

# MORTGAGE ARREARS RESOLUTION PROCESS (MARP)

A GUIDE FOR BLANCHARDSTOWN &  
DISTRICT CREDIT UNION MORTGAGE  
CUSTOMERS

# 02

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# 03

## WORKING TOGETHER TO FIND A RESOLUTION.

If you are concerned about your mortgage repayments or are already in arrears on your repayments, talk to us today. This is the first and most important step you need to take to find a resolution. Call us on 018203495 and ask to speak with a mortgage advisor

## WE ARE HERE TO HELP

Your financial situation may have changed recently and we understand that that there will be occasions during the term of a loan that some members will experience financial and personal difficulties that affect their ability to meet their loan repayments as agreed.

We are here to help you through these difficulties and want to assist in finding a way to get you back on a repayment plan that will be sustainable for you and see your loan cleared over a reasonable period.

Drop in to our office and  
ask to speak with a  
Mortgage Advisor.  
We are open Mon-Fri  
9:30am-5pm Sat 9am-2pm  
Or call us on 01-8203495

# 04

## OUR MORTGAGE ARREARS RESOLUTION PROCESS (MARP)

Blanchardstown & District Credit Union is required under the Code of Conduct on Mortgage Arrears (CCMA), which is issued by the Central Bank of Ireland to have a MARP in place for its members who experience financial difficulty and are in arrears, or are at risk of going into arrears (Pre-Arrears) on their mortgage with the Credit Union

**Note:** The protection of the Code of Conduct on Mortgage Arrears applies to your “primary residence”: this is either a residential property which you occupy as your family home, or is your only residential property in the State that you may not currently be living in.

## OUR FOUR STAGE MARP PROCESS



# 05

## STEP 1 - COMMUNICATION

### WE ARE HERE TO SUPPORT YOU, LISTEN AND PROVIDE ADVICE

**"THE FIRST AND MOST IMPORTANT  
STEP YOU CAN TAKE IS TO TALK TO US  
AS SOON AS YOU KNOW YOU ARE IN  
DIFFICULTY OR ARE AT RISK OF  
GETTING INTO DIFFICULTY."**

This is the most important step in MARP. Where a member is not able to meet loan repayments as they fall due, the only other alternative way to co-operate is to communicate with the Credit Union as to the reasons why. The more pro-active a member is in this regard the more successful the outcome of MARP.

If you are concerned at making your next mortgage payment or have already fallen into arrears please contact us for help and guidance. You can contact us by phone on 018203495

(Mon – Fri 9:30am to 5:30pm and Sat 9am - 2pm excl. bank holidays)

Email: [info@blanchardstowncu.ie](mailto:info@blanchardstowncu.ie)

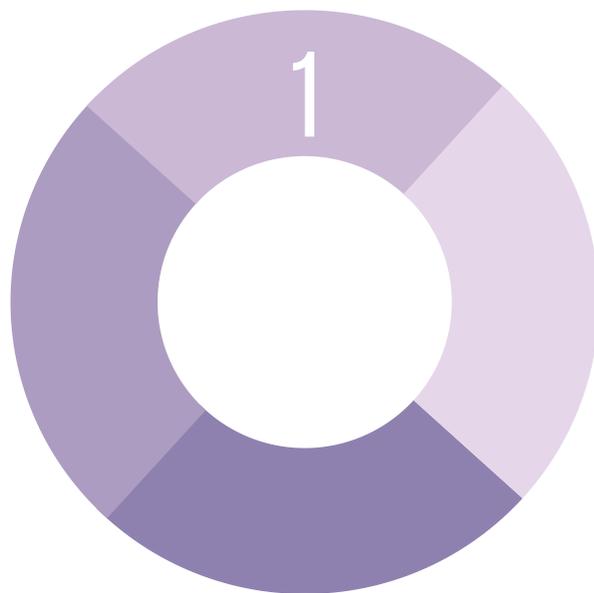
Please include your full name and member number for ease of reference.

Once you make contact our Mortgage Advisor will explore the most appropriate solution to your particular case.

Under the CCMA we are required to send letters to all members in arrears, detailing the amount of arrears outstanding and other key information regarding your mortgage. Each correspondence will also reference the MARP and the steps you will need to follow.

If we do contact you it is very important that you respond promptly to any request so that we can deal with the matter efficiently and effectively.

We will endeavour to ensure that our communications are easy to understand, and are not aggressive or intimidating. We will keep communications to the minimum amount required and will ensure that they are proportionate to your circumstances. In each communication you will be given a clear instruction as to how to proceed and a timeframe within which you should have completed the required action. We will allow sufficient time for you to complete that action before any follow up call is made.

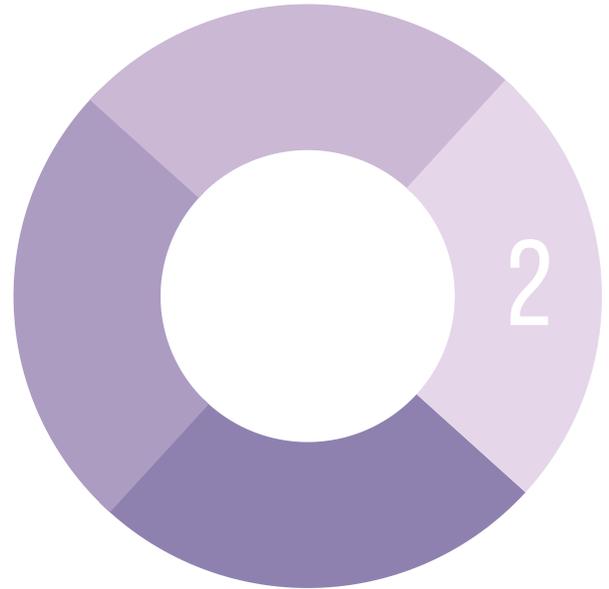


# 06

## STEP 2 - FINANCIAL INFORMATION

### GET A CLEAR PICTURE OF YOUR FINANCES

**"Filling out our Standard Financial Statement is the best way to get a clear picture of your finances and see if there are any expenses you can reduce or eliminate immediately so as to help you prioritise your mortgage repayments."**



Get a clear picture of your finances. Your next step is to fill in a standard financial statement (SFS). This is a form specially designed to give us a detailed understanding of your finances.

Your Mortgage Adviser will guide you and provide assistance in completing the form.

You may also need to provide additional documentation to support the information in the Standard Financial Statement.

This may include:

- Account statements from other banks (at least 3 months)
- Copies of payslips
- Copies of Business accounts for self-employed

We rely on your SFS to fully assess your situation.

It is vital that you fill in the SFS fully, honestly and accurately. If you don't fill in the SFS honestly or fully, or you refuse to provide any documents we ask for, we will consider you to be 'not co-operating', and you will lose

the protection provided by the Central Banks code of conduct (CCMA).

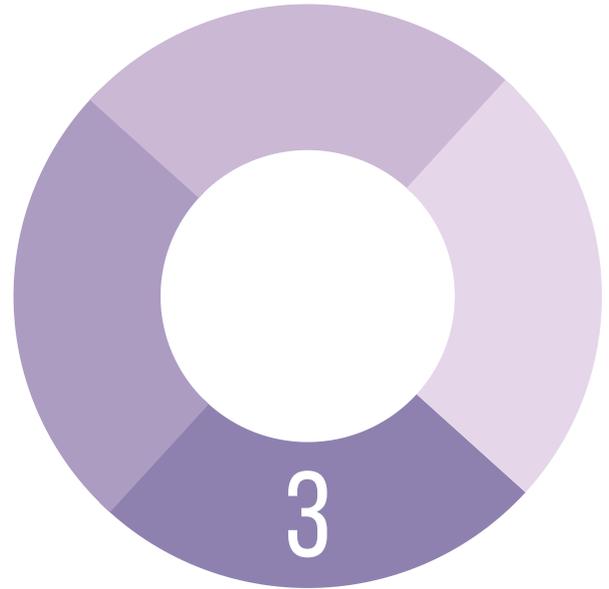
There is a helpful guide in completing the SFS on [www.centralbank.ie](http://www.centralbank.ie). It is also recommended to seek independent financial advice from the Money Advice and Budgeting Service (MABS) or any independent financial advisor.

# 07

## STEP 3 - ASSESSMENT

### ASSESS YOUR FINANCIAL SITUATION

**"Our main aim is to keep our members in their family home wherever possible, where they are working with us to prioritise their mortgage repayments."**



We will use the information provided by you in the SFS to assess your individual situation on which the criteria for assessing requests for alternative measures will be based. Careful consideration will be given to the following:

- Your personal circumstances – household income, expenditure and household budget
- Your overall personal debt
- Your current ability to make repayments
- Your previous repayment history
- Any other relevant personal information.

At the end of the assessment stage, we will have a clear picture of your individual situation and whether it meets the criteria for any alternative repayment options or measures

# 08

## STEP 4 - RESOLUTION

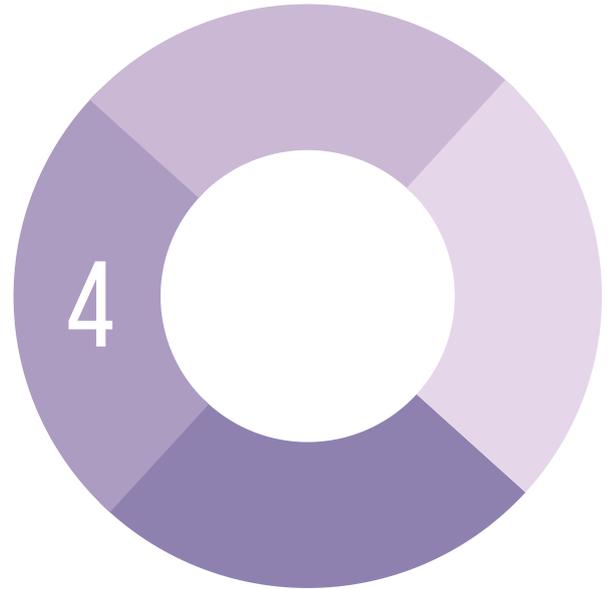
**WE WILL WORK  
WITH YOU TO  
EXPLORE ALL  
POSSIBLE OPTIONS**

**"While we can't guarantee a specific outcome, we are dedicated to finding an appropriate resolution for you, wherever possible."**

Once we have gathered and assessed all the information relating to your financial circumstances, in Step 4 of the process we will work with you to explore all possible options.

Depending on your circumstances, one of our alternative repayment options may be appropriate for you. This could prevent your mortgage from falling into arrears, or further into arrears.

Each of the options for alternative repayment arrangements has strict qualifying criteria, with each case assessed on an individual case-by-case basis.



# 09

# RESOLUTION OPTIONS AVAILABLE

## ALTERNATIVE REPAYMENT ARRANGEMENTS

Following the assessment of your SFS, we will endeavour to agree an alternative repayment arrangement (ARA) with you.

- **‘Interest Only’** – this means that you will only pay the interest owed on your loan during this period and not the capital amount owed.
- **‘Fixed Repayment’** – this means you will pay a series of agreed repayments incorporating interest and some capital, which reduces the amount of your monthly repayments for a time.
- **‘Extension of Loan Term’** – an arrangement to extend the term of the mortgage which could reduce your monthly repayments by spreading the amount owed over a longer period of time.
- **‘Capitalisation of the Arrears and Interest’** – an arrangement to restructure your repayments by spreading the amount of any arrears and interest over the remaining term of your mortgage.
- **‘Positive Equity’** - in this arrangement you will pay a reduced repayment amount agreed by us based on your affordability. You must be in positive equity in your property to be deemed eligible for this arrangement. There will be a residual balance outstanding at expiry of this arrangement and we will propose an appropriate solution at that time to clear the outstanding balance. This agreement is subject to periodic reviews and submission of updated financial information.

# 10 RESOLUTION OPTIONS AVAILABLE

- **‘Split Mortgage’** – in this arrangement your mortgage is ‘split’ into two portions so that it is more affordable. The first portion is made of capital and interest repayments based on your current financial affordability levels. The remaining portion of the mortgage is deferred for a period of time where you will not be required to make payments.

## Other Options Available

The availability of all the options outlined below have strict qualifying criteria (banks or a third party), with each case assessed on an individual case by case basis. Where we are unable to agree an alternative repayment arrangement, there are other options available to you:

- **‘Voluntary Surrender’** – this involves the voluntary surrender of your property, by you to the bank. Where a shortfall exists, the shortfall will be repayable by you under new terms agreed by EBS.
- **‘Mortgage to Rent’** – this is a Government initiative to help homeowners who have engaged with the MARP process to remain in their existing property, but on a rental basis. Mortgage to rent allows you to voluntarily surrender your property to the lender. The lender sells the property to an Approved Housing Association (AHA) and you will remain in the property as Social Housing tenants of the AHA.
- **‘Negative Equity Trade Down’** – if your home is in negative equity, you may be able to sell this property and purchase a new property of a lower value. Any outstanding ‘negative equity’ is added to the new loan and secured on the new property. Full capital and interest repayments will be made on the new mortgage.

# 11 RESOLUTION OPTIONS AVAILABLE

- **‘Voluntary Sale of your Property’** – this involves you selling your property to clear or reduce the balance of your mortgage. Where the balance can be cleared in full, revised terms may be agreed by us whilst the property is selling, to match your affordability. Where a shortfall exists (i.e. the property is sold for an amount lower than what is currently owed on the mortgage), the shortfall will be repayable under new terms agreed by us

EACH OF THE OPTIONS FOR ALTERNATIVE REPAYMENT ARRANGEMENTS HAS STRICT QUALIFYING CRITERIA, WITH EACH CASE ASSESSED ON AN INDIVIDUAL CASE-BY-CASE BASIS.

## **Important points to note in relation to alternative repayment options:**

- An alternative repayment arrangement may be affordable for you in the short term but could be more expensive over the life of the loan
- You need to fully understand the implications of any new loan arrangement before you formally accept it. We strongly recommend that you obtain independent legal, tax and financial advice before agreeing to any resolution arrangement, in particular if you have any questions as to the legal, tax or financial implications of the arrangement
- We may require you to sign a settlement/confidentiality agreement as part of an alternative repayment arrangement or restructuring agreement. We recommend that you take independent legal advice prior to entering into a settlement/confidentiality agreement

# 12

- Amending the repayment schedule, term, or frequency of your mortgage will impact the benefit(s) covered by your Mortgage Payment Protection Plan. Please ask to speak with our Credit Controller for more details
- Life Assurance cover should take account of alternative repayment arrangements such as Interest Only or Repayment Breaks. We strongly recommend that you get advice on your life assurance needs
- You have the right to make a complaint at any time in relation to the treatment of your case under the MARP process or the credit union's compliance with the MARP process. Complaints can be made through various media, for example, by telephone, in person, through your local branch, in writing or by email
- Once you remain within the MARP process, we will continuously monitor any alternative arrangement once it is put in place to establish if there has been any change in your financial circumstances since the arrangement was put in place. However, a review will take place immediately if you do not keep to the terms of your arrangement.
- You have the right to appeal our decision in the event that:
  - We offer you an alternative repayment arrangement which you have declined and you have been advised in writing of other possible options that you may wish to consider
  - We decline to offer you an alternative repayment arrangement
  - We classify you as 'not co-operating'

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**IF YOU WISH TO APPEAL, YOU MUST WRITE TO US WITHIN 20 BUSINESS DAYS OF RECEIVING A LETTER FROM US IN RELATION TO ONE OF THE ABOVE SCENARIOS, SETTING OUT THE REASON FOR THE APPEAL, AND ADDRESS YOUR APPEAL TO: Mortgage Appeals, Unit 9/10, Blanchardstown Business Centre, Clonsilla Road, Dublin D15 FP92, Ireland, or by email to [loans@blanchardstowncu.ie](mailto:loans@blanchardstowncu.ie)**

## OUR COMMUNICATIONS

Our goal is to work with you to achieve an appropriate resolution to your financial difficulties. We will ensure that:

- Our communications are clear, concise and easy to understand
- Our communications are never aggressive, intimidating or harassing
- The volume of communications is proportionate and not excessive
- You are given sufficient time to complete any actions required before follow-up communication is attempted
- Future communication is agreed so that you are aware of any next steps
- We aim to treat all our members fairly and to act to the highest standards of professionalism at all times

# 14

# NOT CO-OPERATING

UNDER THE CODE, YOU WILL BE CONSIDERED TO BE 'NOT CO-OPERATING' WITH US IF ANY OF THE BELOW FOUR CIRCUMSTANCES BELOW APPLY

## 1. If:

- You failed to give us full and honest information that has a significant effect on your financial information and
- We have sent you a warning letter as required by the code but you have not carried out the action specified in that letter

## 2. If:

- You did not give us relevant information about your financial situation, within the timescale we specified; and
- We have sent you a warning letter as required by the code but you have not carried out the actions specified in that letter.

## 3. If:

- you have not entered into an alternative repayment arrangement with us and there has been a three-month period during which:
- You have failed to pay your mortgage repayments in full, or you have made your mortgage repayments in full but are still in arrears, and:
  - you have failed to contact or respond to any communications from us, or a third party acting for us; or
  - you have contacted, or responded to communications from us, or a third party acting for us, but have not done everything required to enable us to complete an assessment of your circumstances; and

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## 4. If:

- You have entered into an alternative repayment arrangement with us and since then there has been a three-month period during which:
- You have failed to pay the new repayments under the alternative repayment arrangement in full and you:
  - have failed to contact, or respond to any communication from us, or a third party acting for us; or
  - have contacted, or responded to communications from us, or a third party acting for us, but have not done everything required for us to complete an assessment of your circumstances, and:
- We have sent you a warning letter as required by the code but you have not carried out the actions in that letter.

# 16 USEFUL CONTACTS

## **Money Advice and Budgeting Service**

(MABS) MABS ([mabs.ie](http://mabs.ie)) offers free and confidential independent advice and assistance with managing your finances.

0761 07 2000.

A website – [www.keepingyourhome.ie](http://www.keepingyourhome.ie)

is provided by the Citizens Information Board and MABS. This website aims to provide comprehensive information on the services and entitlements available to mortgage borrowers who may be experiencing difficulties making mortgage repayments.

## **Stepchange Debt Charity Ireland**

([www.stepchangedebtcharity.ie](http://www.stepchangedebtcharity.ie)) is a free and independent telephone advice service for people who are struggling with debt or mortgage payments. Their Freephone helpline number is 1800 937 435. The line is available Mon-Fri from 9am-5pm until 5pm.

## **The Central Bank's**

website provides independent information on financial products and includes a consumer guide to dealing with your lender on the Code of Conduct on Mortgage Arrears. Telephone 1890 777 777 - [www.centralbank.ie](http://www.centralbank.ie)

## **Citizens Information**

if you are in mortgage arrears or are worried about mortgage arrears, you can contact the Citizens Information's new dedicated Mortgage Arrears Information help line, phone 0761 074 050 (9.30am – 5pm Monday to Friday) - [www.citizensinformation.ie](http://www.citizensinformation.ie)

## **Department of Social**

**Protection** The Social Welfare website provide information relating to job seekers allowance, mortgage interest supplement and other welfare benefits you may be eligible for. [www.welfare.ie](http://www.welfare.ie)

# 17 USEFUL CONTACTS CONT.

**Mortgage Interest Supplement** provides short term support to help pay mortgage interest repayments. You should contact the Community Welfare Officer at your local Health Centre who will advise if you qualify and what documentation is required. You may be eligible but are required to submit certain information, such as a copy of the original loan documentation with your claim. This can be arranged by contacting your credit union who will follow up on these queries.

**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](http://www.revenue.ie)**

**Financial Services & Pensions Ombudsman**  
Bureau, 3rd Floor,  
Lincoln House, Lincoln  
Place, Dublin 2. Phone:  
1890 88 20 90 (lo call)  
Fax: 01 662 0890 E-  
mail:  
[enquiries@financialombudsman.ie](mailto:enquiries@financialombudsman.ie)

**Insolvency Service of Ireland** Under the Personal Insolvency Act 2012, you have the right to consult with a Personal Insolvency Practitioner. For more information please refer to their website at  
**[www.isi.gov.ie](http://www.isi.gov.ie)**

**Itsyourmoney.ie**  
provides consumer information and education functions from the Central Bank of Ireland. Consumer Helpline: 1890 432 432  
Website:  
**[www.itsyourmoney.ie](http://www.itsyourmoney.ie)**

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Or call us on 01-8203495