

*Residual debt on
the (foreclosure)
sale of your home*



NATIONALE HYPOTHEEK GARANTIE

For purchase and improvement of your home

RESIDUAL DEBT ON THE (FORECLOSURE) SALE OF YOUR HOME

Redundancy, disability, divorce or the death of a partner are events that can happen to anyone. In these situations, your income may fall sharply, resulting in payment problems. You may even be unable to pay your living expenses any longer, and be forced to sell your home.

If the proceeds are then not enough to redeem your mortgage in full, you will be left with a residual debt. If you have contracted a loan with National Mortgage Guarantee (NHG) your residual debt can be remitted. To qualify for remission of your residual debt, you must in any event comply with the following conditions:

01

You have contracted a mortgage loan with NHG.

02

You have limited the payment arrears yourself as far as possible, by continuing to pay your mortgage costs as far as you are able.

03

You face a foreclosure sale because you can no longer afford to finance your home for one of the following four reasons:

- dismissal,
- disability,
- divorce,
- the death of your partner.

04

You have permission from your mortgage provider to sell your home.

05

You have sold your home with the assistance of an estate agent.

06

You took proper care of your home.

05

You cannot pay the residual debt from your own resources.

WHAT SHOULD I DO IF I AM FORCED TO SELL MY HOME?

Contact your mortgage provider

If you can no longer afford the costs of financing your home and are forced to sell it, you should first contact your mortgage provider right away. It is important for both of you that you solve this difficult situation as well as possible. In some cases, the enforced sale of your home can even be avoided.

Use the help of an estate agent

If you are forced to sell your home, you must engage the services of an estate agent. The agent will put your home up for sale and provide for the highest possible return. In the meantime, you must continue to pay your mortgage costs as far as possible. You must maintain regular contact with your estate agent and mortgage provider.

Ask your mortgage provider for permission to sell your home. As soon as you have found a buyer for your home, you must contact your mortgage provider. Your mortgage provider must give permission for the sale if you are to sell your home at a loss and cannot therefore repay your mortgage in full. Your mortgage provider will first have your home valued and will then decide whether to grant consent for the sale.

Remittance of your residual debt

As soon as your mortgage provider has granted consent, you can sell your home. If the proceeds are not enough to redeem your mortgage in full, you will have a residual debt. Your mortgage provider must present NHG with a loss statement for this. NHG will then assess whether you qualify for remission of your residual debt. NHG will notify you of the outcome by letter.

Avoid registration with the Credit Registration Bureau

If you sell your home at a loss, your mortgage provider will report this to the Credit Registration Bureau (Bureau Krediet Registratie; BKR). You will then have a BKR record, which could make it more difficult for you to obtain a (mortgage) loan or to contract other financial obligations in the future.

If you have received a written declaration from NHG that your residual debt has been remitted, in principle the BKR registration will not cause any problems in contracting a new mortgage loan with NHG. In some cases, mortgage providers apply their own rules.

PAYMENT PROBLEMS? ASK FOR HELP!

If you have payment problems, seek help as soon as possible. In many cases, you can avoid bigger problems in this way and avoid foreclosure of your home. Contact your mortgage provider right away.

Also read our leaflet: 'Credit problems? 8 organisations to help you.'

Any questions?

If you have any questions regarding the enforced sale of your home, contact your financial advisor or mortgage provider.

If you have any questions about NHG,
please contact:

**STICHTING
WAARBORGFONDS
EIGEN WONINGEN**

**POSTBUS 309
2700 AH ZOETERMEER**

0900 11 22 393 (€ 0,35 P/M)

WWW.NHG.NL

This pamphlet is part of a series of consumer
pamphlets published by NHG. Visit www.nhg.nl
for more information.