

Example 6

Outstanding Mortgage balance is €150,000. At the point of the Payment Break (PB) starting there are 10 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	€ 1,324
Original Cost of Credit (COC)	€ 8,862
Remaining Mortgage Term Before the Payment Break	10 years

Option 1(A) – 6 Month term extension provided – No Extra Payments whilst in PB

New Remaining Mortgage Term	10 years
New Monthly Repayment	€ 1,331
New Total Cost of Credit	€ 9,778
Increase in Cost of Credit	€ 916

Option 1(B) – COC where Lump Sum of €500 made during month 2 of PB

New Remaining Mortgage Term	10 years
New Monthly Repayment	€ 1,327
New Total Cost of Credit	€ 9,748
Increase in Cost of Credit	€ 886

Option 1(C) – COC with three separate monthly payments of €500 (€1500 in total) being made during PB

New Remaining Mortgage Term	10 years
New Monthly Repayment	€ 1,318
New Total Cost of Credit	€ 9,688
Increase in Cost of Credit	€ 826

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