Mortgage Arrears Resolution Process (MARP)

A practical guide to dealing with mortgage repayment difficulties.

At Núa we understand that your circumstances may change during the term of the mortgage, and we are fully committed to helping you deal with any repayment difficulties and finding the most appropriate solution for your situation.

The Central Bank's Code of Conduct on Mortgage Arrears (CCMA) sets out a framework that all Lenders must use when dealing with customers in Mortgage Arrears or Pre-Arrears.

The protection of the Code of Conduct on Mortgage Arrears applies to a mortgage taken out on your "primary residence". This can be either a residential property which you occupy as your family home, or your only residential property in the State that you may not currently be living in. Full details of the code can be found at www.centralbank.ie

To meet these requirements Núa has introduced a four-step process called the Mortgage Arrears Resolution Process (MARP). This process aims to engage with, support and find a resolution for our mortgage customers who are in arrears, or who are at risk of going into arrears.

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The 4 steps of MARP:

Step 1: Communication

If you are worried about meeting your mortgage repayments in the future, or perhaps you have already missed one, it is important that you contact us as early as possible as soon as you become aware of the financial difficulties. This means that we can work together to find the most suitable option to help you get through the difficult period and get back on track.

It is very important that you do not ignore financial difficulty and respond as quickly as you can to any of our letters and phone calls. The Code also places obligations on you to work with your lender to tackle your repayment difficulties.

The best way to contact us is via your mortgage portal where you can send a secure message, request a callback or a video chat. You can call our dedicated Arrears Support Unit Team directly on 1800 946 279 from 09:00 to 17:30 Monday to Friday (excluding bank holidays).

Our website contains a dedicated section at www.nuamoney.com/financial-difficulty where you can find some useful information on dealing with financial difficulties.

You can also call the Money Advice and Budgeting Service (MABS). They provide independent financial advice free of charge. MABS also offer a new 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.

Step 2: Financial information

The next step you will need to take is to complete a Standard Financial Statement (SFS). This form is designed to give us a good understanding of your financial situation. You will need to provide details of your income and expenditure, including any borrowings you may have.

This form is available on your portal and on our public website www.nuamoney.com/documents

It is very important that you fill in the SFS fully, honestly, and accurately. We will also ask you to give us documents to support what you tell us in the SFS (for example, we might ask for payslips or bank statements). If you are having difficulties completing this form, please do not to contact us for help and we will be more than happy to assist you.
You may like to get some independent advice when completing the Standard Financial Statement, such as your local Money Advice and Budgeting Service (MABS) at www.mabs.ie

You may also find the SFS guide published by the Central Bank of Ireland useful to help you with completion of the SFS. The guide can be found here: Consumer Guide to Completing the SFS (centralbank.ie)

You can upload the completed SFS and the relevant documents on the Arrears & Restructures Section of your Mortgage Portal or email it to arrears.support@nuamoney.com

Step 3: Assessment of your financial situation:

When we receive your SFS and the supporting documentation, we will use the information in it to assess your particular situation and identify an approach to help you deal with your financial difficulties. The main factors we will consider in our assessment are as follows:

- Your personal circumstances
- Your income and outgoings
- 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
- Your repayment history with us and other lenders

We may need to contact you to discuss the information you have submitted.

Step 4: Finding a Solution:
We have several possible repayment arrangements and one of these, or a combination of them, could be suitable for you, depending on your circumstances. A summary of the repayment arrangements we may be able to provide is outlined below:

Arrangement type	Description	What Happens
Interest only	Interest only payments for a specified period.	Your mortgage repayments are reduced to interest only for an agreed period (usually short term) At the end of the agreed period your mortgage repayments for the remaining term are recalculated. This means that your repayments will increase.
Reduced repayments	Interest and part capital payments for a specified period.	You pay more than interest but less than the normal scheduled repayment for an agreed period (usually short term) At the end of the agreed period your mortgage repayments for the remaining term are recalculated. This means that your repayments will increase.
Moratorium	Payment break for a specified period.	You do not make any repayments for a short period, typically up to three months. At the end of the agreed period your mortgage repayments for the remaining term are recalculated. This means that your repayments will then increase.
Term extension	The original term of your mortgage is extended by a specified period.	The term of your mortgage is extended. Spreading the mortgage over a longer period reduces the repayments.
Capitalisation of arrears	The overdue repayments are added to the balance of your mortgage. This can be a stand-alone arrangement, or it can be used in conjunction with other arrangements.	Your mortgage repayments are recalculated based on you paying off the mortgage amount plus the missed repayments that have been added to it. This means that your repayments will increase.

Each case will be assessed on its own merits. If a repayment arrangement is approved, you will receive a Letter of Variation (LOV) by email. The LOV will contain all the details of the arrangement. You should also be aware that, although an alternative repayment arrangement may reduce your mortgage repayments, they will add to the overall cost of your mortgage over the term of the mortgage. The details of such cost will also be provided in the LOV.

You should read the LOV carefully and make sure you (and all mortgage parties) are satisfied with the terms of the offer. You may like to take appropriate advice from a legal and/or financial advisor prior in considering this offer. If you, or your advisers, have any questions about the alternative repayment arrangement, contact us and we will be happy to discuss these with you.

Once you have returned the signed LOV to us, we will implement the arrangement.

When no alternative repayment arrangement is suitable:

In some circumstances, none of the alternative repayment arrangements may be suitable for or available to you, and you may need to sell the 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:

- Mortgage-to-rent. Under this scheme a housing body buys your home, but you stay living in it as a tenant. You no longer own the property, and you pay rent to the housing association. The Housing Agency has set criteria for this option, for example, there are limits on incomes and property values. You will continue to owe us any of your mortgage loan not paid off from the proceeds of you selling your home.

- Voluntary sale. This is where you sell the property, with our agreement, on the open market and pay the proceeds to us. If you sell the property for less than the amount you owe on your mortgage, you will still have to pay us the amount that remains unpaid.

- Voluntary surrender. This is where you and we agree that you move out of the property so that we can repossess it and sell it. If the property is sold for less than the amount you owe on your mortgage, you will still have to pay us the amount that remains unpaid.

For all the alternative repayment arrangements and approaches for selling your home we will assess your circumstances to make sure you meet the criteria for the arrangement or approach. This sometimes means that you must meet the criteria of other organisations (for example, a housing association for the mortgage-to-rent arrangement).

What is a Not Co-Operating Borrower?

It is very important that you co-operate with us in relation to your financial situation. If you do not remain in meaningful and regular contact with us, or don't give us full and honest information about your financial situation within the required timescales, you may be classified as a "not co-operating borrower". This is not the option that we want for any of our customers, and we will only commence legal proceedings to repossess and sell your home as a last resort.

What are the consequences of being classified as a Not Co-Operating Borrower?

If you are classified as a not co-operating borrower:

- You will lose the protections given by the Mortgage Arrears Resolution Process (MARP);

- Legal action may be taken immediately. Where legal proceedings are initiated, you will be responsible for legal costs, an approximate guide to these costs would be €10,000. This is an indicative figure and in certain circumstances the costs can substantially exceed this amount. If legal action is necessary, it is important to be aware that regardless of how the property is repossessed and disposed of, you will remain liable for any outstanding debt, including any accrued interest, charges, legal, selling and other related costs.
- This may affect your eligibility for a Personal Insolvency Arrangement in accordance with the Personal Insolvency Act 2012.

How do I avoid being classified as a "Not Co-Operating Borrower"?

During the MARP process, we may ask you to provide us with information to help us understand your circumstances better. It is important that you keep engaged with us and provide a full and honest disclosure of the information we need, in the timeframes advised.

Under the CCMA, you can be classified as not co-operating when any of the following apply to your particular case:

- You fail to make a full and honest disclosure of information to us that would have a significant impact on your financial situation.
- You fail to provide information relevant to your financial situation within specified timelines.
- A three-month period goes by, and you fail to meet your mortgage repayments in full or carry an arrears balance on their mortgage and fail to engage with us in a way that allows us to complete a full assessment of their circumstances.

We will issue you a letter to inform you that you will be classified as a not co-operating borrower unless you engage with us and complete the actions we have outlined.

Appeals

You can make an appeal if you are not happy with our decision:

- to offer you an alternative repayment arrangement that you are not willing to enter into.
- not to offer you an alternative repayment arrangement.
- that you are not co-operating under the terms of the code.

You can submit the appeal via your client portal or write to our Appeals Board at appeals@nuamoney.com within 20 working days of the date of notification of the Arrears Support Unit Team decision.

We will send you a written acknowledgement within 5 working days and assign you a point of contact for your appeal. We will keep you updated (at least every 20 working days). The Appeals Board will make a decision on your appeal within 40 business days of receipt of your appeal. The Appeals Board will write to you within 5 business days to advise you of the outcome of its decision.

If you are not happy with the outcome of the appeal, you can refer the matter to the Financial Services and Pensions Ombudsman, details below.

Financial Services and Pensions Ombudsman
3rd floor
Lincoln House
Lincoln Place
Dublin 2
D02 VH29
Phone: (01) 567 7000
Website: www.fspo.ie

Complaints

If you have a complaint about how we treat you or our duties under the code, you can submit it via your customer portal or by sending an email to complaints@nuamoney.com

If we have not settled the complaint within five business days, we will write to you to let you know we are considering it. If, after a further 20 working days, we still have not settled the complaint, we will write to you again to explain the delay and give you an indication of when we expect to give you a full response.

We will write to you every 20 business days (or more frequently) to update you on the progress of your complaint. If you are not satisfied with our final decision on your complaint or how we have dealt with it, you can contact the Financial Services Ombudsman as above.

Useful Contacts:

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:
www.citizensinformationboard.ie
www.keepingyourhome.ie

Money Advice and Budgeting Service (MABS)

MABS is a free, confidential and independent service for people in financial difficulty.

MABS helpline: 081807200
Email: helpline@mabs.ie
Website: www.mabs.ie
www.mabs.ie/abhaile

Insolvency Service of Ireland

The Insolvency Service of Ireland is the national agency responsible for all matters concerning personal insolvency and bankruptcy.

Phone: 0761 064200
Website: www.backontrack.ie

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

Phone: 0818681681
Website: www.centralbank.ie

Competition and Consumer Protection Authority (CCPC)
The CCPC provides information on financial products.

Phone: (01) 4025555
Website: www.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: www.welfare.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: www.revenue.ie

Financial Services and Pensions Ombudsman
The Financial Services Ombudsman deals with complaints consumers have not been able to settle with providers of financial services.

Phone: (01) 567 7000
Website: www.fspo.ie