The Credit Union Mortgage Variable Rate Policy Statement

Warning:
We may change the interest rate on this loan. This means the cost of your monthly repayments may increase or decrease. Changes will be made in accordance with the terms and conditions of your mortgage agreement.

Purpose of This Statement: This document outlines the factors the Credit Union considers when setting variable interest rates for mortgage loans, ensuring our members understand the mechanisms that could impact their financial obligations.

Factors Influencing Variable Interest Rates:

- Cost of funds: We source our lending capital from member deposits, affecting the interest rates based on the cost of these funds.

•Capital requirement: Regulatory standards mandate maintaining a certain capital level, which supports our lending activities and influences interest rates.

•Loan default risk: reflects the likelihood of members failing to meet repayment obligations, necessitating compensatory measures in our interest rates.

•Operational costs: Includes day-to-day expenses related to running of the Credit Union such as staff salaries, administrative costs, and infrastructure upkeep.

•Expected returns: Targeted returns required to sustain our operations and ensure the viability of our mortgage offerings.

•Market competition: External economic factors including market trends, competitor strategies, and changes in consumer preferences that may necessitate rate adjustments.

Policy for Interest Rate Changes:

Interest rates are evaluated regularly by our Mortgage Services DAC Interest Rate Committee, which uses comprehensive market analysis to make informed decisions. Any changes to the interest rates are deliberated based on the current economic environment and sector-specific conditions, ensuring that our decisions are thoughtful and justified.

Notification of Changes:

Should there be a need to adjust the interest rates due to the aforementioned factors, members will be notified promptly through clear communications detailing the nature and reason for the changes. Updated policy statements will be published on our website to maintain transparency.

Exploring Your Options:

Members are encouraged to regularly review their mortgage terms. Alternatives or lower interest rates might be available, depending on individual circumstances and prevailing market conditions.

Contact Information:

For further details about our mortgage product, or to discuss potential options, please visit our website at www.ballyconnellcu.ie, call us at 049 – 952 6571, or visit your local branch.

WARNING:
YOUR HOME IS AT RISK IF YOU DO NOT KEEP UP PAYMENTS ON A MORTGAGE OR ANY OTHER LOAN SECURED ON IT.

WARNING:
THE PAYMENT RATES ON THIS HOUSING LOAN MAY BE ADJUSTED BY THE LENDER FROM TIME TO TIME. (Variable Rate Mortgages only)

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