



Comhairle Contae Fhine Gall

Fingal County Council



FINGAL COUNTY COUNCIL TENANT PURCHASE SCHEME

1995 TENANT PURCHASE SCHEME INFORMATION BOOKLET

Tenancy Services Division
Housing Department
Fingal County Council
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Blanchardstown, Dublin 15.
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RECEIPT NO: _____

REFERENCE NO: _____

DATE: _____

INFORMATION BOOKLET 1995

ARE YOU ELIGIBLE TO BUY?:

Tenants who hold a tenancy from the Council of at least one year may apply to buy their home under the Tenant Purchase Scheme. If you or your spouse has been named on the Tenancy Agreement for the house you want to buy for at least one year, you may be eligible.

If your name is not already on the Tenancy Agreement, you could apply to have your name included. This would be subject to your having been bona fide resident in the house as a member of the household of the actual tenant for at least 2 years continuously and paying rent, as well as certain other conditions. **A successful application for a Transfer of Tenancy would have to be completed before you can send in an application to buy.**

Only persons named on the Tenancy Agreement are eligible to apply to buy.

N.B. Please note it is not Council Policy to sell one-bedroom units under the Tenant Purchase Scheme.

PURCHASE PRICE:

The purchase price of the house will be its market value, less the appropriate discounts.

MARKET VALUE:

“Market Value” means the amount which in the opinion of the Council, the house, if sold on the open market in its existing state of repair and condition, might be expected to sell for. Allowances are made for improvements made by the tenant.

DISCOUNTS:

There is a discount of 3% of the market value of the house for each year the tenant holds the tenancy, subject to a maximum of 30% (i.e. maximum tenancy discount would be 10 years), and a further discount of €3,810.

The following rules will apply in deciding the length the tenancy has been held for, for the purpose of calculating the discount:-

- (a) if you have lived in another Council house, the length of tenancy in that house is taken into account, provided both periods are continuous;
- (b) a widow or widower will be allowed the continuous tenancy entitlement of the deceased spouse;

- (c) if a tenant is deceased or leaves the house, a member of his/her family may be allowed the full discount of the tenant if they had been living with the tenant for at least 2 years continuously;
- (d) each full year plus any additional period **over** 6 months will be rounded up to give the total number of years of reckonable tenancy;

The purchase price will be payable in full on completion of the sale and financed from the tenant purchaser's own resources or a mortgage loan from a financial institution (e.g. bank or building society) or Fingal County Council.

FINANCING THE PURCHASE PRICE: - BEFORE SUBMITTING YOUR APPLICATION, PLEASE CONSIDER HOW YOU WILL FINANCE THE PURCHASE, IF APPROVED.

The net purchase price of the property may be financed as follows:

- (a) from the applicant's own resources
- (b) by way of a mortgage loan from a financial institution or Fingal County Council (minimum income limits apply)
- (c) by lump sum deposit and the balance by way of mortgage loan
- (d) through the Shared Ownership Scheme (minimum income limits and other conditions apply)

The Building Society or bank will consider your loan application in the same way as an ordinary loan applicant. Credit assessment and the terms and conditions of the loan will be a matter for the lender.

Before an application for a loan can be considered by the Council, the tenant will have to produce documentary evidence that a loan has been refused by two financial institutions. The amount of the loan refused must be clearly stated.

If applicants have been unsuccessful in obtaining a mortgage loan from a financial institution to purchase their property, the following housing authority loan options may be available (Qualifications and conditions apply):

- (1) **House Purchase Loan** The maximum loan amount is €220,000, repayable over a maximum term of 30 years.

- (2) **The Shared Ownership Scheme:** The option to purchase by way of Shared Ownership will require a minimum initial purchase of 40% of the net purchase price of the house.

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

TITLE:

Houses will be disposed of in fee simple.

STRUCTURAL CONDITION OF THE PROPERTY:

No warranty by Fingal County Council will apply or be deemed to be implied as to the state of repair or condition or the fitness for human habitation of any property sold under this purchase scheme and, upon completion of the sale, all responsibility for the repair and maintenance of the property will rest with the purchaser.

STAMP DUTY:

In accordance with the Finance Act 2011, after the 1st April 2011 Local Authorities are no longer exempt from stamp duty, however, any stamp duty chargeable is set at a maximum of €100.

LEGAL AND OTHER EXPENSES:

The actual costs associated with the transfer of the property (i.e. valuation, legal, land registry) will be paid by the Council. The costs associated with the mortgage loan (i.e. valuation by lender, mortgage deed, stamp duty on mortgage deed, registration etc) must be paid by the purchaser.

REPAIRS/MAINTENANCE AFTER PURCHASE:

The maintenance and repair of the house after the sale is the responsibility of the tenant purchaser.

INSURANCE OF PROPERTY:

After the sale, the tenant purchaser must keep the house insured against fire and flood for the period of the repayments. **Tenant purchasers are advised to insure the house contents also.**

MORTGAGE PROTECTION:

In the case of mortgages provided by Fingal County Council (i.e. House Purchase Loan or Share Ownership Scheme), mortgage protection is repayable with normal monthly payments, subject to certain conditions.

SPECIAL CONDITIONS:

The following conditions will apply to the house for the period of the mortgage from the date of completion of the sale, i.e. the date of transfer or, in the case of a shared ownership transaction, for the duration of the shared ownership lease.

- (1) the property shall, unless the housing authority otherwise allow, be occupied as a normal place of residence by the purchaser or the purchaser's successor in title or by a member of the purchaser's family or the family of the successor in title and,
- (2) the property or any part thereof shall not, without the consent of the housing authority, be mortgaged, charged or alienated otherwise than by devise or operation of law.

In the event of a breach of these conditions, the authority may recover possession of the property in accordance with Section 107 of the Housing Act, 1966, as amended by the Housing (Miscellaneous Provisions) act 2009.

RE-SALE OF SALES SCHEME HOUSES:

The County Council reserves the right to refuse to give consent to a re-sale if they are of the opinion that the intending purchasers are not persons in need of housing, or that the intended sale would, if completed, leave the vendors or their dependants without adequate housing.

APPROVAL OF APPLICATIONS TO PURCHASE:

Every tenant whose application to purchase has been approved in principle will be issued with a letter of approval which he/she will produce to a commercial institution when applying for a loan. Where a tenant is unable to obtain a loan from a Building Society or a Bank and produces documentary evidence that he/she has been refused a specific loan amount by these agencies, an application for a loan may be considered by the Council. Terms and conditions apply.

POINTS TO NOTE:

- The submission of an application by a tenant is subject to the terms and conditions of the Scheme.
- There is no onus on the Council to approve the application.
- Tenants must continue to pay rent up to the date of the sale of the house to them. Where the rent account is not up to date, the application will not be considered.

Application forms may be returned to:

Postal Address:

**TENANCY SERVICES DIVISION
HOUSING DEPARTMENT
FINGAL COUNTY COUNCIL
GROVE ROAD
BLANCHARDSTOWN
DUBLIN 15**

