FINANCE IRELAND
Residential Mortgages

FINANCE IRELAND CREDIT SOLUTIONS DAC

Variable Interest Rate Policy Statement

financeireland.ie

A DIVISION OF FINANCE IRELAND GROUP

FINANCE IRELAND CREDIT SOLUTIONS DAC

Variable Interest Rate Policy Statement

WARNING

We may change the interest rate on this loan. This means the cost of your monthly repayments may increase or decrease.

This statement sets out the factors which may result in changes to the variable interest rates that are set by Finance Ireland Credit Solutions DAC. It also tells you about the procedures that Finance Ireland Credit Solutions DAC follows when setting or changing variable interest rates.

About us

Established in 2002, Finance Ireland Group is a privately owned financial services Group. We have businesses that specialise in Residential Mortgages, Motor Finance, Asset Finance and Leasing, Commercial Mortgages and Agri Finance. Finance Ireland Credit Solutions DAC trading as Finance Ireland Residential Mortgages, Finance Ireland Leasing, Finance Ireland Commercial Mortgages, Finance Ireland Agri, Finance Ireland is regulated by the Central Bank of Ireland and is a wholly owned subsidiary of Finance Ireland Limited.

What does Finance Ireland consider when setting our variable interest rates?

Finance Ireland consider a range of factors when setting variable interest rates.

- **CUSTOMERS:** Consideration is given to factors including the loan-to-value (LTV) of the mortgage, the term of the mortgage, the applicant's employment status, previous credit history and whether the loan is for a main home or a buy-to-let property.
- **BUSINESS COSTS:** These relate to the operating costs of running the business (including expected costs in the near future), borrowing costs and any other aspect of funding arrangements, the risk that some customers may not pay their mortgage, and the cost of legal and regulatory requirements.
- **GENERAL:** These relate to general factors such as economic growth and inflation rate, employment levels, housing market conditions, and the level of competition in the market.

Changes to these factors could result in changes to the variable interest rates.

How does Finance Ireland make decisions when setting variable interest rates?

Members of the Management Team meet periodically to discuss matters relating to mortgages. At these meetings consideration is given to whether any change in variable interest rates should be made (based on the combination of factors set out above).

Loan to Value (LTV) interest rates

LTV interest rates are a form of variable interest rates that are linked to the open market value of the mortgaged property as verified by an independent valuation by a professional Valuer from our panel of appointed Valuers. To calculate your LTV simply express your loan amount as a percentage (%) of the property value.

Example: Property Value €400,000, Loan Outstanding €260,000,
LTV = 260/400 x 100 = 65%.

We have a range of LTV variable rate bands which you can choose from or that may become available to you from time to time depending on the above ratio. It is important to note that with an LTV Variable rate, your monthly repayments may rise and fall over the life of your mortgage in line with how Finance Ireland sets interest rates generally as per this Policy statement. In addition, our LTV variable rates give you the flexibility to make early repayments or lump sum repayments during your mortgage term and there is also the option of changing to a Fixed rate at any time where these products are being offered by Finance Ireland.

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Could you get a different type of interest rate or a lower interest rate?

We encourage you to look at your mortgage options regularly because a different product may lead to savings for you. You can review our mortgage options at **financeireland.ie**.

If you wish to discuss your mortgage options, please contact our Customer Services team. They can be contacted on:

T: 0818 911021
(or +353 1 647 0250 if calling from outside Ireland).

If you wish to apply for a different mortgage with Finance Ireland, please note that a credit assessment may be required. This includes a credit check with the Central Credit Register (CCR) or any other credit agency. It may also involve a new valuation of your property. Please note that your existing lending terms and conditions apply when changing a mortgage to a different type or a different interest rate.

How can I assess and/or change the LTV variable rate on my current mortgage?

Firstly, consider any combination of changes to the loan-to-value (LTV) of your mortgage, your current employment status or previous credit history that may qualify you for a different product or rate. The product you currently hold will be determined by your employment status and previous credit history. The rate within that product will be determined by the LTV of your mortgage. Our LTV rates are set in bands and where your LTV ratio places you in a different band, then you will be entitled to the rate applicable to that band.

However, please note that to effect such a change, you may be required to provide us with an updated full valuation report. The Valuation Report must be completed by one of Finance Ireland's appointed Valuers. Please contact us on the above number for the names of our appointed Valuers in your location.

The Valuation Report will be completed at your expense (typically in the range €150 to €300 plus VAT). The reports must be dated within the past 4 months.

Customers in arrears or financial difficulty

Like many homeowners, your financial situation may have changed in recent years. You may have fallen behind on your mortgage repayments or may be worried about not being able to pay your mortgage in the future. If you find yourself in this situation, our team is available to discuss your circumstances and to work with you to find a solution to resolve your financial difficulties. Each case is assessed based on the customer's circumstances and using the information provided by the customer in a completed Standard Financial Statement.

Important Regulatory Notices

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.

Consumer Credit Act 1995 (as amended) Notices

WARNING

YOUR HOME IS AT RISK IF YOU DO NOT KEEP UP PAYMENTS ON A MORTGAGE OR ANY OTHER LOAN SECURED ON IT.

Where the interest rate for the loan is variable:

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

Where the loan is to consolidate debts:

WARNING

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

Where a variable interest rate applies to the loan:

WARNING

The cost of your monthly repayments may increase.

Where the loan has an interest-only period:

WARNING

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

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