



Haven Green 4 Year Fixed Mortgage

Qualifying criteria:

- This new rate is available for new and existing Haven mortgage customers who plan to live in the property as their home; first time buyers, movers, buying a holiday home, topping-up on an existing mortgage, or switching.
- The property must have a Building Energy Rating (BER) between A1-B3 (BER ratings: A1, A2, A3, B1, B2 or B3) with a BER Certificate no more than 10 years old.
- Existing customers must have four years or more remaining on their mortgage.
- Once the customer rolls off the Haven Green 4 Year Fixed Rate they can have it again, if the Haven Green 4 Year Fixed Rate is still available and they provide a BER Certificate with a rating of A1-B3. Otherwise the variable rate will be applied.
- Customers who switch their mortgage to Haven and take the Haven Green 4 Year Fixed Rate Mortgage will receive €2,000 cash offer towards legal costs (subject to criteria).

Customers cannot have the Haven Green 4 Year Fixed Rate Mortgage if:

- They are a Self-Build Mortgage Customer who is still receiving stage payments; or
- They cannot provide a valid BER Certificate with a rating of A1, A2, A3, B1, B2 or B3; or
- The property's BER Certificate is more than 10 years old; or
- Their existing Haven mortgage loan is a Buy to Let mortgage.

The terms and conditions of the Haven €5,000 Cashback have been updated and this offer is no longer available on every fixed rate. The Haven €5,000 Cashback is not available on the Haven Green 4 Year Fixed Rate Mortgage. For more information on the Terms and Conditions see (<https://www.havenmortgages.ie/mortgage-centre/haven-cashback>) from 8th July 2021.

The process of the new Haven Green 4 Year Fixed Rate Mortgage is as follows:

As the Intermediary, we ask that you please provide the customer with the following essential information at the initial mortgage discussion:

1. Continue to assess customers for suitability and to provide customers with the suitability statement, stating the reasons why the chosen product is suitable for the customer.
2. Get a valid copy of the BER Certificate for the customers PDH property. They must be a first time buyer, mover, purchasing a holiday home, topping-up on an existing mortgage, or switching for a property they intend to live in. The property must have a BER Certificate dated within 10 years showing a rating of A1, A2, A3, B1, B2 or B3.
3. Provide the customer with a worked example of the Cost of Credit.
4. As there may be an Early Breakage Charge (ERC) to exit a Fixed Rate term early, you must provide the customer with an explanation of an ERC and a worked example specific to the proposed mortgage.

5. Outline the advantages and disadvantages of availing of the Haven Green 4 Year Fixed Rate Mortgage. This information is detailed in the Brochure.
6. Inform all customers that the terms and conditions of the Haven €5,000 Cashback have been updated and this offer is no longer available on every fixed rate. The Haven €5,000 Cashback is not available on the Green 4 Year Fixed Rate Mortgage. For more information on the Terms and Conditions see (<https://www.havenmortgages.ie/mortgage-centre/haven-cashback>) from 8th July 2021.
7. Customers must complete the Home Loan Interest Rate Application Form and submit this to Haven along with the BER Certificate before drawdown.

Cost of Credit

- Please provide customers with the Haven Green 4 Year Fixed Rate Brochure that contains indicative Cost of Credit examples for the various options they may be interested in, which will help them to make an informed choice.
- If the customer requests a specific Cost of Credit illustration, please provide the customer with a specific Cost Of Credit on the various options they are interested in to help them to make an informed choice.
- Please continue to inform customers that they will receive a Cost of Credit specific to their mortgage in their Letter of Offer. This Cost of Credit will be specific to the rate option they have chosen.

Here is an example of the Cost of Credit Comparison between the variable and Fixed Rate options.

The cost of a valuation report has been included in the cost of credit calculation.

Rate Type	Variable Rate	Green 4 Year Fixed	3 Year Fixed	5 Year Fixed
Mortgage Amount	€305,000	€305,000	€305,000	€305,000
Mortgage Term	25 Years	25 Years	25 Years	25 Years
Initial Interest Rate	3.15%	2.15%	2.55%	2.55%
Monthly Repayments	€1,470.25	€1,315.14	€1,375.97	€1,375.97
Follow on Terms	N/A	21 Years	22 Years	20 Years
Default Rate (following Fixed Rate period)	N/A	3.15%	3.15%	3.15%
Potential ongoing monthly repayment (following Fixed Rate period)	N/A	€1,446.98	€1,459.99	€1,452.99
Cost of Credit	€136,075.62	€122,765.02	€129,971.59	€126,274.87
Total Amount Repayable	€441,075.62	€427,765.02	€434,971.59	€431,274.87
Haven €5k Cashback Offer Availability	No	No	Yes	Yes

For the purposes of this calculation it is assumed that a variable rate will apply for the remaining term of the mortgage following the end of the Fixed Rate period. The Default Interest Rate at the end of a Fixed Rate period is the highest Loan to Value variable rate.

Fixed Rate Loans

An Early Breakage Charge is payable in the following cases where the fixed interest rate period has not expired:

1. If a capital payment or full repayment is made to the loan, or
2. If the loan is converted to a variable rate, or
3. If the loan is converted to another fixed rate.

Calculation of an Early Breakage Charge:

The formula to calculate the Early Breakage Charge is: $(A) \times (U) \times (D\%)$

Definition of terms used in this formula:

(A) Amount	This is the amount being repaid early or the amount being converted to a variable rate or another Fixed Rate term.
Original Market Rate	This is the wholesale market interest rate as of 5pm the day previous to the rate being fixed.
Market Rate for the Fixed Rate period remaining	This is the wholesale market interest rate as of 5pm the previous day to the request to calculate the Early Breakage Charge.
(U) Remaining term in years	Remaining number of days left before the Fixed Rate is due to expire, divided by 365 and rounded up to a whole number.
(D%) Difference in Market Rate	The difference between the original Market Rate and the Market Rate for the Fixed Rate period remaining.

Worked Example:

Set out below is a worked example of how an Early Breakage Charge would be calculated.

Assume that this is a mortgage loan with a 5 year Fixed Rate.

3 years into the 5 year Fixed Rate term, full repayment of the mortgage loan of **€100,000** has been made = (A);

Remaining Term of the Fixed Rate period is 5 years minus 3 years, which is **2 years** (i.e.) = (U);

The Market Rate at the beginning of the Fixed Rate term was 4.5% and the equivalent Market Rate for the remaining Fixed Rate period is 2.5%. This is a difference between the Market Rates of **2%** = (D).

The Early Breakage Charge would be as follows: $(A) \ 100,000 \times (U) \ 2 \times (D) \ 2\% = \text{€}4,000$.