

To
Financial Regulator

Re Mortgage Arrears

I have just read the proposed new criteria for mortgage arrears and I honestly can not find anything in it to help anyone in real difficulty with mortgage re payments. The following is from a number of couples that have mortgages and the real difficulty they find themselves in with no help coming from anyone in real terms.

The Banks at this time will not engage with anyone on interest only payments until the end of the period of three years unless of course persons wish to go back to paying there full mortgage which has increased to such a high level in the last year we should remember that the very reason persons went onto paying interest only payments in the first instance is because they could not afford to pay a full mortgage due to economic circumstances.

Banks should trying now to help these persons and not waiting until next year when there situation has more than likley worsened and the possibility of further interest rate hikes in the interim has made there situation worse which is incredible after such a massive bail-out by the taxpayer.

If these persons on interest only payment could not afford to pay there full mortgage last year or years before it is unlikely they will be able to do so next year as mortgage interest rates have risen since. These persons are a group that need to be helped as well of course as others who are presently in arrears etc. There is nothing in the proposals to help this group in real terms as the Banks have made it clear that persons that will not be able to return paying there full mortgage are in difficulty and run the risk of having there houses reposessed. The measures that were put in place only prolonged the inevitable and the problem has only got worse.

Persons on interest only as well as those in arrears who find themselves in a position that they are unable to return to paying a full mortgage should be assisted if the need arises by a voluntary repossession scheme were the Banks would take possession of the home for sale without penalties ie., once home is vacated no mortgage payments would acrue, and any shortfall from the sale of the home by the Banks would be lodged against the couple or persons with an arrangment to pay this shortfall by any affordable means, asset, security, at present or in the future without interest.

Because of the dire economic situation which arose here in Ireland which was in the main the fault of government couples or persons should not have there credit rating effected.

What I have outlined is real help and not dictated by the Banks with there flowery terminology which offers little to the thousands of people on island of Ireland in difficulty.

I ask that consideration be given to the submission outlined.

Kind regards

Bob Walsh, Cork