



## **AIB statement in response to the publication of the Inter-departmental Mortgage Arrears Working Group report**

**11th October 2011**

AIB welcomes the publication of the Inter-departmental **Mortgage Arrears Working Group report** (Report) which has identified many of the key issues and challenges facing those in significant financial difficulty with their primary residence mortgage.

From an AIB perspective the vast majority of customers continue to repay their mortgage on schedule. However for those who have experienced difficulties, we have worked with them to agree a tailored solution based on an assessment of their individual circumstances. We have already dealt with over 5,000 cases under the Mortgage Arrears Resolution Process and for many customers in difficulty, the existing forbearance initiatives will allow them the time and breathing space they need.

The recommendations outlined in the Report incorporate a comprehensive response to longer term challenges faced in the area of mortgage financial distress. This Report focuses on developing solutions for borrowers in significant financial difficulty within the context of a reformed bankruptcy and insolvency legislative framework.

The solutions proposed within this Report will enable all lenders to work towards a long term solution for customers in significant financial difficulty taking account of their specific circumstances. All solutions, short term or long term, will require the co-operation of the customer working with their lender to reach a resolution of their individual situation.

AIB undertakes to work immediately to develop the solutions recommended in the Report and will be undertaking pilot programmes for some of these proposals. We will continue to take a leadership role in addressing this vitally important challenge.

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