

Example 3

Outstanding Mortgage balance is €150,000. At the point of the Payment Break (PB) starting there are 20 years remaining at a Variable Tracker Rate of 1.15% in place.

Example for Illustrative Purposes Only

Amount Owed	€ 150,000
Variable Tracker Rate	1.15%
Monthly Repayment Before the Payment Break	€ 700
Original Cost of Credit (COC)	€ 17,982
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	€ 720
New Total Cost of Credit	€ 18,484
Increase in Cost of Credit	€ 502

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	€ 718
New Total Cost of Credit	€ 18,425
Increase in Cost of Credit	€ 443

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	€ 713
New Total Cost of Credit	€ 18,307
Increase in Cost of Credit	€ 325

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