
Mortgage Arrears Resolution Process (MARP)

A guide for members experiencing financial difficulties



**DROGHEDA
CREDIT UNION**

DROGHEDA | EAST MEATH | TRIM | DUNLEER | SLANE

HOW CAN WE HELP YOU?

At Drogheda Credit Union, we understand that there are many factors that might affect your ability to repay your mortgage.

If you're worried that you won't be able to meet your next repayment or if you find yourself behind with your mortgage repayments, we recommend that you talk to us so we can consider the various options available to you.

The Consumer Protection Code 2025 ('CPC') issued by the Central Bank of Ireland requires us to have a Mortgage Arrears Resolution Process (MARP) in place for dealing with customers who are currently in arrears with their mortgage repayments in respect of their primary residence or who may potentially fall into arrears in respect of their primary residence.

This booklet details the Mortgage Arrears Resolution Process (MARP) that the Credit Union provides, outlining each step of the process and the information we require from you. We will do our very best to help you throughout the process.

Our ultimate goal is to find a resolution to your financial difficulties - so please talk to us so we can start working with you today.

We have included a glossary of terms on page 25 of this booklet.

HOW DOES THE MARP WORK?

The Consumer Protection Code 2025 ('CPC') issued by the Central Bank of Ireland requires us to have a MARP in place for dealing with members who are currently in arrears with their mortgage repayments in respect of their primary residence or who may potentially fall into arrears in respect of their primary residence.

We are committed to helping you with any repayment difficulties you may have. It is very important that you understand that the Code also places obligations on you, our member, to cooperate with us in this process. If you don't work with us, there is a danger that you will be deemed not co-operating and will lose the protections afforded to you under the MARP.

Both the Consumer Protection Code 2025 ('CPC') and the MARP apply to mortgage loans which are secured on your primary residence; This means either the residential property occupied by you as your home or the only residential property owned by you in the State, even if you don't reside in it. Full details of the Consumer Protection Code 2025 ('CPC') are given on the Central Bank website: www.centralbank.ie

There are four steps in the MARP, each of which is outlined on the following pages.

STEP 1
Communication

STEP 2
Financial Information

STEP 3
Assessment

STEP 4
Resolution

STEP 1

COMMUNICATION

Communication is the most important step in the MARP.

If you are worried you won't be able to meet your next repayment or if you find yourself behind with your mortgage repayments, please contact our Credit Control team at the details below:

Call our Credit Control team on 041 9838496 (excluding bank holidays)

- Monday/Thursday/Friday from 9:30am to 5:00pm
- Tuesday from 10:00am to 5:00pm, or
- Wednesday/Saturday from 9:30am to 12:30pm

Email: creditcontrol@droghedacu.ie

It would be beneficial if you could have your account details to hand when contacting us. We can help you and start working with you to find a solution if you talk to us.

Once you get in touch, our Credit Control team can work with you to explore the different options available to you.

Under the Consumer Protection Code 2025 ('CPC'), we are required to send letters to all customers in arrears, detailing the amount of arrears currently outstanding and other key information related to your mortgage account. The letter will also detail the MARP and the steps to be followed by you.

If you receive any correspondence from us, it is important that you respond promptly so that we can work effectively with you.

STEP 2

FINANCIAL INFORMATION

To ensure we have a clear understanding of your financial situation, we will ask you to complete a form known as the Standard Financial Statement ('SFS').

The SFS details key information such as income, expenditure, and outstanding debts. This will allow our Credit Control team to fully understand your current financial position. It is therefore important that you complete the SFS fully, honestly, and accurately.

We will request documentation from you to support the information provided in the SFS, such as copies of payslips, bank account statements, and other relevant information.

When we receive your completed SFS, our Credit Control team will review it, and we will send a copy to you by post.

Do you need help completing the SFS?

- You can call our Credit Control team on 041 9838496 and we can help you complete the form or send the guide to you.
- You can find the Central Bank of Ireland's Consumer Guide to Completing a Standard Financial Statement at www.centralbank.ie
- You may also wish to seek independent advice from the Money and Budgeting Advice Service (MABS) or from an independent financial advisor.

STEP 3

ASSESSMENT

Our credit control team will assess your completed SFS and determine whether any alternative repayment arrangements are available to you.

As part of this, we will also consider several factors, including:

- Your personal circumstances
- Your overall personal debt
- The information provided in your completed SFS
- Your current and previous repayment capacity
- Any other relevant information of which we are aware.

We may also be in touch with you during this stage if any information requires clarification.

STEP 4

RESOLUTION

Having completed our assessment, we will then determine whether a particular alternative repayment arrangement would be appropriate.

While we cannot guarantee a specific outcome, we are fully committed to finding a resolution that will work for you and your circumstances.

A list of potential alternative repayment arrangements ('ARA') is provided in this booklet for illustrative purpose only and is subject to availability.

Any ARA offered is also subject to your individual circumstances and our assessment of your SFS.

As such, some of the following options may not be suitable for your particular situation.

ALTERNATIVE REPAYMENT ARRANGEMENTS

INTEREST ONLY REPAYMENTS

An arrangement that is typically set for an agreed period, during which you only repay the interest due on your mortgage and not the capital amount owed. This is considered a short-term arrangement.

Advantages

Your payments will be reduced to a more affordable level for a specific period of time.

Disadvantages

The current balance of your mortgage will still be outstanding at the end of the interest-only period.

When you resume the full payments, your monthly payments will increase to ensure that your mortgage is repaid over the remaining term.

REDUCED MONTHLY REPAYMENTS

This is a short-term arrangement during which you make a reduced repayment that is made up of capital and interest for an agreed period of time, generally between 12 and 36 months.

Advantages

Your payments will be reduced to a more affordable level for a specific period of time.

Disadvantages

Your mortgage balance will decrease at a slower rate than it would if you remained on the original mortgage repayment schedule.

When you resume the full payments, your monthly payments will increase to ensure that your mortgage is repaid over the remaining term.

ARREARS CAPITALISATION

Arrears on your mortgage account are added to the current balance on your mortgage and repaid over the remaining term of the loan.

Advantages

You will not be required to pay the outstanding arrears by way of a single lump sum payment.

Disadvantages

The outstanding arrears amount will be added to your current mortgage balance, meaning that the overall amount you owe will increase. This also means that you will pay more interest over the life of the mortgage.

Your monthly repayment will increase.

FIXED REPAYMENT

Your repayments are fixed at a certain amount for an agreed short-term period.

Advantages

Your payments will be reduced to a more affordable level for a specific period of time.

Disadvantages

Your mortgage balance will decrease at a slower rate than it would if you remained on the original mortgage repayment schedule.

When you resume the full payments, your monthly payments will increase to ensure that your mortgage is repaid over the remaining term.

TERM EXTENSION

The term of your mortgage is extended.

Advantages

Your monthly payments will be reduced as they will be spread across a longer period.

Disadvantages

Your mortgage will take longer to pay off.

You will pay more interest over the new extended term of your mortgage.

DEFERRAL PAYMENTS

Also known as 'repayment break' or 'moratorium'. No repayments are made for an agreed short-term period.

Advantages

Your monthly payments will be suspended for the agreed term of the arrangement.

Disadvantages

The current balance on your mortgage plus any accrued interest will still be outstanding at the end of the arrangement term.

When the term of arrangement ends, your monthly repayments will increase to more than you were previously paying to ensure that the outstanding balance is paid over the remaining term.

SPLIT MORTGAGE

Your mortgage balance is split into two parts to make it more affordable. One part is repaid over the original mortgage term, whereas the other is deferred for an agreed period.

Advantages

Your payments will be reduced to a more affordable level based on your circumstances.

Disadvantages

While no interest will accrue on the deferred portion of the mortgage, you will need to have an arrangement in place to repay this balance at the end of the agreed deferral period.

OTHER RESOLUTION OPTIONS

Where we are unable to offer one of the alternative repayment arrangements listed previously, the following options may be available to you depending on your individual circumstances, affordability, and our assessment of your SFS.

VOLUNTARY SALE

You voluntarily agree to sell your property to repay your mortgage debt.

Advantages

The proceeds from the sale of your property will reduce or clear your mortgage balance.

Disadvantages

The proceeds from the sale of your property may not be sufficient to clear your mortgage balance. In this case, the outstanding balance will need to be repaid over an agreed period.

MORTGAGE TO RENT

You sell your property to a housing authority, remaining as a tenant and paying rent to the housing authority.

Advantages

You will be able to remain in the property as a tenant.

Disadvantages

You will lose your entitlement to ownership of the property.

You will pay rent to the housing authority.

Full details of the Mortgage to Rent scheme are provided on the Housing Agency website www.housing.ie, and also at www.keepingyourhome.ie

VOLUNTARY SURRENDER

You surrender the property to your Loan Owner.

Advantages

If the property is sold by the Credit Union the proceeds will reduce or clear your mortgage balance.

Disadvantages

The proceeds from the sale of your property may not be sufficient to clear your mortgage balance. In this case, the outstanding balance will need to be repaid over an agreed period.



You should carefully review and consider the terms and conditions of any alternative repayment arrangement options before agreeing to it.

Where necessary, you should seek to obtain independent legal, tax and financial advice.

An alternative repayment arrangement may be proposed which offers short-term reductions in repayments, but which increases the amount of money owed in the long term.

Participation in resolution options may impact on your Credit Report and may affect your ability to borrow money in the future.

If your situation changes let us know. Your current repayment arrangement may no longer be appropriate.

NOT CO-OPERATING CUSTOMERS

It is very important that you co-operate with us throughout this process, as not co-operating can have serious consequences. Under the Consumer Protection Code 2025 ('CPC') you may be deemed 'not co-operating' when:

- You fail to make a full and honest disclosure of information that has a significant effect on your financial situation;
- You do not provide us with relevant information about your financial situation within the timescale specified;
- There has been a three-month period during which:

You have not entered into an alternative repayment arrangement, and you have failed to meet your mortgage payments in full or you have met your mortgage repayments in full but an arrears balance remains on your mortgage.

OR

You have entered into an alternative repayment arrangement, but you have failed to meet the repayments as specified in the terms of the arrangement.

AND

You have failed to make contact with or responded to any communications from us.

OR

You have made contact and responded to our communications but have not engaged in a meaningful way to allow us to complete an assessment of your circumstances.

- A warning letter as required by the Consumer Protection Code 2025 ('CPC') has been issued to you, but you have not carried out the actions specified in the letter.

The implication for you of being classified as not co-operating include:

- The MARP no longer applies
- We may commence legal action for the repossession of the property. In this case, irrespective of how the property is repossessed and disposed of, you will remain liable for the outstanding debt, including any accrued interest, charges, legal, selling, and other related costs.
- Your eligibility for a Personal Insolvency Arrangement ('PIA') may be impacted.
- Fees, charges and surcharge interest may be applied to your mortgage.

OUR COMMUNICATIONS POLICY

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 communication 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 always act to the highest standards of professionalism.

ADDITIONAL INFORMATION

Legal Proceedings

If proceedings seeking possession of the mortgaged property are initiated against you, substantial costs may be incurred which will be payable by you in addition to the amount due on your loan.

In the event that legal proceedings are initiated, and the property is repossessed and disposed of, you will be liable for the remaining outstanding debt related to the mortgage, including any accrued interest, charges, legal, selling and other related costs

Such costs could amount to between €4,000 and €40,000, this is an indicative figure and in certain circumstances the costs can substantially exceed this amount.

Payment Protection Insurance

If you have previously purchased payment protection insurance for your mortgage loan, it is important that you contact your insurance provider as you may be entitled to make a claim on that policy. If your mortgage is in arrears, the amount of your protection insurance may not be sufficient to cover the outstanding balance.

State Support

You may be entitled to state supports, such as Mortgage Interest Supplement ('MIS') and / or Mortgage Interest Tax Relied at Source ('TRS').

Further information can be found from the Department of Social Protection or your local Citizens Information Office for MIS, and the Office of the Revenue Commissioners for TRS. Contact details are provided in the Independent Support and Information section at the end of this booklet.

Independent Advice

Drogheda Credit Union recommends that you seek independent financial, legal and/or taxation advice. Free services are provided by MABS or by some of the other bodies listed in the Independent Support and Information section at the end of this booklet.

Confidentiality Agreement

Drogheda Credit Union may require that you sign a Confidentiality Agreement when we make an alternative repayment arrangement or other resolution proposal to you. Such an agreement requires you to keep details related to your alternative repayment arrangement or other solution option confidential.

You must not disclose this information to anyone except your advisors, agents, employees and/or directors. You must also ensure that they keep the information confidential.

Your Credit Report

Drogheda Credit Union may provide data about the performance of your loan to the Central Credit Register (CCR) or any other credit reference agency or credit register, where permitted by contract or required by law. This could impact your ability to access credit in the future.

YOUR RIGHT TO APPEAL

You have the right to appeal our decision where:

- You are not willing to enter into an alternative repayment arrangement offered by Drogheda Credit Union;
- Drogheda Credit Union has declined to offer you an alternative repayment arrangement; or
- Drogheda has classified you as not co-operating under the terms of the Code of Conduct on Mortgage Arrears (CCMA).

You must submit your appeal in writing within 20 business days of receipt of our decision. All appeal letters should be sent to:

Appeals Board, c/o Drogheda Credit Union, Clarke House, Laurence St, Drogheda, Co Louth.

Your appeal will be independently reviewed by the Appeals Board, consisting of 3 senior Credit Union personnel who were not previously involved in the original decision. This will ensure that a fresh perspective will be obtained on your request.

When we receive your appeal, we will send you a written acknowledgement within 5 business days to confirm receipt. We will also provide you with the name and contact details of the person who will be your point of contact during the Appeals process.

We will provide a written update on the progress of the appeal to you at least every 20 business days (where required) and will make a final decision within 40 business days of receipt of the appeal.

The Appeals Board will write to you within 5 business days of making their decision to advise you of the outcome.

If you are not satisfied with the outcome of the appeal you have the right to refer the matter to the Financial Services and Pensions Ombudsman (see contact details on page 23).

YOUR RIGHT TO COMPLAIN

We aim to treat all our members in a fair and professional manner, but if you have any complaints about our service or our treatment of your case under the Consumer Protection Code 2025 ('CPC'), please let us know.

You can make a complaint directly to us. In branch or by post:

- Complaints Officer, Drogheda Credit Union, Clarke House, Laurence St, Drogheda, Co Louth
- Phone: 041 9838496, Email: info@droghedacu.ie

We will acknowledge receipt of your complaint in writing within 5 business days of receiving it. We will also provide you with the name and contact details of the person who will be your point of contact during the complaints process.

We will then write to you every 20 business days to update you on the status of your complaint and will endeavour to resolve your complaint within 40 business days of receipt. If we are unable to resolve your complaint within this timeframe, we will write to you to inform you of the anticipated timeframe within which we hope to resolve your complaint.

If you are dissatisfied with the progress of the investigation, we will advise you of your right to refer your complaint to the Financial Services and Pensions Ombudsman (see contact details at page 23).

Drogheda Credit Union will make every effort to agree to a fair and reasonable resolution with you, and we will write to you with a final response within 5 business days of the completion of our investigation to advise you of the outcome.

If you are unhappy with Credit Unions final response to your complaint or with our conduct during this process, you have the right to refer the matter to the Financial Services and Pensions Ombudsman.

INDEPENDENT SUPPORT & INFORMATION

If you have further questions about the Consumer Protection Code 2025 ('CPC') and how it relates to you, you can get information and advice from the sources below.

Central Bank of Ireland

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

- **Phone:** 01 224 6000
- **Website:** www.centralbank.ie

Money Advice and Budgeting Service (MABS)

MABS is the State's money advice service, providing free advice and assistance for people struggling with debt. They can help you draw up a budget, renegotiate repayments with lenders and advise you on any benefits you may be entitled to.

Helpline: 0818 07 2000 (Monday - Friday 9am to 8pm)

Email: helpline@mabs.ie

Website: www.mabs.ie

Mortgage Arrears Information Helpline

The Mortgage Arrears Information Helpline is provided by the Citizens Information Board. It gives information in relation to the CCMA and the support available for customers in arrears or worried that they may soon be in arrears.

- **Phone:** 0818 074 000 (Monday-Friday 9:30am to 5pm)

Free Mortgage Arrears Support

- **Helpline:** 0818 07 4000 (Monday - Friday 9am to 8pm)
- **Website:** www.mabs.ie/abhaille

Citizens Information Board

The Citizens Information Board is the national agency responsible for supporting the provision of information, advice, and advocacy on social services and for the provision of MABS.

- **Address:** Citizens Information Board, Georges Quay House, 43 Townsend Street, Dublin 2
- **Phone:** 0180 07 4000 (Monday to Friday 9am to 8pm)
- **Website:** www.citizensinformationboard.ie

Department of Social Protection

The Department of Social Protection provides information relating to Jobseeker's Allowance, Mortgage Interest Supplement (which provides short-term support to help you pay your mortgage interest repayments) and other state benefits you may be entitled to.

- **Lo-call:** 1890 66 22 44 (Monday - Friday from 9am to 5pm)
- **Lo-call:** 1890 20 23 25 (24 hours a day, 7 days a week)
- **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 and Pensions Ombudsman is a statutory officer who deals independently with unresolved complaints from customers about their dealings with regulated financial service providers. It is a free service.

- **Address:** Financial Services and Pensions Ombudsman, Lincoln House, Lincoln Place, Dublin 2, D02 VH29
- **Phone:** 01 567 7000
- **Email:** info@fspo.ie
- **Website:** www.fspo.ie

Dealing With Debt

Launched by the BPF, the Dealing with Debt service offers advice to members who are struggling to meet their mortgage or other loan repayments. It also provides you with a number of key contacts.

- **Website:** www.bpf.ie/dealing-with-debt

Insolvency Service of Ireland

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

Being classified as not co-operating may impact on your eligibility for a Personal Insolvency Arrangement ('PIA').

A Personal Insolvency Arrangement offers a structured, legally protected path for mortgage borrowers in serious financial difficulty; however, this may affect your future access to credit.

- **Address:** Insolvency Service of Ireland, Smithfield Hall, Smithfield, Dublin 7
- **Phone:** 01 764 4200 (Monday to Friday 9am to 5pm)
- **Website:** www.isi.gov.ie

The Competition and Consumer Protection Commission

The Competition and Consumer Protection Commission is a statutory body tasked with representing and defending consumer interests. The CCPC provides a range of useful tools and information to help consumers manage their money and make smart decisions.

- **Lo-Call: 1890 432 432**
- **Phone: 01 402 5500 (Monday to Friday 9am to 6pm)**
- **Website: www.ccpc.ie/consumers**

The Budget Planner is a useful budgeting tool provided by The Competition and Consumer Protection Commission. It is a quick and easy interactive tool designed to compare your spending with other households and can help you save money and become a smarter consumer.

- **Website: www.ccpc.ie/consumers/tools-and-calculators/budget-planner/**

GLOSSARY

Arrears arise on a mortgage loan account where a member has not made full repayment, or only makes a partial repayment, as set out in the original loan account contract by the scheduled due date.

Credit Unions Credit Control Team deals with members already in arrears or mortgage holders who may be at risk of going into arrears.

Business day means any day except Saturday, Sunday, bank holidays and public holidays.

Chapter 9 of the Consumer Protection Code 2025 ('CPC') relates to arrears on the mortgage repayments on a member's primary residence or sole residential property. The Consumer Protection Code 2025 ('CPC') sets out the obligations of lenders when dealing with mortgage members who are experiencing difficulty keeping up repayments of their mortgage.

A copy of the Code can be downloaded on the Central Bank's website: www.centralbank.ie.

Confidential Agreement is a contract through which the member agrees not to disclose confidential information relating to an alternative repayment arrangement or other option intended to resolve the member's arrears situation.

Creditor refers to the company which your loan is owed

Fixed Rate Mortgage a mortgage that has a fixed interest rate for an agreed period of the loan.

MARP means the Mortgage Arrears Resolution Process as described in Chapter 9 of the Consumer Protection Code 2025. Under the Code, lenders must operate a MARP when dealing with arrears and pre- arrears. The MARP incorporates four steps: communication, financial information, assessment and resolution.

Mortgage describes a legal agreement by which a bank, building society etc. lends money at interest in exchange for taking title of the member's property, with the condition that the conveyance of title becomes void upon payment of the debt.

Negative Equity occurs when the value of an asset used to secure a mortgage is less than the outstanding balance on the mortgage.

Pre-Arrears arise where either:

- the member contacts the Credit Union to inform them that he/she is in danger of going into financial difficulties and/or are concerned about going into mortgage arrears, or
- the Credit Union establishes that the member is in danger of going into financial difficulties which may impact on his/her ability to meet his/her mortgage repayments.

Primary Residence means a property which is either:

- The residential property which the member occupies as his/her primary residence.
- A residential property which is the only residential property in this State owned by the member.

Repossession means any situation where a lender takes possession of a property.

Standard Financial Statement (SFS) is the document which a lender / debt management firm must use to obtain financial information from a member, in order to complete a financial assessment of that member's case.

Term is the length of time for which your mortgage was taken out.

Tracker Mortgage has an interest rate which tracks the European Central Bank (ECB) main refinancing operations rate.

Unsolicited Personal Visit any visit to a member's Primary Residence not agreed in advance with or requested by the member.

Variable Rate Mortgage is a mortgage where the interest rate may change periodically. This means that your monthly mortgage payment may go up or down in line with interest rate changes during the mortgage term.

WARNING: Your home is at risk if you do not keep up payments on a mortgage or any other loan secured on it.

WARNING: If you do not meet the repayments on your credit agreement, your account will go into arrears. This may affect your credit rating, which may limit your ability to access credit in the future.

If you have a variable rate mortgage:

The payment rates on this housing loan may be adjusted by the lender from time to time.

If you have an endowment loan:

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.

If you have an interest-only arrangement:

The entire amount that you have borrowed will still be outstanding at the end of the interest-only period.

If you have a debt consolidation arrangement:

This new loan may take longer to pay off than your previous loans. This means you pay more than if you paid over a shorter term.



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