Mortgage Rescue Scheme (MRS)……..flow chart to explain process

Eligible applicants must be vulnerable due to ill health or age or have dependant children. This is to be assessed by the Council.

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A Housing Options Interview will assess prevention measures and evaluate whether suitable for MRS. Housing Options Interview to be combined with home visit to verify client has right to reside, the number of people occupying and that the property is suitable for continued occupancy without serious disrepair. Ideally property must be Cat 1 Hazard free but major defects can be considered if there is sufficient equity. Clients combined income must not exceed a **maximum** of £60K and property needs to have a maximum value of £225K (regional cap level).

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Appropriate applicants will be sent to CAB for debt advice. CAB will confirm that no other prevention measures are appropriate (for example, renegotiating debts, access lenders hardship options, mortgage interest relief) and to identify that mortgage rescue is an affordable and sustainable housing solution.

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Clients will need to provide to the Council the 15 day warning letter from Lender to confirm all hardship options have been explored

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Housing Officer will then carry out desktop valuation of the property using tools such as “Rightmove.co.uk”, local papers and where available, Estate Agents Valuation to establish that property falls below regional cap of £225K

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Housing Officer will complete MRS referral and sends to Zone Agent MOAT.

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Housing Officer will then contact Lender to advise of referral for MRS and request that court action and interest charges are frozen for a 3 month period to enable application to be considered by Zone Agent.

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Zone Agent will consider referral and reject/accept accordingly. Formal MRS offer will be made to client giving a 15 day cooling off period to enable independent legal advice to be considered.