

# Flexible Mortgage Repayment Options



permanent tsb

# Mortgage Repayment Options

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This brochure gives you details of some of our mortgage payment options.

These repayment options can only be used one at a time.

These Mortgage Repayment Options are not available to customers in arrears. If you are in financial difficulty or in danger of going into financial difficulties please let us know by contacting us on 1800 855 010 or +353 21 601 3800, contact [www.mabs.ie](http://www.mabs.ie) or [www.keepingyourhome.ie](http://www.keepingyourhome.ie) who can offer you advice.

## **About us**

permanent tsb p.l.c. is regulated by the Central Bank of Ireland.

If you have had a problem with any product or facility we provide, please let us know. We want to put it right as quickly as we can. Simply contact your permanent tsb branch or the area concerned.

Alternatively, you can write to our Customer Relations Department at: Customer Relations Department, permanent tsb, Churchyard Lane, Douglas, Cork.

All information in this booklet was correct on 07/12/2020 but may change.

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# Payment Holiday Options

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## Underpayment

If you have previously made regular overpayments and have built up credit on your mortgage, you can use this credit for a payment holiday.

Depending on the amount of credit built up, you can extend the length of the payment holiday beyond three months. You can also underpay a payment by the amount of credit that has been built up.

### Who can apply?

You can avail of this option as many times as you like once you:

- » have the credit built up on your mortgage.
- » pay the loan by direct debit or by a standing order drawn on a permanent tsb account.

Please do not attempt to use the underpayment facility if you are in financial difficulty. If you are in financial difficulty please let us know by contacting us on 1800 855 010 or +353 21 601 3800, contact [www.mabs.ie](http://www.mabs.ie) or [www.keepingyourhome.ie](http://www.keepingyourhome.ie) who can offer you advice.

### You cannot avail of the Underpayment Option on:

- » Endowment, annual interest, pension backed mortgages or interest only mortgages.
- » If you do not meet the above criteria please visit your local branch to discuss the options available to you.
- » Underpayment options may not be used in conjunction with a ‘Skip Month’ option.

### Customers in receipt of Tax Relief at Source (TRS):

From 1 January 2014 any pre-payment balances made prior to 2014 used to fund underpayments from 2014 onwards will result in a reduction of TRS. TRS will not be granted on any credits built up in previous years to fund underpayments in a different tax year. TRS will cease with effect from 1 January 2021. As a result, your mortgage repayments from January 2021 onwards will no longer include TRS credit.

# Payment Holiday Option 1 Application Form

## Underpayment Option

### Customer Account Details

Name of principal borrower	<input type="text"/>
Name of joint borrower	<input type="text"/>
Address	<input type="text"/>
Contact phone number	<input type="text"/>
Mortgage account number	<input type="text"/> Sort code <input type="text"/>

### Please complete this section if you wish to apply for an underpayment on your mortgage

To commence from  (specify month), until my overpayment credit has been used up or I have requested in writing to cease this arrangement.

(As an example if you have a credit balance of €1,500 on your account and monthly repayments of €1,000 you will pay nothing the first month subsequent to activating the underpayment facility. This would leave you with a credit balance of €500. If you leave the underpayment facility in place for a second month you would pay €500 and use up the remaining €500 from your balance, leaving a credit balance of €0.)

If your request is received too late for the month specified this facility will be automatically set up from the following month's bill.

Applications must be received at least 16 days before your next repayment due date.

\*If your repayment is due at the end of the month, it may not be debited from your bank account until the start of the following month. In this situation, the underpayment commencement date you choose should be the mortgage due date. In order to fund payment holidays by credit from previous overpayments there should be sufficient funds to cover the required underpayment amount. If additional payment holidays are required after the overpayment credits are used up, they must be applied for separately.

**Please note that any existing overpayment facility will be cancelled once your underpayment is applied.**

### Sign, Date and Return

Please sign and return this form to any permanent tsb branch or The Mortgage Department, permanent tsb, 56-59 St. Stephen's Green, Dublin 2. All parties to the mortgage must sign this form. I am/We are aware that insurance premiums will be collected during all payment holiday options. I/We have read the terms and conditions relating to underpayments and agree to be bound by them. I/We hereby confirm having received independent legal advice prior to signing this Payment Holiday Underpayment request or I/we acknowledge that I/we have been given an opportunity to obtain independent legal advice but have chosen not to avail of it.

Signature First Applicant

Signature Second Applicant

Date

Date

Please read the Terms & Conditions section of this brochure before signing/completing forms.  
All information is correct as at 07/12/2020 but may change.

## Payment Holiday Option 2

### Annual ‘Skip Months’ Payment Holidays

‘Skip Months’ allows you to choose up to two months of each year where you don’t make any mortgage repayments. We will increase the amount of your repayments over the remaining 10 or 11 months of the year (whichever you choose). This means you are paying 12 months of your mortgage over 10 or 11 months.

For example, if you decide not to repay in December each year and use the ‘Skip Months’ option as a way of saving for Christmas, we will arrange for your 12 repayments to be spread over the 11 remaining payments due each year until you cancel the ‘Skip Month’ facility. Remember your insurance costs are still payable during this time.

With ‘Skip Months’, you will continue to skip your repayments on the same chosen month(s) each year for the rest of your mortgage until you cancel this option in writing.

#### **You cannot receive ‘Skip Months’ on:**

- » Interest only mortgages
- » Endowment mortgages
- » Annual interest mortgages
- » Pension backed mortgages
- » Mortgages in arrears
- » Residential Investment Properties

You must pay the loan by direct debit or a standing order drawn on a permanent tsb account. ‘Skip Months’ payment holiday option may not be used in conjunction with the ‘Underpayment’ option.

#### **Customers in receipt of TRS:**

When setting up a new skip month on your account, it is important to note that depending on the month of the year it is set up, this could result in you paying less than the interest due for that year and there could be implications on the amount of TRS you will be entitled to receive during that year. However where additional TRS is due to you, this amount will be applied to your mortgage account and will appear on your annual mortgage statement issued in January each year. TRS will cease with effect from 1 January 2021. As a result, your mortgage repayments from January 2021 onwards will no longer include TRS credit.

## Payment Holiday Option 2 Application Form

Annual ‘Skip Months’ Payment Holidays

### Customer Account Details

Name of principal borrower

Name of joint borrower

Address

Contact phone number

Mortgage account number  Sort code

**Please complete this section if you would like an ongoing holiday for 1 or 2 nominated months every year for the remaining term of the mortgage. e.g. December & July.**

Annual ‘Skip Months’ continues every year until cancelled in writing.  
Please note that two months are available in any 12 consecutive months (not necessarily 12 calendar months).

Place an “X” beside the relevant months (no more than two).

January  February  March  April  May  June

July  August  September  October  November  December

Applications must be received at least 16 days before your next repayment due date.

### Sign, Date and Return

Please sign and return this form to any permanent tsb branch or The Mortgage Department, permanent tsb, 56-59 St. Stephen’s Green, Dublin 2. All parties to the mortgage must sign this form. I am/We are aware that the exercise of the options above will result in additional interest costs over the term of the loan. I am/We are aware that insurance premiums will be collected during all payment holiday options. I/We have read the terms and conditions relating to ‘Skip Months’ payment holidays and agree to be bound by them. I/We hereby confirm having received independent legal advice prior to signing this Payment Holiday Skip Month request or I/we acknowledge that I/we have been given an opportunity to obtain independent legal advice but have chosen not to avail of it.

Signature First Applicant

Signature Second Applicant

Date

Date



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# Overpayment Options

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With overpayment options it's possible to clear your mortgage sooner than originally planned. By making a lump-sum payment or making small increases to your regular repayments, you can reduce the term of your mortgage and the amount of interest you pay. You can also make an overpayment to pay for a future payment holiday.

## Overpayment Option 1: Lump-Sum Payment

Typically, lump-sum payments are made from a customer's savings, investments or perhaps an inheritance. Please note that when overpayments or lump-sums are made to permanent tsb, they are not refundable to customers.

Lump-sum payments cannot be applied where an underpayment or overpayment arrangement is in place. Certain conditions apply when making lump-sum payments to fixed rate loans. See the important information at the inside back cover under 'Fixed Rate Loans' for full details.

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

You can use the lump-sum payment to reduce your monthly repayments or your term for annuity loans. For interest only loans, the only option is to reduce your monthly repayment.



# Overpayment Option 1 Application Form

## Lump-Sum Payment

### Customer Account Details

Name of principal borrower

Name of joint borrower

Address



Contact phone number

Mortgage account number

Sort code

### Lump-Sum Payment

Choose between option (i) or (ii)

(i) I wish to make a once-off lump sum payment of

(a) To reduce my scheduled monthly repayments to allow me to pay over the original term

 or

(b) To reduce my original term while keeping my monthly repayments the same or lower\*

 or

(c) To leave as credit for a future underpayment/payment holiday

(ii) I wish to use my existing credit balance of

(a) To reduce my scheduled monthly repayments to allow me to pay over the original term

 or

(b) To reduce my original term while keeping my monthly repayments the same

#### If your loan is interest only or endowment you can only reduce your repayments.

Certain conditions apply when making lump-sum payments to fixed rate loans. See the important information at back under 'Fixed Rate Loans' for full details.

Do you currently have an existing overpayment that needs to be cancelled to facilitate this option? Yes  No

(Existing overpayment has to be cancelled in order to make a lump-sum payment if accrued by way of previous overpayment and not cash/cheque lodgement).

\* If you pick option (i) (b) there may be a reduction in your monthly repayments to avoid a partial payment in your final repayment amount.

No refunds of lump-sum payments will be made to the applicant when payment thereof is received by permanent tsb.

Sources of Funds

(Print in block capitals)

Life savings, pension/retirement plan, inheritance, equity from sale of asset or if other please specify.

### Sign, Date and Return

Please sign and return this form to any permanent tsb branch or The Mortgage Department, permanent tsb, 56-59 St. Stephen's Green, Dublin 2. All parties to the mortgage must sign this form. I/We have read the terms and conditions relating to lump-sum payments and agree to be bound by them. I/We hereby confirm having received independent legal advice prior to signing this Lump-Sum Payment request or I/we acknowledge that I/we have been given an opportunity to obtain independent legal advice but have chosen not to avail of it.

Signature First Applicant

Signature Second Applicant

Date

Date

## Overpayment Option 2: Regular Overpayments

Regular overpayments are where you make an overpayment on your mortgage by a nominated amount. The overpayments will be credited to your mortgage account.

### **The great benefits of overpaying on your mortgage are that you:**

- » Reduce the term of your mortgage; and
- » Save on the interest charged.  
or
- » Build up credit on your account to allow you to take an underpayment holiday at a future date.

### **We are unable to set up a regular overpayments option on:**

- » Annual interest mortgages
- » Endowment mortgages
- » Pension backed mortgages

## Interest only mortgages

Customers with an interest only mortgage can reduce the interest paid or build up credit on their account using this facility. However they cannot reduce the term of the mortgage.

## Customers in receipt of TRS:

You can set up an overpayment arrangement on your account, however should you wish to use these funds to fund underpayments, it may result in a reduction of TRS. Using any overpayments made in previous years to fund underpayments in a different tax year will result in a reduction of TRS. TRS will cease with effect from 1 January 2021. As a result, your mortgage repayments from January 2021 onwards will no longer include TRS credit.

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### **Please Note:**

Certain conditions apply when making regular overpayments to fixed rate loans. See the important information at the inside back cover under 'Fixed Rate Loans' for full details.

You must pay the loan by direct debit or a standing order drawn on a permanent tsb account.

When overpayments or lump-sums are made to permanent tsb they are not refundable to customers.

## Overpayment Option 2 Application Form

### Regular Overpayments

#### Customer Account Details

Name of principal borrower	<input type="text"/>
Name of joint borrower	<input type="text"/>
Address	<input type="text"/>
Contact phone number	<input type="text"/>
Mortgage account number	<input type="text"/> Sort code <input type="text"/>

#### Regular Overpayments

Please complete this section if you wish to add regular monthly overpayments to your scheduled monthly repayment.

I would like to overpay by €  above my scheduled repayment amount.

Do you have an existing overpayment that needs to be cancelled to facilitate this option? Yes  No

Applications must be received at least 16 days before your next repayment due date.

These overpayments will be credited to your mortgage account once you instruct us to do so. It will enable you to benefit from any interest savings as well as funding future payment holidays or underpayments. Although the scheduled term on your mortgage will not be reduced, by continuing to pay the regular overpayment, a credit will accumulate which should be sufficient to redeem your loan at an earlier date. If you choose to cancel the overpayment option then you will need to inform us in writing that you wish to cancel the overpayment and to use the credit on your account to either reduce your term or to reduce your repayment amount. Certain conditions apply when making overpayments to fixed rate loans. See the important information at back under 'Fixed Rate Loans' for full details.

No refunds of lump-sum payments will be made to the applicant when payment thereof is received by permanent tsb.

#### Sign, Date and Return

Please sign and return this form to any permanent tsb branch or The Mortgage Department, permanent tsb, 56-59 St. Stephen's Green, Dublin 2. All parties to the mortgage must sign this form. I/We have read the terms and conditions relating to Regular Overpayments Option and agree to be bound by them. I/We hereby confirm having received independent legal advice prior to signing this Regular Overpayment request or I/we acknowledge that I/we have been given an opportunity to obtain independent legal advice but have chosen not to avail of it.

Signature First Applicant

Signature Second Applicant

Date

Date

Please read the Terms & Conditions section of this brochure before signing/completing forms.  
All information is correct as at 28/09/2020 but may change.

# Other Options

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## Preferred Payment Date

Choosing your preferred payment date gives you the flexibility to choose the specific date you make your mortgage repayment on each month.

If you use this option you may have to pay extra interest over the term of the loan. Should you wish to avail of this option please fill in the Preferred Payment Date Application Form attached.

Please Note: This option is currently not available on former Irish Permanent mortgages.

Interest only customers who change their payment date should be aware that this may result in your monthly repayments being recalculated and could lead to an increase in your current monthly bill.

Terms and conditions apply.

### Please Note:

This option is currently not available on former Irish Permanent mortgages.

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### Please Note:

Your preferred payment date cannot be changed if you are already on a restructure agreement (for managing arrears on your mortgage) or a flexible repayment option.

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## Customers in receipt of TRS:

If you are currently in receipt of TRS and this due date change results in no bill for the current month, your TRS may be reduced. TRS will cease with effect from 1 January 2021. As a result, your mortgage repayments from January 2021 onwards will no longer include TRS credit.

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### Important note:

No amendments can be made to the repayment, repayment date or direct debit details eight days prior to your repayment due date. If an amendment is received during this period, the amendment will be processed after your next repayment due date.

## Preferred Payment Date Application Form

### Customer Account Details

Name of principal borrower	<input type="text"/>
Name of joint borrower	<input type="text"/>
Address	<input type="text"/>
Contact phone number	<input type="text"/>
Mortgage account number	<input type="text"/> Sort code <input type="text"/>

### Preferred Payment Date (not available on former Irish Permanent mortgages)

Please complete this section if you wish to choose the specific date that you would like to make your mortgage repayment each month.

Please indicate your preferred payment date  or

Tick if your preferred payment date is the last day of the month, regardless of the actual date

Please note that the date can only be amended once in any billing period.

### Sign, Date and Return

Please sign and return this form to any permanent tsb branch or The Mortgage Department, permanent tsb, 56-59 St. Stephen's Green, Dublin 2. All parties to the mortgage must sign this form. I/We have read the terms and conditions relating to preferred payment date option and agree to be bound by them. I/We hereby confirm having received independent legal advice prior to signing this Preferred Payment Date request or I/we acknowledge that I/we have been given an opportunity to obtain independent legal advice but have chosen not to avail of it. If the preferred payment date falls on a non-business day, your monthly payment will be payable on the last business day prior to that non-business day.

Signature First Applicant

Signature Second Applicant

Date

Date

# Terms & Conditions relating to Flexible Repayment Options

## Definitions

**“Scheduled Monthly or Other Periodic Repayment”** is the scheduled repayment amount based on the original loan agreement and is referred to as the monthly or other periodic installment in the loan approval (this refers to the Credit Agreement) as amended from time to time.

**“permanent tsb”** means permanent tsb p.l.c.

**“permanent tsb loan”** means a loan facility for which application has been made to permanent tsb on or after the 4th of June 2002.

**“Month”** is a calendar month.

**“Mortgage”** is a credit agreement for consumers, where a creditor grants a loan secured by an interest in a residential property.

**“Overpayment”** is any regular monthly or other periodic payment which exceeds the scheduled monthly or other periodic repayment. Such payments will be credited to the mortgage account immediately and interest will be adjusted accordingly, thus accelerating repayment of the loan and the interest charge.

**“Underpayment”** is any monthly or other periodic payment which is less than the scheduled monthly or other periodic repayment.

**“Moratorium/Payment Holiday”** is a period during which no or a partial scheduled monthly or other periodic repayment is made and may be exercised with or without overpayments in accordance with these terms and conditions. Where there is a moratorium/payment holiday, without overpayments, a nominal sum of €1 (or such other lesser amount as permanent tsb in its absolute discretion thinks fit) together with any insurance payments will continue to be collected.

## Flexible Repayment Options

The following options are available to applicants:

### A: Payment Holiday Options

#### 1. Payment Holiday Option 1: Underpayment

- (i) The applicant may use a period where no scheduled monthly or other periodic repayment is made, provided sufficient overpayments have been made in order to provide for the payment holiday. In such circumstances, the overpayments will be applied towards the funding of the payment holiday.
- (ii) The term of the mortgage will not be extended where this option is exercised.
- (iii) This option is not available on annual interest, interest only, endowment or pension backed mortgages.
- (iv) This option cannot be exercised in conjunction with the skip months payment holidays.

#### 2. Payment Holiday Option 2: Skip Months Payment Holidays

- (i) The applicant may elect not to make a monthly repayment for any month or months not exceeding two months (or such other longer period as permanent tsb, in its absolute discretion allows) consecutively or separately, in any 12 month period and the amount of the monthly repayments due thereafter will be increased from the date of the acceptance of the application and over the remainder of the term of the mortgage to take account of the amount not paid by reason of such election. If the applicant decides to terminate the exercise of this option, the applicant's monthly repayments will be recalculated accordingly for the remainder of the term of the mortgage to take account of such termination.
- (ii) The term of the mortgage will not be extended where this option is exercised.
- (iii) This option cannot be exercised in conjunction with the payment holidays.
- (iv) This option is not available on annual interest, endowment, interest only, pension-backed, commercial or residential investment mortgages.
- (v) This option is not available on accounts where there is no direct debit or standing order drawn on a permanent tsb account in place.
- (vi) You cannot receive this facility if your mortgage is in arrears.
- (vii) This option cannot be exercised in conjunction with the underpayment payment holiday option.

### B: Overpayment Options

#### 1. Overpayment Option 1: Lump-Sum Payments

- (i) Lump-sum payments of any amount (where payment is made by cheque, the cleared funds) will be:
  - (a) applied, at the option of the applicant, to reduce the applicant's monthly repayments and to continue to repay the loan over the remaining term or;
  - (b) in the case of annuity mortgages applied, at the option of the applicant, to reduce the loan term or;
  - (c) credited to the mortgage account thus reducing the loan balance outstanding and either allowing the funding of future underpayments or payment holidays with overpayments.
- (ii) Interest may be adjusted, in the case of monthly rest accounts, on the first day of the month following receipt of payment of the lump-sum and in the case of daily rest accounts, on receipt of payment of the lump-sum.
- (iii) Where the lump-sum payment is made in respect of a fixed rate mortgage prior to the expiry of a

fixed interest rate period, the applicant shall pay an additional sum calculated in accordance with the conditions relating to fixed rate loans as provided in general mortgage loan approval conditions applicable to the applicant's mortgage. (Please see important information on 'Fixed Rate Loans' at the end of the terms and conditions).

- (iv) In order to reduce the term of the mortgage or, the monthly repayment, from a lump-sum payment, the applicant must complete the appropriate section in the attached application form.
- (v) In the case of annual interest mortgages, lump-sum payments will only be included for interest calculation purposes from the 31st December of that year and thereafter.
- (vi) No interest benefit will accrue for lump-sum payments on former Irish Permanent endowment mortgages or pension backed mortgages unless the credit is transferred off the capital. There are three types of interest calculation accounts: yearly, monthly and daily. Of these, only permanent tsb interest only Daily calculation accounts will accrue an interest benefit if there is a credit on the account.
- (vii) This option cannot be exercised in conjunction with underpayments and overpayments.

## 2. Overpayment Option 2: Regular Overpayments

- (i) Regular overpayments may be made monthly or in respect of any other period as agreed with permanent tsb and of any amount.
- (ii) The amount of an overpayment may be added to the scheduled monthly or other periodic payment and the total increased repayment will be deducted by direct debit. If no direct debit is in place the repayment arrangements for the overpayment must be made by the applicant in a manner satisfactory to permanent tsb.
- (iii) All overpayments will be credited to the mortgage account and interest will be adjusted accordingly.
- (iv) Regular overpayments cannot be made in respect of annual interest mortgages, former Irish Permanent endowment mortgages, permanent tsb interest only or pension backed mortgages.
- (v) The applicant must pay the loan by direct debit or standing order drawn on a permanent tsb account.

## C: Preferred Payment Date

The applicant may elect to change the due date of payment of the scheduled monthly or other periodic repayment to any other date of the month in which such payment is due but the scheduled monthly or other periodic repayment payable thereafter will be increased over the remaining term of the mortgage to take account of the daily amount of interest accrued between the previous date for such repayment and the new preferred date of such repayment. Please note that the exercise of this option may result in additional interest costs over the term of the loan. This option is currently not available on former Irish Permanent mortgages. Your preferred payment date cannot be changed if you are already on a restructure agreement (for managing arrears on your mortgage) or a flexible repayment option. The date can only be amended once in any billing period.

If the preferred payment date falls on a non-business day, the monthly payment will be payable on the last business day prior to that non-business day.

## D: No refunds of Overpayments or Lump-Sum Payments

No refunds of overpayments or lump-sum payments will be made to the applicant when payment thereof is received by permanent tsb.

## E: Variation

The applicant must satisfy the mortgage requirements applicable to the flexible repayment options prior to the exercise of any flexible repayment options. permanent tsb may amend or vary such mortgage requirements from time to time. permanent tsb may amend or vary these terms and conditions from time to time.

## F: Application for Flexible Repayment Option

permanent tsb reserves the right to refuse any application in respect of the exercise of any flexible repayment options for any reason which, in its absolute discretion, it thinks fit. Flexible options can be set up on monthly rest accounts and daily rest accounts. No flexible repayment options are available on endowment, interest only, annual interest or pension-backed mortgages unless specified. All applications must be received at least 16 days before the next repayment billing date to be processed.

## G: Termination

permanent tsb reserves the right to terminate the exercise of any flexible repayment option at any time, with or without notice, for any reason which permanent tsb, in its absolute discretion, thinks fit subject to applicable law. In the event of the termination of the exercise of the flexible repayment options permanent tsb will require payment of the full monthly repayment which would otherwise be payable but for the exercise of any flexible repayment option and the monthly repayment will be recalculated to reflect the rate of interest, the balance outstanding at the time of termination of the exercise of the flexible repayment option and the remaining term of the loan.

## TRS

At the end of each year the actual interest paid for that year from January to December will be calculated and if there is any additional TRS to be granted, this amount will be lodged to the mortgage account in the following manner:

- » if the loan is in arrears, any additional TRS will be posted to the loan as a payment transaction and will be offset against the arrears balance;
- » if the loan is not in arrears, any additional TRS will be applied against the loan balance;
- » if you have received too much TRS, this may be recouped by the revenue directly. Any queries in relation to this should be directed to [www.revenue.ie](http://www.revenue.ie).
- » TRS will cease with effect from 1 January 2021. As a result, your mortgage repayments from January 2021 onwards will no longer include TRS credit. Where additional TRS is due to a customer on interest paid in 2020, this amount will be applied against the loan in 2021.

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# Important Information

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 Buyers, a maximum Loan to Value (LTV) of 90% will apply to a property's purchase price. For Second Time Buyers a maximum LTV of 80% will apply. The maximum LTV for customers who hold their current mortgage with another bank but wish to switch their mortgage to permanent tsb while also releasing equity is 85%. Maximum loan amount will typically not exceed 3.5 times an individual's gross annual income. The monthly repayment on a 20 year mortgage with Loan to Value (LTV) greater than 80% with variable borrowing rate of 3.90% on mortgage of €100,000 is €600.72 for 240 months. Total amount repayable is €144,533.76. If interest rates increase by 1% an additional €53.72 would be payable per month. For this example, Annual Percentage Rate of Charge (APRC) of 4.01% applies and consists of variable borrowing rate of 3.90%, valuation fee of €150, Property Registration Authority (PRA) fee of €175, and security vacate fee of €35. Information correct as of 07/12/2020 but is subject to change.

**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 IN THE FUTURE.**

## Variable Rate Loans

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

## Interest Only Loans

**WARNING: THE ENTIRE AMOUNT THAT YOU HAVE BORROWED WILL STILL BE OUTSTANDING AT THE END OF THE INTEREST ONLY PERIOD.**

## 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 permanent tsb, 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 permanent tsb's estimate of the loss (if any) arising from the Early Termination. In the calculation of the said loss, permanent tsb 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.  $C = (5\% - 3\%) \times €100,000 \times (24 - 12) / 12$   
So,  $C = 2\% \times €100,000 \times 12 / 12$ ,  $C = €2,000$

\*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 permanent tsb branch for further information.

### 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.

### Endowment Loans

The early surrender of the insurance policy in respect of your endowment loan may result in a return to you which would be less than you have paid in premia and other charges.

**WARNING: 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.**

This brochure is intended for use by existing mortgage customers and all mortgage types mentioned may not be available for new business.

All information is correct as at 07/12/2020 but may change. permanent tsb 56-59 St. Stephen's Green, Dublin 2.

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