Example 1

Outstanding Mortgage balance is €150,000. At the point of the Payment Break (PB) starting there are 20 years remaining at a Standard Variable Rate of 4.3% in place.

Example for Illustrative Purposes Only	
Amount Owed	€ 150,000
Standard Variable Interest Rate	4.30%
Monthly Repayment Before the Payment Break	€ 933
Original Cost of Credit (COC)	€ 73,886
Remaining Mortgage Term Before the Payment Break	20 years

Option 1(A) – Spread the six months of suspended payments over the remaining term – No Extra Payments whilst in PB	
New Remaining Mortgage Term	19 years 6 months
New Monthly Repayment	€ 969
New Total Cost of Credit	€ 76,640
Increase in Cost of Credit	€ 2,755

Option 1(B) – COC where Lump Sum of €500 made during month 2 of PB	
New Remaining Mortgage Term	19 years 6 months
New Monthly Repayment	€ 965
New Total Cost of Credit	€ 76,398
Increase in Cost of Credit	€ 2,513

Option 1(C) – COC with three separate monthly payments of €500 (€1500 in total) being made during PB	
New Remaining Mortgage Term	19 years 6 months
New Monthly Repayment	€ 959
New Total Cost of Credit	€ 75,914
Increase in Cost of Credit	€ 2,028

The options above demonstrate that if payments are made within the Payment Break, this will reduce the overall increase in the Cost of Credit of the mortgage