



Mortgage Arrears Resolution Process (MARP)

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IBRC has put a Mortgage Arrears Resolution Process in place to help home loan customers in mortgage arrears or those who are at risk of going into arrears. This process forms part of our commitment under the Code of Conduct on Mortgage Arrears as published by the Central Bank of Ireland.

Please note that the Code of Conduct on Mortgage Arrears and IBRC's Mortgage Arrears Resolution Process apply to arrears on mortgages over customers' primary residences.

As defined under the Code of Conduct on Mortgage Arrears a Primary Residence means a property which is:

- i) the residential property which the borrower occupies as his/her primary residence in this State, or
- ii) a residential property in this State which is the only property owned by the borrower.

In addition, the protections of the Code also apply to borrowers in pre-arrears.

At IBRC we are committed to offering all the support we can to our mortgage customers in arrears, or those who feel they may have difficulty making repayments.

While we cannot write off loans, parts of loans or arrears, we will work with you to try to come to an alternative repayment arrangement appropriate to your individual circumstances.

Arrears: Arrears arise on a mortgage loan account where a borrower has not made a full mortgage repayment, or only makes a partial mortgage repayment, as per the original mortgage contract, by the scheduled due date.

Pre-Arrears: A pre-arrears case arises where the borrower contacts IBRC to inform us that he/she is in danger of going into financial difficulties and/or is concerned about going into mortgage arrears.

There are **five steps** in the Mortgage Arrears Resolution Process (MARP)

STEP 1 Communication – Talk to us

Please don't ignore the problem. IBRC has a dedicated Mortgage Arrears Support Unit (ASU) available to work with you if you are having repayment difficulties or are worried that repayment problems may arise.

Alternatively if you give us your written consent, we will liaise with a third party nominated by you to act on your behalf.

To speak to a member of our Mortgage Arrears Support Unit please call us on: +353 1 6096182

STEP 2 Financial Information

Our aim is to work with you to understand your financial situation. Once you make initial contact with us, we will ask you to complete a Standard Financial Statement (SFS) http://www.ibrc.ie/Mortgages/Important_documents/Standard_Financial_Statement.pdf detailing all of your income and expenditure. We can help you complete this document. It is important that you complete this document fully and accurately. A guide to completing the SFS can be found at http://www.ibrc.ie/Mortgages/Important_documents/Guide_to_Completing_a_Standard_Financial_Statement.pdf

As this is an important document you may wish to seek independent advice to assist you when completing the SFS, for further details please refer to page 10 of this booklet.

IBRC will need you to provide supporting documentation with the completed SFS in the form of three recent payslips and/or social welfare certificates. If you are self employed we will require a copy of your most recent business accounts. We may also require copies of recent current account statements. Our ASU will contact you in relation to any additional documentation that may be required.

Once IBRC receives the completed SFS and supporting documentation, it will be assessed by our ASU. If we have any questions or require additional information we may contact you to discuss the SFS further.

For useful contacts see page 10.

STEP 3 Assessment

Customer circumstances differ and, as a result, our ASU will apply a flexible approach to assist you in so far as this is possible.

We will assess your case based on:

- your particular individual circumstances
- your overall indebtedness
- the data provided in the SFS
- your repayment capacity
- your repayment history

Having reviewed your details we will explore all available options that may be appropriate for your particular circumstances.

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STEP 4 Resolution

IBRC will explore alternative repayment options in order to determine which may be appropriate for your particular circumstances and such alternative repayment options may include:

1. **Interest only repayment (Capital Moratorium)** – this is where you only pay the interest on your mortgage for a specified period of time.
2. **Interest and part capital repayment** – this is where you pay the interest on your mortgage, as well as a reduced amount of capital, for a specified period of time.
3. **Full repayment moratorium** – this option allows you to defer paying all or part of your mortgage repayment for a specified period of time. This may be of assistance if you have a temporary shortfall of income.
4. **Extending your mortgage term** – this means lengthening the duration of your mortgage in order to reduce the monthly repayment due. Please note life cover may be required under this option which would reduce any potential saving on your monthly repayment.
5. **Capitalising the Arrears** – this option may be suitable in circumstances where you are unable to discharge the arrears, but are in a position to discharge a monthly repayment to repay the debt over the remaining term of your mortgage.
6. **Changing the type of mortgage** – this option may be applicable if another type of mortgage was better suited to your circumstances. For example, changing from a fixed rate to a variable rate.
7. **Deferred Interest Scheme** – this may be an option subject to qualification criteria.

If it is possible to come to an alternative repayment arrangement with you, IBRC will write to you providing full details of this arrangement and of the effect it will have on your mortgage. It is important that you fully understand the implications of any alternative repayment agreement.

In the event that it is not possible to come to an alternative repayment arrangement with you, IBRC will write to you explaining the reasons for this and outline any other options available to you.

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STEP 5 Appeals

IBRC has established an Appeals Board to consider and independently review any of the following:

1. The decision of the IBRC's ASU
2. How IBRC has treated you under the Mortgage Arrears Resolution Process
3. IBRC's compliance with the Code of Conduct on Mortgage Arrears

The appeals process is as follows:

- All appeals must be submitted in writing within 25 business days from the date you receive written notification of the decision of the ASU.

All correspondence must be sent to:

**Mortgage Arrears Appeals Board
c/o Arrears Support Unit
Irish Bank Resolution Corporation
Limited, 2 Grand Parade, Dublin 6**

- IBRC will acknowledge each appeal in writing within 5 business days of the appeal being received and provide you with the name of the individual appointed by IBRC to be your point of contact in relation to the appeal.

- IBRC will provide you with regular written updates on the progress of the appeal, at intervals of not greater than 20 business days.
- IBRC will consider and adjudicate on the appeal within 40 business days of having received the appeal. IBRC will notify you in writing within 5 business days of the completion of its consideration of your appeal. If any revised offer is proposed the Appeals Board will explain the terms of the new offer to you in writing.

If you are not satisfied with the decision of the Appeals Board you are entitled to make a complaint to the Financial Services Ombudsman (FSO). You can contact the FSO as follows:

Phone: **1890 88 20 90**

Fax: **+353 1 662 0890**

Post: **Financial Services Ombudsman,
3rd Floor, Lincoln House,
Lincoln Place, Dublin 2**

Email: **enquiries@financialombudsman.ie**

Important Information to Consider

- Where you are not co-operating with IBRC as specified under the Mortgage Arrears Resolution Process, IBRC is entitled to commence legal action to recover the mortgaged property and debt outstanding.
- Any costs relating to legal action are payable by you and will be billed to your mortgage account.
- The repayment options as outlined in Step 4 may result in an increase in the interest cost to you over the life of your mortgage.
- Customers who have tracker mortgages will not be required to change to another mortgage type in order to avail of an alternative repayment arrangement.
- Arrears on your mortgage will affect your credit rating which may have implications should you apply for finance at some future date.
- We will monitor the alternative repayment arrangement and review this with you when it expires. If for any reason you are not in a position to comply with the terms of an alternative repayment arrangement it is important that you contact the ASU immediately at: **+353 1 609 6182**
- Please note it is important to make sure you have your Home Insurance and Life Assurance (if required under your mortgage contract) in place to cover your outstanding loan commitments at all times.

Are You **Maximising** Your Income?

Take a budgeted approach and record all income and expenditure. This will enable you to keep track of your finances and identify any areas where it may be possible to make savings.

Check that you are getting all your social welfare and tax entitlements. Your local Citizens Information Centre will be able to help you and can be contacted on **Lo Call 1890 77 71 21** or **www.citizensinformation.ie**

There may be other ways of maximising income, letting a room for example (with IBRC's permission). Check to see if you are entitled to any benefits that you are not already receiving e.g. you may not be receiving Tax Relief at Source on your mortgage or you may not be receiving the appropriate amount. You can contact the Revenue Commissioners to discuss your Tax Relief payments on

Lo Call 1890 46 36 26 or alternatively you can apply for Tax Relief online at **www.revenue.ie**

You may also be entitled to Mortgage Interest Supplement and should contact your local Community Welfare Office to investigate your entitlements. You can contact the Department of Social and Family Affairs on **Lo Call 1890 66 22 44** or **www.welfare.ie**

Charges for Non Co-operating Borrowers who were mortgage customers of Irish Nationwide Building Society until 1 July 2011

1	Direct Debits/Cheques returned unpaid:	€25.39 per item
2	Conversion from Annuity Loan to Endowment or Endowment to Annuity Loan:	€190.46
3	Conversion fee for transfer from Variable to Fixed Rate Loan:	€190.46
4	Customer Letters:	€12.70
5	Customer Visits:	€31.74
6	Call-Out Rate: hourly call out rate per person for attending repossession	€31.74
7	Valuation Fee for a Mortgage in Arrears:	€25.39 plus expenses

Charges for Non Co-operating Borrowers who took out their mortgage with IBRC (formerly Anglo Irish Bank Corporation Limited)

1	Unpaid items	€10.16
2	Drafts	€6.35
3	Surcharge interest of 4% above interest rate applicable to the loan See the general terms and conditions of your mortgage loan for further details.	

Definition of non co-operating customers is as follows:

A borrower can be considered not co-operating with IBRC when any of the following applies:

- (a) the borrower fails to make a full and honest disclosure of information to IBRC, that would have a significant impact on their financial situation;
- (b) the borrower fails to provide information sought by IBRC relevant to the borrower's financial situation; or
- (c) a three month period elapses during which the borrower:
 - (i) has failed to meet his/her mortgage repayments in full as per the mortgage contract or has failed to meet in full repayments as specified in the terms of an alternative repayment arrangement; and
 - (ii) has not made contact with, or responded to, any communication from IBRC or a third party acting on IBRC's behalf.

Useful Contacts

Money Advice & Budgeting Service (MABS)

MABS is a free, national, confidential and independent service for people in financial difficulty or in danger of falling into financial difficulty.

MABS Helpline 1890 28 34 38
www.mabs.ie
www.keepingyourhome.ie

Citizens Information Board

The Citizens Information Board provides access to accurate, comprehensive and clear information relating to social services like health, employment and social welfare.

Lo Call 1890 77 71 21
www.citizensinformation.ie

Department of Social Protection

The department provides information on Jobseeker's Allowance, Jobseeker's Benefit, Mortgage Interest Supplement and other welfare benefits.

Lo Call 1890 66 22 44
www.welfare.ie

Central Bank of Ireland

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

Lo Call 1890 77 77 77
www.centralbank.ie

Financial Services Ombudsman

The Financial Services Ombudsman is a statutory officer who deals independently with unresolved complaints from consumers about their individual dealings with all financial service providers. It is a free service to the complainant.

Lo Call 1890 88 20 90
www.financialombudsman.ie

National Consumer Agency

The National Consumer Agency (NCA) is a statutory body established by the Irish Government in May 2007. It aims to defend consumer interests and to embed a robust consumer culture in Ireland.

Lo Call 1890 432 432
www.itsyourmoney.ie

Office of the Revenue Commissioners

This website will provide you with information on all tax credits and benefits you may be entitled to.

www.revenue.ie

Irish Bankers Federation

The IBF website provides independent information and advice for homeowners who are experiencing difficulty with their mortgage repayments, and for those who feel they may have difficulty with repayments in the future.

www.helpinghomeowners.ie

WARNING:

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

VARIABLE RATE LOANS:

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

INTEREST ONLY MORTGAGES

WARNING:

THE ENTIRE AMOUNT THAT YOU HAVE BORROWED WILL STILL BE OUTSTANDING AT THE END OF THE INTEREST ONLY PERIOD.

ENDOWMENT 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



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www.ibrc.ie

Irish Bank Resolution Corporation Limited (trading as IBRC) is regulated by the Central Bank of Ireland