



COMHAIRLE CONTAE  
CHEATHARLACH  

---

CARLOW COUNTY COUNCIL

## Sorting it out!



# A Guide to Resolving your Mortgage Arrears Problem



Comhshaol, Pobal agus Rialtas Áitiúil  
Environment, Community and Local Government



Comhshaoil, Aonaidh Manólaíochtaí na Carluige agus na Ceatharlach  
County and City Management Association

### TALK TO US

In the current financial environment, lots of people are having difficulties paying their bills. With failing wages, rising taxes and levies and rising prices, this is understandable. So, if you are in difficulty repaying your house loan with Carlow County Council or feel that you will have difficulties because of impending changes in your circumstances, the best thing you can do is talk to us. We can and will help.

### ARREARS SUPPORT

Carlow County Council has an Arrears Support Team, with staff trained to listen to your story and help you rearrange your repayment schedule and take the pressure off your household. If you are in a pre-arrears situation, that is, if you know your circumstances will deteriorate, you should also make contact. Circumstances such as impending redundancy, reduced working hours, reduced wage rates, unexpected life events, etc. can impact negatively on your income. If you know you will fall into arrears, why not talk to us in advance and sort things out? If you have fallen into arrears, get in touch straight away. Ignoring the problem will not make it go away.

### YOUR OPTIONS

Nobody wants to lose their home and this should be the last resort for everybody. To help you avoid such an event, you and the Arrears Support team can explore the following options to resolve your difficulty.

- **Interest Only Payments:** You might opt to pay the interest only on your loan until your circumstances improve and you can resume repaying the loan in full.
- **Interest and Part Capital:** You might be in a position to service a portion of the instalment, but not in full. In this scenario you could pay the interest and part of the capital balance until you can resume repaying the loan in full.
- **Lengthening the term of the loan:** Instead of paying off your loan as originally agreed, you might want to pay it off over a longer period, thereby reducing the repayments.
- **Adding the arrears to the loan** and recommencing payments in full, or partially.

If you decide to adopt one of the solutions offered by Carlow County Council, you can apply to have it accepted and move on in the knowledge that your home is safe.

**WHAT WE NEED  
FROM YOU**

In order to reasonably assess your situation and the best option for resolving your arrears problem we need you to set out your monthly income and expenditure. This is called a

**Standard Financial Statement**, a copy of which is available from Carlow County Council and on the Council's website ([www.carlow.ie](http://www.carlow.ie)). This may look complicated but is easy to complete. In the *Income* grid, simply list the amounts of income from all sources on a weekly or monthly basis. In the *Expenditure* grid, simply list all of the items you spend money on, taking into account savings and cutbacks you might be able to achieve. By subtracting *Expenditure* from *Income*, you can easily see the amount of disposable income left to you.

Our staff are happy to assist you with this form. Do not forget that you can also get help from your local MABS office ([www.mabs.ie](http://www.mabs.ie)).

**NEXT  
STEPS**

Once you have submitted your application for a change of your mortgage terms, Carlow County Council will examine it straight away and give you a decision as quickly as possible. Where an alternative repayment option is offered by the Council, you will be given details of the new arrangement. If you are happy with this it can be put in place without any fuss or bother. Once you have signed up to this new schedule, you must try to keep to it at all costs.

If you are not happy with the decision of the Arrears Support Team, you can lodge an appeal against the decision or of any aspect of the way in which your application has been handled. Appeals have to be in writing. The appeal is heard by individuals from a different area who have experience of housing loans and finance. A contact name will be given to you and they will keep you informed of the status of your appeal and the eventual decision made. If you are unhappy with the way your account has been handled by Carlow County Council, you can refer it to the Ombudsman's Office at [www.ombudsman.gov.ie](http://www.ombudsman.gov.ie) for adjudication.

## **REPOSSESSION**

Repossessing a property is the least desirable outcome for you or for Carlow County Council.

Generally, this course of action will only be taken where a borrower fails to co-operate in renegotiating the terms of their loan. In certain circumstances, where the loan is unsustainable, repossession on a voluntary or on an enforced basis may be the only option. Do not overlook the fact that the costs associated with this process fall on you and any shortfall in the value of your property against the amount still owing may also be charged against you.

### **Our contact details**

If your loan is in arrears or you think it may do so soon, do not delay, contact us today. We are here to listen and to help.

**CARLOW COUNTY COUNCIL**

**LOAN ARREARS UNIT**

**☎ 059 9172491**

***CAUTION: This document is for guidance purposes only and should not be taken as a legal interpretation of the laws and regulations covering local authority lending.***