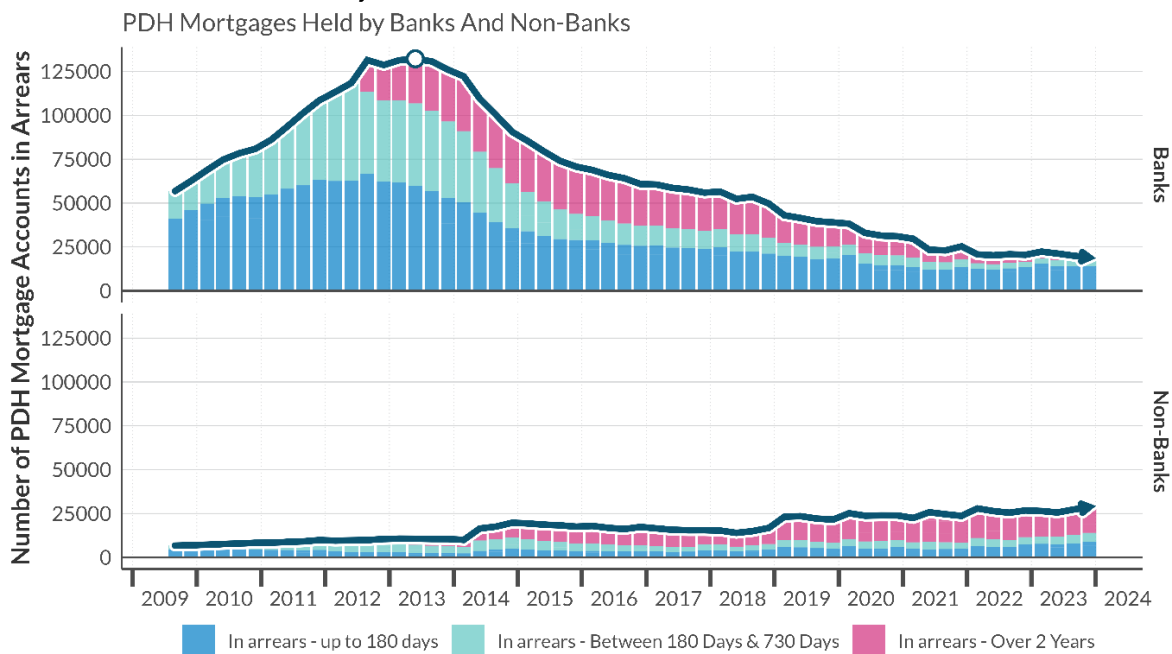




### Key Points

- The number of principal dwelling house (PDH) accounts in arrears over 90 days was 29,034 at end-December 2023. This figure represents 4.1 per cent of all PDH accounts, and is unchanged relative to end-December 2022 (Chart 1).
- In December 2023, 40 per cent of PDH accounts in arrears were held by banks, whereas 60 per cent were held by non-banks entities. This compares to December 2022, where 43 per cent were held by banks and the remaining 57 per cent were held by non-banks.
- In annual terms, the number of accounts in arrears over 90 days fell by 3 per cent, driven by the uninterrupted decline in long-term arrears (greater than one year). The number of accounts in long-term arrears stood at 20,268 (3 per cent of all PDH accounts) at end-December. This represents a fall of 2,511 accounts (11 per cent) in annual terms and a decrease of 657 accounts (3 per cent) from Q3 2023.
- **Chart 1: PDH Mortgage Accounts in Arrears**

### The Number of PDH Mortgage Accounts in Arrears Peaked in June 2013 And has Steadily Decreased Since Then



**Note:** The breakdown of arrears greater than 90 days is not available pre-September 2012. The breakdown of arrears greater than 720 days is not available pre-September 2019.

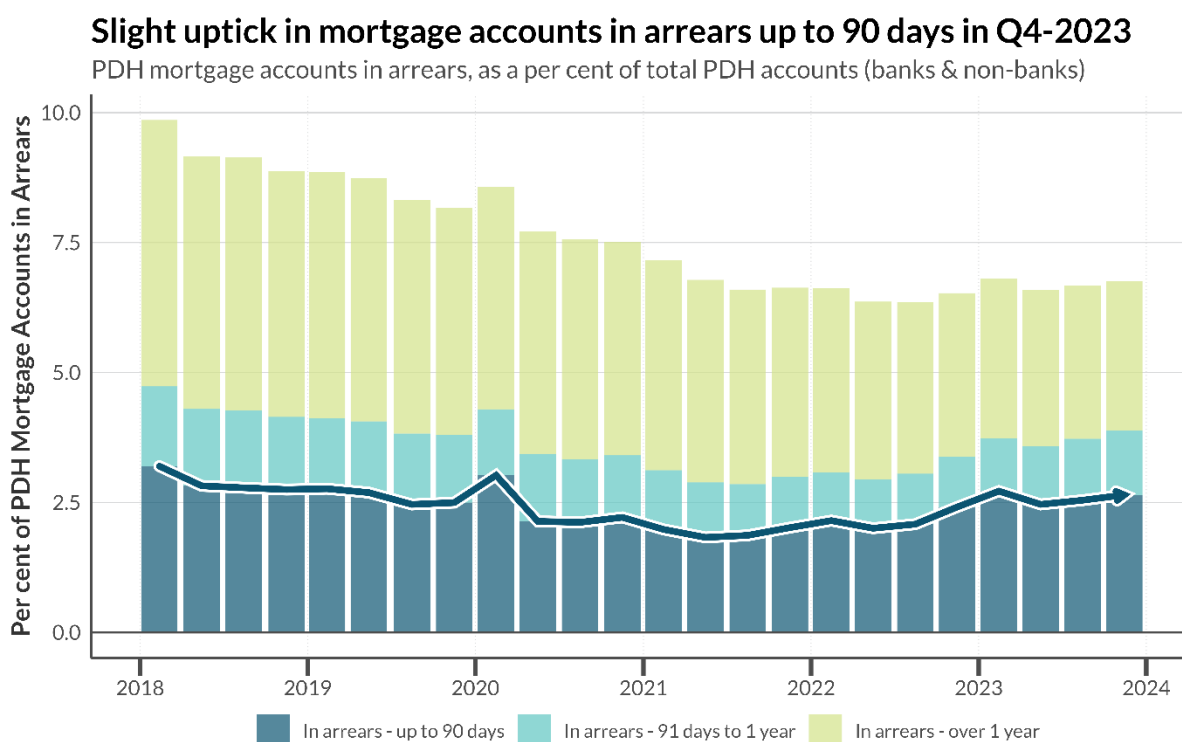
- During the fourth quarter of the year, the total number of PDH accounts in arrears increased by 1 per cent, as the decline in long-term arrears slows, exceeded by an increase in early arrears; accounts which are in arrears less than 90 days (3 per cent over the quarter).
- Of the PDH accounts in arrears, some 5,117 accounts (or 11 per cent) are currently part of a legal process, 36 per cent of which have been in the legal system for over five years.

- At end-December non-bank entities<sup>1</sup> held 17 per cent of all PDH mortgages outstanding and 85 per cent of all PDH accounts in arrears over one year.

## Residential Mortgages on Principal Dwelling Houses

- At end-December 2023, there were 707,045 private residential mortgage accounts for principal dwellings held in the Republic of Ireland, with a value of just over €100 billion. Of the total stock, 47,734 accounts were in arrears, an increase of 409 accounts (or 0.86 per cent) over the quarter. This increase can be attributed to the decline in the number of accounts in longer term arrears (over one year), while the number of accounts in early arrears (up to 90 days) has increased by 673, driven primarily by the non-banks.

- Chart 2: PDH Mortgage Accounts in Arrears**



- At end-December 2023, 29,034 accounts (4.1 per cent) were in arrears of more than 90 days<sup>2</sup>. This figure is largely unchanged over the quarter, as the aforementioned decline in longer-term arrears was offset by an increase in accounts in arrears over 90 days and up to one year. The increase in accounts in arrears

<sup>1</sup> Non-bank entities comprise of Retail Credit Firms and Credit Servicing Firms. More detailed information on these institution groups is available on the Central Bank website [here](#).

<sup>2</sup>The figures published here represent the total stock of mortgage accounts in arrears of more than 90 days, as reported to the Central Bank of Ireland by mortgage lenders and credit service providers. They include mortgages that have been restructured and are still in arrears of more than 90 days, as well as mortgages in arrears of more than 90 days that have not been restructured.

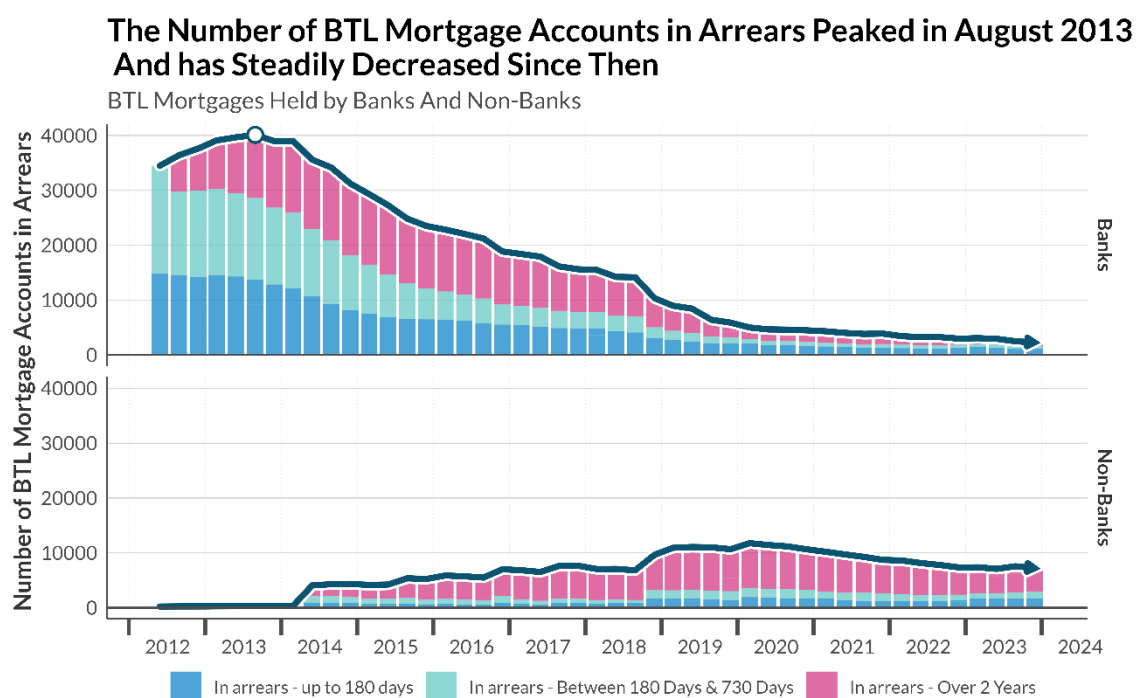
over 90 days and up to one year can be attributed accounts in the early arrears maturing to the latter arrears cohort.

- The outstanding balance on PDH mortgage accounts in arrears of more than 90 days was just over €5.8 billion at end-December, just under 6 per cent of the total outstanding balance on all PDH mortgage accounts.
- Accounts in long-term mortgage arrears, i.e. over one year, accounted for 42 per cent of all accounts in arrears and 60 per cent of all accounts in arrears over 90 days at end-December 2023. The number of accounts in long-term arrears declined by 657 accounts over the quarter.
- At end-December 2023, non-bank entities accounted for 17 per cent of the total stock of PDH mortgage accounts outstanding. Some 19 per cent of all PDH accounts held by non-banks were in arrears over 90 days (18 per cent a year previously), and 15 per cent were in arrears of over one year in December 2023, unchanged from December 2022. For non-banks, a greater proportion of PDH accounts held are in longer-term arrears when compared to banks.

## Residential Mortgages on Buy-to-Let Properties

- At end-December 2023, there were 63,972 residential mortgage accounts for Irish buy-to-let (BTL) properties, with an outstanding balance of just over €9.3 billion. Some 9,505 BTL accounts were in arrears at end-December, a decrease of 551 accounts over the quarter and a decrease of 836 in annual terms. Of the total BTL stock, 7,343 accounts (11 per cent) were more than 90 days in arrears. (Chart 3). This represents a fall of 539 from Q3 23 and a decrease of 787 in annual terms.
- BTL accounts in arrears of over one year numbered 5,858 or 9 per cent of all BTL accounts. The outstanding balance on these accounts was €1.8 billion at end-December, equivalent to 19 per cent of the total outstanding balance on all BTL mortgage accounts. The number of BTL accounts in arrears fell by 510 from September (8 per cent) and by 1169 in annual terms (17 per cent).
- Of the total number of BTL accounts in arrears, 20 per cent (or 1,872 accounts) were overdue by between 2 and 5 years, a further 18 per cent (or 1,664 accounts) were in arrears by between 5 and 10 years and 15 per cent (or 1,436 accounts) were in arrears over 10 years.
- At end-December 2023, non-bank entities accounted for 39 per cent of BTL mortgage accounts outstanding. Significantly, non-banks held 76 per cent of all BTL accounts in arrears, 84 per cent of BTL accounts in arrears over one year and 85 per cent of BTL accounts with accumulated arrears greater than ten years.

- **Chart 3 BTL Mortgage Accounts in Arrears**



**Note:** The breakdown of arrears greater than 90 days is not available pre-September 2012. The breakdown of arrears greater than 720 days is not available pre-September 2019.

## Restructuring Arrangements<sup>3</sup>

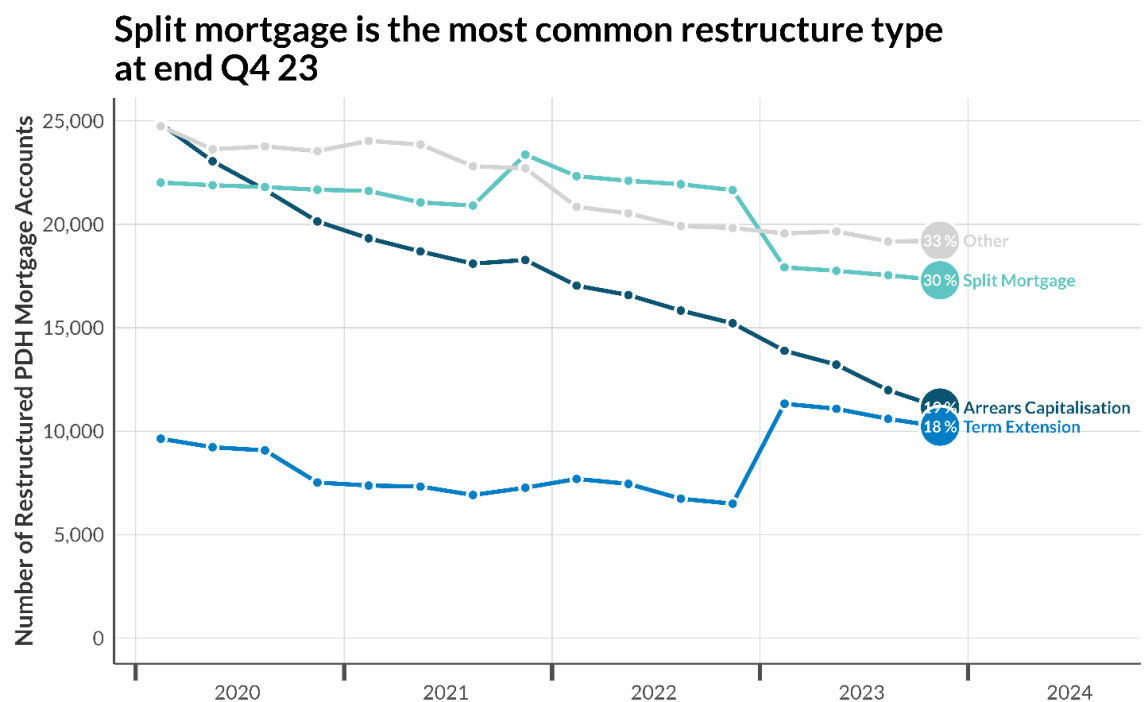
### *Principal Dwelling Houses*

- A total stock of 57,863 PDH mortgage accounts were categorised as restructured at end-December 2023, representing 8 per cent of total PDH mortgage accounts outstanding. The total number of restructure arrangements fell by 1,422 accounts over the quarter and continues a long-term trend of decline.
- Of the total stock of restructured accounts recorded at end-December, 80 per cent were not in arrears, while 84 per cent were meeting the terms of their current restructure arrangement. The largest two cohorts of restructured PDH mortgages were in split mortgage and arrears capitalisation arrangements, respectively.

The data on arrears and restructures indicate that of the total number of PDH accounts that were in arrears at end-December, 11,584 (or 24 per cent) were classified as restructured.

<sup>3</sup> See Annex 2 for further information on restructuring arrangements/forbearance techniques and meeting the terms of the arrangement.

• Chart 4: Restructured PDH Mortgage Accounts



*Buy to Let Properties*

- A total stock of 5,533 BTL mortgage accounts were categorised as restructured at end-December 2023, reflecting a decrease of 289 accounts over the quarter.
- Of the total stock of restructured accounts recorded at end-December, 83 per cent were not in arrears, while 85 per cent were meeting the terms of their current restructure arrangement.
- The largest two cohorts of restructured BTL mortgages were in term extensions and arrears capitalisation arrangements, respectively. The data on arrears and restructures indicate that of the total number of BTL accounts that were in arrears at end-December, 956 (or 10 per cent) were classified as restructured.

**Legal Activity and Repossessions<sup>4</sup>**

- The majority of accounts in mortgage arrears are not currently subject to legal proceedings<sup>5</sup>. With regards to PDH accounts in arrears, some 33,147 accounts in arrears (69 per cent) had no formal demand issued at end-December 2023. A further 5,052 accounts (11 per cent) were at the formal demand issued stage, but legal proceedings had not yet commenced. Some 5,117 PDH accounts (11 per cent) currently have legal proceedings in process; this includes cases at Civil Bill lodgement stage and where the case is still active in the courts system.

<sup>4</sup> Legal proceedings record steps to repossess a property and include cases where a formal application has been made to a court to begin repossession proceedings, along with subsequent adjournments and judgement proceedings.

<sup>5</sup> More detail is available in the Residential Mortgage Arrears and Repossessions Statistics Explanatory Notes [here](#).

- The number of properties in possession by the reporting institutions at end-December 2023 fell to 301 from 360 at end Sept.
- During the fourth quarter of 2023 a total of 28 PDH properties were taken into possession by lenders. By end-December 18 properties had been repossessed on foot of a Court Order, while another 10 were voluntarily surrendered or abandoned. During the quarter, 57 properties were disposed of by lenders. As a result, lenders were in possession of 202 PDH properties at end-December 2023.
- There were 125 BTL properties in the lenders' possession at the beginning of Q4 2023. One property was taken into possession by lenders during the quarter. During the fourth quarter of 2023, 26 properties were disposed of, and as a result, lenders were in possession of 99 BTL properties at end-December 2023.

## Annex 1: Mortgage Arrears Data and Further Information

The mortgage arrears data, along with a set of explanatory notes, are available in the Mortgage Arrears section of the Statistics portal of the Central Bank of Ireland website: <http://www.centralbank.ie/polstats/stats/mortgagearrears/Pages/Data.aspx>.

The Central Bank of Ireland has produced a number of consumer guides to assist consumers who are in arrears or facing arrears, including

- Mortgage Arrears - A Consumer Guide to Dealing with your Lender;
- Mortgage Arrears - Frequently Asked Questions; and
- Guide to Completing a Standard Financial Statement.

The above guides, that include information on the protections that are available to consumers in financial difficulty, are available to download from the [consumer information section](#) of the Central Bank website.

## Annex 2: Restructuring Arrangements

Forbearance techniques include: a switch to an interest only mortgage; a reduction in the payment amount; a temporary deferral of payment; extending the term of the mortgage; and capitalising arrears amounts and related interest. The figures also include advanced modification options such as split mortgages and trade-down mortgages, which have been introduced to provide more long-term solutions for customers in difficulty.

It is important to note that ‘meeting the terms of the arrangement’ is not a measure of sustainability, as not all restructure types represent longer-term sustainable solutions as defined within the Mortgage Arrears Resolution Targets (MART). For instance, short-term interest only restructures are, in general, not part of longer-term sustainable solutions. The MART sustainability targets also include a significant number of accounts in arrears which are part of a legal process. These accounts are not classified as restructured within the Mortgage Arrears Statistics. Arrears associated with such accounts are recorded in full in the data.

## Annex 3: Borrower Engagement

‘Co-operation’ status is defined in line with the Code of Conduct on Mortgage Arrears (CCMA), which sets out strict criteria in relation to when loan owners can classify borrowers as not co-operating. In such cases, loan holders must formally notify the borrower of the implications of being classified as not co-operating, including that it may commence legal proceedings for repossession of the property