

## Losing the home you own

This information is for homeowners in Northern Ireland.

If the court decides to take away, or 'repossess', your home it will issue a possession order. At any point between the court issuing this order and eviction, you can still work with your lender and try to reach an agreement to repay your debt and stay in your home.

[Our advisers can help](#) you through this process. It can feel stressful and hard, but it's better to get help earlier in the process. The further along you are, the harder it is to work things out with your lender. Losing your home to repossession can also make it hard to get a new home.

If you do not leave your home when you get the possession order, your lender can ask the [Enforcement of Judgements Office \(EJO\)](#) to force you to leave. You'll need to pay the legal fees for this.

## Four stages of the enforcement process

### Stage one: you get the 'Notice of Intention to Enforce'

You have 10 days to object after you get this notice. You can only object on a point of law. For example, the paperwork had the wrong address and is not a valid notice.

### Stage two: lender applies for a 'Notice of Intention to make an Order for Possession of Land'

You have eight days to object after the order is granted. You can only object on a point of law. To object, you must [write to the EJO](#). An EJO Master hears this objection.

## **Stage three: lender moves to enforcement**

In the enforcement stage, the EJO will:

- serve an 'Order for Delivery of Possession of Land' – you can still object at this point
- come to check that you know you're in the enforcement stage
- give you an 'on or before date' – this is the date they'll come to remove you and your belongings

## **Stage four: day of eviction**

If you're still in your home on the eviction date, the EJO can physically remove you and your things from the property. You'll need to cover the costs for removal, storage and EJO fees. Your lender will pay and add the amount to your debt.

The EJO will store your belongings for 28 days. If you do not pay to get them within 28 days, they will be auctioned to cover the EJO's fees.

Remember, the Housing Executive must help you if you [passed the homelessness assessment](#) or if you might lose your home.

## **Selling your home**

After your home is repossessed, the lender usually sells it to pay off your debts. They'll want to try and get the best price for your home. Getting the best price will reduce how much you owe to the lender. Up until you are evicted, you can also try to sell the home yourself.

You must pay any fees related to selling your home.

## **Giving back the keys**

You can give your lender the keys to your home if you do not want to fight the repossession in court. [Get advice](#) before you decide to do this. It might not be your best option.

You can't go back to live in your home once you give the keys to the lender.

Until your lender sells the property you're responsible for paying:

- your mortgage and any secured loans
- service charges and ground rent
- insurance
- rates

### **Changes to your benefits when you hand back the keys**

The amount of equity in your property can reduce your benefits once you move out. Equity is the difference between the value of the property and what you owe on it.

Benefits can [ignore this equity for a fixed amount of time in certain cases.](#)

## **Lender sells the property**

Your lender should try for the best price they can reasonably get. But the lender may sell your home at an auction.

The home will usually sell for less at auction than it would if you sold it yourself.

### **Money from the sale of your home**

The lender will use the money they get from the sale to clear your debt. This includes:

- the lender's legal costs
- the amount you owe on your mortgage
- auctioneer or estate agent fees for selling your home
- bills for any repairs or maintenance they did on the home

Any money left over once your lender clears your mortgage debt can go towards:

- any rates debt you have
- other loans tied to the property
- any loans you got from benefits to help with your mortgage

You can keep any money left after these debts are paid.

## Sale price does not cover your debt

The selling price might not cover all your debts. The lender can take you to court for any extra money you owe after the sale.

This depends on whether the court issued a 'money judgement'. A money judgement is when the Master orders you to pay a certain amount of money along with the possession order.

If the court made a money judgement, there is no time limit for when the lender or insurer can start legal action.

If the court did not make a money judgement, your lender or insurer must start legal action within 12 years. Usually, lenders or insurers will start legal action within six years.

### Paying off your debt

Your lender may ask you to continue paying regular amounts to reduce your debt.

Lenders can write off mortgage debt. They will usually only do this if it seems unlikely that you'll be able to pay the money back in the future.

If your home is repossessed and sold, but the money from the sale is not enough pay back everything you owe, you must still pay what you owe to your lender. If you have a mortgage indemnity insurer, they may pay some or all of what you owe to the lender.

This does not cancel the debt. You just owe the money to the insurer instead.

[Get advice from Housing Rights](#) if your home is worth less than you owe on it.

## Finding a new place to stay

Once you need to find a new home, you have options for finding a place to stay. You can:

- **contact the Housing Executive** – they must look into your situation and tell you your options which can include [emergency housing](#) or renting from a social landlord

- **find a private rental** – the number and quality of [private rentals](#) can vary and many landlords will check your credit rating, they may not want to rent to you if your home was repossessed
- **buy another home** – it may be hard for you to afford to buy another home if your home was repossessed as you may have to pay a higher deposit or interest rate. If you pay off your other mortgage, you may be able to [buy a home through co-ownership](#).

## Understand your credit rating

It can be hard to rent or buy a new home if your home was repossessed or you have debt problems. Lenders and landlords often check your credit history or the 'possessions register' which has information about repossessions from the past six years.

You can [check your credit score for free online](#). Make sure your information is correct.

## More advice

- [Managing your mortgage and income](#)
- [Sorting out mortgage problems](#)
- [Taken to court by your mortgage lender](#)