



Tel: 0207 391 4583

Email: unaf@cccs.co.uk

Website: www.cccs.co.uk

July 16 2010

Press Release

Repossessions may increase in resurgent housing market

A housing market recovery may lead to an increase in the number of repossessions as lenders enforce suspended possession orders after previous leniency, according to the Consumer Credit Counselling Service (CCCS).

The UK's leading debt charity counsels a large number of clients with suspended repossession orders on their homes which lenders have chosen not to enforce despite clients failing to meet court stipulated payments.

This situation is likely to be aggravated in October when Support for Mortgage Interest payments for those who have lost their jobs are halved from 6.08 to 3.09 percent, to match the Bank of England's average mortgage rate.

Delroy Corinaldi, CCCS's director of external affairs, commented:

"There is no doubt that lenders have shown leniency towards debtors during the recession by not enforcing suspended possession orders. However, this leniency may have been partly determined by the markets.

"In addition, some lenders are increasingly showing reluctance in allowing struggling debtors to switch to interest-only mortgages as a short term solution, giving people the necessary breathing space to find other more sustainable options."

CCCS offers specialist mortgage arrears and repossessions counselling for all those who contact the service with two months or more mortgage arrears. It dealt with over 7,300 calls in 2009.

- ends -

Media enquiries:

All media enquiries should be directed to:

Frances Walker - francesw@cccs.co.uk

Una Farrell - unaf@cccs.co.uk

Tom Howard - tomh@cccs.co.uk

Tel: 0207 391 4583 (07507 880478 outside office hours)

Notes for editors:

1. CCCS has a free phone helpline (0800 138 1111), which is open 8am to 8pm, Monday to Friday.
2. CCCS operates Debt Remedy, an online counselling service available round the clock at www.cccs.co.uk for those who prefer an anonymous option.
3. CCCS's ethos is to help the "can't pays", not the "won't pays", and does not condone debt avoidance. CCCS always aims to help its clients pay back what they owe, in a realistic timescale and manner that is suited to each individual's situation.