



Mortgages

# Fixed Rate Mortgages explained

Lending criteria, terms and conditions apply. Over 18s only and Republic of Ireland residents only. Mortgaged property must be in the Republic of Ireland. Product fees may apply. Security, buildings insurance and life cover required.

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

**WARNING: IF YOU DO NOT MEET THE REPAYMENTS ON YOUR LOAN, YOUR ACCOUNT WILL GO INTO ARREARS. THIS MAY AFFECT YOUR CREDIT RATING, WHICH MAY LIMIT YOUR ABILITY TO ACCESS CREDIT IN THE FUTURE**

**WARNING: YOU MAY HAVE TO PAY CHARGES IF YOU PAY OFF A FIXED RATE MORTGAGE EARLY**

**VARIABLE RATE LOANS: THE PAYMENT RATES IN THIS HOUSING LOAN MAY BE ADJUSTED BY THE LENDER FROM TIME TO TIME**

## Our range of fixed rate mortgages

If you choose one of our fixed rate mortgages, it may make budgeting and planning ahead a little easier as the repayment amount is fixed for an initial term

- You can choose to fix your rate for 2, 4, 5, 7 or 10 years
- Our rates can vary depending on the loan to value of your mortgage
- During this period, your monthly mortgage payments will stay the same, even if interest rates go up or down
- You can make overpayments on your fixed rate mortgage. An Early Redemption Charge is due if you repay all or part of your mortgage before the end of the set fixed period, however you can make an overpayment of 10% of your outstanding fixed rate balance each year without incurring an Early Redemption Charge.

## What happens after the fixed rate period ends?

We will write to remind you your initial fixed term is coming to an end, you can choose to either:

- Let your rate switch to the follow on Variable Rate as outlined in your T&Cs. Follow on Variable Rates are not linked to the European Central Bank base rate (ECB), this means the rate can increase or decrease at any time even if there is no change in the ECB base rate.
- Choose another fixed rate mortgage for a set period of time.
- If you are currently on a Variable Rate and wish to switch your mortgage to a different product, or you just want to look at what we could offer you, you can either log in to Manage my Mortgage or contact us where you will be provided with a list of options available to you and the estimated monthly payment on each.

## Who can choose a fixed rate mortgage?

- Our fixed rates are available to both new and existing Ulster Bank mortgage customers
- They are perfect for anyone who likes to know exactly how much they need to pay each month

Important information  
about our fixed rate  
mortgages

### Early Redemption Charge

If you pay off a fixed rate mortgage before the end of the agreed fixed period or change to another interest rate before the end of the agreed fixed rate

period, an early redemption charge will be applied. This charge will be either an amount calculated using this formula or six months interest, whichever is lower:

Redeemed amount x (R - R1) x Time remaining in days until the end of the fixed rate period) divided by 360.

In this formula:

**Redeemed amount** means the estimated average loan balance between the time of the proposed repayment or interest rate conversion and the end of the relevant fixed rate period, assuming that no such repayment or interest rate conversion takes place and that all scheduled repayments of the loan are made by the borrower under the terms specified in the loan offer. Where a lump sum repayment is made, redeemed amount shall mean the amount of the lump sum repayment.

**R** means the interest rate available to the lender for funds placed in the money market on the start date of the relevant fixed rate period for the duration of the relevant fixed rate period.

**R1** means the interest rate available to the lender for funds placed in the money market on the date of the proposed early repayment, lump sum repayment or interest rate conversion for the remainder of the relevant fixed rate period. The rate applied is based on the remaining fixed rate term of the mortgage, rounded to the nearest month if less than one year or to the nearest year if greater than one year.

**Time** means the number of days from the date of early repayment, lump sum repayment or interest rate conversion to the end of the relevant fixed rate period.

Six months interest is the estimated interest that would be payable in the six months following the proposed repayment or interest rate conversion.

### Typical Example

In the example below, a customer took out a 5 year fixed mortgage at a rate of 5.00% on 1st January 2014. On 4th January 2015, the mortgage outstanding was €100,000 and the customer opts to break out of the fixed rate. The breakage cost calculation is:

Redeemed Amount = €87,832.42

R (Market rate on 1st January 2014) = 2.849%

R1 (Market rate on 4th January 2015) = 1.713%

Time = 1,457 days

Breakage Calculation = (Redeemed Amount x (R - R1) x Time) divided by 360 = (€87,832.42 x (2.849% - 1.713%) x 1,457)/360 = €4,038.22

Six Months Interest = €2,500

Therefore, in this case the customer would be charged the lesser amount of the six months interest i.e. €2,500.

When your fixed rate mortgage expires you will revert to a follow on Variable Rate or any other mortgage product that you may be offered at this time. Follow on Variable Rates are not linked to the European Central Bank (ECB) base rate or SVR, this means the rate can increase at any time even if there is no change in either of these rates.

Ready to talk to us?

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