

Mortgages



**Your guide to dealing  
with mortgage  
repayment  
difficulties**



**Bank of  
Ireland**

# Introduction

We understand that life can throw curveballs. If you're having trouble with your mortgage repayments, the first step is to **call our Arrears Support Unit on 01 488 3046. Lines are open from 9am to 5pm, Monday to Friday.**

The sooner you share your difficulties, the sooner we can help you. Whether your difficulties are because of the current economic situation or personal circumstances, we're here to listen and find solutions that fit your needs.

## Our commitment to you is as follows:

- **Compassion** - your financial well-being is our priority.
- **Fair treatment** - we treat every customer fairly.
- **Solution focused** - we always try to find the best way forward for you.
- **Confidentiality** - your dealings with us are strictly confidential.

Many of our customers have already benefited from our support, so if you think you could use our help, please get in touch.

If you have an income protection policy or a repayment protection policy, you might be able to make a claim. You should check your policy and contact your insurer.

## What is the Mortgage Arrears Resolution Process (MARP)?

The Mortgage Arrears Resolution Process (MARP) is a **structured framework designed to protect you**. It can help you if you're in arrears (behind on your repayments) on your primary residence (the home you live in as your main or only home in the Republic of Ireland, or the only residential property you own in the Republic of Ireland, even if you do not live in it).

Under the Central Bank of Ireland's Code of Conduct on Mortgage Arrears (CCMA), lenders **must use the MARP to help mortgage customers who are in arrears**, or at risk of going into arrears.

Under the MARP, you must **co-operate with us** to tackle repayment difficulties. If you do not co-operate with us, you will lose the protection the MARP gives you.

## What protections does the MARP offer?

Here are the key protections you will get from the MARP, as long as you co-operate with us.

- **Empathetic case handling**- we will be sympathetic and positive when handling your case.
- **Protection from legal proceedings** – you will have eight months from the date your arrears started, or three months from the date an alternative repayment arrangement could not be agreed (whichever is later), before any legal proceedings can begin. This gives you time to address your financial difficulties and work with us to find a solution.

## How does the MARP work?

### Step one:

#### Timely communication from us

As soon as you are in arrears (usually when all or part of a repayment is missed), **we will send you a warning letter to tell you about your mortgage account.** This letter will include details of the missed repayment and the total amount of arrears. We must also send you this booklet, which includes details about the MARP and relevant contact information.

We will also send you a Standard Financial Statement (SFS) for you to fill in.

### Step two:

#### You fill in the SFS and provide supporting documents

The SFS is **a form specially designed by the Central Bank of Ireland to help us carry out a detailed assessment of your current financial circumstances** and find a possible solution that works for you. We will also ask you for documents to support the information you give in the SFS. Examples of the documents you can send us include the following.

- ▶ **Bank account statements for the last three months** (if your accounts are not with us)
- ▶ **Credit card and loan statements for the last three months** (if the credit card or loan is not from us)
- ▶ **Your last payslip** or **social welfare receipt** (whichever applies)
- ▶ **Proof of rental income** (money earned from renting out a property) if this applies (for example, your current accounts statements)
- ▶ Any other relevant documents (for example, a GP or hospital letter) you think we should consider

If you or any joint mortgage holders are self-employed, we will also need to see the following.

- ▶ **proof of self-employed income** (for example, the **last year's audited or certified accounts**, or the **previous year's personal tax return i.e. Form 11** or **tax balancing statement**)
- ▶ **the last three months' bank statements for each business account** (if the accounts are not with us)

## How to complete the SFS

You can fill in the SFS **online** (if you meet certain eligibility criteria), **on paper** or **over the phone with a member of our team**.

### ▶ Online

To fill in the SFS online, go to [mortgagesolutionsfs.bankofireland.com/PreRegister](https://mortgagesolutionsfs.bankofireland.com/PreRegister), and answer our eligibility questions. You can then follow the instructions to register for our mortgage solution platform. Once registered, you can:

- ▶ fill in and submit the form;
- ▶ upload your supporting documents;
- ▶ view the progress of your SFS (once you have submitted it); and
- ▶ download, save and print a copy of your SFS.

If you're not eligible to register for our online platform, please use our phone or post option.

### ▶ Paper

You can send us your paper SFS by post. Please sign and date the form we sent you then send it, with your supporting documents, to:

Arrears Support Unit  
Bank of Ireland Group  
Baggot Plaza  
27-33 Upper Baggot St  
Dublin 4  
D04 VX58

If you have lost the form we sent you, you can [download a copy of the SFS](https://boi.com/sfs) from our website at [boi.com/sfs](https://boi.com/sfs) and print it so you can fill it in by hand.

If you cannot download the SFS form, you can ask us to send you a copy by email or post by calling us on 01 488 3046. Lines are open from 9am to 5pm, Monday to Friday.

► **Phone**

A member of our team can fill in and submit the SFS for you over the phone on your behalf. All you will need to do is give them the information over the phone and send us the required supporting documentation. Call us on 01 488 3046. Lines are open from 9am to 5pm, Monday to Friday.

If you're having difficulty with the above options, please call us on 01 488 3046. Lines are open from 9am to 5pm, Monday to Friday. We can make an appointment to help you. Or, you can contact the Money Advice and Budgeting Service for free, independent and confidential advice. Either visit their website at [mabs.ie](http://mabs.ie) or call 0818 07 2000.

You can also use the [Insolvency Service of Ireland \(ISI\) tool](#) to help you calculate your living expenses to better help you when filling in the SFS.

**Things to remember when filling in the SFS**

It is very important that you fill in the SFS fully, honestly and accurately, and provide all the documents we ask for. This allows us to assess your circumstances and help you find a possible solution faster. If you don't, we will consider you to be 'not co-operating' and you will lose the protection provided by the MARP.

If you're having trouble filling in the SFS, please call us on 01 488 3046. Lines are open from 9am to 5pm, Monday to Friday.

## Step three:

### We assess your situation

When we receive your SFS and supporting documents, we'll use the information to assess your situation and find an approach to help you deal with your financial difficulties. The main things we will consider in our assessment are:

- ▶ your current income and outgoings;
- ▶ your personal circumstances (for example, life events, bereavement, separation or divorce);
- ▶ any debts you have;
- ▶ any savings or investments you have;
- ▶ the information you give us in your SFS;
- ▶ any documents you have provided to support the details in the SFS;
- ▶ any extra information you have given us;
- ▶ your repayment history with us and other lenders; and
- ▶ whether one or more of the alternative repayment arrangements we describe in this booklet would be suitable for you.

**We will only offer an alternative repayment arrangement where suitable and sustainable. As alternative repayment arrangements are subject to individual assessment and our lending criteria, we cannot promise that we will offer an alternative repayment arrangement in every case.**

## Step four:

### We let you know the outcome of our assessment

We have different options for alternative repayment arrangements and one, or a combination of them, could be suitable for you. How long an arrangement lasts will depend on your circumstances.

The table below shows the alternative repayment arrangements we offer, how they work and the key features of each.

Arrangement	How it works
<b>Interest-only payments</b>	You pay only the interest on your mortgage for an agreed length of time. At the end of that time, we recalculate your mortgage repayments for the remaining term. Your repayments will then increase.
<b>Reduced repayments</b>	You pay more than just the interest, but less than your usual repayment, for an agreed length of time. At the end of that time, we recalculate your mortgage repayments for the remaining term. Your repayments will then increase.
<b>Moratorium</b>	You stop making mortgage repayments for a short amount of time (up to three months). At the end of that time, we recalculate your mortgage repayments for the remaining term. Your repayments will then increase.
<b>Term extension</b>	The term of your mortgage is extended. This spreads the mortgage over a longer amount of time and reduces the repayments.
<b>Capitalisation of arrears</b>	All late or unpaid repayments are added to the amount of your mortgage. We recalculate your mortgage repayments based on you repaying the mortgage amount plus the value of missed repayments that have been added to it. Your repayments will then increase.

<b>Split mortgage</b>	<p>Your mortgage is split into two parts. Then you will:</p> <ol style="list-style-type: none"> <li>1. You make an interest-only payment on the first part; and</li> <li>2. make a capital-and-interest repayment on the second part (which will pay off the second part of the mortgage by the end of the mortgage term).</li> </ol> <p>The amount of capital (the actual loan amount) on the first part of the mortgage, which you only pay interest on, is not reduced over the term of the mortgage. You must pay it off in full, as a lump sum, at the end of the mortgage term.</p> <p>Before you enter into this arrangement you must consider how you will repay the interest-only part of the mortgage.</p>
<b>Deferred interest</b>	<p>You only pay a percentage (no less than 66%) of the interest for an agreed length of time. You will pay the remaining interest at the end of the agreed time. We recalculate your mortgage repayments based on you paying off the mortgage amount plus the value of missed repayments that have been added to it. Your repayments will then increase.</p>

## Understanding your alternative repayment arrangement

If we decide to offer you an alternative repayment arrangement, we'll write to you to tell you the terms and conditions of that arrangement. It's very important that you fully understand the new arrangement before you go ahead with it. That's why **we recommend you get independent legal or financial advice** (or both) **before you make any decisions**. If you, or your advisers, have any questions about the alternative repayment arrangement, call us on 01 488 3046 and we will be happy to discuss these with you.

An alternative repayment arrangement may reduce your mortgage repayments, **but they will add to the overall cost of your mortgage over the full mortgage term**.

## If no alternative repayment arrangement is suitable

If none of the alternative repayment arrangements are suitable or available to you, you may need to sell your property. If this is the case, **we will assess your situation to help you find the most appropriate approach to selling your home.**

We cannot promise that any of these approaches will be suitable for your situation as they are based on an individual assessment and our lending criteria. Certain approaches (like mortgage-to-rent) may have additional requirements from other organisations (such as housing associations).

The possible approaches to selling your home are shown in the table below.

Selling approach	How it works
<b>Mortgage-to-rent</b>	Under this scheme, a housing association buys your home but you stay living in it as a tenant. You no longer own the property, and you pay an affordable rent to the housing association, based on your income. The Housing Agency has set qualifying criteria for this option. For example, there are limits on incomes and property values. Visit <a href="http://mortgage-to-rent.ie">mortgage-to-rent.ie</a> for more information. The Money Advice and Budgeting Service run a mortgage arrears information helpline for people considering this scheme. Their contact details are on page 16.
<b>Trading down</b>	In certain circumstances, we may agree to give you a smaller mortgage for you to downsize to a less expensive home. This may be suitable if the new mortgage would be more manageable, even if you are currently in negative equity (that is, you owe us more than the value of the property you are selling).
<b>Voluntary sale</b>	You sell the property, with our agreement, and pay the proceeds to us to cover the amount you owe on your mortgage.  If you sell the property for less than the amount you owe on your mortgage, you will have to pay us the difference.

### **Voluntary surrender**

You and we agree that you move out of the property so that we can repossess it and sell it.

If we sell the property for less than the amount you owe on your mortgage, you will have to pay us the difference.

## **If you choose not to co-operate with the MARP**

The consequences of not co-operating with the MARP are serious and are as follows.

- ▶ **We may apply fees, charges and extra interest on arrears.**
- ▶ **We may start legal proceedings to repossess your property.**
- ▶ **You may no longer be eligible for a Personal Insolvency Arrangement (PIA) under the Personal Insolvency Act 2012. For more information on PIAs, contact the Insolvency Service of Ireland. Their contact details are on page 16.**

Under the Central Bank of Ireland's Code of Conduct on Mortgage Arrears (CCMA), you will be considered to be 'not co-operating' if any of the following apply.

- 1. You did not provide a full and honest declaration of all your important financial information and did not follow the instructions in our warning letter.**
- 2. You did not provide the necessary financial information within the specified time and did not follow the instructions in our warning letter.**
- 3. You did not agree an alternative repayment arrangement with us, and for three months:**
  - ▶ you did not make your mortgage repayments in full or you made repayments but still have arrears;
  - ▶ you did not respond when we tried to contact you and did not fill in the necessary SFS or give us the documents we needed to carry out an assessment; or
  - ▶ you did not follow the instructions we gave in our warning letter.

**4. You entered into an alternative repayment arrangement with us, but have not paid the new repayments in full for three months, and**

- ▶ you did not respond to our communications or fill in the necessary SFS;
- ▶ you did not give us the documents we needed to carry out an assessment; and
- ▶ you did not follow the instructions we gave in our warning letter.

## **Our communications with you**

We will communicate with you openly and honestly and only when we need to. Of course, there may be times when we and you need to regularly contact each other. However, we make sure that our communication is never excessive and always takes your circumstances into account. If we ask you to do something, we will give you a reasonable time to do it before we contact you again. If we don't think you are co-operating with us, we will tell you.

## **Complaints**

If you have a complaint about how we treat you or how we are meeting our obligations under the CCMA, visit or call your branch, or write to the Customer Service Manager there. You can also make a complaint to our Arrears Support Unit using the contact details on page 15. You can send a written complaint directly to us at:

Bank of Ireland  
Group Customer Complaints  
Floor 1  
Newlands Cross Business Centre,  
Clondalkin, Co.  
Dublin  
D22 W324.

You can make a complaint online using our online complaint form at [bankofireland.com/help-centre/customer-complaints-process](https://bankofireland.com/help-centre/customer-complaints-process).

- ▶ If we do not settle the complaint **within five working days**, we will write to you to let you know we are considering it.

- ▶ If, after a further **20 working days**, we have still not settled the complaint, we will write to you again to explain the delay and let you know when we expect to give you a final response.
- ▶ We will write to you every **20 working days** (or more frequently) to update you on the progress of your complaint.
- ▶ If you're not satisfied with our final decision or how we have dealt with your complaint, you can contact the Financial Services and Pensions Ombudsman. Their contact details are on page 17.

## Appeals

If you're not happy with our decision, we'll give you **25 working days** from the date we write to you, to make an appeal in writing to our Mortgage Appeals Board. They will carry out an independent review of our decision.

You might want to make an appeal if:

- ▶ we offered an alternative repayment arrangement that you're not willing to accept;
- ▶ we didn't offer an alternative repayment arrangement; or
- ▶ we decided that you haven't been co-operating in line with the terms of the CCMA.

### What to include in your written appeal

You can decide exactly what to say in your written appeal, but you should include:

- ▶ the correct mortgage account number;
- ▶ specific details of the reason for your appeal; and
- ▶ any information that you think we have not taken into account.

With your appeal you should send any documents which our appeals board may find useful when considering your appeal.

### Where to send your appeal

Send your appeal, in writing, to:

Bank of Ireland Mortgage Appeals Board  
Baggot Plaza  
Dublin 4  
D04 VX58

## About the Appeals Board

The appeals board is made up of three senior staff members. When considering appeals, they must keep to the rules and principles of the CCMA.

Before making a decision, the appeals board considers your personal circumstances and all the information set out at step three 'We assess your situation' on page 7. They will consider the issue again from the beginning as well as any new information you give them with your appeal.

## The types of decision the Appeals Board can make

**If we've offered you an alternative repayment arrangement,** the appeals board can decide to:

- ▶ Confirm the decision to offer a particular alternative repayment arrangement.
- ▶ Confirm the alternative repayment arrangement we offered is not suitable and that:
  - a different arrangement is more suitable
  - OR
  - there is no suitable arrangement available
- ▶ Ask our arrears support unit to consider the matter again (for example, if there is new information about your financial circumstances).

**If we have not offered you an alternative repayment arrangement,** the appeals board may decide to do the following.

- ▶ Confirm there is no suitable alternative repayment arrangement available
- ▶ Offer an alternative repayment arrangement
- ▶ Ask our Arrears Support Unit to consider the matter again (for example, if there is new information about your financial circumstances)

The appeals board may need to ask you for more information before they make a decision.

## Your dedicated contact

We'll give you the name of the person who will be your point of contact until the appeals board makes their decision.

## How long an appeal takes

The appeals board will look into any appeal they receive within **25 working days** of the date we wrote to you with our decision.

- ▶ When the appeals board receive your appeal, they will write to you **within five working days** to confirm this.
- ▶ The appeals board will **make a decision on your appeal within 40 working days** of receiving it. During that time they will write to you with updates on the progress of your appeal.
- ▶ When the appeals board have made their decision, they will write to you **within five working days**.

If you're not happy with the board's decision, you can refer the matter to the Financial Services and Pensions Ombudsman. Their contact details are on page 17.

## State support

You may be entitled to mortgage interest relief or similar. For more information, call the Money Advice and Budgeting Service. Their contact details are on page 16.

## Useful contacts

### Bank of Ireland Mortgage Appeals Board

Bank of Ireland Mortgage Appeals Board  
Baggot Plaza  
Dublin 4  
D04 VX58

### Bank of Ireland Mortgage Arrears Support Unit

Bank of Ireland Mortgage Arrears Support Unit  
Baggot Plaza  
Dublin 4  
D04 VX58

**Phone:** 01 488 3046 (9am to 5pm, Monday to Friday)

**Website:** [bankofireland.com](http://bankofireland.com)

### Citizens Information Board

The Citizens Information Board is a national agency that provides information and advice on social services. They also run the Money Advice and Budgeting Service.

**Website:** [citizensinformationboard.ie](http://citizensinformationboard.ie)

## **Money Advice and Budgeting Service (MABS)**

This is a free, confidential and independent service for people in financial difficulty. They offer a service called Abhaile, which helps people who are behind with their mortgage repayments. The service provides vouchers for free financial and legal advice and help from experts.

**Phone:** 0818 07 2000

**Email:** [helpline@mabs.ie](mailto:helpline@mabs.ie)

**Website:** [keepingyourhome.ie](http://keepingyourhome.ie) or [mabs.ie/en/abhaile](http://mabs.ie/en/abhaile)

## **Insolvency Service of Ireland**

This is an independent government organisation with a range of solutions for getting out of debt. It has a regulated network of qualified professionals that can help you get back on track.

**Phone:** 01 764 4200

**Website:** [backontrack.ie](http://backontrack.ie)

## **Central Bank of Ireland**

The Central Bank's website provides independent information on financial products and a full copy of the Code of Conduct on Mortgage Arrears.

**Phone:** 01 224 5800

**Website:** [centralbank.ie](http://centralbank.ie)

## **Competition and Consumer Protection Commission (CCPC)**

The CCPC provides information on financial products.

**Phone:** 01 402 5555

**Website:** [ccpc.ie/consumers](http://ccpc.ie/consumers)

## **Department of Social Protection**

This website provides information relating to Jobseeker's Allowance, Mortgage Interest Supplement and other state benefits you may be entitled to.

**Website:** <https://mywelfare.ie/>

## **Office of the Revenue Commissioners**

The Office of the Revenue Commissioners' website provides information on all tax credits and benefits you may be entitled to.

**Website:** [revenue.ie](https://www.revenue.ie)

## **Financial Services and Pensions Ombudsman**

The Financial Services and Pensions Ombudsman deals with complaints customers have not been able to settle with financial service providers.

**Phone:** 01 567 7000

**Website:** [fspo.ie](https://www.fspo.ie)

## **Other important information we must give you**

### **Credit reference agency**

If you are in arrears your details will be recorded by the Central Credit Register. This could make it more difficult for you to get credit from us or other companies in the future. For example, you may have difficulty getting a loan, overdraft or credit card.

### **Arrears**

Under the conditions of your mortgage, if you do not make any payment by the date it is due, we can charge you extra interest of 0.5% a month (or part of a month if you are not in arrears for a full month) on the unpaid amount. This interest (which is equal to 6% a year) is added to the normal interest charged on your mortgage.

If your mortgage loan offer letter was from us, there's a minimum charge of €2.54 a month for each month your mortgage account is in arrears.

If your mortgage loan offer letter was from KBC Bank Ireland plc, the extra interest is 1% a year on any amount you do not pay by its due date.

### **Legal proceedings**

We only start legal proceedings to repossess and sell your home as a last resort. If the amount we get from selling your home does not cover the full amount you owe us (including unpaid interest and charges, and any legal and selling costs), you will have to pay the difference.

If we take legal action to repossess a property, we estimate that the costs will be more than €3,000. That estimate is for Circuit Court proceedings and takes account of solicitor's fees, expenses and VAT. Keep in mind that the actual costs could be much higher than we have estimated as we have not included barrister's fees or other fees and costs that may arise.

The text in the box below includes wording prescribed by law that cannot be changed. Therefore, Plain English Campaign's Crystal Mark does not apply to the following text.

**WARNING: YOUR HOME IS AT RISK IF YOU DO NOT KEEP UP PAYMENTS ON A MORTGAGE OR ANY OTHER LOAN SECURED ON IT.**

If your mortgage is ever on a variable rate:

**THE PAYMENT RATES ON THIS HOUSING LOAN MAY BE ADJUSTED BY THE LENDER FROM TIME TO TIME.**

If your mortgage is ever on a fixed rate

If you repay your mortgage loan or switch to a different interest rate when you are on a fixed rate of interest, it is likely we will suffer a loss. If we suffer a loss, you must pay us compensation when we ask you to pay it. We work out the amount of compensation you owe using the following formula.

$$A \times (R\% - R1\%) \times D \\ 365$$

In the formula:

A = an average of the amount which was repaid early (or the amount which is changed from the fixed rate to a new rate), from the date you repaid early (or the date the rate changed) to the end of the fixed-rate period.

$R\%$  = the yearly percentage interest rate we have to pay for the funding we need in order to lend an amount equal to 'A' for the original fixed-rate period.

$R1\%$  = the yearly percentage interest rate we could receive for a deposit of an amount equal to 'A' held for a period equal to D.

D = the number of days from the date you repaid your loan early (or the date the rate changed) to the end of the fixed-rate period.

If you have an endowment policy (a life insurance contract designed to pay a lump sum after an agreed term or when you die), and the insurer does not guarantee that the proceeds of the policy will be enough to repay the loan when it is due, please note:

**WARNING: THERE IS NO GUARANTEE THAT THE PROCEEDS OF THE INSURANCE POLICY WILL BE SUFFICIENT TO REPAY THE LOAN IN FULL WHEN IT BECOMES DUE FOR REPAYMENT.**



