

## Consumer and Individual Submissions to the Central Bank on CP63

[Any duplicate submissions that were received by the Central Bank are only represented once below.]

### CP63.C1 Submission

Our small business clients have written & rung asking us to make a submission on their behalf regarding CP 63

Our experience of working with the banks since this recession is that they have returned their lending practices to those in place in the late 70s and 80s. The restrictive practices in lending then held the economy back.

Giving more power over to the banks as this CP 63 proposes will stink the small business further as they are squeezed for more interest and charges & life assurance increases.

Banks don't have to have regard to the economy only profit and salaries and bonuses for management.

However a good economy requires openness & competition in lending.

If a small business can't get finance in one institution they can go to another.

The proposals under CP63 will keep business owners tied to the same institution for decades being squeezed and squeezed.

Our submission is that trackers should remain.

The appeals procedure should be independent of all the financial institutions.

The deals should be long term & separated from other dealings with the banks There should be no excess life assurance imposed The banks should have to explain the options in writing to the customer & why they are in the customers interest.

They should be realistic within the means of he business so that all cash is not being taken Preventing new employees being taken on & growth allowed.

A mechanism should prevent All future profits of small businesses being absorbed by Banks.

### CP63.C2

Regarding the Application of the Code—page 2 of the code—I see a contradiction between how it applies to lenders and borrowers. It would seem it applies to “the mortgage lending activities of all regulated entities” yet only borrowers for primary residences can benefit according to the code. Surely if it is limited to primary residential borrowers then surely the code should say it applies to the mortgage lending for primary residences only of regulated entities. This should be more clear.

In practice however I certainly see the mortgage arrears procedure being used for non primary residences. I think the code should in the circumstances of recent years apply to all borrowing on properties purchased during the years of the famous Celtic Tiger.

I know you said the code is implemented under the Central Bank Acts—but in reality what teeth has this code for Lenders. I have been looking at the 1942, 1971 and 2010

acts and I am not convinced that there is anything to compel lenders to be more forthright.

We have situations where the bank persists with writing to separated/divorced persons as if that was not the case.

I consider the code to be rather easy on the Lender and if you look at chapter three the provisions set out on pages three and four as they pertain to banks—it is almost laughable, if it was not so serious for borrowers. I think if the bank does not cooperate or unduly delays, delays of 4-6 months for instance, the bank should be penalized. There is no one in local branches that I have had to deal with, with authority to deal with arrears. You can imagine the confusion when borrowers who have always dealt with the local branch find out that some unknown person in Dublin who persists signing letters with an indecipherable signature, is going to be dealing with the difficulty they are in rather than the local branch they always dealt with. It is lamentable to see how the banks are dealing with people in serious difficulty and in my experience it is Bank of Ireland that I find is most at fault here. Chapter three has many aspirations but nothing concrete on what should happen if the bank fails to cooperate. I would like to see the procedures referred to in paragraph 2—where are these to be found. When clients attend a solicitor regarding arrears such clients are indeed very serious and they do not appreciate being long fingered about the arrears and offers that may be made. I am sure you are aware that clients attending with a solicitor about arrears want matters to be resolved in a timely and business like fashion and do not want to incur needless costs attending in relation to letters from the bank that does not deal with the issues.

Regarding the provision of information—the area where there is most difficulty is where a spouse who is separated or separating is looking for information—it is almost impossible to get information from the Bank—one client of mine attended the Bank of Ireland to meet someone to assist with this and when she got there she was told the person she was to meet by prior appointment was busy but that our client would have an “impromptu meeting” with two gentlemen—this was very distressing indeed for our client who left the bank without the information she intended getting, puzzled and distraught. The code must ensure that there are sanctions on the bank as well as the borrower. If the bank delays and I am aware that 4-6 months is not unusual, it should be penalized.

Letters sent to borrowers signed by indecipherable signatures or worse where the signature is a mere stamp of a name that is not decipherable—creates suspicion in particular when the lender insists that all signatures on letters and documents must contain a printed version of the signed name. Should not the bank be forced to operate its own practice requirements. The mortgage arrears support unit of the Bank of Ireland is always sending letters to customers for the bank which such signatures and customers do not know who to contact. It has been this writer's experience when we have telephoned the bank to speak to a particular individual I was told that that particular individual is in administration and does not take calls. Really it beggars belief. I wish I was in a job where I can write what I want and then refuse to take calls or have a system in place where I would not have to take calls.

Lenders mortgages should also contain provisions so that a lender can and would be obliged to proceed in family law cases where money is owed to the lender, pursuant to Section 15(5) of the Family Law Act 1995 i.e by affidavit of representation, rather than

going off instituting separate proceedings in the High and or Circuit Courts causing undue costs to be incurred. I note no bank has as yet incorporated provisions pursuant to the said section in any mortgage document, though I find it is a reasonably good procedure if it is used. I note also the Revenue Commissioners if it is owed money and there are family law proceedings, it uses this section. Do not be put off by the fact that the section refers to “a beneficial interest”—as most banks have a legal interest if the charge is registered. In family law cases there is always a provision in the proceedings for the sale of property and it is in the proceeds of sale a bank would have a beneficial interest, thus enabling the bank to participate by way of the said affidavit of representation procedure.

Paragraph 13 on page 7 is not realistic for people who do not have computers. It is unfair and the Lender should be obliged to furnish this information by ordinary prepaid post. Such provisions that presume everyone will have a computer is not acceptable.

Paragraph 14—the appeal procedure is being used for non primary residence properties and I feel your code should set out clearly what it applies to taking into account what is happening in practice in reality. I am quite sure that if the banks would engage in a timely fashion and if the bank would address the offer made the code would be good but the bank (my experience is with the Bank of Ireland) has not and will not engage and then when it does, it does not engage fully and writes a letter that does not address the offer made. Its as if there is a standard letter and this is sent out regardless of the offer made and one gets the distinct impression that the offer made was not even looked at by the Bank. Banks who fail to engage should be penalized and penalized seriously. The code is soft on such banks in my opinion—where in the code is there are good reason for the banks to cooperate.

Regarding appeals—surely the correct way for an appeal is to meet with whom ever it is that is dealing with the case and why should all appeals be dealt with in Dublin. For instance people living in rural towns—why are there not people on the ground in rural towns that could be met with for such appeals rather than having to deal with faceless entities in Dublin. The borrowings were initially secured locally and why then must the arrears be dealt with in a non local area. We believe much more would get resolved if the local branches of the banks had the authority and know-how as to resolving such arrears—this was how it was back in the 1980’s and certainly business got done but now nothing is happening.

I have attended a number of conferences about arrears resolution and at each conference it is states clearly that the code is merely that and has no sanction for a bank that fails to cooperate other than to involve borrowers in arrears to engage in further correspondence with the Ombud for financial institutions—this is not user friendly. Clients who attend solicitors are usually serious about resolving problems and in the near future not in some distant future, they do not attend solicitors offices for craic as it were and the code does not do anything in reality to assist them because the banks can delay and prevaricate and it goes into months and years.

CP63.C3

In the first instance may we inquire in the interest of transparenance what are “themed inspections”, and what “themes” were adopted and the number of themed inspections made?

This revision of the CCMA is clearly a revision that favours the banks over borrowers in arrears and does not as is it’s stated purpose on page 2 of the Review document “(the)

*review is to strengthen the protections of borrowers in arrears*". It is clear that main issues under consideration very definitely favour the banks to the detriment of distressed borrowers.

Each of the Summarised considerations in the review are very much in the banks interests and are draconian in many aspects to the distressed borrowers, in my opinion:

-

Lenders are not complying with the present CCMA, and I believe will continue not to comply despite any revision, where they can get away with it;

Lenders are not dealing with borrowers in a fair and transparent way, in particular with holders of tracker mortgages and the banks are, and will use what ever means possible to eliminate tracker mortgages;

Lenders support for borrowers are meaningless, they are not adhering to the appeals process and will use any means possible to classify a borrower as non co-operative.

The banks are using legal proceedings outside the CCMA to obtain orders for the mortgage debt and thus repossess family homes by other legal means.

### **Co-operation**

It is critical that very clear definitions of co-operation and non co-operation are spelt out, the banks have not been dealing fairly with borrowers in arrears and its open to the banks to claim the borrower is not co-operating and move straight to repossession without offering any of the remedies set out in the code, with detrimental results for the borrowers including exclusion from "Personal Insolvency Act 2012" proposals. this facility to classify borrowers as non co-operating is totally draconian and biased in favour of the banks. If the bank considers a borrower non co-operating this matter must be referred to some form of arbitration for a final ruling as the effects on a borrower being classed as non co-operating are so sever. The banks have not and do not play by the rules.

### **Appeals Board**

It seems that the key stakeholders (the banks) require that items a) & b) of the treatment of appeals is removed and dealt with the banks complaints process and only item c) is in the remit of the internal Appeals Board.

What this means in effect is that the same person who has dealt with a borrowers application to the ASU will also deal with any complaint. There is documentary evidence of the banks behaviour with internal Appeals Board being treated by the staff who dealt with the ASU under the present system. I have documentary evidence of this and I will be happy to supply same to you.

The Appeals revision is a revision to suit the banks and not borrowers if anything is to change the Appeals Board requirements must be straightened and all three items of the existing appeals process must remain in place to be dealt with by the Appeals Board. To strengthen the process, I believe, the banks must be required to provide a list of appeals on a weekly or monthly basis to the Central Bank/Regulator showing appeals received, outline nature of appeal and appeal decisions.

### **Banks Compliance with CCMA**

There must be some effective way for borrowers to complain about banks non-compliance with the CCMA. When the banks non-compliance situation arose in my own case I wrote to the Central Bank and was informed that they could not deal with an individual case and referred me to the Department of Finance who said they could not

help and referred me back to the Central Bank. I was forced to go to the High Court where it was held that the bank had not complied with the CCMA. The behaviour of the Central Bank Regulator and Dept of Finance is grossly unfair where distressed borrowers are left to the ravages of the banks whim and no regulator or authority can help except the High Court, which, in general, is outside the financial where-with-all of distressed borrowers.

It seems its OK for the banks to claim that cases can only be dealt with on a case by case basis and yet the regulators will not deal with individual cases. Could this matter be clarified and some reasonable process put in place.

Appeals issues have got to be overseen by the regulator, how many times have we heard the banks can not be trusted. The general public has no confidence in the banks to undertake any matter that may pose difficulties or problems for them.

The treatment of mortgage borrowers in arrears is the most difficult situation facing the Irish economy at this time and the Government, Central Bank and Regulator must take control of the situation and not leave the banks to their own devices, especially where a distressed borrower is unable to turn to the Central Bank and Regulator to ensure lenders compliance with the CCMA.

#### **Tracker Mortgages**

The CCMA rules on tracker mortgages must remain in place.

The only acceptable way to ask for a change from the tracker rate to an alternative arrangement is for the lender to offer the borrower a wright-down to the present property value. Otherwise borrowers remain in an inequitable and unsustainable mortgage situation and any new mortgage rate payable on a mortgage above the present property value will leave the borrower financially disadvantaged.

#### **Contact with Borrowers**

There is every reason not to change the present status quo, Put simply the banks can not be trusted and I believe the change will allow banks and other debt collection agencies acting on their behalf to harass borrowers on the telephone, by letter or in their family home. The banks have recourse to non co-operation classification of the borrower and non co-operating borrower should be referred to an arbiter to decide.

#### **NON CO-OPERATING BANK**

What about instances where the banks will not co-operate with the borrower on one of the alternative arrangements listed in the CCMA, the Cooney Report or successive reports and their recommendations. What redress has a frustrated borrower in this instance?

#### **Litigation**

I wish to draw your attention to the following. In certain cases the banks are taking contiguous proceedings for repossession and separate High Court proceedings / summons to recover the debt. The later proceedings appear to be outside the spirit of the CCMA or in conflict with the CCMA. The CCMA states in Chapter 1 under "Legislative Basis" - *"the lenders are reminded that they are required to comply with this code as a matter of law"*. Surely this statement precludes the banks from taking separate proceedings outside the CCMA for the same mortgage debt while the borrower is under

the protection of the Code/MARP. Could the revised CCMA please clarify the matter of separate court proceedings concerning a family home outside the CCMA. If the Central Bank / Regulator require any further information on such cases taken by the banks the author shall be pleased to supply same.

CP63.C4

A Chara,

First of all the Review of the Code of Conduct on Mortgage Arrears Consultation Paper CP63 (<http://www.centralbank.ie/regulation/poldocs/consultation-papers/documents/cp63%20review%20of%20the%20code%20of%20conduct%20on%20mortgage%20arrears/consultation%20paper%20cp63%20final.pdf>) contains Text

highlighted in

- blue for Proposed amendment and

- yellow for Proposed new provision or definition

suggesting that these highlight all differences to the previous version of this paper of 2010. This is not the case as there are other cases of changes which have not been highlighted, see Chapter 3, Provisions, General, 9.

This is misleading and makes it more difficult to compare the two versions.

I would therefore ask you to please publish a new version of the proposed amendments and a new deadline for submission.

However, based on the proposed version available now I wish to make the following comments:

#### STEP 1: COMMUNICATION WITH BORROWERS

20.A lender must ensure that:

a) the level of unsolicited communications from the lender, or any third party acting on its behalf, is proportionate and not excessive

The removal of an explicit limitation of unsolicited contact opens the door to abuse. Banks have recently demonstrated that they are unable to act "proportionate and not excessive", as that behaviour is the reason for the current banking crisis.

I suggest to include an explicit number of unsolicited contacts in the Code of Conduct. Also the lender's policy regarding unsolicited communications should be supervised by an independent body, not the lender's board of directors. This is like asking the fox to mind the hen house.

#### 25. Unsolicited personal visits

A name and contact details of the person(s) intending to make the personal visit must be provided at least 5 days in advance

I disagree with unsolicited personal visits being allowed at all. But in case of a lender planning such a personal visit the name and full contact details of the person(s) intending to make such a visit must be provided to the borrower at least 5 days in advance to allow the borrower to properly identify such visitors. Else it again opens the

door for abuse as people with mortgage arrears are often in a state of distress which may be exploited by unauthorized third parties.

33 Where the lender imposes a timeline for return of information, including a standard financial statement, the timeline must be fair and reasonable and the lender must highlight to the Borrower that he or she may be considered to be not co-operating if he or she does not return the requested information within the specified timeframe.

The definition of not co-operating in Chapter 2, Definitions does not include the completion of a Standard Financial Statement and as such not providing the statement cannot in itself lead to the borrower being considered not co-operating.

#### REPOSSESSIONS

58 Where a borrower is in mortgage arrears, a lender may commence legal action for repossession of the property without the 12 month period applying, only in the following circumstances:

d) where the borrower has declined an arrangement offered by the lender and i) the borrower has appealed the decision of the lender, but his/her appeal has not been upheld and the matter has not been referred to the Financial Services Ombudsman or the Financial Services Ombudsman has not upheld any appeal, or ii) the borrower has declined to make an appeal.

Why add this paragraph? It allows banks to make unreasonable or unacceptable offers to avoid the 12 month waiting period.

CP63.C5

I am accepting your invitation to submit views "on an issue not specifically referred to in the above named paper". Your review is limited to the code of conduct of "Mortgage Arrears" which is regretted because it is too narrow. It would be improved if it was widened to include borrowers who are not in arrears yet, but who honestly believe that they are anticipating financial difficulty in the future and who conscientiously wish to reach a long term arrangement. There are advantages to the lender, borrower and nationally in reaching agreement early.

The completion of the Standard Financial Statement is a positive step because it reveals the borrowers "hand" but, it is flawed. When completed it is considered by a credit committee which proceeds to act as judge in its own interest. This is open to temptation towards favouritism. It is made easier by reason of the fact that the decision of the credit committee is in writing and not person to person. The person acting as a relationship manager with the lender is only a message carrier as a "go between". It fails because it is not constructive. It lacks balance, parity of esteem, transparency and may even be unconstitutional.

In order to eliminate the temptation to adopt a "might is right" attitude and consequently to bully the borrower, the lender should be obliged to offer the borrower the services of a mediator but at the lender's expense.

All dealings should be face to face and the lender's representative should have plenipotentiary powers.

All decisions made by all lenders should be recorded on a "no name" bases and all lenders should be bound by precedent. This will demonstrate balance, transparency and

fairness.

A borrower would then be able to conduct research in order to find out if the particular case corresponds with the facts of another decision and consequently the expected result.

The appeal process is defective because it is internal. Human nature does not tend towards fairness when a decision by a known colleague is being reviewed behind closed doors by another colleague in relation to an unknown borrower and when the borrower does not know who you are. Further the decision is relayed to the borrower by the same relationship manager who provided the original decision. This flawed process is confirmed by the simple fact that the SFS does not clearly demonstrate the right of appeal, the time limit for appealing and to whom it is to be directed.

The present structure would inspire confidence if the appeal was to an independent regulator. It would make the lender stick to precedent for every reason. If the regulator was given powers to fine the lender if the decision was out of line with established decisions then that would add more balance. All of the regulators costs should be borne by the lender unless there is gross misconduct by the borrower.

The lender should be compelled to negotiate with the borrower if requested before there are arrears and to accept "cash" as part of the settlement "on terms". From the lenders point of view it will receive tomorrow's cash to day. From the borrowers point of view the borrower will have overcome the burden both financially and mentally and will be able to arrange his/hers affairs within a budget. Precedent will show if it is line. This should be good for all parties and for the economy.

Finally, remember that for every loan there is person at one end and that person is in a financial bind probable because of acts by others over which that person had no influence. The probability is that there is more than one person affected by the events and notwithstanding, the security the standard of living of those persons will be reduced. The lenders are in business because they were financially supported by the very people that are now in arrears. The staff in the banks are not showing any negative impact on their standard of living and yet they are the people who are relaying dreadful news. The persons affected by the decisions will feel the pain and so they deserve understanding, compassion and moral support for the long and painful journey that lies ahead. Never forget this in composing your code of conduct. No crime was committed. The borrower did nothing wrong.

CP63.C6

To whom it may concern,

I just heard on the joe Duffy show that the central bank is considering allowing banks to move people off their tracker mortgages.

I do not want this to become my situation. I have three tracker mortgages with ulster bank. I have tried to get somebody within ulster bank who has the power to do debt writedown to talk to me on my debt situation, I have written to the main politicians for assistance to which Michael McGrath is trying to assist

I have been trying to get this mess resolved but I want the bank to take 50% responsibility. I am willing to sell all three properties for ulster bank before their prices collapse completely but I want written commitment from Ulster bank that it takes half the blame.



Btw I earn about €100 per wk & unable to get social welfare or a job. Thanking you for noting my disapproval on the proposed tracker mortgage amendment.

CP63.C7

I would like to take this opportunity to raise my concerns with regard to the proposals being considered by the Central which I might add lack clarity, to afford Banking Institutions the right to move borrowers off their tracker rate of interest in the event that they are in arrears where a loan modification is being offered that is regarded as financially beneficial to the borrower in the long term.

I am very concerned in this regard as it is not clear whether or not the borrower would be consulted for his/her/their opinion on whether the loan modification is actually beneficial. I feel that any modification to a contract that would see a customer been moved off a tracker rate would have to be agreed by the Customer and furthermore if the Customer felt that the modified contract was not beneficial then the Banking Institution should have no right to force the contract on the customer.

I am bewildered that it is proposed only to offer this facility to distressed borrowers. If as stated in your consultation paper, a bank could possibly have the right to move a borrower in arrears off a tracker rate where a loan modification which is advantageous to the borrower in the long term is offered, one would wonder why such an offer would not be made across the board to all borrowers on tracker rates.

I would like to put on record that I myself have a tracker rate mortgage and had been in arrears. I had agreed with my bank manager that I would clear 70% of the arrears by May of this year and that if any arrears left by December of this year, then they would be capitalised. Two or three weeks later I received a call from the mortgage center in Ipswich offering me a 3 year interest only period which I told them I did not need. When they agreed that I could still make full repayments and sign up to this deal I agreed and subsequently signed up to the deal. I am now wondering if it was a gimmick to get me onto an interest only period to show falsely that my situation is worse than it is.

I hope that any changes to the consumer protection code serve the best interests of the consumer.

CP63.C8

I wish to outline my opposition to the section within draft document CP63 published by the Central Bank in Relation to the Code of Conduct for Mortgage Arrears.

I note a section where the Central Bank is now considering whether there is merit in allowing a lender to move a borrower in arrears off a tracker rate, where the lender has offered a loan modification which is advantageous to the borrower in the long term, e.g., a debt write off

I don't believe this would be a wise move and in the best interests of the customer as it allows the loophole that if the lender was to give a relatively small reduction in the principal amount borrowed they could move the borrower to another mortgage product either fixed or variable rate.

It is well known that certain financial institutions have offered tracker mortgage customers large sums including cash payments to entice customers away from tracker

mortgage products due to the fact that the return on these mortgages is far below what the lender borrowed the money from other institutions to cover the costs of their loan book.

I believe that if the Central Bank allows the changes under CP63 banks could / would begin to move customers from tracker mortgages following what it would call "advantageous" changes to the borrowers outstanding loan thus leaving the customer with higher ongoing monthly repayments. This ultimately could add to existing pressures and increase the number of people on in arrears and unable to repay their mortgages.

There is no independent oversight to decide what is to be classed as advantageous and essentially the banks would be able to decide and apply the changes as they see fit.

If a customer and a lender come to an agreement and the changes are applied by consent that is an entirely different matter but I don't believe the banks can be trusted to manage the tracker mortgages in the best interests of the customer.

CP63.C9

It was brought to my attention by a contributor on RTE's Liveline programme today that there is a consultation process underway that may enable the banks to force tracker mortgage holders off their trackers and on to variable mortgages.

We, my wife and I, have a tracker mortgage, into which we entered with our eyes wide open and which the bank, at that time, was more than willing to provide. We have struggled to make our monthly repayments, but we have sacrificed many of life's perceived luxuries, holidays, nights out, satellite TV, etc., to ensure that we would never miss a payment.

If our bank, into which we as taxpayers have poured so much money already, are given the power to drive a coach and four through our agreement with them, we will be forced into a position where we will be unable to maintain our impeccable record of repayments. We will become part of the growing group of people who have been driven into mortgage arrears. At the moment we have to live hand to mouth on the week where our mortgage becomes due and regularly have to scrape by from Sunday to Thursday, when the next payday arrives.

While we understand that the process in question is probably not designed as a forum for ordinary bank customers like us to make our views known, the manner in which this consultation process has been hidden from the public does no credit to the Central Bank, an institution which is charged with protecting the customers of the banks from unfair treatment. Also, Mr Honohan's criticism of the ongoing uncooperative practices of the banks (indeed, only tonight did I hear a radio commentator say that Mr Honohan was tearing his hair out because he can get no good of the banks) rings a little bit hollow if he is colluding with the banks to introduce a measure which will not be for the good of bank customers.

If the power to force tracker mortgage holders off their current arrangements is given to our bank, then I can assure you that we will take whatever course of action is available to us, be that through the courts, by way of protest or whatever other means possible, to ensure that the bank will honour its agreement made with us.

We sincerely hope that the fears voiced by the contributor on the radio today are

misplaced and that the proposals are directed towards those people who are in mortgage distress and designed to help them rather than impose further hardship on them. I will take the time in the morning to visit the Central Bank website to read the relevant documents and try to figure out how they relate to our situation, but for now I have to go to work to try to make a few quid to give to the hopelessly mismanaged banks.

We like our house and our neighbourhood and, should the situation arise where they have to be defended them, by whatever means necessary, we will not be found wanting and our bailed out bank will find us to be rather unpleasant adversaries.

CP63.C10

It is with concern that I read the proposal that may allow lender 'force' their customers off their legally contracted 'tracker' arrangements.

**Therefore I am writing under Heading # 5 (p13) - Consultation Paper CP63.**

(i) As a customer of Danske Bank I have been availing of a tracker rate for some time.  
(ii) As a Public Servant during this current economic crisis as a result of consequential actions taken by the Government/s and Lenders myself and family are under quite significant pressures (as a result of pay cuts, pension levy and was with most PAYE workers USC and as a home owner, property tax and as a motorist, car tax and increases in duties, our eldest has turned 18 and is preparing for college just as we have lost child benefit for here and cuts on the others, etc - you get the point).

To date we have not gone into arrears but have taken the pre-emptive action of seeking a re-structuring of our mortgage, in order to allow some time/space to re-pay unsecured debt (car loan, educational borrowings, credit cards) - a very up-hill task.

We are delighted to have been given a 6 months reduced payment option (but to be honest, will need much longer than this). We do not wish to default on any loan and are making some slight progress (with the aid of second jobs etc).

I have great concerns that allowing banking customers to be 'forced' off trackers could be very detrimental> I believe to even give a slight indication to lenders that they might be allowed do this could allow them 'bully' people who are not able to refute claims. There can be NO ambiguity on this issue !

**In my own case, this would result in an increase of over €8,000 pa, if we were to be forced onto the current variable rate.**

It is my opinion and I contend:

- (i) This status quo gives some solace to people availing of tracker rates.
- (ii) This arrangement should not be interfered with.
- (iii) People entered into these facilities in good faith and should be allowed decide for themselves whether they wish to remain on a 'tracker' rate.
- (iv) If anyone wishes to change to a fixed or variable rate mortgage, this should be their decision (though they should seek independent advice on this - e.g. through MABS).

I trust this submission shall be considered.

CP63.C11

Further to an article aired on RTE Radio 1 this afternoon, and having examined the

topics for review in Consultation Paper CP 63, I refer specifically to Page 13, Item 5 - Tracker Mortgages. I wish to protest, in the strongest possible terms, against the proposal that lenders should be allowed to force mortgage holders in arrears to switch from a tracker to a variable or fixed rate mortgage in order to benefit from the MARP process, or any other alternative payment arrangement.

You state that your remit is to protect the consumer, but I fail to see how switching from a tracker to a variable rate mortgage could possibly benefit the mortgage holder when it has the immediate effect of tripling their mortgage interest payments overnight, without having any effect on reducing the capital amount borrowed in the long term. The only ones to benefit from such an arrangement would, of course, be the banks themselves! Any write-off granted at the end of the mortgage term, following participation in a payment restructuring arrangement with the lender, should be applied across the board, regardless of the type of mortgage originally held by the individual borrower.

The Irish taxpayers have already bailed the banks out to the tune of €64 billion and will suffer the consequences for many generations to come. Young families, currently in arrears with their mortgages (generally through no fault of their own), must not be blackmailed into accepting this amendment in order to keep a roof over their heads and food on the table. The banks behaved recklessly, yet we mere mortals must continue to foot the bill for their extravagance. Meanwhile, those who are responsible for bringing this country to its knees go unpunished. We, the people, have not had any say in the decision making process thus far but, given this opportunity, I would urge you not to allow this particular amendment proposal to be incorporated into the 2013 review of the CCMA.

CP63.C12

This message is in support of the retention of existing Tracker mortgage contracts and the rationale I would offer are simply these:

- 1) In my view - it may be expensive but it is necessary to break any Irish banks into smaller more customer focussed and competitive pieces - more on the American model and despite all its day to day inefficiencies and consequent bank charges - which, at worst, are preferable and cheaper than the tax charges which have followed the current regime. This is to support an imperative in customer service, effectiveness, and rests on elements such as:

The extent to which the Irish Banks deliberately concentrated power in "Head Offices" and broke the power of local bank managers who "knew the people" and "walked the land" and - in doing so - created space or distance between the ground, the customer and the banking facility in the community. One can understand the logic of this - even if it is flawed - but my concern is that there is a pre-existing unconscious momentum which will exacerbate this in very large companies

Use of the same ingredients will produce the same cake. The banks' senior staff have not changed their sense of themselves or of their community throughout the crisis and evidence of this can be seen in AIB who are happy to continue presently as "Supporting Communities" when - for the second time - they have placed us all in debt. In the case of Bank of Ireland, whose new "Lighthouse" advertisement may

be seen here <http://www.youtube.com/watch?v=00OWwEhEx3I> are comfortable to "offer guidance to our country" despite "stormy waters" in the last few years. There is, in my view, zero humility or the recognition of responsibility which could give grounds for optimism that change could be a real prospect. The injuries in the banks were self inflicted and repairing their corporations would - in my view - legislate for repetition.

We do not do bank regulation well enough to take on the prospect of a continuing "too big to fail" character. I refer to your own organisation's inadequacies as well as the absence of a healthy caution in the community outside and inside the ranks of shareholders and their collective representatives.

The connection to Trackers is simply this - the banks in their present form are not suitable people to be allowed to re-write contracts - we do not have that quality of person in the senior ranks of our banks. As a State - we are legislating out of "word is our bond" whether in marriage or, in this case, commerce. That "word is bond" ethic is fundamental to the enablement of much trade - interpersonally or commercially - and we prejudice such principles at our peril.

- 2) In my view - socialism is incompatible with any present or near future model of humanity. Many of the people who have the 375,000 tracker mortgages are the extraordinarily narrow band of risk-taking wealth generators in our community and who are required under the present structure to carry the rest. They do not have any of the almost 2,000,000 medical cards - they pay for them.

Some are developers - a "dirty" word for people who develop and upon whom we depend for our houses and businesses in which some of the 400,000 unemployed hope to be "given" jobs. They now must carry Property Tax and the inefficiency inherent in Water Charges.

Even a marginal theft from these people could (I think - will) have sufficient negative effect on the limited character resource of the Irish people to infill Margaret Thatcher's warning that - the trouble with socialism is that, sooner or later, you run out of other peoples' money.

What you do on this issue will write to the hard disc of the Irish personae - which is already is the state which produced our current position. I ask that you do not facilitate a weakening in this resource which is fundamental to paying the financial cost of its current weakness.

CP63.C13

We are seriously concerned at the prospect that borrowers would be forced to move off tracker mortgages and we cannot envisage a situation whereby this would be advantageous to the borrower in the long-term unless it was properly regulated and calculated to show that this is in effect advantageous to the borrower. In our opinion, even with this in mind, the best that can be offered is a forecast because we do not in fact know what is going to happen into the future or how the financial situation will change after such an agreement is made.

At least given the current scenario, if a person has a tracker mortgage it is following the European Central bank rate, whereas each individual bank here can virtually set their own rate which can vary up and down as will. As a borrower I'm concerned about the duplicity and dishonesty of banks in the past. As such the public has already bailed out the banks and must bear this cost for an indefinite period of time into the future. It seems that this proposal will place a further burden on the public and on the borrower. The borrower is also a taxpayer who has already donated money to the bank to help bail them out and if this proposal is accepted there is a risk that a further "double payment" will result.

There must be a better way to restructure the debts and attach them to the property into the future. The most important thing must be that people are able to live as well as pay their mortgage. We can see no merit in allowing a lender to force a move on a borrower to change away from a tracker mortgage. We simply do not believe that it can be done in a fair and equitable manner even if a debt write-off is included. It must be remembered that at all times the purpose of the bank is to make money for the bank and its shareholders and nobody else. The bank will have no loyalty to the borrower and protections must be in place to protect the borrower particularly those who have borrowed in order to provide a home for themselves and their families. It must also be noted that the banks themselves approve these loans in the first instance.

CP63.C14

#### **Tracker Mortgages:**

##### **The Facts:**

Many lenders refused to fix the interest rates on their own funding with the tracker interest rates on the loans they advanced, for the term of those loans. Their interest costs have gone up and now they want to dump that failure onto their customers, the citizens of Ireland, with the Tracker Mortgages amendment:

“..., where the lender has offered an alternative arrangement which is advantageous to the borrower in the long term, e.g., a debt write off”

This is a weasel with a thin sugar coating, to make it easier for gullible citizens to swallow. It is a weasel of the worst kind, and the Central Bank should not be hoodwinked.

1. If the lender is allowed to force a borrower off a tracker rate of (say) 1.25% to a variable rate of (say) 4.25% this will involve a massive, immediate cost increase for the borrower. That in turn will force the borrower from a difficult situation into a catastrophic situation. Lenders will use this as a tool to selectively force borrowers with positive equity into default so that they can then repossess and sell off their assets. This will fatten the bank and destroy the citizen.
2. Many buy-to-let investors have informal arrangements with their lenders that their loans will roll over indefinitely on interest-only, despite what the loan documents might say. They never had the capacity to pay capital plus interest, and the banks always knew this, before and after they lent the money. The lenders will now look to the letter of the contracts and demand capital repayments. When the borrowers are unable to make these payments, they will

be categorized as being in arrears, despite having always met their interest payments. Next step: force them off their tracker rates & into default. Sell their assets.

3. The proposed change has no requirement to ensure that the monthly repayment amounts offered by the lender are demonstrably affordable to the borrower, by reference to the Standard Financial Statement submitted by the borrower.
4. The proposed change has no requirement for the lender to set out a detailed calculation of the expected total repayments for the life of the loan under the existing arrangement and the expected total repayments for the life of the loan under the proposed arrangement (even based on current interest rates). The calculation must take full account of the time value of money (a payment of €500 is much harder to make now than in 20 years when inflation will have devalued the €500). In other words, the real advantage (if any) must be set out IN DETAIL.
5. The proposed change should not be allowed under any circumstances.

**Prediction:**

If this amendment is introduced, I predict the following outcomes:

1. Lenders will “go to town” on forcing people off tracker mortgages by offering a tiny debt write off, which the citizens will refuse. That will allow the lender to automatically force the citizen off the tracker rate. Wholesale misery will follow, because those who have any ability to pay the increased interest rates will do so, to avoid losing their homes. The increased payments should be applied in reduction of the loan, but instead it will be used to starve the citizen and fatten the lender. Look at what Bank of Ireland has just done to all of its Tracker customers in the UK.
2. Borrowers who are still able to pay 100% of the interest on their loans, but unable to pay capital, will be catapulted into default as their interest cost is trebled overnight by the lender, without the consent of the borrower. All those with positive equity will be foreclosed upon, their assets will be sold and the loans paid off in full. Citizen & family destroyed. Lender delighted.
3. Conversion to variable rate while repossession & sale are carried out serves to minimize any residue that might go back to the borrower after the lender has been paid in full. Citizen & family destroyed. Lender delighted.
4. Marital breakdown, depression & suicide numbers will spiral upwards.

**Alternative**

Lenders should be required to leave the Tracker Interest Rate untouched. Assuming that the borrower is already able to afford the Tracker Interest Rate (the rent on the money), lenders should be further REQUIRED to alter the term of the loan such that the addition of a capital element to the repayment does not render the total cost unaffordable to the borrower, by reference to the Standard Financial Statement submitted by the borrower. This might involve converting the loan to a 100 year mortgage! These are common in Switzerland, where it is considered unreasonable to expect someone to clear all of the debt on a home in a single lifetime. The home and residual debt are passed to the next generation, or the home is sold after death & the bank paid off. Will the house & land be there in 100 years’ time? Of course. Will the property value increase in the long term & reduce the loan-to-value ratio? Of course!

This would achieve three key objectives – win, win, win:

1. The lender now has a performing loan on its books. Capital and interest are both being repaid. (lender should have some of the “limitless” ECB funds at 1% to make this workable and profitable).
2. The Central Bank requirement, that the loan be repaid, is satisfied.
3. The borrower has long term certainty as long as he continues to make the payments, and can get on with his life (no more 6 monthly reviews, sleepless nights, fear of what the bank might do next, death by a thousand cuts).

Those unable to pay the full amount of the Tracker Interest Rate will not be saved by a trebling of their interest cost. The lender would have to be writing off more than 2/3 of the loan for those numbers to work. That simply won't happen. The logical thing is for the bank to write off capital to a point where the borrower can pay Tracker interest plus capital. That would involve a much smaller write off for the bank.

Those unable to pay any interest, tracker or otherwise, cannot be saved. Their affairs should be concluded quickly, so that they can get on with their lives. This will not happen for a long time for two reasons:

1. The lenders cannot afford to recognize the losses.
2. If this amendment goes through unchanged, the lenders will be busy liquidating those with positive equity. Certain dogs on the street know this.

Please do not allow ANY circumstances whereby a bank can force me off my tracker interest rate. It will destroy me and my family. You have asked for any arguments to be supported by quantitative evidence which will aid your consideration of the issues. A current interest bill of €10,000 per annum will rise to €30,000 per annum (perhaps a little less if they write off a few bob). This is a move from €833 per month to €2,500 per month, with your blessing!

Please think like a citizen, not a banker, when you consider these matters.

#### Document Overview

The draft revised code allows the lenders to define and decide just about everything. These lenders will use these tools to destroy their customers and fatten themselves. That is the nature of the beast.

CP63.C15

The proposed changes to the code of practice relating to tracker mortgages, in the Conduct on Mortgage Arrears, is extremely concerning for homeowners that are in arrears. It would appear that, under the current code, financial institutions are engaging in an appropriate manner with their customers in working out arrangements that assist the borrower ***and*** the institution. In many cases the current regime has led to cooperation between both sides - the vast majority of mortgagees would rather stay in their family homes and therefore treat the situation with the high level of importance that it warrants.

If any changes in the code of practice facilitate the financial institutions to apply more pressure to people, I believe this will be seen by most people as a serious dereliction of duty (to mortgagees) by those responsible for drawing up the new code.

If a borrower and a financial institution wish to reevaluate an existing contract/arrangement, one that the bank believes to be in favour of the borrower but



	<p>the borrower does not perceive it to be so, then no latitude should be extended to the financial institution to change the terms of any contract by implementing any new changes to the code.</p> <p>Debt forgiveness is currently used an example but I believe this is just that, an example. Until all “examples” are listed and examined by independent professionals, any proposed changes would appear to favour the financial institution – entities focused on profit and, as history has shown, profit at any price.</p>
CP63.C16	<p>I want to urge the powers that be not to proceed with this legislation, I currently have a tracker, I am a paye worker married with 2 children, my wife also is paye, the tracker is the only thing keeping us in the black at the moment , if the rate changes I will have to default.</p> <p>We have a mortgage , car loan , credit union loan , personal loan and credit card loan..... Increased taxes, property tax and possibly water next, food and electric are the only luxuries we know at the moment in this country that I love.</p> <p>Any more taking from my pocket and we are done and heading to America for a new life, I will let the banks rot out the mess I leave behind because I won't be back.</p> <p>Now if the new legislation was to write off 25 % off my mortgage and restructure my payments I would have no problem.</p>
CP63.C17	<p>Please find enclosed my submission comments in relation to your "Code of Conduct on Mortgage Arrears"</p> <p>vi) Treatment of appeals and complaints Conflicts of interest will always undermine the ability of a bank to operate a fair and transparent internal appeals and complaints process in which the bank and a customer disagree. Anybody who sits on this complaints / appeal process who is paid by the bank is compromised and their ability to act in an independant fashion is hughly undermined. Mortgage arrears and the consequences of how it is treated are life changing situations for customers and the outcome of any such appeal made by a dissatisfied customer should not be left in the hands of a bank to act as judge and jury in a dispute that they (the bank) are one of the parties to the dispute. These appeals should be handled by industry experts who are not in receipt of pay / funding from the bank.</p> <p>viii) Tracker mortgages Banks have been trying to get customers off loss making tracker mortgages since this mortgage crisis started. Recent examples are where banks in their haste incorrectly refused to allow some tracker customers who fixed their rates to move back to trackers when their fixed rate expired. Again there is a conflict of interest between the bank and the customer in relation to tracker mortgages. It is in the banks interest to get the customer off the tracker and it is in the customers interest to keep the tracker. Where there is debt write off it should be organised that the tracker element is maintained but the amount of debt written off is calculated so that it takes into effect the values of the tracker rate. Keeping the tracker has been a keystone issue for borrowers and watering down protection in this area is a very worrying development that will give banks an</p>

	<p>unfair advantage against their cooperating distressed borrowers. Again if this proposal is put through it would require completely independent oversight (not from the bank) to determine if it was genuinely in the best interest of the borrower.</p>
CP63.C18	<p>Why is burden sharing weighted against those less responsible for these excessive debts? Why are banking institutions not made pay the price of their own self-regulation and greed for profit? Directing our people to individually strike a fair deal with the might of our financial institutions; seems criminal.</p> <p>An initial cross-the-board deal should be put in place; where a mortgage sum over 3/4 times holders salary (original, standard mortgage allowable) should remain the responsibility of the bank (mortgage excess sum), treated similar to the 'D-notes' where the bank pays the interest but that excess sum remains against the property/mortgage holder.</p> <p>Mortgage holders would then currently be liable for primary loan sum based on 3/4 times income at time of mortgage (original, standard mortgage allowable), while agreeing new payment arrangements with banks where personal circumstances have changed.</p> <p>I believe it fair that the banks should carry the larger burden of the responsibility as most of the 'small print' is weighed in their favour and thus it is more reasonable to suggest that they should have known better. I think it is also very reasonable to suggest that a large part of the escalation of property prices was fuelled by the banks, through their motivations to lend out more money.</p> <p>Unless a harder line is taken against institutions who should have known better, we are more likely to have a repeat of this institutionalised abuse of vulnerable people.</p>
CP63.19	<p>I only became aware of this document today on national radio. I am very disappointed that there was not adequate publicity to inform me a person in mortgage arrears given its importance and implication. Not to mention the thousands around the country.</p> <p>I would like to let you know I'm totally opposed to the banks being given any power to move borrowers off tracker mortgages - under any circumstances unless the borrower and only the borrower wishes to do so. Have you not considered when and not if interest rates rise again in the future the tracker is our best chance of not facing another total collapse.</p> <p>My situation is such that I was self employed, my business collapsed and I cannot find work. My mortgage is in arrears ( I obviously have a tracker). Since my business has closed I have been up skilling in order to find work. I'm very committed to paying my mortgage once I can find work. No point in moaning but its extremely difficult and I see no reason why you could not include very clearly that the option to move off a tracker is only possible at the borrowers consent.</p> <p>I understand the central bank, banks in general and the vast majority of borrowers would like to see a resolution to the issues we face and while there is no easy fix, I don't agree that any bank will provide a favourable solution to coming off a tracker, the</p>

trackers are costing the bank regardless of arrears or not so in many respects they are attempting to fool us that trackers are their worst nightmare. It all boils down to returns, how do the bank get rid of them and what solution offers them the best return, not how can we help the borrower.

My correspondence with the bank revolves around pay us!! there is no other solution offered. How would anyone expect things to change.

I am not a property investor with many properties, all I have is my home. Why are the banks not giving the heavy hand to those borrowers, why and how can the home owner be compared to the investor. I know of a number of investors that have trackers and they are not paying mortgages just because they can get away with it. It's high time the banks sorted out that mess first before going after home owners like me who desperately wants to keep his home and get back paying my TRACKER mortgage ASAP.

CP63.C20

In relation to CP63, I would have very real worries about giving more power to the banks.

I was in the MARP process and found that I was still at the mercy of the bank. I had a six month period of interest only and then I offered to make some of the repayments as well. This was accepted and I made the payments. At the next six monthly review I offered the same arrangement. Eventually they decided I had means to pay my mortgage even though there had been no improvement in my income and taxes, levies and general living costs had continued to escalate.

I am now in a situation where I have to find the full amount every month. This is placing a serious strain on me and my family. But what is of more concern to me is the fact that the bank could decide that I could pay the full mortgage having agreed six months previously that I could not. Please be very cautious in giving the banks any additional power.

CP63.C21

I feel very much like a minnow swimming with sharks in this mortgage arrears situation. I fear that the banks are only paying lip service to the code of conduct. This concern on RTE Radio 1 with Joe Duffy further upset and unnerved me so I appreciate your response.

I do however, note the language of the tracker proposal with concern. Could the bank not argue that **any** loan modification is advantageous to the borrower? i.e. If they 'write off' €3000 off the mortgage of €250,0000, what's to stop them taking away my tracker mortgage as they have complied, according to the terminology of the stipulation.

I strongly request that the language is changed to something like 'where the lender has offered a loan modification equal to or greater than the value of the tracker mortgage'. Otherwise it is by definition, not advantageous to the borrower but certainly is advantageous to the lender.

Please don't give them any language with multiple interpretations because I have been trying to engage them to find a solution since 2009. I have been managing 70% - 80% of my mortgage but cannot get a split mortgage or a write down, so in my experience they have no intention of really co-operating with either yourselves or me.

CP63.C22

Section 4 VIII - tracker mortgages

The Central Bank is considering whether there is merit in allowing a lender to move a borrower in arrears off a tracker rate, where the lender has offered an alternative arrangement which is advantageous to the borrower in the long term, e.g., a debt write off.

Observation

How will it be determined that the arrangement is advantageous in the long term.

for example:

A lender agrees to an element of debt write off, and moves the borrower from a tracker rate to the standard variable rate. It isn't possible to predict how the standard variable rate will vary over the remaining term of the loan, therefore it is not possible to say with certainty that the arrangement is advantageous. I would be concerned that borrowers would be swayed by the short term perceived benefit of a (for example) 20% write off, while in the long term they would pay much more in interest. The wording "move a borrower in arrears off a tracker rate", suggests the borrower would have no say. I think that the borrower could be offered an alternative arrangement but advised to take independent advice.

CP63.C23

It should be noted that Institutions have completely taken advantage of borrowers that have Mortgage contracts on a Variable interest rate and the Central bank and Government has failed to put fair terms/legislation in place to deal with the margins Banks have charged to variable rate customers to compensate for Tracker mortgage customers. This has led to many cases of arrears and interest only payments at the expense of the principal amounts not reducing and borrowers not making any impact on the original capital borrowed and unsustainable repayments demanded. There has been no mention of this group of borrowers who have subsidised the banks completely unfairly and over and above fair terms. I am appalled that Tracker customers are getting fair protection from the code and Variable rate customers are hung out to dry, shouldn't each borrower be treated fairly, havent we seen over the past 5 years the financial hardship caused to many people. The code is too heavily worded to protect a Tracker mortgage and the attitude seems to be tough luck if you have a Variable or other product.

CP63.C24

Hello - I wish to make a brief submission as a stakeholder on the this proposed code of conduct. I have 3 points:

Firstly I do not agree that banks should be allowed to move customers off trackers mortgages forcibly - customers cannot be forced by law - against their will to move from tracker mortgages.

If customers do choose to move this move should include a deal that ensures the customer benefits the same as or more as if they stayed on tracker for the duration of the loan.

Best situation is to offer an incentive to move from tracker, but includes the choice to

remain on tracker if they wish.

Finally, the banks took a risk in issuing these trackers - they cannot be protected from potential losses because of this business decision. Banks need to put in place strategies to minimise their losses - these cannot be at further expense to customers or the public in general.

CP63.C25

I wish to make a brief submission in relation to the above section of the CCMA.

Being the holder of a tracker mortgage , it would be a matter of great concern to me if my mortgage provider had the authority to change my mortgage to a different rate on the promise of some debt write off should I fall into arrears.

I cannot imagine a situation where the lender would be willing to alleviate the burden on the borrower without first extracting some significant amount from him/her. Where would the benefit be to the borrower if repayments cannot be met on a tracker mortgage to be forced to accept a substantially higher interest rate in some new arrangement. How long would the borrower have to make repayments at the higher rate before the bank would give some debt write off ? How could a borrower in arrears met repayments on increasing variable rates ?

This proposal in my view would further stress the already over stressed borrower . I understand that we need properly functioning banks . We also need people who can function properly and who are not continually stressed by banks who are intent in making sure they get everything they can first . Borrowers made mistakes , so did the banks but who will pay the price again under this proposition?

I ask you to take into consideration these points and thank you for the opportunity to make this brief submission .

CP63.C26

I have recently read your document regarding removing tracker mortgages from those in arrears on their mortgages. I have also heard that if this is approved and goes ahead, it will then be only a matter of time that all trackers will be removed from all those who have them even if not in arrears.

I write to you to strongly oppose this document. When my husband and I were sold our tracker mortgage it was for the FULL term of our mortgage and therefore we expect that to be the case. Removing existing tracker mortgages from customers is wrong.

I would like my comments to be taken into consideration.

CP63.C27

I am a home owner that has invested also in loss making investment properties.

I am engaging with my bank to help me with our mortgage repayments by asking for interest only payment on a loan on an investment property.

We are not in arrears and have been paying all mortgage repayments on time.

I am on a tracker mortgage on my own home. I am very concerned that the changes outlined by the central bank will give the bank the power to take the tracker mortgage off me , because of the fact I have asked for interest only repayments on my investment loan.

	<p>If I were to lose my tracker mortgage on my home I would be in serious financial difficulty as we are just about keeping afloat with things the way they are .</p> <p>Can you please offer me some reassurance that my tracker loan will not be removed by these new rules that you are bringing in ??This is of critical importance to both my husband and I due to the severe financial hardship we currently find ourselves in .</p>
CP63.C28	<p>I refer to your review of tracker mortgages and wish to give my input into the consultation process.</p> <p>I have 2 tracker mortgages, and if you allow the banks to be able to force me off the rates, then I will lose my family home and also my retirement fund. It is as simple as that. If the bank wants to make an offer to me to move me from my trackers, then it should be up to me on whether or not I take this offer up.</p> <p>Please do not allow this to happen.</p>
CP63.C29	<p>I am currently on Tracker Mortgages and in relation to Section 13 Subsection 5 (Tracker Mortgages)</p> <p>The wording is not specific enough to give me comfort that I would benefit in the event of being transferred to variable rate mortgage. There would need to be a write down of an amount to ensure that the final amount paid including the revised interest amount would be significantly lower than the original calculated value.</p> <p>In my case there would need to be a write down of at least 40% to 50% of the principal to be of benefit to me.</p>
CP63.C30	<p>I wish to object in strongest possible terms to the mooted change in allowing banks to move customers from existing Tracker mortgages. This would be a disaster for those customers by hugely increasing their mortgage costs and seem geared only to allow banks to increase their margins.</p> <p>The banks freely engaged in giving Tracker mortgages - if they were stupid in doing so why should ordinary customers have to suffer now. As taxpayers we have already and for many years to come will continue to pay for the stupidity of banks executives and board members. they have escaped with their obscene pension entitlements intact.</p> <p>Enough is enough.</p>
CP63.C31	<p>On listening to the recent news concerning tracker mortgages and the proposals being discussed by the banks to alter the offers on existing tracker mortgages, I strongly oppose any measures to alter the existing tracker mortgage taken out in good faith and contractually bound by both parties.</p> <p>Trusting you will take note of the above.</p>

CP63.C32	<p>I would like to make a submission in regards to the treatment of tracker mortgages when dealing with mortgage arrears .</p> <p>I have a tracker mortgage which I am currently just about able to pay due to my current circumstances and would find it very difficult to repay My mortgage if it was on any other rate rather than tracker .</p> <p>I would hope that me as a taxpayer has given enough the banks in question without making their bargaining position by throwing in the threat of moving people on trackers</p>
CP63.C33	<p>Please do not allow any circumstances where the banks can force me off my tracker mortgages. To do so would drastically increase my repayments to a level that I cannot afford, and result in untold hardship for my family. My wife has recently suffered a health scare as a result of financial pressure. The banks have received €64bn and if that isn't enough then they must find another alternative, but forcing people off trackers is not the answer.</p>
CP63.C34	<p>Please do not allow the banks the ability to remove customers from their tracker mortgage rates under any circumstances, as they will use this ability to overcharge customers on interest rates and thus push them into arrears.</p> <p>The trackers were a promise / contract between the customer and bank, and why should the bank be allowed to break them. My tracker rate is the only comfort i have in relation to my dealings with the bank and if they ever remove me from my tracker rate i will personally be handing back the keys.</p>
CP63.C35	<p>I presume the CCMA will forever prevent a lender from requiring a borrower to change from an existing tracker rate to another rate as part of any alternative repayment arrangement offered. Any less favourable terms should never be tolerated.</p> <p>Unfortunately, banks cannot be trusted, have only one agenda that is to make as much money and as fast as they can from unassuming customers.</p> <p>I have a tracker mortgage and it is because of that type of mortgage, I can just about survive. I entered a contract, it is not for a bank to break that.</p>
CP63.C36	<p><i>viii) Tracker mortgages – The Central Bank is considering whether there is merit in allowing a lender to move a borrower in arrears off a tracker rate, where the lender has offered an alternative arrangement which is advantageous to the borrower in the long term, e.g., a debt write off.</i></p> <p>From <a href="http://www.centralbank.ie/regulation...63%20final.pdf">http://www.centralbank.ie/regulation...63%20final.pdf</a></p> <p>I would be hesitant to implement that provision without some very careful wording to protect the borrowers. I would suggest if going down that route that a minimum arrears</p>

period be specified, and that the arrears must be due to a failure by the borrower to meet payments, rather than, for example, a bank accidentally deleting a direct debit mandate, or in situations such as last summer's Ulster Bank system failures. I would also suggest that there be some protection afforded to borrowers to prevent them from being "tricked" into losing their mortgage.

CP63.C37

Please do not allow any circumstances where the banks could force me off my tracker mortgage. That would treble my interest cost, and could not in any circumstances be said to be good for me or my family. It will bring untold misery to citizens and their families. Find another way to fix the banks, if the €64 billion you already gave them in my name is not enough.

To whomever takes responsibility

- I do not think that banks should be allowed to move customers off trackers forcibly
- If customers do choose to move this move should include a deal that ensures the customer benefits the same as or more as if they stayed on tracker for the duration of the loan.
- Best situation is to offer an incentive to move from tracker.

CP63.C38

I have 3 tracker mortgages and 2 variable.

1 tracker is interest only 25yr term. rental property

1 tracker full principle and interest repayment. rental property

1 split mortgage, 1/2 interest only, 1/2 tracker principle in interest.

(currently agreed 3 year term of I/O on second half). rental property

1 variable on interest and principle. rental property

1 Variable home loan,

While currently I am just about able to meet repayments on these mortgages from rental income (average 500 euro pm) I would be concerned about falling in to arrears if 1 or more properties were vacant for a period of time. Also should a tenant damage the property I would incur considerable expense to repair same. Both actions while out of my control would put 1 or more mortgages into arrears thus allowing my bank to use this as a method (see note below) to force me off my tracker mortgages. I should be allowed to show proof that my property was vacant or damaged as a reason why the bank should not force me off my tracker.

I would accept that if I was intentionally going in to arrears then I should be taken off a tracker.

##### 5. Tracker mortgages

The CCMA currently prevents a lender from requiring a borrower to change from an existing tracker rate to another rate as part of any alternative repayment arrangement offered. This provision was included at the recommendation of the Government's Expert Group on Mortgage Arrears and is intended to ensure that the MARP process and forbearance measures are not used to transfer borrowers to less favourable terms, thereby putting them at a financial disadvantage and making their arrears situation worse.



The Central Bank is now considering whether there is merit in allowing a lender to move a borrower in arrears off a tracker rate, where the lender has offered a loan modification which is advantageous to the borrower in the long term, e.g., a debt write off.

CP63.C39

I contacted your office today after hearing on rte radio 1 a discussion on the above subject. I have tracker mortgages with AIB Bank and PermanentTSB. When I originally got mortgage approval from these Banks it was accepted that I was a customer, but since the whole Banking crisis I have been made feel more like a criminal by said Banks. I have always cooperated with the Banks from the time they approved my loans, but since the downturn in the economy I have been treated as if I have been wholly responsible while the Banks do not take on board any responsibility for this joint venture. I do not feel safe going to meetings with the Banks and have lost faith in the system that punishes the borrower and rewards the lender. I object strongly to the idea of forcing borrowers off tracker mortgages just so the banks who are State owned and have already been recapitalized by the tax payer squeeze even more money from decent people. I do not know what role the Central Bank has in all of this but at the moment I feel it is in favor of the Banks and not ordinary people like myself. I hope this is not the case.

CP63.C40

Tracker mortgages

The Central Bank is considering whether there is merit in allowing a lender to move a borrower in arrears off a tracker rate, where the lender has offered an alternative arrangement which is advantageous to the borrower in the long term, e.g., a debt write off.

You consultation document outlines that this debt right off would be advantageous to the borrower. How can this be guaranteed? The tracker mortgage provides a level of security and guarantee for the borrower in that the variable rate of the tracker is directly related to the ECB rate. In order for there to be advantage or even equity in a change in the situation there would need to be a right off which would well exceed the average variable interest rate of the past number of years equal to the remaining years of the mortgage.

For example my mortgage is 4 years old therefore there is 21 years remaining, the right off would need to amount to the average interest rate of the past 21 years less the tracker rate rate (average for the past 21 years) on the outstanding balance of my mortgage on a diminishing capital basis.

I cannot see this being feasible or viable.

P.S.: My bank gave me a mortgage through internet/online application based on lodgements to my account for the previous 3 years – these lodgements were a scholarship – I was a post grad student. I am now working part time – 5 hours a week and paying my mortgage is a huge struggle, moving me from my tracker would mean I would be unable to pay. I am a single parent .

Thanks you for considering this.

CP63.C41	<p>Please do not take me off my Tracker Mortgage as this will cause me huge misery and suffering and I mentally cannot take any more pain. I am very fearful for my future, what's left of it!!</p> <p>I have submitted this request having listened to a caller to Joe Duffy's Liveline on the 9th April 2013 stating that the 10th April 2013 is the deadline for this submission.</p>
CP63.C42	<p>I heard today that the Central Bank is proposing to allow Banks to remove tracker mortgages from customers.</p> <p>I do hope I heard incorrectly or that other steps are not taken to make my tracker mortgage 'not worth my while'.</p> <p>However insignificant my voice is I am urging the Central Bank not to make my circumstances any more difficult by taking measures as alluded to above.</p>
CP63.C43	<p>Hi, I have just listened to Patrick on the Joe Duffy "Liveline".</p> <p>I have a tracker mortgage on my NPPR and my PPR. I consulted with the TSB when I ran into difficulties, I rent to students and was struggling during the summer months.</p> <p>I was surprised that they were so accommodating, until I did the sums, they "rejigged" the payments, but I would have to extend the term and cost of credit was untenable.</p> <p>I chose to continue with my austerity and not accept the "intervention". I have no disposable income, nothing left at the end of the week, but I did it before, I paid 16% in the 80's but I have my tracker mortgage and it's the best financial decision I made,</p> <p>Please don't take it away</p>
CP63.C44	<p>I am currently on tracker Mortgages and in relation to Section 13 Subsection 5 (Tracker Mortgages)</p> <p>The wording is not specific enough to give me comfort that I would benefit in the event of being transferred to variable rate mortgage.</p> <p>There would need to be a write down of an amount to ensure that the final amount paid including the revised interest amount would be significantly lower than the original calculated value.</p> <p>In my case there would need to be a write down of at least 40% of the principal to be of benefit to me.</p>
CP63.C45	<p>I wish to make it clear that under no circumstances do I wish to be pushed into a position by my bank where I can be moved from my existing Tracker to variable interest rate levels.</p>

	<p>My feedback is that this contract was signed between the bank and myself in good faith and indeed was offered to me in good faith.</p> <p>Therefore this is and should be protected by law moving forward. I also fail to understand why an extra 100 K has been added to my repayment sum after extending my interest only tracker for a period of 7 years.</p>
CP63.C46	<p>I have just heard today the proposal that mortgage lenders may be switching borrowers from their tracker rate mortgages to a variable rate mortgage. This will mean a tripling in cost to the borrower of which I am one.</p> <p>I beg you not to consider this proposal as I like others will not be able to meet these payments. I believe that this is not only immoral but surely illegal. I am at present just about making my mortgage repayments and a move such as this would make it impossible for me and many others in this position.</p> <p>I will be following this with great concern!</p>
CP63.C47	<p>We have a tracker mortgage on our home. We were very alarmed to read the cp63 document.</p> <p>If we were forced to change to a variable mortgage we would be forced to leave our home and hand the keys to the bank. At the moment our house is worth less than half of the outstanding mortgage. Please keep us informed about this matter.</p>
CP63.C48	<p>It has come to our attention that there is talks of the bank taking our tracker mortgage from us. If this happens to us we will find it extremely difficult to pay our mortgage. We are finding it hard to pay it at the moment and any change could be disasterous for us.</p> <p>I would just like to inform you that my husband and myself are totally against allowing the banks to automatically remove our tracker mortgage. We made a contract with the bank in good faith and just because this no longer suits the bank we should not have to pay for it.</p>
CP63.C49	<p>I heard from the Joe Duffy show that the Central Bank is in possible discussions with banks over the tracker mortgages.</p> <p>I wish to petition my strongest feeling against the forceful withdrawal of tracker mortgages from borrowers. This is a binding contract and cannot and should not be broken. I hope that you will take these views into consideration.</p>
CP63.C50	<p>I would just like to state that I am strongly against the Central Bank or any bank withdrawing any homeowners tracker mortgage. We signed a legal bonding contract</p>

when taking out our mortgages.

Over the last few years many homeowner with high interest mortgages has made several request to the banks to reduce their interest rate and have been rejected, unless off course they paid a high penalty.I am strongly against this proposal.

CP63.C51

i want to express my total opposition to giving the banks the power to remove customers' tracker mortgages. in light of the very poor performance of the banks in ireland how would it be ethical or fair in any way to give them the power to back track on legal and long term contracts with their customers. i feel that almost everyone who borrowed money in the good times did so fully intending to pay back their loans in full.

indeed i still believe that the vast majority are like myself and my husband working as hard as possible to meet repayments trying to eke out a living and look forward to a better future. irish people want to own property they see it as security. should we be punished for choosing this way to save. the banks have shown no real effort to deal with their problems. they were the one who talked many of us into increased borrowings. they cajoled and encouraged. they bought lunches and brought us to the corporate boxes in croke park. yet they with all their experts made no provision for their future. to remove tracker mortgages will result in even more defaults. the buy to let people will be crippled and the number of repossessions will soar.

our future cannot be a country where people are removed from their homes. the irish people will surely not stand for it. what is needed is time. if people are allowed to work their way through these recessionary times house values will increase and they will be in a position to increase repayments. the banks need to move forward. they need to look to new customers, new lending and new ways of encouraging people to save with them. they must not claw their way back to profit on the backs of the decent people who trusted them and were let down by them. its time those well trained and well paid bankers used their skills to reform and create real banks that irish people will accept and trust

CP63.C52

I am not sure if private individuals can make submissions, but here goes.

I have a tracker mortgage. I've lost my job. I am trying hard to find ways to make some extra money with difficulty. I have been paying interest only, plus extra for the past 3 years, so some of the capital is being paid, not much but some. The bank has now decided that they will not extend me the interest only for longer than another 6 months. I have just been told by the bank that I must put my house on the market.

No-one from the bank has come to my home. They don't know what it is like, where it is located, what its value is. It is not in negative equity and in the scheme of things I believe the mortgage on it is small. If I put it on the market it may well not sell as there are houses around me that have been for sale for 5 years.

I suspect the reason they are calling me, and putting me under pressure to sign a form (which they issued on 28th March but only arrived here on 8th April) is because of my age and my tracker mortgage.

Please do not allow them to put people under such pressure. I am not coping well.

CP63.C53	<p>I cannot see the rationale for proposing that changing from a tracker mortgage is advantageous for a borrower, even if that borrower is in arrears.</p> <p>There would need to be a huge write-off of amount borrowed to (morally) justify such a move. At present, if borrowers are in arrears, they can barely cope with the rate of interest in a tracker mortgage. How can a change to a higher rate of interest benefit a borrower in this situation?? What percentage of write-off would be sufficient to justify trebling the interest rate? 50%?</p> <p>It sounds like carte blanche for the banks - from those charged with overseeing them!</p>
CP63.C54	<p>I heard on the Joe Duffy radio show Today that the central bank is considering whether there is merit in allowing financial institutions to withdraw tracker rates from borrowers where debt relief measures (eg write offs) have been offered to the borrower.</p> <p>I am very concerned about this proposal and contend that very little detail is contained in the central bank proposal as to how this would work. If a partial debt writeoff is offered to a borrower in return for giving up a tracker rate - what provisions will be in place to ensure that the writeoff is fair and reasonable?</p> <p>How can a borrower be expected to agree to this as they have no way of knowing whether the additional interest payable on a variable rate over the remaining life of the loan will be less than the amount of the writeoff? This depends on a whole range of factors outside the borrowers control and it is grossly unfair to expect borrowers on tracker rates to be forced to agree to this if a lender makes a token gesture towards a partial write-off of debt.</p> <p>There needs to be a much wider debate/discussion on this issue and I hope that this will happen in due course.</p>
CP63.C55	<p>Under no circumstances should bank be allowed to change Tracker mortgage holders accounts without the persons agreement. It simply makes no sense to be even considering such a possibility in the present economic climate. It appears that more powers are now being given to the banks to impose their will on ordinary people who are in difficulty with loan repayments notwithstanding the fact that it is those very people who as taxpayers have funded the cost of maintaining the banks .</p> <p>It would appear that if a mortgage holder runs into difficulty with loan repayments and the bank offers a capital discount on the mortgage as assistance and the person does not accept the discount the bank will be allowed change the mortgage from a tracker. This is ludicrous .All this will do is increase arrears and thus "justify" repossession later</p> <p>It is imperative that the Central Bank favour the individual mortgage holders and not the institutions</p>
CP63.C56	<p>In reference to the summary section viii - Tracker Mortgages.</p> <p>How dare the Central Bank attempt to empower the commercial banks to remove a fully contracted mortgage product ie. tracker mortgages from customers, irrespective of circumstances. This development to cynically introduce by the back door a method by which people can be further impoverished by being forced to accept a greatly higher</p>

interest rate is the gravest of disservices to those with tracker mortgages and to the Irish people.

It is the sole responsibility of commercial banks that they chose to fund 20-30 year mortgages with 1 month money and a position should not be reached whereby the bank can dictate the removal of the tracker rate. Surely a far better option would be if the banks can put together a solution which by it's viability and attractiveness is acceptable to the customer and the bank then the choice of retaining the tracker rate or choosing a variable rate rests with that customer.

Any situation that forces a higher interest rate on already struggling homeowners is absolutely unacceptable.

CP63.C57

As a customer of one of the main Irish banks with a Tracker Mortgage on a property purchased in 2006, I wish to express my deep concern and strong objection to the proposed changes that would allow banks move customers from Tracker to variable rate mortgages, principally because I believe the banks will always act in their own interest first and customers second. I trust my submission will be taken into consideration

CP63.C58

Please do not allow any circumstances to exist whereby a lender could force me off my tracker mortgage. That would increase my interest rate -amount- significantly and that would not in any circumstance be good for me and my family.

This will bring massive misery and poverty to another band of citizens and their families. Please try for another solution to solve the banks problems--maybe their huge salaries/bonuses-- We the people of this country have already backed the banks to the tune of €64 billion. That is more than a fair share for everyone. We are tracker mortgage holders with Ulster Bank. We do not wish to allow any change to this arrangement i.e conversion to a variable rate either now or in the future as this would ruin us financially.

I have a problem with the provisions in this document whereby banks may be allowed to ask customers give up their tracker mortgages. The banks to date have not acted in the public's best interest and what you are now asking is that we should 'trust' that in the future they will act differently. Correct me if I am wrong, banks are private institutions set up for profit. Here I see a conflict of interest.

Banks haven't nor will they in the future act in the client's best financial interest. In fact, if they were to act in the client's best interest they should in fact review all loans and where the bank broke their own regulations and loaned for example ten times someone's salary as opposed to four times as they were meant to, then in this instance the bank should expect the client to only take on the responsibility for a loan of four times their salaries and erase the rest of the existing debt that the bank granted but shouldn't have. While we keep hearing people who took out loans and should shoulder the responsibility it is time the banks did the same.

CP63.C59

NO. 5 Tracker Mortgages Pages (14 & 15 of CP63) I disagree with the proposal and strongly urge you to maintain the existing CCMA guidelines.

**I strongly disagree with the suggestion to allow lenders force mortgage holders off their tracker mortgages** under the supposed idea that it will be beneficial to the borrower as a lender will offer to write off debt for the borrower. This is going to allow banks to strong arm the vulnerable in our society onto a variable rate and subsequently

into more debt. It is a mere band aid being put on a gaping wound. The people on the tracker mortgages may have some debt written off, but they then have to deal with higher interest rates and subsequently larger repayments. IF THEY CAN NOT PAY THE LESSER AMOUNT THEY OWE NOW, HOW DO YOU EXPECT THEM TO PAY THE NEW LARGER AMOUNT DUE EVERY MONTH!!! It will only benefit the banks in the long run and once again shows that even though every man, woman and child has already bailed the banks out we are once again being made to pay for their greed. The people of Ireland are already just surviving on a day to day basis, most of us are holding to our houses by a thread and you want to force us off tracker mortgages (our only chance to keep a roof over our heads, and that of our children). Shame on you, this can not happen, IT MUST NOT HAPPEN.

CP63.C60

After hearing on the radio today what I would regard the very bad news that you are considering urging tracker mortgage holders along with the banks to come off their tracker mortgage plan, I feel urged to write this email. I am a single person with a small wage and I bought my apartment in 2008, with all the cuts both by the government and by my employer I am just about managing to pay my mortgage along with the rest of my bills.. The reason I can pay at all is because I am on the tracker mortgage. I am a fair person so want to be able to pay my mortgage every month but I simply will not be in a position to if I am taken off the tracker mortgage.

You should be encouraging people who like me are paying without question every month to stay on the plan they are on. If I have to come off the tracker mortgage I wont be in a position to pay monthly as I have been doing for the past nearly five years... There are enough empty houses/apartments in the country which have been repossessed or boarded up and I do not want this to happen to my property. I cannot stress to you enough how important it is to me to stay on the tracker mortgage...

Thank you for taking the time to read my email and please take into consideration that times are very hard for customers at the moment and some fair play is all one wants...

CP63.C61

I am currently assisting my sister who at 51 years of age, is trying to stay afloat in her business, her home mortgage which is a tracker mortgage as well as one other variable rate mortgage on an investment property. It is imperative that her home mortgage remains on the tracker rate.

Accordingly, please do not allow any circumstances where the banks could force my sister off her tracker mortgage. That would treble her interest cost, and could not in any circumstances be said to be good for her or her family.

Allowing the banks in any circumstances to force people off tracker rate mortgages and onto variable rates, will bring untold misery to citizens and their families. Please, please, find another way to fix the banks, if the 64 billion euro you already gave them in my name is not enough.

Perhaps even consider the Japanese solution, 100 year mortgages and let the children and direct family inherit the debt on the property on the passing of an individual or sell it & then repay the loan

CP63.C62

I refer to the above Consultation Paper and in particular to your proposal at Paragraph 4: (viii) "Tracker mortgages" and Paragraph 5, which states that *"The Central Bank is now considering whether there is merit in allowing a lender to move a borrower in arrears off a tracker rate, where the lender has offered a loan modification which is advantageous to the borrower in the long term, e.g., a debt write off."*

As the holder of a favourable tracker mortgage (primary resident / family home), I would see no merit in such a move as it would no doubt have the effect of increasing my monthly repayments and pushing me into mortgage arrears and eventual default on my mortgage and repossession. No matter how you dress it up, the lenders have only one motive for getting people off trackers and onto variable rates and that is to squeeze more monthly payments out of customers. The lenders pushed trackers at people with primetime adds on TV and they got it wrong. The Central Bank should not be party to allowing the goalpost to being moved to the disadvantage of tracker customers

CP63.C63

In response to your invitation for consultation on the proposed 'Code of Conduct on Mortgage Arrears', I would like to say that I do not agree with parts of the document. Under no circumstances should the central bank or any bank be allowed to take tracker mortgages away from any borrowers, even those in arrears.

CP63.C64

I do not agree with the document and under no circumstance should the central bank or any bank be allowed to remove our tracker mortgage.

CP63.C65

Please please please don't allow the banks to forcibly take people of trackers.

CP63.C66

As a holder of a tracker mortgage I wish to make it clear that I want to retain my tracker and not be forced by a bank to take up a variable or any other rate if I may fall behind in my payments as a means of the bank taking my home of me when it may have a resale value to said bank !

CP63.C67

I do not agree with the proposal to revoke tracker mortgages for those in arrears.

CP63.C68

I cannot see how there can be merit in allowing a lender to move a borrower in arrears off a tracker rate, even where the lender has offered an alternative arrangement which is advantageous to the borrower in the long term, e.g., a debt write off. To increase the interest rate where there is already an immediate difficulty in repayment does not seem to be logical and I would not like to see it so mandated for the life of the mortgage. I

It would seem to make more sense to have a regular check to see if the borrower's financial situation has improved and if they could bear an increase - not per the market rate - with the borrower having the option to revert to the 'tracker' should his financial situation disimprove.

CP63.C69

I see that in your code of conduct that you are looking in to allowing the bank move



	<p>those who are in arrears off a Tracker Mortgage if it assists or is beneficial to them.</p> <p>The only one who benefits from someone coming off a tracker mortgage is the bank Banks CAN NOT and SHOULD NOT be allowed to interfere or move someone off a tracker mortgage</p>
CP63.C70	<p>Please <b>do not allow</b> any changes to be made that might allow my bank to force us off our Tracker Mortgages.</p> <p>If the banks are allowed force me off my Tracker, this will treble my monthly repayments with nothing coming off the capital and will destroy me financially.</p>
CP63.C71	<p>I am writing to you to ask you not to support the banks in trying to trade in our tracker mortgages.. We are unable to fully service our mortgage at present and the people who are now struggling will be totally lost to the banks and our government.</p> <p>Maybe the Central Bank could look more favourable to the citizens of this country who are living in very hard times</p>
CP63.C72	<p>No to allowing my bank force me to a variable rate from my tracker</p>
CP63.C73	<p>to whom it concerns while reading your consultation paper 63 it concerns me that it will cause hardship for all and i would preferr that this change should not take place</p>
CP63.C74	<p>Under no circumstances should the central bank or any bank for that matter remove tracker mortgages from homeowners.</p> <p>Mortgage arrears or not people are struggling financially and this is going to make things worse.</p>
CP63.C75	<p>Any wording in relation to Tracker mortgages must be iron-clad in favour of the contract holder. It would be absolutely unfair and dishonest to introduce any ambiguity into performing tracker contracts.</p>
CP63.C76	<p>With regard to your consultation process on allowing banks to force individuals to relinquish their tracker mortgages against their will, we would like most seriously to object to such a proposal being allowed. We have unfortunately a number of mortgages with Bank of Ireland and they will go into default should interest rates rise.</p>
CP63.C77	<p>I want to voice my opposition to the proposed changes to allow banks the power to force customers to switch from a tracker mortgage to a variable one . Customers entered into a contract in good faith, now it seems that the bank are going to be able to break these contracts at will. It would be most disappointing that our Central Bank should allow this to happen.</p>

CP63.C78	Leave tracker mortgages alone
CP63.C79	Please do not force people like me to give up my tracker rate or the consequences could be worse than the poll tax era
CP63.C80	I wish to express that I do not agree with any changes to Tracker Mortgages which would allow a lender to move a borrower /or a borrower in arrears off a tracker rate.
CP63.C81	I want to register my objection to any suggestion of change to tracker mortgages.
CP63.C82	Should you change the tracker rate procedures, thus changing my interest rate, to where should I send my keys? I struggle to pay my monthly bills. A substantial change in rates will compel me to surrender this constant battle.
CP63.C83	I object to the proposal to allow banks out of Tracker contracts. I would be grateful if you would submit my objection / proposal to your discussion on this item
CP63.C84	I'm not sure if this is anything to do with my mortgage, this is to confirm that we are keeping our tracker mortgage if you need further clarification on this please contact me.
CP63.C85	Please do not allow any circumstances where the banks could force me off my tracker mortgage. That would treble my interest cost, and could not in any circumstances be said to be good for me or my family. It will bring untold misery to citizens and their families. Find another way to fix the banks, if the €64 billion you already gave them in my name is not enough.
CP63.C86	Please do not review the possibility of allowing the banks to force us off our tracker rates, even if they say its in our best interest. This will open the door to the banks breaking the backs of the Irish people on trackers. Especially the people in arrears who desperately need to hold on to their trackers. It would be a detrimental move to even consider this option.
CP63.C87	This letter is with regard to the possibility of the central bank forcing me off my tracker mortgage, against my will. No matter what the "perceived" benefits are, I oppose the decision in the strongest terms. At a time of significant financial strain, this proposed move would force me into an impossible financial situation.
CP63.C88	Please do not alter the above tracker mortgage account as it will financially ruin us. We do not agree to the central bank C63 changes.

CP63.C89

Please do not allow my tracker mortgage to be changed to a variable rate mortgage because you will destroy me.

CP63.C90

Please DO NOT allow lenders to force people off tracker rate mortgages.

Values of investments can and do go up and down. The lender agreed to the rate and now they want to change it as it is not making them enough money. Make them live up to their promises and negotiate a fair payment system that does not put the odds back into their favour.

CP63.C91

I am on a tracker and will refuse to pay it if I am forced to come off it. I signed for a tracker on the advice of the bank, end of story

CP63.C92

Good afternoon, I have just heard through the media that there are negotiations afoot to "force" people to give up their tracker mortgages. This is nothing more than a very backward step; right now my daughter has a tracker and is managing on a very small salary to keep her payments up to date. Sadly however if she is forced to give up her tracker she will be unable to pay and will, like a lot of other people in the country, have her apartment reposessed, and then have it sitting idle until it deteriorates, and eventually gets boarded up, no need to go on.....

Please reconsider this proposal.

CP63.C93

I would like to put my distrust in being forced off my tracker mortgage as this would leave me financially ruined, no amount of compensation would soften this blow, this is the last thing good that i have left in my life and I urge you to not pass this and allow the banks to force us onto a variable rate.

CP63.C94

Consumer Protection Codes Division Central Bank To whom it may concern I am disappointed the mortgages holders of Ireland did NOT hear of this review in my view each one should have been informed, I just by chance heard of review at last minute

As a mortgage holder who feels I was misled by my bank, I was bombarded by my bank to go fixed from a tracker mortgage. Stupidity thought they would have my interest at heart and Lost my Tracker. I would advise mortgage holders should have independent mediation to help negotiate with banks as from my experience banks will only operate in their own interest

CP63.C95

As a mortgage holder I ask you please do not allow the Banks the authority to move mortgage holders off existing tracker loans. From my point of view this will literally force us into insolvency,[ were hanging in there and wish to continue doing so].

CP63.C96	<p>Borrower should have access to an appeals board that is completely independent of the lender;</p> <p>Borrower should have access to independent legal and financial advice for nominal fees;</p> <p>Use data from MABS, FLAC, Vincent de Paul and CORI when calculating the borrower's basic financial needs;</p> <p>All of the borrower's debts need to be bundled and then an appropriate repayment figure calculated;</p> <p>Borrower should have access to the Financial Services Ombudsman;</p> <p>Borrowers with tracker mortgages should continue to be protected from efforts by the lender to exit the tracker unless it is to the short-term and long-term advantage of the borrower;</p> <p>The CCMA should be statutory.</p>
CP63.C97	<p>I wish to record my objection to the proposal that a tracker mortgage policy holder can be removed and transferred to a fixed or variable if on arrears as proposed in the link below.</p> <p><a href="http://www.centralbank.ie/press-area/press-releases/Documents/Approach%20to%20Mortgage%20Arrears%20Resolution%20-.pdf">http://www.centralbank.ie/press-area/press-releases/Documents/Approach%20to%20Mortgage%20Arrears%20Resolution%20-.pdf</a></p>
CP63.C98	<p>Those of the public and citizens of Ireland should not be forced out of a legal and binding contract of (tracker) mortgage with the banks.</p>
CP63.C99	<p>I'm possibly wasting my time, but I want to make a submission relating to the proposal to allow banks to force people in arrears off tracker mortgages.</p> <p>If your bank does allow this, then this will be the straw that broke the camel's back! Madness, madness, madness!</p>
CP63.C100	<p>I am writing to you to say that I do not agree with people being forced off their tracker mortgages. My mortgage is on a tracker and I want it to remain that way. I am not in arrears, however, I want my opinion noted.</p>
CP63.C101	<p>If the banks take me off the tracker rate, my interest rate will increase to an unsustainable level and put me out of business as a Landlord.</p>
CP63.C102	<p>We totally disagree with these proposals to force people to give up tracker mortgages against their will. It should be only allowed in exceptional circumstances and only if agreed by both sides.</p>
CP63.C103	<p>I dont want you to change the status of my AIB tracker mortgage</p>
CP63.C104	<p>Please do not remove tracker mortgages from mortgage loans.</p>

CP63.C105

I don not agree with this document and under no circumstances should the central bank or any bank be allowed to remove our trackers.

CP63.C106

I would like information on any changes proposed to tracker mortgages and I would also like to state that i am against any proposal to change rules on tracker mortgages

CP63.C107

Please do not allow any circumstances where the banks could force me off my tracker mortgage. That would treble my interest cost, and could not in any circumstances be said to be good for me or my family. It will bring untold misery to citizens and their families. Find another way to fix the banks, if the €64 billion you already gave them in my name is not enough.

It is about time you concentrated on rectifying the disgraceful behaviour of the Banks towards the ordinary citizens of this country and finally offered some realistic protection to the people who have suffered enough at the hands of Irish Bankers.

CP63.108

I am a Chartered Accountant of 30 years, run my own practice, and sat on the Board of a large Credit Union for nearly 10 years, with three of those years as Chairman. So, I feel adequately qualified and experienced to be able to make a submission to your consultation process on the solving of the Mortgage Arrears problem in Ireland. In particular, I have very long experience of dealing with banks in Ireland and this has led me to very concerned that the thrust of what I am hearing in the media is being proposed leaves the banks with a lot of power in the resolution process. I have absolutely no confidence in the bank's ability to perform this task properly, mainly because I believe there are not enough adequately competent people in the necessary positions. One of the things I learned during my training was to make all documents I produced "as concise as is consistent with clarity", so, I will try to do so.

I very, very strongly believe that the thrust of the Mortgage Arrears Resolution Process should be the creation of a Model, or probably a number, although not a high number, of Models which the banks are forced to apply to each case. The models would allow for such as Mortgagees who deliberately try to abuse the resolution process, but, based on my long experience, including in particular my Credit Union experience, I strongly believe that most Mortgagees are very decent people who will make every effort possible to repay their debts. Indeed, my experience tells me that the very, very large majority of borrowers in Ireland put repayment of their bank loans at the top of any list of creditors they have.

The reality is that the banking sector in Ireland has badly let down their largely very honourable customers and I strongly believe that they cannot be given any opportunity to do so again. I am certain that a Resolution Process which gives them any power or discretion more than is absolutely necessary in the circumstances will result in, at best, unfairness, but, very possibly a disaster with the bigger picture in mind. I believe one certainty is that, if they have more discretion than absolutely necessary, you will see a deluge of letters of support for Mortgagees from T.D.'s.

Indeed, I can also see politicians contributing to the abuse of the process and, thereby, indirectly to the abuse of many Mortgagees.

I would have plenty of ideas of the models to deal with what I will describe as the minority of cases, i.e. cases which fall outside normal parameters. But, I will only put forward the model which I would suggest could be applied to the large majority of mortgages in arrears, because I believe a very large majority will have very similar characteristics, no matter the money value of the debt. My proposed Majority Model is as follows:

1. Establish Net Income after tax, PRSI and USC (NI)
2. Calculate 30% of NI
3. Establish a reasonable Average Mortgage Interest Rate to apply over a 30 year mortgage period from 2013 (AMIR).
4. Calculate the amount of interest, at AMIR, and capital which 30% of NI can service over the 30 year mortgage period.
5. Pitch the Performing Mortgage Amount at the Capital at the capital over the 30 year mortgage period (PMA).
6. Deduct the Performing Mortgage Amount from the Current Mortgage Amount = Non-Performing Mortgage Amount (NPMA).
7. Establish a Fair Current Market Value for the Property (FCMV).
8. Calculate the NPMA as a percentage of FCMV = % Equity Stake in Property to transfer to Mortgagor
9. Condition that Mortgagee cannot sell the property before the end of 2020.
10. In the case of sale after 2020, Mortgagor will receive the % of proceeds based on its % Equity Stake calculated at 8 above. The balance of sale proceeds to be applied as follows:
  - 10.1 Mortgagor will receive an amount equal to either the full balance of the sale proceeds where this is less than the PMA outstanding at the date of sale or,
  - 10.2 Where full balance of sale proceeds is greater than the PMA outstanding at date of sale, Mortgagor shall receive the full amount of the PMA, and
  - 10.3 Mortgagee will receive the excess of the sale proceeds over the PMA outstanding at date of sale.
11. Resolution to be subject to review should Mortgagee's Net Income reduce by more than 10% for a maximum period of 6 months in a row, on a Mortgage Self-Assessment Basis.

I hope that the following example properly illustrates my proposed Majority Model:

Current Mortgage Outstanding 2013: €250,000  
Mortgage amount which can be serviced from Net Income of Mortgagee over a 30 year period: €200,000 = Performing Mortgage Amount (PMA)  
Non-Performing Mortgage Amount (NPMA): €50,000  
Current Market Value of property: €150,000  
NPMA as % of Market Value: 33.33% = Equity Stake to go to Mortgagor

Scenario 1: Property Sold in 2021 for: €150,000 – Performing

Mortgage Outstanding at date of sale: €150,000 Sale Proceeds split as follows:

€50,000 to Mortgagor for equity stake  
€100,000 to Mortgagor  
Mortgagee left with a liability of €50,000

Scenario 2: Property Sold in 2021 for: €180,000 – Performing  
Mortgage Outstanding at date of sale: €150,000 Sale Proceeds split as follows:

€60,000 to Mortgagor for equity stake  
€120,000 to Mortgagor  
Mortgagee left with liability of €30,000

Scenario 3: Property Sold in 2021 for: €210,000 – Performing  
Mortgage Outstanding at date of sale: €150,000 Sale Proceeds split as follows:

€70,000 to Mortgagor for equity stake  
€140,000 to Mortgagor  
Mortgagee left with liability of €10,000

Scenario 4: Property Sold in 2021 for: €240,000 – Performing  
Mortgage Outstanding at date of sale: €150,000 Sale Proceeds split as follows:

€80,000 to Mortgagor for equity stake  
€150,000 to Mortgagor  
€10,000 to Mortgagee

Scenario 5: Property Sold in 2021 for: €300,000 – Performing  
Mortgage Outstanding at date of sale: €150,000 Sale Proceeds split as follows:

€100,000 to Mortgagor for equity stake  
€150,000 to Mortgagor  
€50,000 to Mortgagee

What I will call the Minority Models would be designed to deal with more complicated cases and would involve other variables. Of course, there would be a small minority of mortgages in arrears which would, by their nature, have to be dealt with on an individual case by case basis. But, my over-riding objectives in designing models which could be applied to the very large majority of arrears cases would be:

1. To minimise the amount of discretion available to the Mortgagor;
2. To maximise the amount of fairness applied;
3. To minimise, and ideally eliminate, the possibility of political influence on the Mortgagor's decisions on arrears cases.

I hope you will consider the above proposal.