

**This is an example of the letter that a lender will send to a debtor to notify them that they have defaulted under the standard security and they intend to apply to court for remedies, for example to repossess and sell the debtor's property.**

**In this form:**

- **“A.B.” refers to the mortgage holder**
- **“C.D.” refers to the mortgage lender**
- **“E.F.” refers to another party, for example a partner of the mortgage holder, who may also be liable for the mortgage**
- **“G.H.” refers to another party who may have been instructed by the mortgage lender to claim the debt owed under the mortgage agreement**

FORM B

NOTICE OF DEFAULT UNDER STANDARD SECURITY

**IT IS IMPORTANT THAT YOU READ THIS LETTER - YOUR HOME MAY BE AT RISK OF REPOSSESSION**

To A.B. (*address*)

TAKE NOTICE that C.D. (*designation*), the creditor in a standard security by you (or by E.F.) over (*insert address*) (“the property”) in favour of C.D. (*or of G.H. to which C.D. has now right*) recorded in the Register for ..... (*or, as the case may be, registered in the Land Register for Scotland*) on ..... requires fulfilment of the obligation(s) specified in the Schedule hereto in respect of which there is default; And that failing such fulfilment within one month after the date of service of this notice—

- IF THE PROPERTY IS A RESIDENTIAL PROPERTY, C.D. may apply to the sheriff court for warrant to exercise the remedies available to a creditor on default for example to repossess and sell the property.
- IF THE PROPERTY IS A NON-RESIDENTIAL PROPERTY, it may be sold without the need to go to court.

Dated this ..... day of .....

*(To be signed by the creditor, or by his agent, who will add his designation and the words Agent of the said C.D.)*

Schedule of Obligation(s) in respect of which there is default.

To (*specify in detail the obligation(s) in respect of which there is default*)

**IT IS STRONGLY RECOMMENDED THAT YOU SEEK ADVICE:**

You can get advice about this Notice and what it means for you from a solicitor, Citizens Advice Bureau or other advice agency or, in the case of a residential property, an approved lay representative. A Citizens Advice Bureau or other advice agency may also be able to give you advice about how to manage debt. Take this Notice with you when seeking advice. You may be eligible for legal aid depending on your circumstances. You can get information about legal aid from a solicitor.

A solicitor or an approved lay representative may represent you in any court proceedings in relation to an application by C.D for possession and sale of your home. You can find out more about

approved lay representatives from the housing department of your local authority or from a Citizens Advice Bureau or other advice agency.

**YOUR RIGHTS IN RELATION TO RESIDENTIAL PROPERTY ARE PROTECTED BY LAW:**

In the case of residential property, C.D. must comply with statutory pre-action requirements before being allowed to apply to the court. These requirements include providing you with specified information and contacting you to discuss alternatives to repossession. C.D. may also be prevented from applying to the court if you have made an application to an insurer under a payment protection policy or to a mortgage support scheme. It is important to discuss with your solicitor or advisor any doubts you have about whether C.D. has complied with these requirements.

**YOU MAY WISH TO VOLUNTARILY SURRENDER YOUR HOME:**

In the case of a residential property it is open to you, in certain circumstances, to voluntarily surrender the property to C.D. if all entitled residents in it consent. If you wish to consider voluntary surrender you should discuss with your solicitor or advisor whether this option is right for you. You should not proceed with voluntary surrender unless you understand the consequences of doing so, for example, that you may still owe money to C.D.