



Changes to Green Mortgage Proposition

The Mortgage Store are making some small changes to how we apply our Green Fixed-Rate Mortgage.

What's changing?

From today November 20th, all of your fixed-rate mortgage customers must provide a Building Energy Rating (BER) certificate of B3 or better, to get our green mortgage discount of 0.3% at the point of drawdown, with the exception of self builds for which the current process remains unchanged. Therefore, any customer that is drawing down funds to complete home upgrades to get to a BER B3 or better will draw down on the non-green rate.

What about customers that are borrowing to upgrade their home?

For those customers who are not ready to give us a BER certificate of B3 or better on the date they draw down their mortgage loan, we will offer a 6 month window (or 18 months if they are upgrading their home and drawing down in stages) to get a Green discount of 0.3% on their initial fixed rate. Customers may be eligible for this offer if they are planning to upgrade their home to achieve a rating of B3 or higher. They will just need to provide us with a BER certificate, showing a BER rating of B3 or better within 6 months of drawdown (or 18 months from the date of first drawdown if they have a mortgage loan offer letter that allows them to draw down their loan in stages).

How does the customer send in the BER certificate after drawdown?

Customers are required to e-mail BER@boi.com with a copy of their BER cert showing a BER rating of B3 or better with their account number & request for Green discount. Please note that the green discount will only be applied to the fixed rate **from the time we receive the BER certificate** showing a rating of B3 or better. The discount will apply from the date of receipt of the BER until the end of the initial fixed rate period. We will not back date the discount to the date of draw down. Please note the SLA on the BER@boi.com mailbox is 48 hours however the discount of 0.30% will be applied & back dated to the date the BER was received in the inbox. See procedures for customers below under heading "Mortgage Accounts Admin (Post drawdown process)".

Note: You must not scan BER certs to Mortgage Applications that have funded on ROME as they will not be picked up or actioned. The above process must be followed for cases that have drawn to ensure customers discount is applied upon receipt of their BER certificate.



Changes to Green Mortgage Proposition

How will customers know where to send the BER cert when their works are complete?

There is a new special condition that will be inserted in every offer letter informing your customers that if they come back to the us within 6 months (or 18 months if their offer letter allows them to draw down in stages) with a BER certificate of B3 or better, we will apply the 0.30% green discount to the rate that they drew down on. In addition, our existing business team are fully informed and will be able to support any inbound customer query.

What about Self Builds?

There are no changes to how The Mortgage Store offers the Green mortgage discount to customers who are building their own home (Self Builds). We will continue to apply the green fixed rate straight away from the day your customer first draws down their loan.

ROME Pipeline cases (not yet submitted to Credit Underwriting team for further assessment):

All applicable in flight cases with our Broker Specialist team are subject to these new changes.

A newly created special condition will be inserted on all Mortgage Loan Offers to outline the change in terms & conditions.

House Hunter applications automatically default to No BER. There will now be an option for you to select a BER of B3 or Better to align to the properties your customers intend to target whilst shopping the market. This will be re-confirmed at the point a Property Specific Change in proposal is submitted and a BER Cert to confirm the property is currently rated B3 or better will be required prior to drawdown of the mortgage.

Pipeline cases already submitted to Credit Underwriting team:

- All in flight cases submitted to Credit for further assessment will be eligible to continue to avail of the green rate discount pre Nov 20th criteria. You can contact your Broker Relationship Manager for queries related to same.
- Any case that has already received a valid underwritten Property specific AIP or letter of offer prior to the go live of this change on 20th Nov, can proceed & the Green rate discount will be honoured pre Nov 20th criteria for the validity of the Loan Offer period. *Note green rates not applicable to house hunter cases.
- A change in proposal (CIP) submitted from Nov 20th onwards, where the case already has the green condition included, will be eligible to continue to avail of the green rate discount as part of the new CIP, regardless of the type of CIP. The CIP will be decisioned with the green rate discount included for the validity period of the new letter of offer. All subsequent offers are subject to the new changes.
- On expiry of any existing Letter of Offers/AIP's issued, the new criteria will apply.



Changes to Green Mortgage Proposition

Mortgage Accounts Admin (Post Drawdown process – Customers improving BER to B3 or better)

- Within the 6 months following the date of drawdown, customers are required to e-mail BER@boi.com with a copy of their BER cert, account number & request for Green discount. Our Mortgage Accounts Admin team will apply a discount of 0.3% off the rate the customer drew down on for the remaining fixed term without penalty. BER Certs must be supplied by a recognised Firm. The registered list of approved firms can be found on www.SEAi.ie

How to get your BER certificate

It's important that your customers consult the Sustainable Energy Authority of Ireland (SEAI) - www.seai.ie - and book their BER assessment to get a certificate for a rating of B3 or better. Please note, it may take several weeks for a BER assessor to complete their analysis and send the certificate to meet the conditions of the mortgage offer letter

How much does a BER certificate cost?

The cost isn't fixed. It's best to get two or three quotes before asking for a certificate. A BER assessment will cost around €150 for an apartment and between €200 to €300 for a house, penthouse or duplex. Make sure your assessor is insured and registered with the SEAI and that the fee includes the cost of registering your BER rating with them.

Summary of changes;

All of your fixed-rate mortgage customers must provide a Building Energy Rating (BER) certificate of B3 or better, to get our green mortgage discount of 0.3% at the point of drawdown

Self builds: No change to current process

House hunters automatically default to No BER

All in flight cases with our Broker Specialist team are subject to the new changes

Cases submitted to credit (In flight) for further assessment prior to this announcement can avail of the green discount pre Nov 20th criteria.

Current valid underwritten Property specific AIP or letter of offer prior to the go live of this change on 20th Nov, can proceed & the Green rate discount will be honoured pre Nov 20th criteria for the validity of the Loan Offer period. All subsequent offers will be subject to new requirements as outlined in this communication



Changes to Green Mortgage Proposition : Sample of new Special condition wording

Special Conditions

New Green Special Condition

A discounted Green Mortgage fixed interest rate is shown on page one of this Offer Letter:

1. The fixed rate that is shown on page one of this Offer Letter (the "initial fixed rate") has been discounted on the basis that the Property has a Building Energy Rating (BER") of B3 or better. Clause 2 of this special condition applies to you unless you are using the Loan to build a dwelling on the Property, in which case Clause 3 applies instead. Clauses 4 to 6 of this special condition apply to you in all cases.

2. You cannot draw down (borrow) the Loan unless and until:-

(a) you provide a Certificate from a duly qualified firm showing that the Property has a BER rating of B3 or better (unless clause 3 of this special condition applies to you);

(b) the Property is a dwelling (for example a house or apartment); and

(c) you draw down the Loan on or before 31 December 2024. By signing below, you acknowledge that you are aware that you have until 31 December 2024 to draw down the Loan. This deadline takes priority (applies instead of) any other deadline, for drawing down the Loan in this Offer Letter.

3. A discounted Green Mortgage fixed interest rate is shown on page one of this Offer Letter, and you are building your own new home. We understand that you are building a dwelling on the Property; and that you are legally obliged to complete the Property to a BER rating that is higher than B3 under the Energy Performance of Building Regulations. The following conditions apply to you instead of Clause 2 of this special condition:-

(a) You must make the first drawdown under the Loan on or before 31 December 2024. By signing below, you acknowledge that you are aware that you have until 31 December 2024 to make the first drawdown under the Loan. This deadline takes priority (applies instead of) any other deadline, for drawing down the Loan in this Offer Letter.

(b) You must use the Loan to construct a new dwelling, for example a house, on the Property (it is not sufficient to use the Loan to renovate an existing dwelling).

(c) You agree to provide a Certificate from a duly qualified firm showing that the Property has a BER rating of B3 or better before the date that the Property is occupied or (if earlier) on or before the date of the Final Property Report from the supervising architect/engineer/surveyor.

(d) If you don't meet your obligations under the previous two clauses (b) and (c), you agree that we have the right to send you a notice to remove the green discount by increasing the initial fixed rate by 0.3% for whatever remains of the period of the initial fixed rate (any notice we give you will comply with the relevant codes and regulations).



Changes to Green Mortgage Proposition: Sample of new Special condition wording

4. *Our standard interest rate options will be available at the end of the period of the initial fixed rate, (that period is shown on page one of this Offer Letter) and the Green Mortgage fixed interest rate discount will not apply to these options.*
5. *As the initial fixed rate shown on page one of this offer letter is already discounted for a BER rating of B3 or better, you cannot get a discount under any another special condition that appears in this Offer Letter: EVEN IF THERE IS ANOTHER SPECIAL CONDITION THAT SETS OUT OTHER TERMS AND CONDITIONS FOR GETTING SUCH A DISCOUNT --IT WILL NOT APPLY.*
6. *If you are not able to meet the conditions of this special condition before you draw down the Loan or first draw part of it down (or you cannot do so before 31 December 2024), we may be willing to replace this Offer Letter with a new mortgage loan offer letter that sets out a fixed rate without a Green Mortgage discount, but we will not be obliged to do this. We may also be willing (but will not be obliged) to include a condition in the new mortgage letter that sets out different terms and conditions for getting a discount on a fixed rate if the Property gets a BER certificate of B3 or better.*

New Condition for all other Fixed Rate Offer Letters:

1. *This Offer Letter must set out that your Loan will start on a fixed rate of interest (the "initial fixed rate"); and you must draw down (borrow) the Loan on the initial fixed rate. (If this Offer Letter says the Loan can be drawn down in stages, you must make all the drawings during the period of the initial fixed rate at the initial fixed rate).*
2. *We will apply a discount of 0.3% to the initial fixed rate if you provide us with a BER certificate for the property and it shows an energy rating of B3 or better, providing you meet the following conditions:-*
- (a) The BER certificate must be from a qualified firm.*
 - (b) You must scan and send a copy of the BER certificate to: BER@BOI.com within 6 months of the date that you draw down your Loan. If this Offer Letter says the Loan can be drawn down in stages, you must send the BER certificate to us in that way within 18 months of the date that you first draw down part of your Loan.*
 - (c) The email sent with the BER certificate must quote your mortgage loan application number which is shown on Page 1 of this Offer Letter.*
3. *The discount of 0.3% only applies to the initial fixed rate. We will apply the discount for a period that:*
- (a) starts on the date that you provide us with a copy of a BER certificate that meets the requirements of this special condition; and*
 - (b) ends when the initial fixed-rate period ends.*
4. *The discount of 0.3% only applies if the initial fixed rate has not already been discounted by 0.3% for a rating BER rating of B3 or better. For example, this special condition WILL NOT APPLY if there is another special condition in this offer letter with the heading "A discounted Green Mortgage fixed interest rate is shown on page one of this Offer Letter". If there is such a clause, the initial fixed interest rate already includes a 0.3% discount for a BER rating of B3 or better.*