



# Home Movers

For PTSB mortgage customers looking  
to move home and are in Negative  
Equity or on a Tracker Interest Rate

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**ptsb**

# A guide for PTSB mortgage customers looking to move home

As you move through life you might find that you have outgrown your current home. When it comes to moving home we'll be there to help you through every step of the way.

We offer mortgages to our existing customers that can support you to make the move to a new and more suitable home.

We offer mortgages to existing customers in negative equity, and we're also supporting PTSB customers with tracker interest rates to move home.

This guide describes six home mover examples and some associated mortgage solutions, one of which could hopefully work for you.

# Before you get started, here are some key points:

- It's important to review the sections on 'Key features and requirements' and 'Important points to note for both products'.
- You'll find the definition of some mortgage terms in our glossary at the back of the brochure.
- This offer is only available to existing mortgage customers whose account(s) are operating in order as set out in the terms and conditions of their mortgage, and have not been in arrears or availed of an alternative repayment arrangement in the past 24 months as a means of helping with repayment difficulties.
- Tracker Portability is only available once during the mortgage term.
- Positive Equity customers must contribute a minimum of a 20% deposit of the purchase price towards the purchase of the new property.
- Negative Equity customers must contribute a minimum of a 10% deposit of the purchase price towards the purchase of the new property.
- All associated fees (such as legal and auctioneer fees, stamp duty etc.) must come from your own funds.
- This is a big financial decision, so we recommend that you take independent legal, tax and financial advice before deciding if this type of mortgage is for you.
- As this is a credit product, approval will be based on full suitability and affordability assessment.

The Mortgage Consultants in our branches are available to meet you to discuss your specific mortgage needs and help you throughout the process.

**Negative Equity** is where your mortgage balance outstanding is greater than the current market value of your home.

**Tracker Interest Rate:** The European Central Bank (ECB) rate plus a lender's margin (e.g. ECB rate of 0.00% plus a margin of 1.35%, equals a tracker interest rate of 1.35%).



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# Which mortgage suits you?

We're here to help offer you the mortgage solution that best suits your needs, we've compiled some examples at the back of this brochure. To find which example suits you best, use this chart, starting from the centre.



# What's on offer?

We've created a set of products to support existing PTSB customers who want to move home.

## 1. Negative Equity

You can move home even if you're in negative equity.

## 2. Tracker Portability

With Tracker Portability, you can move home AND keep the tracker interest rate on your primary mortgage (i.e. the current tracker interest rate of your primary mortgage) plus an additional 1%.

**Tracker Rate Product:**

The name of the interest rate product on your PTSB mortgage correspondence.

**ECB Rate:**

The European Central Bank main refinancing rate.

**Margin:**

The percentage interest rate above the ECB rate.

**Tracker Interest Rate:**

The ECB rate plus a margin (e.g. ECB rate of 0.00% plus a margin of 1.35%, equals a tracker interest rate of 1.35%).

**Primary Mortgage:**

Your main mortgage with a tracker interest rate excluding further advances and/or top ups.

# Negative Equity Mortgage

## What is Negative Equity?

Negative equity occurs when the value of your property is less than the balance outstanding on your mortgage. This means that, if the house is sold, the sale amount will be less than what is required to clear the total balance outstanding on your mortgage.

The Negative Equity Mortgage will allow our customers who are currently in negative equity to sell their current home and transfer the remaining balance owed (known as the 'shortfall amount') onto the mortgage on their new property. The new property purchased will continue to be in negative equity, as the value of the new property will be less than the balance outstanding on the new mortgage. The maximum term available is 35 years, subject to an upper age limit of 70 for the oldest applicant at loan maturity.

With a Negative Equity Mortgage you will be required to sign a Shortfall Repayment Agreement in respect of the shortfall amount. The Shortfall Repayment Agreement commits you to repaying the negative equity - i.e. the money owed on the existing mortgage after the sale of the property takes place.

## Can I move to a new home when I'm in Negative Equity?

Yes, and it's easier than you think. These products are specially designed to help you if you are in negative equity, have a fixed or variable rate mortgage – or a tracker interest rate – and want to move home.



## Can I trade up?

Yes, with our Negative Equity Mortgages, you could trade up or trade down.

**If your rate is fixed:**

**WARNING: YOU MAY HAVE TO PAY CHARGES IF YOU PAY OFF A FIXED-RATE LOAN EARLY.**

**If your rate is variable:**

**WARNING: THE COST OF YOUR MONTHLY REPAYMENTS MAY INCREASE.**

## I'm in Negative Equity and want to move to a new home - how much could I borrow?

**Trading up:** If you are in negative equity and want to trade up, the maximum Loan to Value (LTV) on the new property cannot exceed 125%. For example, if your home is worth €100,000, the maximum amount you could owe on it would be €125,000.

**Trading down:** If you are in negative equity and want to trade down, the maximum LTV on the new property cannot exceed 175%, and is subject to a maximum loan amount of €550,000.

For more details on applying for a Negative Equity Mortgage with PTSB, go to page 13.

**WARNING: IF YOU DO NOT KEEP UP YOUR REPAYMENTS YOU MAY LOSE YOUR HOME.**

**WARNING: IF YOU DO NOT MEET THE REPAYMENTS ON YOUR LOAN, YOUR ACCOUNT WILL GO INTO ARREARS. THIS MAY AFFECT YOUR CREDIT RATING, WHICH MAY LIMIT YOUR ABILITY TO ACCESS CREDIT, A HIRE- PURCHASE AGREEMENT, A CONSUMER-HIRE AGREEMENT OR A BNPL AGREEMENT IN THE FUTURE.**

# Tracker Portability Mortgage

## What is Tracker Portability?

Tracker Portability is our way of saying that you can now move home and keep the tracker interest rate that applies to your primary mortgage plus an additional 1%. As you are aware, your tracker interest rate is made up of the ECB rate + lender's margin. For Tracker Portability, the tracker interest rate that will be transferred will not include any adjustments that have been applied to the margin since the current tracker rate product was set up on the primary mortgage. The ECB rate may be increased or decreased from time to time by the European Central Bank (ECB). We will apply all increases or decreases within one month of the date announced by the ECB as the effective date. The maximum term you can avail of is the current term remaining on the primary mortgage (term will be rounded up to the nearest year).

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**Tracker Portability is only available for a period of up to six months from the date of the sale of your existing property. You must have a valid Letter of Approval (this refers to the Credit Agreement) prior to the sale of your existing property to avail of Tracker Portability.**

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## Tracker Portability with additional funds

If you want to trade up to a more expensive property and need additional funds to complete the purchase, these additional funds will be offered at new mortgage business rates. These newly borrowed funds are a separate loan and, together with your new Tracker Mortgage, will be known as a "Tracker Portability Mortgage". The maximum term available for additional funds borrowed is 35 years. This is subject to an upper age limit of 70 for the oldest applicant at loan maturity and subject to credit criteria.

The ECB rate is available at the following webpage:  
[www.ecb.europa.eu/stats/monetary/rates/html/index.en.html](http://www.ecb.europa.eu/stats/monetary/rates/html/index.en.html)



## Can I get Tracker Portability?

There are two types of existing mortgage customers who can get Tracker Portability:

- Customers on home loan tracker interest rates in positive equity who are trading up or trading down
- Customers on home loan tracker interest rates in negative equity who are trading up or trading down

For more details on applying for Tracker Portability with PTSB, see page 20 of this brochure.

**WARNING: IF YOU DO NOT KEEP UP YOUR REPAYMENTS YOU MAY LOSE YOUR HOME.**

**WARNING: IF YOU DO NOT MEET THE REPAYMENTS ON YOUR LOAN, YOUR ACCOUNT WILL GO INTO ARREARS. THIS MAY AFFECT YOUR CREDIT RATING, WHICH MAY LIMIT YOUR ABILITY TO ACCESS CREDIT, A HIRE- PURCHASE AGREEMENT, A CONSUMER-HIRE AGREEMENT OR A BNPL AGREEMENT IN THE FUTURE.**

# Negative Equity Mortgages explained

Are you:

- An existing PTSB mortgage customer?
- In negative equity?
- Looking to trade up or trade down from your existing property?

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**If you answered YES to all three questions, then the Negative Equity Mortgage section is for you.**

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How does it work?

This section will lead you through each of the three main stages of applying for and receiving a Negative Equity Mortgage. You will also find a full breakdown of the Key Features and Requirements on pages 17 - 18, which you should review carefully. Our Mortgage Consultants are here to help to answer your questions at any stage of the journey.

# 1. The application stage

The first stage in the process of getting a new Negative Equity Mortgage is to complete the application stage. The application stage involves two steps:

## Step 1

First, you should meet with a Mortgage Consultant in your local PTSB branch. You should let them know that you are an existing PTSB customer who's interested in a Negative Equity Mortgage because you are currently in negative equity.

Your Mortgage Consultant will explain how the product works and give you a better idea of how much you can borrow, and at what mortgage rate.

If all or part of the mortgage on your existing property is on a fixed rate, you'll need to convert it to a variable rate mortgage in order to proceed. In this case, a fixed rate mortgage breakage fee will have to be paid. You can also proceed with your negative equity mortgage application on the maturity of your existing fixed rate term.

**If your rate is fixed:**

**WARNING: YOU MAY HAVE TO PAY CHARGES IF YOU PAY OFF A FIXED RATE LOAN EARLY.**

**If your rate is variable:**

**WARNING: THE COST OF YOUR MONTHLY REPAYMENTS MAY INCREASE.**

## Step 2

If you are satisfied that the Negative Equity Mortgage is for you, the next step is to meet your Mortgage Consultant again and provide them with the following:

- Your application documents: e.g. Employment Detail Summary (P60), PPSN and two of your last three payslips, a salary certificate and six month personal bank account statements (only needed if your main current account is not with PTSB).
- Evidence of having at least 10% deposit of the purchase price of the new property and associated costs.
- Prior to getting mortgage approval from PTSB we will need a property valuation. The valuation needs to be completed by a PTSB approved valuer and you can contact us to arrange the valuation. You must pay a valuation fee, which will be a maximum of €150.00 which includes VAT but excludes valuer's travel expenses. Final valuations: properties incomplete at the time of the original valuation will require, on completion, a final valuation, the fee for which is €75.00 which includes VAT but excludes travel expenses. In the event that PTSB declines your loan application the valuer's fee will be refunded.

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**Our dedicated team will be working hard to get you Mortgage Credit Approval in 72 Hours.**

**Your mortgage application is subject to underwriting criteria. If it is approved, we will then provide you with an Approval in Principle letter.**

**Receiving this letter will mean that you've completed the application stage of the process, and made your first steps on the road to getting a Negative Equity Mortgage.**

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Please see page 31 for full terms and conditions.

## 2. Letter of Approval

Next, you need to get your formal Letter of Approval.

There are two steps in this stage:

### Step 1

To secure a Letter of Approval, an independent valuation needs to be carried out on the new property, arranged by PTSB and completed by an independent valuer from PTSB's Valuation Panel. If the valuation (property value) differs from the purchase price, we may have to re-assess your application.

### Step 2

Next, we will need you to:

- Let us know as soon as possible if the sale price of your existing property looks like it may be less than the valuation amount confirmed to the Bank at the application stage. If this happens, we may need to amend the loan amount in your Letter of Approval.
- Confirm in writing to PTSB (through your solicitor) that you have entered into a contract for the sale of your existing property and purchase of your new property. We'll need to receive this in order for us to proceed with your application.
- Sign and return a Shortfall Repayment Agreement (please see page 27) with your Letter of Approval. We'll send this agreement, along with your Letter of Approval, to your solicitor.

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**Once you've passed this stage and have your Letter of Approval and your Shortfall Repayment Agreement (where relevant), you will be ready to sell and buy.**

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# 3. Selling and buying

You've completed your application, received a formal Letter of Approval and signed and returned your Shortfall Repayment Agreement, and ticked off any final requirements. Now you're ready to sell your existing property and buy your new one.

It only takes one last step to complete the process.

## One last step

You will have signed the Shortfall Repayment Agreement and you can now go ahead with selling your existing property for a price greater than or equal to the valuation amount from the application stage. The purchase of the new property and the sale of the existing property should happen on the same day, with the sale of your existing property happening first. If there is an unforeseen event which makes it impossible to close both the sale and purchase on the same day, the Shortfall Repayment Agreement you signed as a precondition of receiving your Letter of Approval comes into effect.

The full sale amount (from the sale of your existing property) must be forwarded to PTSB to go towards paying off the outstanding debt on your existing mortgage(s). The outstanding negative equity balance ("shortfall amount"), if any, will follow the repayment schedule outlined in the Shortfall Repayment Agreement.

If you're not able to purchase your new property on the same day, you must complete the purchase within the term of your mortgage approval as outlined in your Letter of Approval, up to a maximum of six months. If you haven't purchased the new property within those six months, the shortfall amount becomes due in full.

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**There are some costs which you need to pay from your own funds to finalise both the sale and purchase. These include all the legal, moving, stamp duty and auctioneering fees. These cannot be deducted from the proceeds of the sale.**

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# What's next?

With your Negative Equity Mortgage, your repayments will be at the prevailing home loan new mortgage business rates.

Now that you know what's involved, you should review the following key features and requirements to ensure this mortgage is right for you.

Finally, please see the **Important points to note for both products** on page 27 of this brochure.

## Negative Equity Mortgage key features and requirements

Note: Transferring negative equity is only available to existing PTSB customers on home loan mortgage interest rates.

- This offer is only available to existing mortgage customers whose account(s) are operating in order as set out in the terms and conditions of their mortgage and have not been in arrears or availed of an alternative repayment arrangement in the past 24 months as a means of helping with repayment difficulties.
- The existing property and your new property must be your family home.
- You must contribute a minimum of 10% of the purchase price towards the purchase of the new property as a deposit.
- You must have sufficient funds to pay all costs, including stamp duty and legal fees, estate agent's fees, etc. These cannot be deducted from the sale proceeds of your existing property.
- For customers who are in negative equity and want to trade up (i.e. where the total loan amount has increased), a maximum LTV on the new property of 125% applies.
- For customers who are in negative equity and want to trade down (i.e. the total loan amount will decrease), a maximum LTV on the new property of 175% applies.

- The maximum total loan amount for a trade-down mortgage is €550,000.
- Prior to getting mortgage approval from PTSB we will need a property valuation. The valuation needs to be completed by a PTSB approved valuer and you can contact us to arrange the valuation.
- You must pay a valuation fee, which will be a maximum of €150.00 which includes VAT but excludes valuer's travel expenses. Final valuations: Properties incomplete at the time of the original valuation will require, on completion, a final valuation, the fee for which is €75.00 which includes VAT but excludes travel expenses. In the event that PTSB declines your loan application the valuer's fee will be refunded.
- The maximum term available is 35 years subject to an upper age limit of 70 for the oldest applicant at loan maturity.
- The minimum total loan amount is €40,000.
- Repayments will be capital and interest.
- The purchase of the new property and the sale of the existing property should happen on the same day, with the sale of your existing property happening first. If there is an unforeseen event which makes it impossible to close both the sale and purchase on the same day, the Shortfall Repayment Agreement you signed as a pre-condition of receiving your Letter of Approval comes into effect.
- 100% of the sale proceeds of the existing property must be used to reduce your existing mortgage debt.
- This is a limited offer subject to available funding.

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**If you have any additional questions, please contact our Mortgage Team on 0818 210 586 or +353 1 215 1339 to set up an appointment with a Mortgage Consultant in your local branch.**

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# Tracker Portability explained

Are you:

- An existing PTSB mortgage customer with a tracker interest rate?
- Looking to trade-up or trade-down?
- In positive or negative equity?

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**If you answered YES to all three questions, then the Tracker Portability section is for you.**

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## What's involved in taking out a Tracker Portability Mortgage?

This section will lead you through the three stages of applying and receiving a Tracker Portability Mortgage. You'll also find a breakdown of the key features and requirements of Tracker Portability on pages 24 to 26. You should review this carefully. If you have questions at any stage, our Mortgage Consultants are always available to help.



# 1. Applying for Tracker Portability

The application stage for getting a new Tracker Portability Mortgage involves just two steps.

## Step 1

First, meet with a Mortgage Consultant in your local PTSB branch. Let them know that you're an existing PTSB tracker home loan customer who is interested in a Tracker Portability Mortgage. Your Mortgage Consultant will explain to you how the product works and give you a better idea of how much you could borrow, and at what mortgage rate.

## Step 2

If you're satisfied that the Tracker Portability Mortgage is for you, you should meet with your Mortgage Consultant again and provide the following:

- Your application documents: e.g. Employment Detail Summary (P60), PPSN and two of your last three payslips, a salary certificate and six months personal bank account statements (only needed if your main current account is not with PTSB).

### **PPSN : Any one of the following as proof**

- Correspondence from the Department of Social Protection or the Revenue Commissioners showing your PPSN
- Payslip, Employment Detail Summary (P60)/P45, Statement of Liability (P21), Tax Assessment or Notice of Tax Credits
- Medical Card/Drug Payment Scheme (DPS) Card

### **Please note: CIS Public Services Card cannot be used to verify PPSN.**

- Evidence of having the sufficient percentage deposit of the purchase price of the new property and associated costs.
- A full valuation on your existing property, at your own cost, completed by an independent valuer from PTSB's Valuation Panel (the branch will supply you with a list of local valuers) if the current LTV is greater than 90%.

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**Our dedicated team will be working hard to get you Mortgage Credit Approval in 72 Hours.**

**Your mortgage application is subject to underwriting criteria. If it is approved, we will then provide you with an Approval in Principle letter.**

**Receiving this letter will mean that you've completed the application stage of the process, and that you're on the road to getting a Tracker Portability Mortgage.**

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Please see page 31 for full terms and conditions.

## 2. Letter of Approval

The next thing to do is to get your formal Letter of Approval.

### Step 1

To secure a Letter of Approval, an independent valuation needs to be carried out on the new property, arranged by PTSB and completed by an independent valuer from PTSB's Valuation Panel. If the valuation (property value) differs from the purchase price, we may have to re-assess your application.

### Step 2

If you're in negative equity, you must do the following:

- Let us know as soon as possible if the actual sale price of your existing property looks like it will be less than the valuation amount confirmed to the Bank at the application stage. If this happens, we may need to amend the loan amount in your Letter of Approval as a result.
- Confirm in writing to PTSB (through your solicitor) that you have entered into a contract for the sale of your existing property and purchase of your new property. We'll need to receive this in order for us to proceed with your application.
- Sign and return a Shortfall Repayment Agreement (please see page 27) with your Letter of Approval. We'll send this agreement, along with your Letter of Approval, to your solicitor.

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**Once you've passed this stage and have your Letter of Approval and your Shortfall Repayment Agreement (where relevant), you will be ready to sell and buy.**

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# 3. Selling and buying

You've completed your application, received a formal Letter of Approval and signed and returned your Shortfall Repayment Agreement (where relevant), and ticked off any final requirements. Now you're ready to sell your existing property and buy your new one.

It only takes one last step to complete the process:

## One last step

If you're in positive equity and have accepted the Letter of Approval, you can sell your existing property and get ready to buy your new home.

If you are in negative equity and have signed and returned your Shortfall Repayment Agreement, you can go ahead with selling your existing property for a price greater than or equal to the valuation amount from the application stage. The purchase of the new property and the sale of the existing property should happen on the same day, with the sale of your existing property happening first. If there is an unforeseen event which makes it impossible to close both the sale and purchase on the same day, the Shortfall Repayment Agreement you signed as a pre-condition of receiving your Letter of Approval comes into effect.

The full sale amount (from the sale of your existing property) must be forwarded to PTSB to go towards paying off the outstanding debt on your existing mortgage(s). The outstanding negative equity balance ("shortfall amount"), if any, will follow the repayment schedule outlined in the Shortfall Repayment Agreement.

If you do not complete the purchase of your new property within six months of the sale of your existing property, the full amount of the shortfall and any interest due must be paid by the end of that six-month period.

Regardless of whether you are in positive or negative equity, if you're not able to purchase your new property on the same day, you must complete the purchase within the term remaining on your Letter of Approval, up to a maximum of six months (from the date that you sold your existing property) in order to avail of the Tracker Portability offer. This is subject to having a valid Letter of Approval in place prior to the sale of your existing property.

You're now ready to get going from your old property into your new home.

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**There are some costs which you need to pay from your own funds to finalise both the sale and purchase. These include the legal, moving, stamp duty and auctioneering costs. These cannot be deducted from the proceeds of the sale.**

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# What next?

Now you know what's involved, you should review the following key features and requirements to ensure this is the right mortgage for you.

Finally, please see the **Important points to note for both products** on page 27 of this brochure.

## Tracker Portability key features and requirements

Even after taking the time to read through these requirements carefully, some of them may seem complicated. We're here to help you, so if you've any additional questions, please contact our mortgage team on 0818 210 586 or +353 1 215 1339 to set up an appointment with a Mortgage Consultant in your local branch.



Note: Tracker Portability is only available to existing PTSB customers with PTSB home loan Tracker Interest Rates who are moving home.

- This offer is only available to existing mortgage customers whose account(s) are operating in order as set out in the terms and conditions of their mortgage and have not been in arrears or availed of an alternative repayment arrangement in the past 24 months as a means of helping with repayment difficulties.
- The existing property and your new property must be your family home.
- When choosing a Tracker Portability Mortgage, your minimum deposit amount depends on the following:
  - **Positive equity customers**  
must contribute a minimum of a 20% deposit of the purchase price towards the purchase of the new property.
  - **Negative equity customers**  
must contribute a minimum of a 10% deposit of the purchase price towards the purchase of the new property.
- You must have sufficient funds to pay all costs, including stamp duty, legal fees, estate agent's fees, etc. These cannot be deducted from the sale proceeds of your existing property if you are in negative equity.
- For customers who are in negative equity and want to trade up (i.e. where the total loan amount has increased), a maximum Loan-to-Value (LTV) on the new property of 125% applies.
- For customers who are in negative equity and want to trade down (i.e. the total loan amount will decrease), a maximum LTV on the new property of 175% applies.
- The maximum total loan amount for a trade-down mortgage is €550,000.
- You can move home and keep the tracker interest rate that applies to your primary mortgage plus an additional 1%. As you are aware, your Tracker Interest Rate is made up of the ECB rate + a margin. For the purposes of tracker portability, the tracker interest rate that will be transferred will not include any adjustments that have been applied to the margin since the current tracker rate product was set up on the primary mortgage. If you currently have more than one mortgage on a tracker interest rate, the "Tracker Portability" rate will be based on the tracker interest rate on the primary mortgage.

- The ECB rate is available at the following webpage: [www.ecb.europa.eu/stats/monetary/rates/html/index.en.html](http://www.ecb.europa.eu/stats/monetary/rates/html/index.en.html)
- The ECB rate may be increased or decreased from time to time by the European Central Bank (ECB). We will apply all increases or decreases within one month of the date announced by the ECB as the effective date.
- The maximum term you can avail of is the current term remaining of the primary mortgage (term will be rounded up to the nearest year).
- If you are trading up and need additional funds to purchase the new property, these funds will be offered at home loan new mortgage business rates. The new funds borrowed are a separate loan and, together with your tracker mortgage, will be known as a "Tracker Portability Mortgage".
- The maximum term available for additional funds borrowed is 35 years subject to an upper age limit of 70 for the oldest applicant at loan maturity.
- The minimum total loan amount is €40,000 (this includes the Tracker Portability loan amount).
- Repayments will be capital and interest.
- A Tracker Portability facility is only available for up to six months after the sale of your existing property, subject to having a valid Letter of Approval in place prior to the sale of your existing property.
- The purchase of the new property is expected to take place on the same day as the sale of your existing property, but no later than six months afterwards, subject to the term remaining on your Letter of Approval. You must have a valid Letter of Approval in place prior to the sale of your existing property.
- You can only avail of Tracker Portability once and it can only be used on one property.
- If you are in negative equity, all of the sale proceeds of the existing property must be used to reduce your existing mortgage debt.
- This is a limited offer subject to available funding.
- Life cover for the full term of the mortgage must be provided by the customer at the beginning of the process.

# Important points to note for both products

Taking out a mortgage of any kind is always a big decision and it's important to carefully consider your options before making a decision. We recommend that you seek independent legal, financial and tax advice before proceeding with this mortgage.

- If you are a joint borrower with a mortgage on your home at a Tracker Interest Rate and you wish to sell your home and buy a new home separately from the other joint borrower(s), you should be aware that the transfer of a tracker interest rate to your new mortgage (the "Tracker Portability" facility) cannot be divided or shared between you and the other joint borrower(s) so that each borrower can avail of Tracker Portability if purchasing a new home. If you wish to avail of Tracker Portability, a letter (in a form which we have prepared and which must be used) must be obtained from the other joint borrower(s) acknowledging that the Tracker Portability facility will not be available to them.
- The purchase of the new property and the sale of the existing property should happen on the same day, with the sale of your existing property happening first. If there is an unforeseen event which makes it impossible to close both the sale and the purchase on the same day, the Shortfall Repayment Agreement you signed as a pre-condition of receiving your Letter of Approval comes into effect. This is an agreement that shows the amount of money still owed on the existing mortgage after the sale of the existing property takes place (i.e. the negative equity). Until you purchase the new property, we will apply a capital payment holiday to your account so that your monthly payment is interest only. However, this shortfall amount must be repaid in full no later than six months after completion of the sale date of your existing property. The new mortgage will be used to repay the shortfall amount.
- The Letter of Approval, which sets out how much you can borrow for purchasing your new property, is subject to change as it will be based on your financial circumstances at the time of purchase of your new property.

- If all or part of (e.g. top-up mortgage) the mortgage on your existing property is on a fixed rate, in order to proceed you'll need to convert it to a variable rate mortgage. In this case, a fixed rate mortgage breakage fee will have to be paid. You can also proceed with your tracker portability mortgage application on the maturity of your existing fixed rate term.

**WARNING: YOU MAY HAVE TO PAY CHARGES IF YOU PAY OFF A FIXED RATE LOAN EARLY.**

**WARNING: THE COST OF YOUR MONTHLY REPAYMENTS MAY INCREASE.**

- It will be necessary to cancel or change your existing insurance policies following the sale of your existing property.
- You may have more than one mortgage on a tracker interest rate and these mortgages may have a different interest rate and different years to maturity (term remaining). All the mortgages outstanding that are on a tracker interest rate will be combined and will be transferred using the tracker interest rate and the term remaining of your primary mortgage.
- Before the drawdown of your new mortgage, adequate life cover will have to be in place. We recommend that you speak to your financial advisor about amending or taking out new insurance policies. This policy can be obtained from a provider other than PTSB. Life cover for the full term of the mortgage must be provided by the customer before drawdown.
- The availability of Tracker Portability is valid for up to six months from the date of completion of the sale of the existing property. You must have a valid Letter of Approval in place prior to the sale of your existing property. Where six months has elapsed from the date of completion of the sale date of the existing property, the Letter of Approval will expire immediately and the shortfall amount (including any interest) will have to be repaid in full at that time.
- Tracker Portability is only available once; it can only be used for the sale and purchase of one property.

# Mortgage terms explained

## A guide to some mortgage terms in this brochure

**Advance:** The amount of your mortgage.

**Annuity Mortgage:** A mortgage where you repay interest and part of the loan each month (the most common form of mortgage).

**APRC:** An abbreviation for annual percentage rate of charge. An APRC is an interest rate calculation designed to reflect the total cost of the credit over the whole term of your mortgage. It consists of borrowing rate and charges that need to be paid in conjunction with the credit agreement that are known to the lender at the time the credit agreement is issued.

**Arrears:** Being in arrears means you have fallen behind on making your agreed mortgage repayments.

**Capital Repayment Holiday:** During the period of a capital repayment holiday, your mortgage repayments will be interest only. They do not include any capital repayments. Therefore, your mortgage balance will not decrease during the period of the capital repayment holiday. This will not be treated as a Mortgage Arrears Resolution Process (MARP) alternative repayment arrangement and will not affect your Central Credit Register record.

**Collateral:** The title deeds of your new property given as security against you repaying the mortgage.

**Completion:** The final legal transfer of the property, where you pay the rest of what you owe to the seller and you receive the

keys of the property.

**Contract:** The written legal agreement between you and the seller of the property.

**Deeds:** Legal documents showing who has the legal entitlement to the property.

**Deposit:** The amount of money you must pay when the contracts are exchanged.

**Equity:** The difference between the value of the property and the amount of any loans secured against it.

**Fixed Rate:** An interest rate which stays constant over a set period, agreed between the mortgagee and mortgagor.

**Foreign Currency Loan:** A Foreign Currency Loan (FCL) is a loan agreement where currency of the loan is other than currency in which customer receives the income or other than currency of the European Economic Area (EEA) State in which the customer resides. PTSB no longer offers loans which fall into FCL definition, effective 21st March 2016.

**Loan to Value (LTV):** Amount you are borrowing relative to the value of the property.

**Mortgage:** A mortgage is a credit agreement for consumers, where a creditor grants a loan secured by a residential property.

**Mortgagee:** A bank, building society or other lender who lends the money for the mortgage.

**Mortgage Protection:** Life assurance cover designed to pay off what you have borrowed if you die.

**Mortgagor:** The person who borrows money and who uses the property as security for the loan.

**Negative Equity:** Where the value of the property is less than the total loan amount.

**New Mortgage Business rates:** This refers to the mortgage rates that currently apply for new mortgages being set up.

**Positive Equity:** Where the value of the property is more than the total loan amount.

**Principal:** The amount of the mortgage on which we work out interest.

**Redemption:** Paying off the mortgage loan in full.

**Repayments:** We offer customers annuity mortgages, which are known as repayment mortgages. This means that your monthly repayment is made up of two parts:

- An interest payment on the loan
- A capital repayment (paid off the balance)

In the early years, most of your repayments will go toward paying off interest on your mortgage. But as your mortgage reduces, the interest part of the repayment goes down. So as time goes on, more of your monthly repayments go toward paying off the capital. We also offer our existing customers a number of flexible payment options.

**Search:** A legal investigation to see if there are any legal rights over a property and to see if it is affected by planning applications and so on.

**Standard Variable Rate:** The mortgage rate which the lender offers to mortgage borrowers who apply for a standard residential mortgage.

**Structural survey:** A detailed inspection of a property to check that it is structurally sound.

**Subject to Contract:** This is when the sale of the property has been provisionally agreed. It allows you or the seller, to withdraw without paying any penalty.

**Term:** The period of time (years) over which you repay a mortgage.

**Title:** A deed outlining who owns the property.

**Total Amount Payable:** The total amount payable is the sum of the total amount of the credit and the total cost of credit.

**Total Cost of Credit:** Total cost of the credit includes all the costs that the customer has to pay in connection with loan agreement, including interest charged, and all fees/ costs that are known by the lender at the time of loan issue.

**Tracker Portability:** The option to move your Tracker Interest Rate when purchasing a new property plus a 1% additional Margin.

**Trade Down:** Your new mortgage is less than your current mortgage.

**Trade Up:** Your new mortgage is greater than your current mortgage.

**Transfer:** A deed which transfers ownership of a property.

**Valuation:** An inspection of a property to decide its market value.

**Variable Rate:** The mortgage rate may vary at the lender's discretion.

**Vendor:** The person selling the property.

# Important notices

## Arrears

Arrears are any element of a mortgage repayment that have not been made and remain outstanding. Interest at the mortgage rate will be applied to the outstanding balance of your loan which includes any payments missed. This may result in increased cost of credit.

**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 LOAN, YOUR ACCOUNT WILL GO INTO ARREARS. THIS MAY AFFECT YOUR CREDIT RATING, WHICH MAY LIMIT YOUR ABILITY TO ACCESS CREDIT, A HIRE- PURCHASE AGREEMENT, A CONSUMER-HIRE AGREEMENT OR A BNPL AGREEMENT IN THE FUTURE.**

**WARNING: IF YOU DO NOT KEEP UP YOUR REPAYMENTS YOU MAY LOSE YOUR HOME.**

## Mortgage Credit approval in 72 Hours

72 hours starts once your application is completed and submitted for credit assessment during business hours. Excludes weekends. If any documentation is missing or additional information is required to reach a credit decision, we will notify you which may impact the decision time.

## Home Insurance and Life Assurance

As part of any home mortgage, you must have a home insurance and life assurance policy with a cover appropriate to the amount and type of your mortgage. This Policy can be obtained from a provider other than PTSB. The cost of Home Insurance and Life Assurance will depend on the customer's individual assessment and circumstances.

Permanent TSB plc trading as PTSB is regulated by the Central Bank of Ireland. Permanent TSB plc is a Single Agency Intermediary of Allianz plc for Home and Contents Insurance which is underwritten by Allianz plc. Allianz plc is regulated by the Central Bank of Ireland.

Permanent TSB plc trading as PTSB is regulated by the Central Bank of Ireland. Permanent TSB plc is tied to Irish Life Assurance plc for life and pensions products. Irish Life Assurance plc is regulated by the Central Bank of Ireland.

## Fraud & Financial Crime

- Learn how to keep your money safe and sound. Just log onto [www.ptsb.ie/fraudandfinancialcrime](http://www.ptsb.ie/fraudandfinancialcrime) for more information.

## Variable Rate Loans

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

**WARNING: THE COST OF YOUR MONTHLY REPAYMENTS MAY INCREASE.**

Lending criteria, terms & conditions will apply. Mortgage approval is subject to assessment of suitability and affordability. Applicants must be aged 18 or over. Security is required and credit agreement will be secured by a mortgage or by a right related to residential immovable property. Life and Home Insurance are also required. For First Time and Second Time Buyers a maximum Loan to Value (LTV) of 90% will apply to a property's purchase price. The maximum LTV for customers who hold their current mortgage with another bank but wish to switch their mortgage to PTSB while also releasing equity is 85%. Maximum loan amount will typically not exceed 4 times an individual's gross income for First time Buyers & 3.5 times an individual's gross income for Second time Buyers. The monthly repayment on a 20 year mortgage with Loan to Value (LTV) greater than 80% with variable borrowing rate of 4.70% on mortgage of €100,000 is €643.50 for 240 months. Total amount repayable is €154,799.06. If interest rates increase by 1% an additional €55.73 would be payable per month. For this example, Annual Percentage Rate of Charge (APRC) of 4.84% applies and consists of variable borrowing rate of 4.70%, valuation fee of €150, Property Registration Authority (PRA) fee of €175, and security vacate fee of €35. Information correct as of 17/01/2024 but is subject to change.

PTSB, 56-59 St Stephen's Green, Dublin 2, D02 H489.

Permanent TSB plc trading as PTSB is regulated by the Central Bank of Ireland.



## Fixed Rate Loans

**WARNING: YOU MAY HAVE TO PAY CHARGES IF YOU PAY OFF A FIXED RATE LOAN EARLY.**

Whenever (i) repayment of a loan in full or in part is made or (ii) with the agreement of PTSB, the loan is switched to a variable rate loan or other fixed rate loan, before expiry of the Fixed Rate period (hereinafter called the "Early Termination"), the applicant shall, in addition to all other sums payable as a condition of and at the time of the Early Termination, pay a sum equal to the PTSB's estimate of the loss (if any) arising from the Early Termination. In the calculation of the said loss, PTSB shall endeavour to apply in so far as it is fair and practicable.

This is how the fee is calculated;

$$C = (I-S) \times R \times (M-T)/12$$

"C" is the charge to compensate for the loss (if greater than 0),

"I" is the swap/market fixed interest rate for the term of the Fixed Rate Period at the date of its commencement,

"S" is the swap/market interest rate for the remaining fixed period,

"R"\* is the amount of the Fixed Rate loan balance paid or switched at the date of Early Termination,

"M" is the fixed Rate Period (in months) and,

"T" is the time expired of the Fixed Rate Period at the date of Early Termination (in months).

Here is a worked example; "I" = 5%, "S" = 3%, "R" = €100,000, "M" = 24 months, "T" = 12 months.

$$C = (5\% - 3\%) \times \text{€}100,000 \times (24 - 12) / 12$$

$$C = 2\% \times \text{€}100,000 \times 12 / 12$$

$$C = \text{€}2,000$$

\*For the purposes of the above fixed rate mortgage breakage fee worked example, a fixed balance of €100,000 representing the loan balance to be paid or switched at the date of Early Termination is used for "R". In the actual calculation of the fixed rate mortgage breakage fee payable to the Bank, a reducing loan balance approach is used to calculate "R". This approach is used to take into account the fact that after the switch or Early Termination, the loan balance typically reduces due to scheduled repayments for the remainder of the fixed rate period. The fee calculated using a reducing balance approach will always be lower than the fee calculated using a fixed balance approach. Please contact your local PTSB branch for further information.



# Looking for more information?

Our dedicated team are here to help you throughout your home journey to answer all of your questions and take you through the details of how it all applies to you.

For more information, call into your local branch, contact us on **0818 210 586** or +353 1 215 1339 or visit us at [ptsb.ie](https://www.ptsb.ie)

## Which mortgage suits your needs?

To help give you the mortgage solution that best suits your needs, we've compiled a list of examples which you'll find here. Have a read through and you'll find one similar to your situation.

Start your journey home with us today

Call us on 0818 210 586 or +353 1 215 1339

Drop into any PTSB branch

Or visit [ptsb.ie](https://www.ptsb.ie)



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