

How does the mortgage rescue scheme work?

The scheme is set up to work in two different ways:

- **Shared equity loan**

To be eligible for a shared equity loan, you will need between 25 and 40 per cent equity in the property. If you qualify, you will be given an equity loan from a housing association (normally a Home Buy Agent) to enable you to keep up with your mortgage payments, or to pay off any other secured loans.

- **Mortgage to rent**

In order to be eligible for this option, you will need between 3-25 % equity in the property. The Housing Association will then buy the property at the market value, and rent it back to you at a reduced market rent. In most cases you would have an assured short hold tenancy.

Who is eligible?

You may be eligible for the scheme if someone in your household is in priority need. This may be the case if, for example, you:

- have a dependent child
- are pregnant
- are elderly
- are disabled, or
- are considered to be vulnerable for other special reasons.

In order for your application to be considered you must also have taken steps to tackle your mortgage arrears. This includes:

- working through all the possible options with your lender, and
- having a financial statement prepared by a specialist debt adviser. Many Citizen's Advice centres offer specialist debt advice. Some useful numbers :

The council cannot consider your application until you have done this.

- You will not be entitled to help if:
- you have a second home, or
- Your household has an annual gross income above £60,000.