

Contact Details:

EBS Arrears Support Unit Tel: 1850 330 044 (Lo Call) or 01 665 8010
The EBS Building Fax: 01 665 8112
2 Burlington Road Email: asu@mail.ebs.ie
Dublin 4 Web: www.ebs.ie

Other Useful Contact Details:

Citizens Information Board

Lo Call: 1890 777121
www.citizensinformation.ie

Department of Social and Family Affairs

Lo Call: 1890 662244
www.welfare.ie

Irish Banking Federation (IBF)

www.ibf.ie

The Central Bank of Ireland

www.centralbank.ie

Office of the Revenue Commissioners

www.revenue.ie

Irish Landlord

Irish Landlord is a free resource for Irish property investors and Irish Landlords. Their website contains landlord information, free lease agreements, landlords rights and tips.
www.irishlandlord.com

Landlords Online

Landlords Online is an information network and document resource centre for residential landlords in Ireland.
www.landlordsonline.ie

Sale and property rental websites:

www.daft.ie
www.myhome.ie

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Difficulty making loan repayments?

A Guide for Buy to Let Borrowers

Are you concerned about making your loan repayments?

EBS recognises the challenges faced by individuals who have invested in properties. If you are worried about your loan repayments, or have fallen behind, EBS is here to work with you through your situation. By contacting us at the earliest point, it provides us with the best chance of helping you address your circumstances.

The purpose of this booklet is to set out clear guidelines specifically for buy to let mortgage holders, who are currently in financial difficulty, or feel they may have difficulty in making their loan repayments in the future.

How the process works

EBS has a dedicated team in the Arrears Support Unit (ASU) with the specific expertise required to deal with Buy to Let mortgages. When approaching EBS in relation to your buy to let loan we agree to:

- Communicate clearly and regularly with you
- Understand your financial situation
- Assess each case on an individual basis

Come and talk to us...

You should contact us immediately if you are concerned about meeting the repayments on your investment loan, or if you are already in arrears.

How To Contact Us

Visit: Your local EBS and speak to one of our dedicated advisors

Call: Arrears Support Unit on
1850 330 044 (Lo Call) or 01 665 XXXX

Email: asu@mail.ebs.ie

Web: www.ebs.ie/asu

If you would prefer to meet with someone face to face in your own home, EBS representatives are available to visit you. To arrange a visit from one of our representatives, please phone 1850 586778.

Understanding your financial situation

Once you make contact with us, we will ask you to provide details of your household income and expenditure, statement of assets and liabilities. Further information in relation to our requirements is available on our website - www.ebs.ie/asu

By writing down all the money you have coming in and going out each month, you will see if you have enough to meet your monthly commitments. As each borrowers' financial situation is unique, the information required by EBS in this process will vary from borrower to borrower. Typically we would require, expenditure details, bank statements, and lease agreements but our requirements may not be limited to those above.

Need independent financial advice?

It may help to get some independent financial advice in relation to household budgeting and money management from your local MABS office (Money Advice Budgeting Service) or an appropriate alternative.

To contact MABS,
Phone lo-call 1890 283 438 or
Visit their website on www.mabs.ie

Assessing your situation

EBS will explore a number of repayment options that will assist you in resolving or avoiding arrears. If an alternative repayment option is agreed we will write to you outlining the terms of your revised repayment arrangement. As no two situations are the same each case is reviewed on an individual basis. Please note that where arrears arise on your loan, any guarantor to the loan will be informed.

Resolution

The EBS Arrears Support Unit (ASU) will explore a number of repayment options to find the most appropriate for your needs. If an alternative repayment option is agreed we will write to you outlining the new repayment arrangement. A review of your account will take place immediately should you fail to abide by the terms of the arrangement. In some cases, EBS may be unable to provide an alternative repayment arrangement. In such cases, other options may be discussed with you, such as voluntary surrender or sale of the property.

Whilst some options will reduce your mortgage repayments in the short term, it will likely add to the overall cost of your mortgage over the life of the loan. It is important that you fully understand the implications of any new arrangement before you go ahead with it. We would advise you take independent legal and/or financial advice regarding any proposed revised repayment plan.

Should you fail to address your outstanding arrears or fail to engage with EBS at any point during the arrears management process, EBS may commence legal action and proceedings for repossession of the properties or appoint a receiver. The cost of legal proceedings will be charged to your loan account. This could amount to €4,500 or more depending on the circumstances.

Please refer to the Schedule of Charges leaflet available on our website, at your local EBS or by calling 1850 330044.

Maximising your rental potential

We understand that renting a property can at times be difficult depending on the market conditions, availability of other rental property in the area etc. We have put together some hints and tips which we hope will help you maximise your rental potential and rental income.

Some handy tips

1. Get the maximum rental possible

How your property is furnished is key to maximising your rental income. A well furnished property is easier to market and will rent much quicker than a badly furnished one.

2. Ensure you have the correct insurance

The insurance risks involved with a rental property can be substantial and are different to that of owner-occupiers. Do not under estimate the importance of having the right insurance - normal household cover is not adequate. An investment property requires specific investment property (buy-to-let) insurance. You must also inform your mortgage lender that the property is rented.

3. Get your BER Cert

From 1st January 2009 it became a requirement that all properties offered for sale or rental obtained a Building Energy Rating (BER). Go to www.seai.ie for further information.

4. Draw up a lease agreement & property inventory

If your property is being rented through a letting agency, the agency will draw up the lease agreement and ensure an inventory is available and signed by the tenants. If you are letting the property yourself you will require a lease agreement. This helps to ensure the effective management of property and help avoid disputes and disagreements during the course of the tenancy.

Get the right tenant

Selecting the right tenant is fundamental to the success of your investment property. Compare each prospective tenant against your selection criteria. You are looking for tenants who will pay their rent on time and in full, can provide good references, will respect the property and not cause damage.

1. Contact

Contact your prospective tenant by phone and get some basic details from them such as the number of occupants, reasons for moving, can they provide references, where do they work and what are their contact details.

2. Check the references

References can be obtained from the prospective tenants current employer, their previous landlord and their bank. Also take a copy of photo ID such as a passport or driving license.

3. Get a deposit

One months rent is usually the amount of deposit required.

4. Handing over the keys

Before handing over the keys agree the inventory of contents and their condition. Sign the lease agreement. Collect the deposit and first months rent. Take meter readings (in order to transfer the utility bills) and then handover the keys.

5. An agency

If employing a letting agency to manage your property they will ensure all the above tasks are carried out.

Residential Tenancies Act 2004

The residential letting market in Ireland is governed by the Residential Tenancies Act 2004, which also established the Private Residential Tenancies Board (PTRB) to resolve disputes between landlords and tenants and to operate a system of tenancy registration. Landlords and tenants may refer disputes to the PTRB for resolution. Registration with the PTRB is compulsory. Go to www.public.prtb.ie for further information.

The Residential Tenancies Act 2004 sets out basic tenancy obligations for both landlords and tenants. For further information go to: *Residential Tenancies Act* - www.citizensinformation.ie