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White Horse Mortgage Services

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Reasons for Arrears Results for Ireland



Whole year analysis for cases completed in 2009

We present overleaf our analysis of the Reasons for Mortgage Arrears in 2009, 2008 and 2007. This analysis is shown as pie charts broken down into three segments for ease of comparison. The segments relate to the main causes of mortgage arrears: Economic, Lifestyle and Personal. These causes are covered in more detail in the text, together with individual explanations relating to each of the pie chart figures.

Our analysis indicates that over 60% of borrowers are able to make a sustainable payment commitment after undergoing a full Counselling.

Professional Mortgage Arrears Counselling will re-engage borrowers with the lender and maximise the number of arrears cases that can be recovered.

If you would like to know more about our services, or receive our report covering the United Kingdom, please contact us by:

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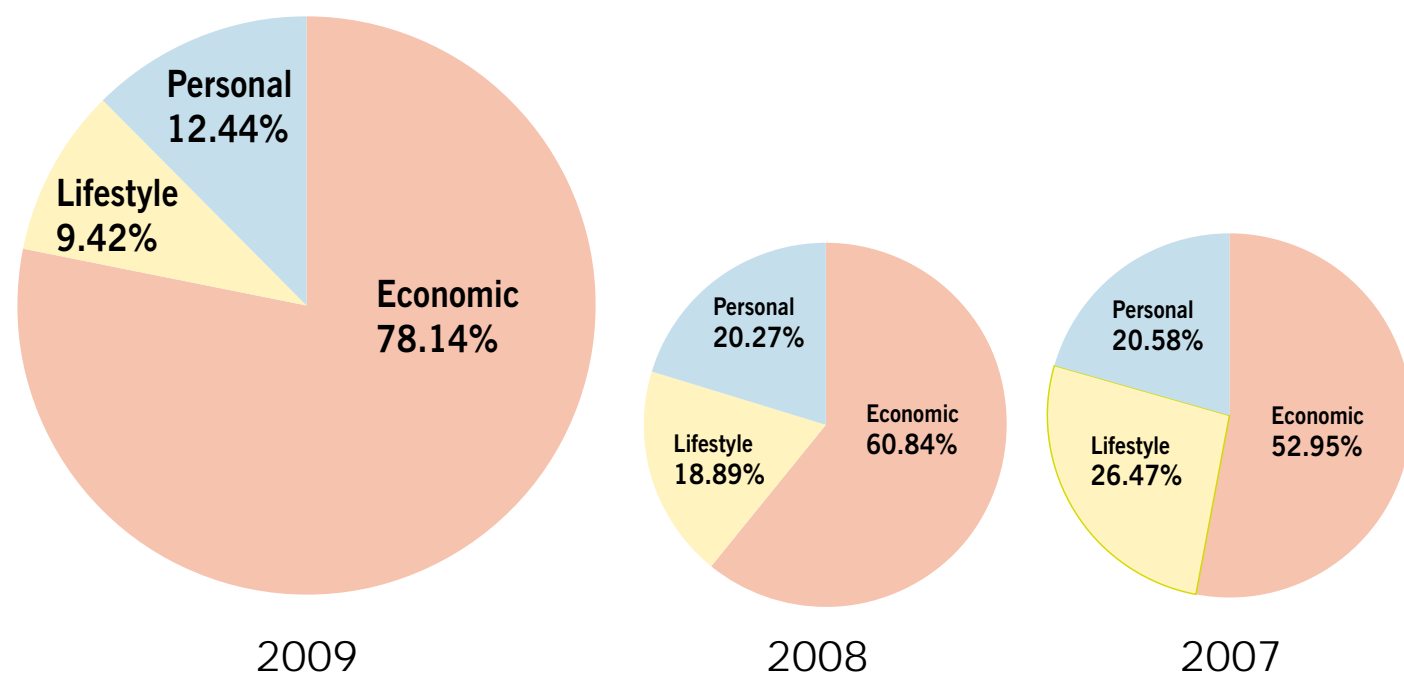
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Reasons for Mortgage Arrears

Analysed for the Republic of Ireland 2009, 2008 and 2007



	2009	2008		2009	2008		2009	2008
Economic	78.14%	60.84%	Lifestyle	9.42%	18.89%	Personal	12.44%	20.27%
Unemployment Resolved	5.46%	6.99%	Over Indebtedness Resolved	0.91%	0.70%	Ill Health - Recovered	3.48%	6.99%
Unemployment Unresolved	25.49%	13.99%	Over Indebtedness Unresolved	5.02%	4.20%	Ill Health - Long term	3.49%	6.29%
Reduced Income Resolved	9.41%	14.69%	Financial Mismanagement	3.49%	13.99%	Relationship Breakdown	5.47%	6.29%
Reduced Income Unresolved	37.78%	25.17%				Other Reasons	0.00%	0.70%

Notes: 1. Figures quoted are percentages of all cases analysed
2. UK report available upon request

The results are recorded on the same basis for each year and split into 3 main segments as follows:-

Economic (Outside the influence of the borrower)

We record arrears cases that have been caused by Unemployment and Reduced Income, split into Resolved and Unresolved categories at the time of our Counselling. Unresolved Reduced Income is the largest contributor, with it showing a gain of over 12.6% since 2008, followed by Unresolved Unemployment at 11.5%. These categories are likely to remain at a high level through 2010 and on into 2011. It is essential that lenders work carefully with the borrowers to minimise losses.

Lifestyle (Under the direct control of the borrower)

This sector covers Over Indebtedness and Financial Mismanagement. There has been a very large reduction of 10.5% in Financial Mismanagement as borrowers have become more aware of the need to carefully manage their income and control expenditure.

Personal (Circumstances suffered by the borrower)

We have recorded arrears problems caused by Ill Health and Relationship Breakdown. Ill Health has shown a welcome reduction, alongside a small reduction for Relationship Breakdown. Negative equity and the on-going economic issues will have a major influence on these categories for several years to come.