

Understanding your Annual Mortgage Statement

A mortgage statement provides a history of payments from the date of the last statement they issued. The mortgage statement is provided to the borrower periodically, at least once a year, and can be provided to the borrower upon request. These are normally issued at the start of the year and refer to the year previous.

It should provide you with an opening balance at the start of the year and a closing balance at the end of year in relation to your mortgage.

A mortgage statement should show the following:

- Current mortgage balance.
- Current interest rate.
- The term of the loan.
- Amount remaining on the mortgage term.
- TRS credits (if applicable)
- Contact information for the mortgage holder.
- It will show if there are any arrears on the mortgage.

It is always advisable that you review your Mortgage Statement in order to ensure that all payments that you have made are allocated to your loan and you are also being charged accurately. If you need assistance in understanding your statement, it would be advisable to contact your lender with your mortgage account number.

Like a credit card statement or a credit report, a **Mortgage Statement** is an important disclosure document for the buyer for a number of reasons.

It keeps the borrower aware of the current mortgage balance, allowing the borrower to check the balance for discrepancies. It should be reviewed upon receipt to ensure that all is in order, and if you have queries in relation to the statement, outstanding balance or payment history, the mortgage holder should be notified immediately.

Mortgage holders can double check the numbers appearing on their statements by using mortgage calculators that can be easily found online.

You should ensure that you store mortgage statements safely and if querying any of the calculations with your lender, request clarifications in writing.

The **Mortgage Statement** should provide the borrower with the amount of time left in the mortgage term. Having this information tells the borrower when their mortgage is up for renewal and gives them notice to decide if they want to stay with their current lender or if they want to shop around for a different interest rate.

Some lenders will issue two separate statements if there are arrears on the mortgage account. One is the Mortgage Statement and a second Mortgage Arrears Statement.

Again it is very important to check both to ensure that you understand the calculations as they apply in your case.

If you or somebody you know is in mortgage arrears, or you fear you are at risk of losing your home, you may be eligible for free face-to-face financial or legal advice under the Abhaile scheme. For information, call the MABS helpline on 0761 07 2000, or visit the website www.MABS.ie



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