have been impacted by the COVID-19 coronavirus outbreak.

Can I apply for a mortgage payment holiday?

If your finances have been directly or indirectly affected by the coronavirus. You're up-to-date with your monthly mortgage payments and you have the consent from everyone named on the mortgage.

Are buy to let landlords eligible?

Yes, a payment holiday will be available to all buy-to-let landlords whose tenants have lost income because of the impact of Covid-19. Landlords are expected to pass on this relief to their tenants to ensure that they too are supported during this time.

Is a payment holiday the right option for me?

A mortgage holiday is a temporary break from your mortgage payments, to help you through these uncertain times. It is important you discuss all of the options available to you with your lender and understand that when your payments start again after the payment holiday, they'll be recalculated, and you may see an increase in your monthly payments.

Will I be charged a fee if I take a payment holiday?

No, if you have been assessed to be eligible for a mortgage payment holiday, lenders will not charge any set up or arrangement fees.

Will my credit rating be negatively affected?

No, lenders will make every effort to ensure that the payment holiday does not negatively impact on borrower credit files.

Will I need to make up these payments at a later date?

Yes, borrowers will still owe the money where a payment holiday has been granted and interest will still accrue, if borrowers are able to make part of the normal mortgage payment to reduce the money owed or interest charges then they should consider doing so. This should be discussed with your lender.

I'm not struggling to pay my mortgage yet but am concerned that I might struggle to due to coronavirus. What shall I do?

If you're able to make your monthly mortgage payments for the time being, continue to do so. However, if you have been impacted by the coronavirus and think you might not be able to make your next mortgage payment you should contact your lender immediately.