**Local Authority Home Loan Mortgage Payment Break**

**Notification of Approval**

**Date**

**Name**

**Address Line 1**

**Address Line 2**

**Address Line 3**

**Address Line 4**

**Home Loan Account Number:** [Insert Number]

Dear [Insert Borrower Name(s)],

I refer to your application for a [Insert Duration/Months] Mortgage Payment Break on your above referenced home loan, which has been approved subject to your return of the signed declaration of acceptance (please see below). Your home loan account is paused for the Mortgage Payment Break period. Interest will not be charged during the Mortgage Payment Break period. The term of your home loan remains unchanged. Your home loan repayments will recommence after the Mortgage Payment Break period at a higher amount. This is necessary to ensure that your home loan will be repaid in full within its original term. Details of your Mortgage Payment Break are set out below:

|  |  |
| --- | --- |
| **Three Month Mortgage Payment Break Summary** | |
| Home Loan Account No | [Insert Number] |
| Home Loan Balance | € |
| Term End Date |  |
| **Current Repayment Amount** | **€** |
| Mortgage Payment Break Start Date | [e.g. 1st April] |
| Mortgage Payment Break End Date | [e.g. 30th June] |
| Repayment Restart Date | [e.g. 1st July] |
| Home Loan Balance after Mortgage Payment Break |  |
| Term End Date after Mortgage Payment Break |  |
| **Repayment Amount after Mortgage Payment Break** | **€** |
| Total Amount Repayable over Term - Before Break |  |
| Total Amount Repayable over Term - After Break |  |
| **Indicative Saving**\* |  |

\* based on full repayment of your home loan.

Mortgage Protection Insurance (delete as appropriate)

You have chosen to continue paying your MPI premium separately during the payment break. The amount you will pay during each month of the payment break is [Insert Monthly Amount]

Or

You have opted for a payment break from your MPI premium. You will be required to repay the MPI premia due for the period of the payment break [Insert Total Amount] to your local authority as soon as possible, and as agreed with your authority. Your local authority will contact you with payment options for this amount. In the interim, your MPI premium will continue to be paid on your behalf by your local authority and your insurance cover will remain in place for the duration of the Mortgage Payment Break.

For those borrowers who have opted to continue paying their MPI during the Payment Break you will need to ensure that these payments continue to be made.

\* Amend below where payment is made other than by Direct Debit

As you are currently making repayments by Direct Debit, you need to take no action and we will recommence the collection of your revised repayment amount on [Insert Repayment Restart Date]

Should you need to contact us about any aspect of this notification, please telephone [Insert Housing/Finance Division Phone Number] quoting your home loan account number.

If you are happy to proceed with this Mortgage Payment Break please complete the Declaration and Acceptance form overleaf. **As we require original signature(s) to activate a Mortgage Payment Break, please return to us by post or by hand, subject to HSE guidelines.** You should retain a copy for your own records.

Yours sincerely,

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[Insert Name],

on behalf of [Insert LA Name]

**Declaration and Acceptance Form for Mortgage Payment Break**

|  |
| --- |
| **I/We understand that** when the Mortgage Payment Break ends, my/our home loan **repayments will increase**, to ensure that my/our mortgage will be repaid within the original term of my/our home loan. |
| I/We have sought independent legal advice in respect of this request or I/we have waived my/our right to this and am/are satisfied to proceed. |
| **I/We understand and agree that**, my/our Mortgage Protection Insurance premia owing for the Mortgage Payment Break period must be repaid to the local authority as soon as possible and in agreement with the local authority. |

**Please return this signed form to your local authority in order for the mortgage payment break to commence**

|  |  |
| --- | --- |
| **Three Month Mortgage Payment Break Summary** | |
| Home Loan Account No | [Insert Number] |
| Home Loan Balance | € |
| Term End Date |  |
| **Current Repayment Amount** | **€** |
| Mortgage Payment Break Start Date | [e.g. 1st April] |
| Mortgage Payment Break End Date | [e.g. 30th June] |
| Repayment Restart Date | [e.g. 1st July] |
| Home Loan Balance after Mortgage Payment Break |  |
| Term End Date after Mortgage Payment Break |  |
| **Repayment Amount after Mortgage Payment Break** | **€** |
| Total Amount Repayable over Term - Before Break |  |
| Total Amount Repayable over Term - After Break |  |
| **Indicative Saving**\* |  |

\* based on full repayment of your home loan.

By signing this form, I/We confirm that I/we have read and understand the declarations above.

|  |  |
| --- | --- |
| Signature Borrower 1 |  |
| Signature Borrower 2 |  |
| Date |  |

**STATUTORY WARNINGS AND OTHER INFORMATION**

**Warning:** If you do not meet the repayments on your home loan, your account will go into arrears. This may affect your credit rating, which may limit your ability to access credit in the future.

**Warning:** If you do not keep up your home loan repayments you may lose your home.

**Warning:** You may have to pay charges if you pay off a fixed rate home loan early.