



## **Athenry Credit Union**

ATHENRY • BALLYGAR • BIRR • KILKERRIN  
KINVARA • MENLOUGH • PORTUMNA

# **MORTGAGE ARREARS RESOLUTION PROCESS (MARP)**

**Guidelines for members of  
Athenry Credit Union who may be  
experiencing financial difficulties or may  
be concerned about falling into arrears in  
the future with their mortgage repayments.**

**Think Athenry Credit Union!**



# Athenry Credit Union

ATHENRY • BALLYGAR • BIRR • KILKERRIN  
KINVARA • MENLOUGH • PORTUMNA

## Mortgage Arrears Resolution Process (MARP)

It can be a very difficult and stressful time when your circumstances change, and you find yourself unable to meet your financial commitments. This can happen for various reasons; you may have lost your job, become ill or find your personal circumstances have changed. You are not alone in finding yourself in this situation. The most important thing to do is face up to your current financial situation and examine the practical options available.

At Athenry Credit Union, we try hard to be flexible in order to help our members. We may be able to offer an alternative arrangement due to your change in circumstances. However, we have a duty and legal right to recover monies borrowed, as these are the savings deposited by other members.

***Warning: We are members of the Irish Central Credit Register, not adhering to your payment terms with us, may affect your Credit Rating with other financial institutions.***

## This is how we can help you!

**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 WITH YOUR MORTGAGE.**

The Central Bank of Ireland has a Code of Conduct on Mortgage Arrears [Central Bank's Consumer Guide \(CCMA\)](#) to provide protection to mortgage holders. The protection of the CCMA 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.

While the CCMA does not apply to Credit Unions in Ireland, Athenry Credit Union will comply insofar as is reasonably practicable with the CCMA.

A key element of this commitment is to provide our members with a Mortgage Arrears Resolution Process (MARP).



# Athenry Credit Union

ATHENRY • BALLYGAR • BIRR • KILKERRIN  
KINVARA • MENLOUGH • PORTUMNA

The four steps in the MARP are as follows:

1. Communication with the member.
2. Collection of financial information.
3. The assessment processes.
4. The resolution processes.

It is very important that you understand the obligations that the Code places on you.

You must co-operate with us to tackle your repayment difficulties.

If you do not work with us or provide the information we ask for; you will be considered to be 'not cooperating' and will lose the protection given to you by MARP.

This Code sets out the framework that lenders must use when dealing with borrowers in mortgage arrears or in pre-arrears.

All such cases must be handled sympathetically and positively by the lender, with the objective at all times of assisting the borrower to meet his/her mortgage obligations.

## **STEP 1 COMMUNICATION**

If you are worried that you will not be able to meet your next repayment or if you become aware of any potential difficulties, please contact our Mortgage Arrears Support Officers on 091 844306 or 087 4160652.

It is important that throughout the process you keep communicating with us so that we can work together to find a solution in a timely manner. If you wish, you can even instruct us to communicate with a third-party advisor acting on your behalf.

You can also contact the Money Advice and Budgeting Service (MABS). They provide independent financial advice free of charge or visit [Mortgage arrears - MABS](#)



# Athenry Credit Union

ATHENRY • BALLYGAR • BIRR • KILKERRIN  
KINVARA • MENLOUGH • PORTUMNA

## STEP 2 FINANCIAL INFORMATION

Your next step is to fill in the [Standard Financial Statement](#) (SFS). This is a form specially designed to give us a detailed understanding of your finances.

[Guide to Completing Standard Financial Statement](#) - Please contact us if you need any assistance completing the form.

We rely on your SFS to fully assess your current financial situation. Therefore, it is important that you fill in the SFS fully, honestly, and accurately. We may also request documents to support what you tell us in the SFS (for example pay slips).

If you do not complete the SFS fully to the best of your knowledge or refuse to provide any documents we ask for, you will be considered as 'not co-operating' and you will lose the protection provided by the MARP.

## STEP 3 ASSESSMENT

When assessing requests for alternative repayment arrangements, we will use the information provided by you in the SFS to assess your current financial situation.

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 repayment.
- Your previous repayment history
- Any other relevant personal information

When the assessment is complete, we will have a better understanding of your individual situation and whether it meets our criteria for any alternative repayment option.

It is our aim to keep you in your family home where possible.

You need to work with us to prioritise your mortgage repayments.



# Athenry Credit Union

ATHENRY • BALLYGAR • BIRR • KILKERRIN  
KINVARA • MENLOUGH • PORTUMNA

## STEP 4 RESOLUTION

When all the information relating to your financial situation has been reviewed, we will consider all possible repayment options available to you.

### Resolution Options Available: Alternative Repayment Arrangements (ARA)

An ARA offered to you is subject to your individual financial circumstances and our assessment of your SFS.

Solution	Description	Advantage	Disadvantage
Short term reduced repayments	This is a temporary arrangement to reduce the repayment which is made up of capital and interest for an agreed period of time.	Your repayments will be reduced to an affordable amount for an agreed period of time.	The mortgage balance will reduce at a slower rate due to reduced repayments. When monthly repayments resume the payment will need to be increased for the remaining mortgage term.
Short term interest only	This means that you will only pay the interest owed on your loan during this period.  Because you are not paying anything towards the capital balance your repayment will be lower.	Reduced repayment for a set period of time. This gives you the chance to return to full repayments or enter into a more long-term solution.	The current mortgage balance will remain outstanding at the end of this term. Therefore, when monthly repayments resume the payment will need to be increased for the remaining mortgage term.
Extension of Loan Term	This is a rescheduled arrangement to extend the term of the mortgage which would reduce your monthly repayments by spreading the amount owed over a longer period of time.	Your mortgage repayment will be reduced as the term will be extended over a longer period of time.	Your mortgage balance will take longer to pay off. You will pay more interest as the mortgage is spread over a longer period of time.



# Athenry Credit Union

ATHENRY • BALLYGAR • BIRR • KILKERRIN  
KINVARA • MENLOUGH • PORTUMNA

## Resolution Options Available: Alternative Repayment Arrangements (ARA) (Continued)

Split Mortgage	This is an arrangement where 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.	Your monthly repayments will be reduced to a more affordable amount depending on your circumstances.	No interest will accrue on the deferred portion of the mortgage. You will need to have an arrangement in place to repay the balance after the agreed deferral period has ended.
----------------	---	--	---



# Athenry Credit Union

ATHENRY • BALLYGAR • BIRR • KILKERRIN  
KINVARA • MENLOUGH • PORTUMNA

Where we are unable to agree an alternative repayment arrangement with you, and depending on your personal circumstances, the options below may be available to you. The availability of any one of these options are based on an individual assessment of your case and you meeting the appropriate qualifying conditions (ours or a third party's).

## Other alternative options

Sometimes none of the alternative repayment arrangements are suitable to you or may be available to you and you need to sell your property. If this is the case, we will work with you to help find the most appropriate approach to selling your home. The possible approaches include the following:

Solution	Description	Advantage	Disadvantage
Voluntary Surrender	This is the voluntary surrender of your property, by you to us.	The sales proceeds will reduce or clear your mortgage balance.	The sales proceeds may not clear the mortgage balance. In this case you will need to repay the outstanding balance over an agreed period of time.
Voluntary Sale of your Property	You agree to sell your property to repay your mortgage.	The proceed of the sale will clear or reduce your mortgage.	The proceeds of the sale may not clear your mortgage. In this case you will need to repay the outstanding balance over an agreed period of time.

*All the Options offered for alternative arrangements have a strict criterion and are assessed on a case-by-case basis.*

*It is very important that you fully understand the implications of any new loan arrangement that you make before you accept it.*

*We would recommend that you seek independent legal and financial advice before entering into any new legal agreement.*



# Athenry Credit Union

ATHENRY • BALLYGAR • BIRR • KILKERRIN  
KINVARA • MENLOUGH • PORTUMNA

## OUR COMMUNICATION

It is our goal 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 any 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.

## NOT CO-OPERATING

Under the code, you will be considered to be 'not co-operating' with us if any of the following circumstances apply:

- 1) You failed to give us full and honest information that has a significant effect on your financial information.
- 2) We have sent you a warning letter as required by the code, but you have not carried out the action specified in that letter.
- 3) You did not give us relevant information about your financial situation, within the timescale we specified.
- 4) 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.
- 5) You have failed to contact or respond to any communications from us, or a third party acting on our behalf.
- 6) 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.
- 7) 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 mortgage repayments under the alternative repayment arrangement in full.





# Athenry Credit Union

ATHENRY • BALLYGAR • BIRR • KILKERRIN  
KINVARA • MENLOUGH • PORTUMNA

## The consequences of 'not co-operating' are serious.

These consequences are set out in the code and include the following.

- 1) As a non-co-operating borrower, you will have fallen outside the Mortgage Arrears Resolution Process and will no longer be in a position to avail of the protections or resolutions afforded under this process.
- 2) That we may commence legal proceedings for repossession of your property immediately after you are classified as 'not co-operating'.
- 3) Following repossession, we may dispose of the property to recover the outstanding amount owed under the mortgage. While every effort will be made by us to obtain the highest sale price possible under the given circumstances, should there be any shortfall between the sale price and the outstanding mortgage amount, you will remain at all times fully liable for repayment of such shortfall. The outstanding mortgage amount will include the outstanding debt together with any accrued interest, legal fees, selling fees or other related costs.
- 4) You may no longer be eligible for Personal Insolvency Arrangement (PIA) under the Personal Insolvency Act 2012. For information on PIAs, contact the [Insolvency Service of Ireland](#).

## APPEALS

Under the revised CCMA effective from July 2013, the appeals process is now separate from the MARP. However, if you are refused an alternative repayment arrangement, or you reject the arrangement being offered, you must get 3 months before we can start repossession proceedings.

Even though you are now outside the MARP, you can appeal the decision made to our Appeals Board under the CCMA if:

- You are not willing to accept the alternative repayment arrangement being offered.
- You are not offered an alternative arrangement.
- You are classified as not co-operating.

We will allow you at least 20 business days from the date you receive notification of the Appeals Support Units decision to submit an appeal.



# Athenry Credit Union

ATHENRY • BALLYGAR • BIRR • KILKERRIN  
KINVARA • MENLOUGH • PORTUMNA

Your appeal must be made in writing to our Mortgage Appeals Board, Athenry Credit Union, Old Church Street, Athenry, Co. Galway, H65 Y271.

The appeal should include your name, account number and must set out your grounds for appeal and any other information you feel the Mortgage Appeals Board should consider.

When we receive a written appeal, we will write to you within 5 business days acknowledging receipt of your appeal and we will undertake to adjudicate on your appeal within 40 business days.

## COMPLAINTS

If you are not happy with the decision made on your case, or if you feel we have not complied with the CCMA, you can make a complaint under the Central Bank's Consumer Protection Code 2012.

Complaints can be made in writing to The Complaints Officer, Athenry Credit Union, Old Church Street, Athenry, Co. Galway, H65 Y271 or by email: [complaints@athenrycu.ie](mailto:complaints@athenrycu.ie)

Once we receive a formal complaint, in accordance with our Complaints Policy we will respond to you in writing within 20 business days.

If you are not satisfied with our handling of your complaint, you have the right to contact the Financial Services Ombudsman on 1890882090.

## APPENDIX

Code of Conduct on Mortgage Arrears: [Central Bank's Consumer Guide \(CCMA\)](#)

Completing Standard Financial Statement: [Guide to Completing Standard Financial Statement](#)

Standard Financial Statement: [Industry Standard Financial Statement](#)



# Athenry Credit Union

ATHENRY • BALLYGAR • BIRR • KILKERRIN  
KINVARA • MENLOUGH • PORTUMNA

## USEFUL CONTACTS

### Citizens Information Board

The Citizens information gives information and advice on the broad range of public services available to Irish citizens from the state. These cover rights under being made redundant, social welfare entitlements and other rights as a consumer. They can be contacted on 0818077600 or visit [Mortgage arrears \(citizensinformation.ie\)](https://www.citizensinformation.ie)

### MABS - Money Advice and Budgeting Service

MABS offers free and confidential independent advice and assistance with managing your finances. You may wish to seek assistance from MABS. They can be contacted at 076 107 2000 or visit [Mortgage arrears - MABS](#)

### Free Legal Advice Centre (FLAC)

FLAC provides basic free legal services in the areas of social welfare, credit and debt and public interest law. It is important when considering an ARA, or other alternative solution that members seek independent Legal advice as well as financial advice. FLAC can be contacted on 1890 350250 or visit [Free Legal Advice \(FLAC\)](#)

### Personal Insolvency

The ISI is a state body that is charged with the responsibility for all matters concerning the Personal Insolvency legislation 2012. They are charged with informing borrowers of their rights and informing them of the legal remedies available to borrowers who find themselves in financial difficulty. They also maintain the various Registers for each of the Insolvency Protocols. A register of approved Personal Insolvency Practitioners is also available on their website. They can be contacted on 076 106 4200 or by visiting [Insolvency Service of Ireland](#)



# Athenry Credit Union

ATHENRY • BALLYGAR • BIRR • KILKERRIN  
KINVARA • MENLOUGH • PORTUMNA

## USEFUL CONTACTS (CONTINUED)

### Financial Services Ombudsman

The Financial Services Ombudsman is an independent body which deal with complaints from consumers about their dealings with regulated financial service providers. It is a free service and hey can be contacted on 1890 88 20 90 or 01 662 0899 or by visiting [Financial Ombudsman Service](#)

### Department of Social Protection

The [Social Welfare Website](#) provides information relating to job seekers allowance, mortgage interest supplement and other welfare benefits you may be eligible for.

### Revenue Commissioners

The [Revenue Commissioners Ireland](#) will provide you with information on all tax credits and benefits you may be entitled to.