

Affordable Purchase Scheme Guide

*Love where
you live*

Glenveagh
Home of the new.





INTRODUCTION

Welcome to the Glenveagh Affordable Purchase Scheme Guide, taking you step-by-step through the home-purchasing journey, when you apply via the Local Authority* Affordable Purchase Scheme.

At Glenveagh, we know that the home-buying process may seem a little daunting at first, but with the right information, it may be easier than you think to buy your new home using the Affordable Purchase Scheme. This guide will provide you with the details you need, from information on additional Government schemes that can help along the way to applying for mortgage approval.

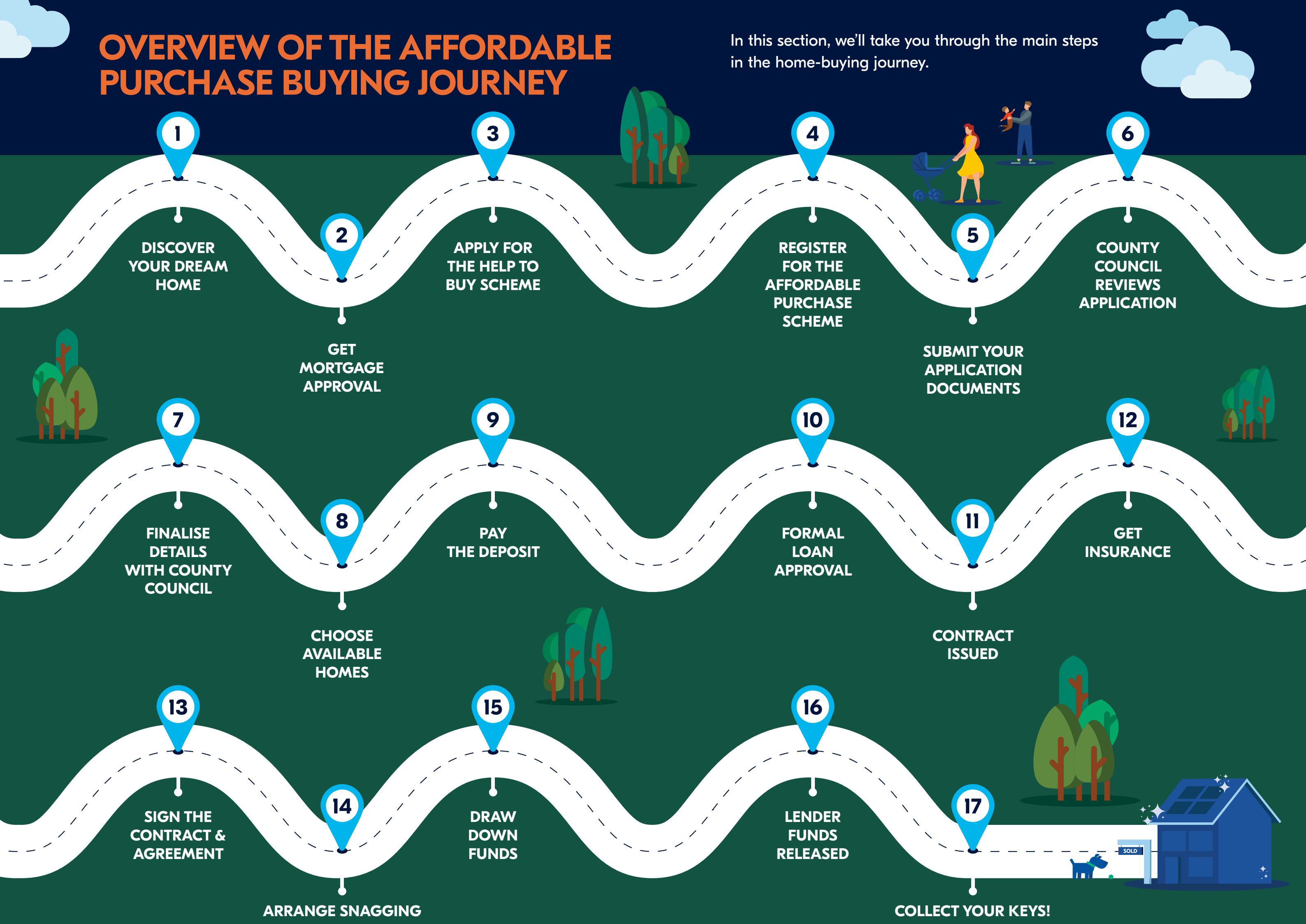
Let's start by looking at our easy to use step-by-step guide showing you each stage in the affordable purchase process. We'll also give you the run down on the Affordable Purchase Scheme and Help To Buy schemes to see how they may help you buy your dream home!

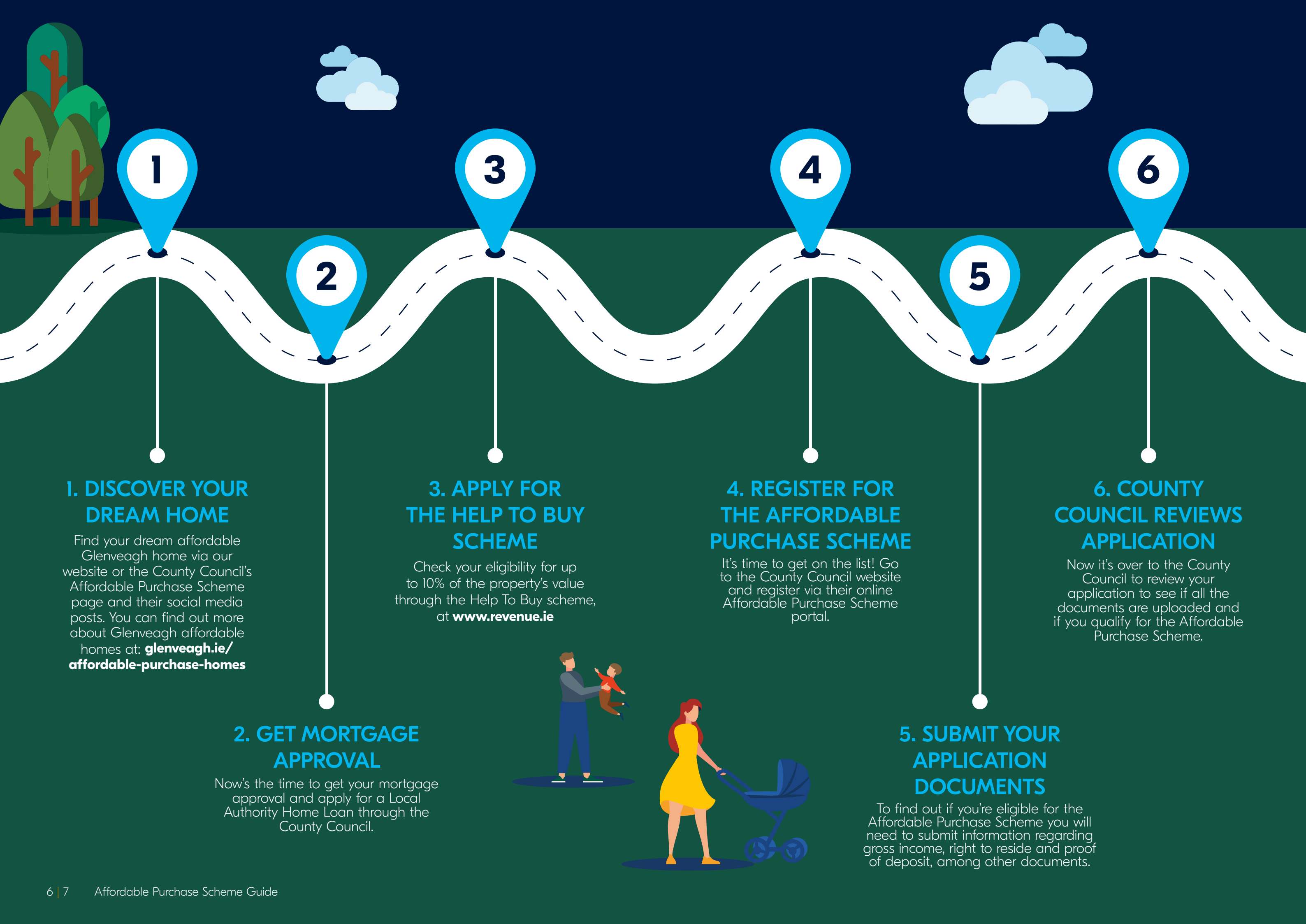
*Local authority is usually a City or County Council

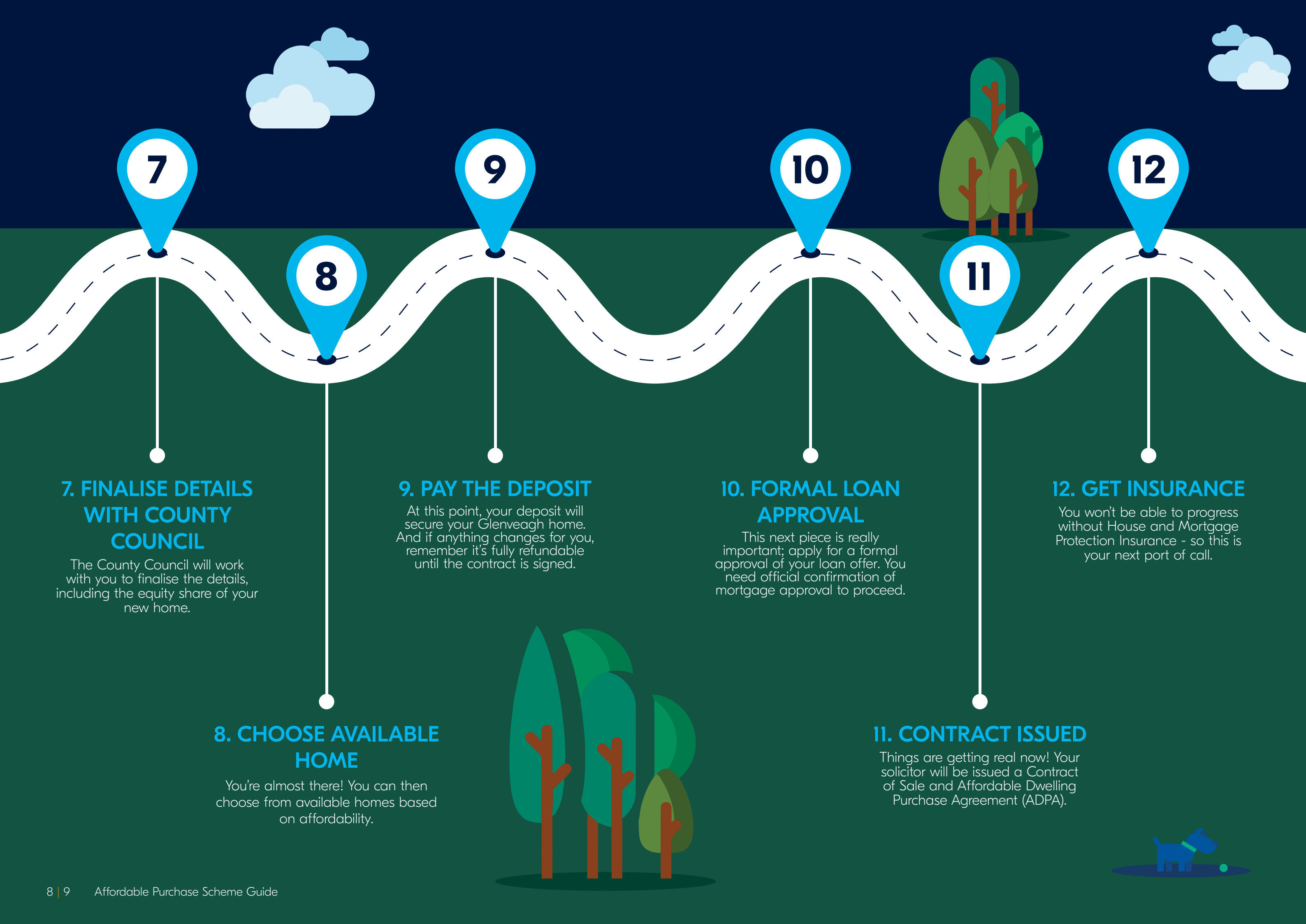
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OVERVIEW OF THE AFFORDABLE PURCHASE BUYING JOURNEY

In this section, we'll take you through the main steps in the home-buying journey.







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7. FINALISE DETAILS WITH COUNTY COUNCIL

The County Council will work with you to finalise the details, including the equity share of your new home.

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8. CHOOSE AVAILABLE HOME

You're almost there! You can then choose from available homes based on affordability.

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9. PAY THE DEPOSIT

At this point, your deposit will secure your Glenveagh home. And if anything changes for you, remember it's fully refundable until the contract is signed.

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10. FORMAL LOAN APPROVAL

This next piece is really important; apply for a formal approval of your loan offer. You need official confirmation of mortgage approval to proceed.

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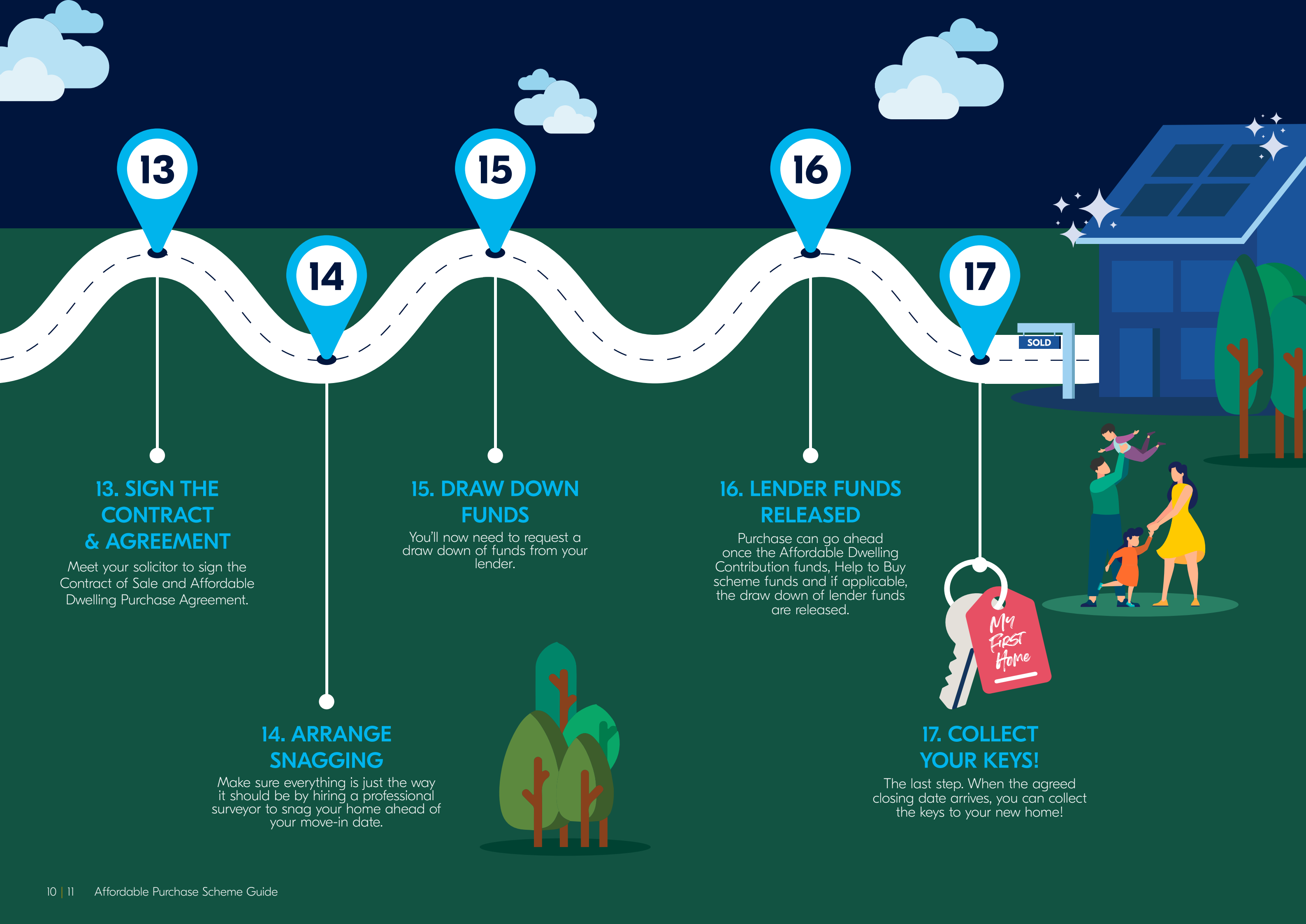
11. CONTRACT ISSUED

Things are getting real now! Your solicitor will be issued a Contract of Sale and Affordable Dwelling Purchase Agreement (ADPA).

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12. GET INSURANCE

You won't be able to progress without House and Mortgage Protection Insurance - so this is your next port of call.



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13. SIGN THE CONTRACT & AGREEMENT

Meet your solicitor to sign the Contract of Sale and Affordable Dwelling Purchase Agreement.

14

14. ARRANGE SNAGGING

Make sure everything is just the way it should be by hiring a professional surveyor to snag your home ahead of your move-in date.

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15. DRAW DOWN FUNDS

You'll now need to request a draw down of funds from your lender.

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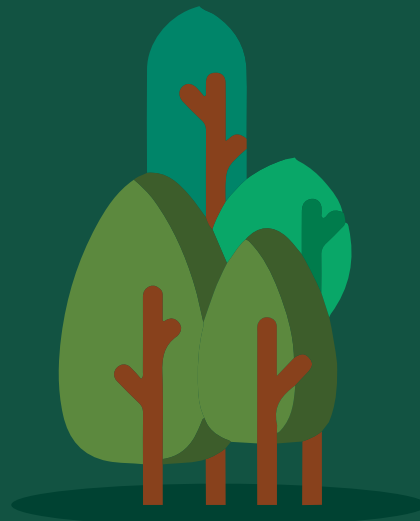
16. LENDER FUNDS RELEASED

Purchase can go ahead once the Affordable Dwelling Contribution funds, Help to Buy scheme funds and if applicable, the draw down of lender funds are released.

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17. COLLECT YOUR KEYS!

The last step. When the agreed closing date arrives, you can collect the keys to your new home!



GOVERNMENT SCHEMES AVAILABLE



LOCAL AUTHORITY AFFORDABLE PURCHASE SCHEME

Through the Affordable Purchase Scheme, the Local Authority makes a contribution towards the cost of your new affordable home in exchange for a share in it. The local authority may provide between 5% and 40% of the cost of your home, in return for the same percentage of equity. The specific percentage equity provided is determined by each individual local authority. You can “buy out” the local authority share at any stage, but you must do so within 40 years.



How Do I Apply?

The Local Authority will advertise the development on their website. You need to gather documents like a letter confirming you qualify for a mortgage, bank statements, proof of salary and proof that you will have the deposit. Once you have all the documents, you simply upload them as part of your application.

Am I Eligible?

The Local Authority Affordable Purchase Scheme is designed for first-time buyers and to be eligible there are a number of requirements:

- You must be over 18 years of age
- You are a First-Time Buyer or qualify under the Fresh Start principle
- Your buying power must not be more than 95% of the price of the home
- You have a minimum deposit of 10% of the purchase price
- You have a right to reside indefinitely in the Republic of Ireland
- The affordable home will be your main residence.

How Do I Calculate My Purchasing Power?

Your Purchasing Power is calculated from three parts and determines how much you have to pay for your new home.

The first part of your Purchasing Power is your mortgage capacity, which is usually calculated based on four times the total household income. The second part is the 10% deposit needed to purchase the home. While the final part is made up of any relevant savings that you may have.

Your purchasing power will affect both how much you pay for your home, and how much equity the local authority will have in it.



How Do I Calculate My Income Limit?

Income limits are different for every home, and they are based on each home's open market value. As a rule of thumb, the income limit is **85.5%** of the open market value of the home, divided by four.

For example, John and Mary want to buy a home for **€400,000**.

85.5% of **€400,000** is **€342,000**.

€342,000 divided by four is **€85,500**.

This means John and Mary's income limit is **€85,500**.

Exceptions may apply, so be sure to check out your local authority website or visit www.affordablehomes.ie to see if you are eligible for a higher income limit.



TIPS FOR APPLYING

Once you have all your documents together, applying online for the Local Authority Affordable Purchase Scheme is straightforward. We've a few tips on getting one step closer to your new affordable home.

Mortgage Approval

Look into how to get approved for a mortgage. Mortgage lenders and mortgage brokers will be more than happy to talk you through the process. A letter of Mortgage Approval in Principle confirms the amount you could be able to borrow for your new home; you will need this to apply for the scheme.

Help To Buy scheme

Did you know that you may be eligible to avail of the Help to Buy scheme in conjunction with the Affordable Purchase scheme? Find out more in our Help To Buy section.

Income Details

You will probably have most of your income information already if you have applied for mortgage approval. You will need a tax cert and also a salary cert that you give to your employer to complete. If you're self-employed you'll need your accounts and tax payment receipt. The information needed should be easily available.

Your Own Checklist

It's advisable to make a checklist of all the documents and information you need. These will include:

- Your full name, date of birth and PPS Number
- Confirmation that you are a first-time buyer (or Fresh Start applicant)
- Proof of income
- Proof of right to reside in the Republic of Ireland
- Evidence of your savings and/or deposit
- A Mortgage Approval in Principle letter stating the maximum mortgage available to you may be required as part of the process
- Confirmation of eligibility for the Help To Buy scheme, if applicable.



The Help To Buy scheme helps with your home deposit, and it can also be used in conjunction with the Affordable Purchase Scheme.

HELP TO BUY SCHEME

The Help to Buy scheme is designed to help first-time buyers overcome the hurdle of getting their deposit together. The Help to Buy scheme is a tax rebate scheme tailored to first-time buyers that will help you cover the deposit needed for a newly built house or apartment. The amount that you can claim is up to €30,000 or 10% of the property value (whichever is less) and depends on how much Income Tax and Deposit Interest Retention Tax (DIRT) you have paid. The Help To Buy scheme cannot be used to purchase previously owned or second-hand homes.



Help To Buy Scheme Eligibility Criteria

- You must be tax-compliant;
- Your mortgage, plus the equity share taken by the local authority must be at least 70% of the market value of the property;
- You must live in the property as your main home for at least 5 years;
- The property value must be €500,000 or less;
- Only newly constructed or self-built homes and apartments are applicable.

HERE'S HOW THE AFFORDABLE PURCHASE SCHEME COULD WORK FOR YOU

The Affordable Purchase Scheme can help you get the keys to your new Glenveagh home. Let's look at an example of how the scheme could work for you.

| | |
|---|----------|
| Open Market Value | €430,000 |
| Local Authority Contribution (The Affordable Purchase Scheme) <small>*This equates to a 30% Equity Share</small> | €127,758 |
| Minimum Sale Price | €302,242 |
| Deposit Required | €30,242 |

Deposit Breakdown

*Claim up to €30,000 using Help To Buy Scheme & add €242 from personal savings

| | |
|--|----------|
| Mortgage Required | €272,000 |
| Typical Gross Household Income | €68,000 |
| Monthly Mortgage Repayments <small>*Based on 3.8% interest rate</small> | €1,055 |

All figures are for illustrative purposes only.
*T&Cs apply when using the Help to Buy scheme. Find out more at <https://www.revenue.ie/en/property/help-to-buy-incentive/index.aspx>
**Income to be assessed by the Council and exceptions apply.



THE MORTGAGE APPLICATION PROCESS

How To Determine How Much You Can Borrow

When applying for a mortgage, you can borrow up to 4 times your current annual income (according to Central Bank of Ireland guidelines). In some cases, the lender has some leeway to provide up to 20% more if your property will be your primary dwelling, however, it is best to stick to the 4X rule.

The Current Lending Limits And Exemptions

In Ireland, mortgages can cover a maximum of 90% of the property value, meaning that buyers will need a deposit of at least 10% of the price of the home. This is referred to as the loan-to-value limit (LTV).

What Are Some Things To Keep In Mind Before Applying?

Note that other loans (like the one you took out for your last holiday!) will also affect how much you can borrow for your home. Paying these down as quickly as possible will ensure you can access the maximum house mortgage.



What Documents Do You Need To Apply For A Mortgage?

When you're applying for a mortgage, the lender needs to ensure that you're in a position to make consistent repayments. Therefore, you will need to provide a series of documents that prove you are financially stable with a steady income.

If you are an employee in a company and pay your taxes through the PAYE scheme, you'll need to provide:

1. **Payslips** from the last three months as proof of income;
2. **Bank account statements** from the last six months to reflect your spending habits;
3. **A stamped and signed Salary Certificate** from your employer which confirms your permanent employment and basic salary.

If you're a self-employed, you'll need to provide:

1. **Certified and audited accounts** from the last two years;
2. **Business bank account statements** from the last six months;
3. **Proof that your taxes are paid** with a Charges and Payments Statement from Revenue, or a letter from your auditor stating that your taxes are in order.

Lenders must confirm your level of debt. For this reason, they'll take a look at:

1. Your credit card statements;
2. Your loan statements.



CHOOSING YOUR NEW HOME



YOUR NEW HOME

One of the great things about the Affordable Purchase Scheme is that it provides you with more options, like buying a newly built Glenveagh home in a thriving community. Our A-rated homes are built using modern construction techniques and efficient technologies and are designed for contemporary living. We are proud to support the Affordable Purchase Scheme, which helps eligible buyers get on the property ladder; it could assist you in getting the keys to your new home!

YOUR NEW COMMUNITY

When you move into a Glenveagh home, you're also becoming part of a thriving community. At Glenveagh, we don't just build homes, we build lasting communities. Our vision is to foster flourishing communities by enriching the lives of its residents and the environment that surrounds them through a number of locally-backed initiatives.

We support countless initiatives throughout every community we build, from sponsorships of local sports teams and providing recreational areas, green spaces, playgrounds, and cycle tracks for residents, to charitable supports that make a difference in our wider communities. We're proud to support over 1,000 community initiatives across Ireland!





A-Rated Homes

When choosing your new home, it's important to take into account how energy efficient it will be. All Glenveagh homes are A-rated and incorporate sustainable and renewable technology, resulting in lower energy costs. There is also a high level of insulation incorporated in floors, walls and roofs. All our homes are constructed to provide a high level of airtightness in order to retain heat.

Design and Quality

When you buy a Glenveagh home under the Affordable Purchase Scheme, you're choosing beautiful design and quality finishes, built to a standard that you can trust.



Style and Efficiency

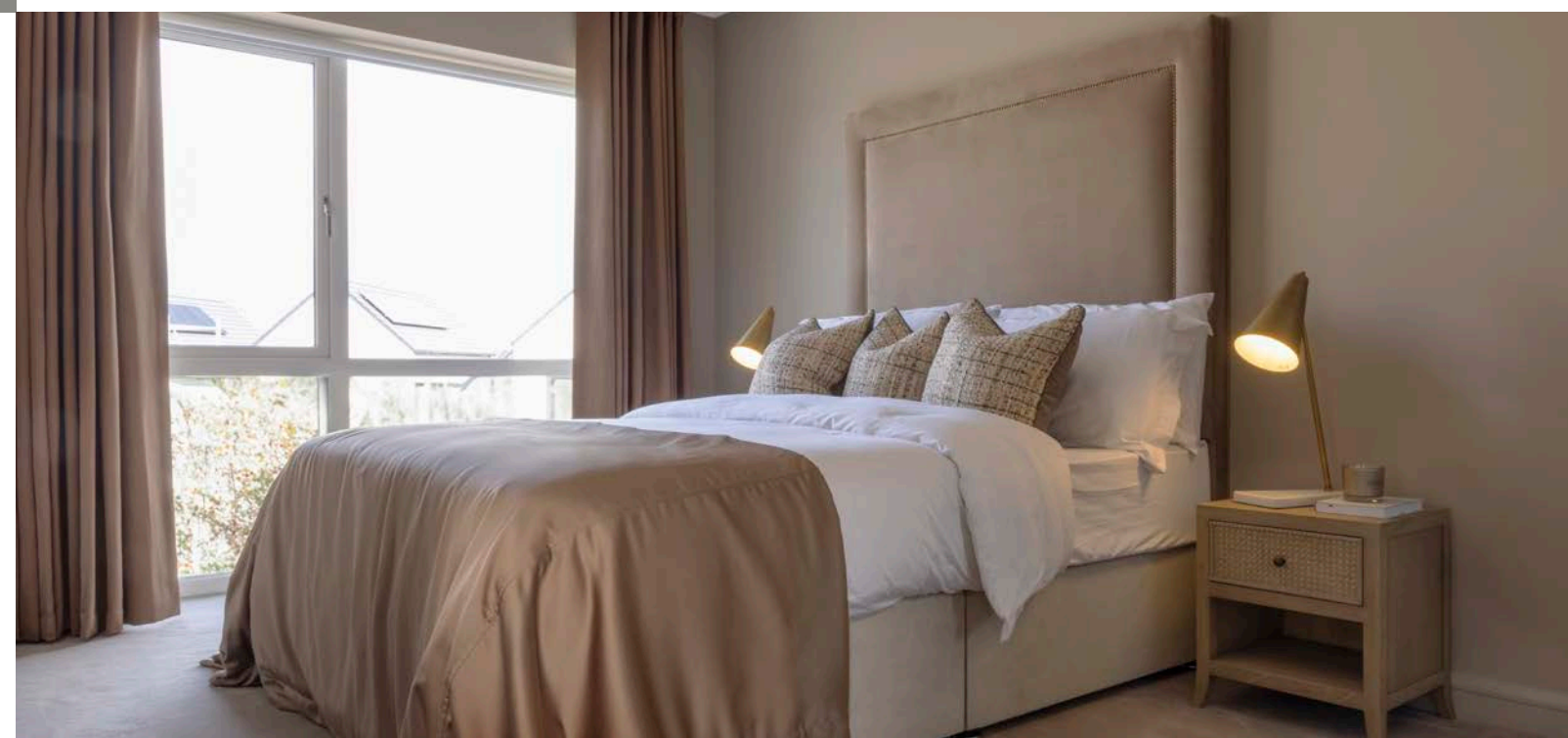
Affordable Purchase homes that are built by Glenveagh are designed with family living in mind, with spacious living areas and generous kitchens. Whether you want space for the kids to play, a place to work from or more room to entertain friends, our homes offer all the flexibility you need.

Contemporary Design

Choosing an Affordable Purchase Scheme home that is built by Glenveagh, gives you the guarantee of great design. Your new home will come with a fitted kitchen ready for appliances and a living area perfect for how we live today. Our designers factor in real furniture sizes into each home's layout to make furnishing your home an easy process.

Quality Finishes

A Glenveagh-built home is one where every detail has been carefully thought through. Homes constructed by Glenveagh that are available via the Affordable Purchase Scheme are handed over to owners fully painted and with quality joinery throughout. Whether it's a bright living area or a carefully designed bedroom, attention to detail and quality are central to the creation of our homes.



ADDITIONAL COSTS WHEN BUYING A HOME

Buying your first home is one of the most exciting things you'll do in your life, but there are some additional costs you need to be aware of. It's important to factor in these costs from the very start to ensure that you're less likely to bust your budget because of unexpected fees.



ESTIMATED EXPENSES FOR A NEW BUILD PROPERTY

| | |
|-------------------------------|---|
| Property Valuation Fee | From €150 to €200 |
| Snagging Fees | From €200 to €250 |
| Mortgage Protection Insurance | On average between €20-€40 per month |
| Home Insurance | From €450 to €650 per year (For duplexes and apartments this is included in the management fees) |
| Legal/Solicitor's Fees | From €1,500 + VAT (= €1,845) |
| Land Registry Fee | From €400 to €800 |
| Stamp Duty | 1% of the property value up to €1m |
| Local Property Tax (LPT) | Annual payment which varies according to valuation bands set by the Revenue |

For more information visit our
First-Time Buyers Hub:



BENEFITS OF BUYING WITH GLENVEAGH

All Glenveagh homes are built using modern methods of construction that benefit you and the environment. We are changing the game, bringing groundbreaking technologies to build Ireland's homes of tomorrow.

What Do Our Homes Look Like?

Our homes are designed for contemporary living, with carefully designed living areas and modern kitchens. We incorporate sustainable and renewable energy to reduce the carbon footprint of your home and also reduce your energy costs. Developments in solar technology will mean that your home can generate its own energy, and in the future even contribute back to the national grid!

Why Is An Airtight Home A Better Choice?

Efficiency and sustainability aren't simply about generating heat or the energy you use in your home; it's about retaining it and keeping it in. Your home is completely wrapped using the very latest underfloor, wall and attic insulation technology, making it airtight so there's no air leakage. Glenveagh homes use sophisticated ventilation systems to remove condensation and contaminants to ensure a better quality of air throughout.

Energy Efficiency

All of our homes are A-rated on the BER scale, and a big contributor to this is the Air to Water heat pump. A heat pump costs a lot less to run compared to gas or oil and is a far more efficient way to heat your home. Not to mention it is also more environmentally friendly, as it reduces your carbon emissions massively (producing zero CO₂ on site).

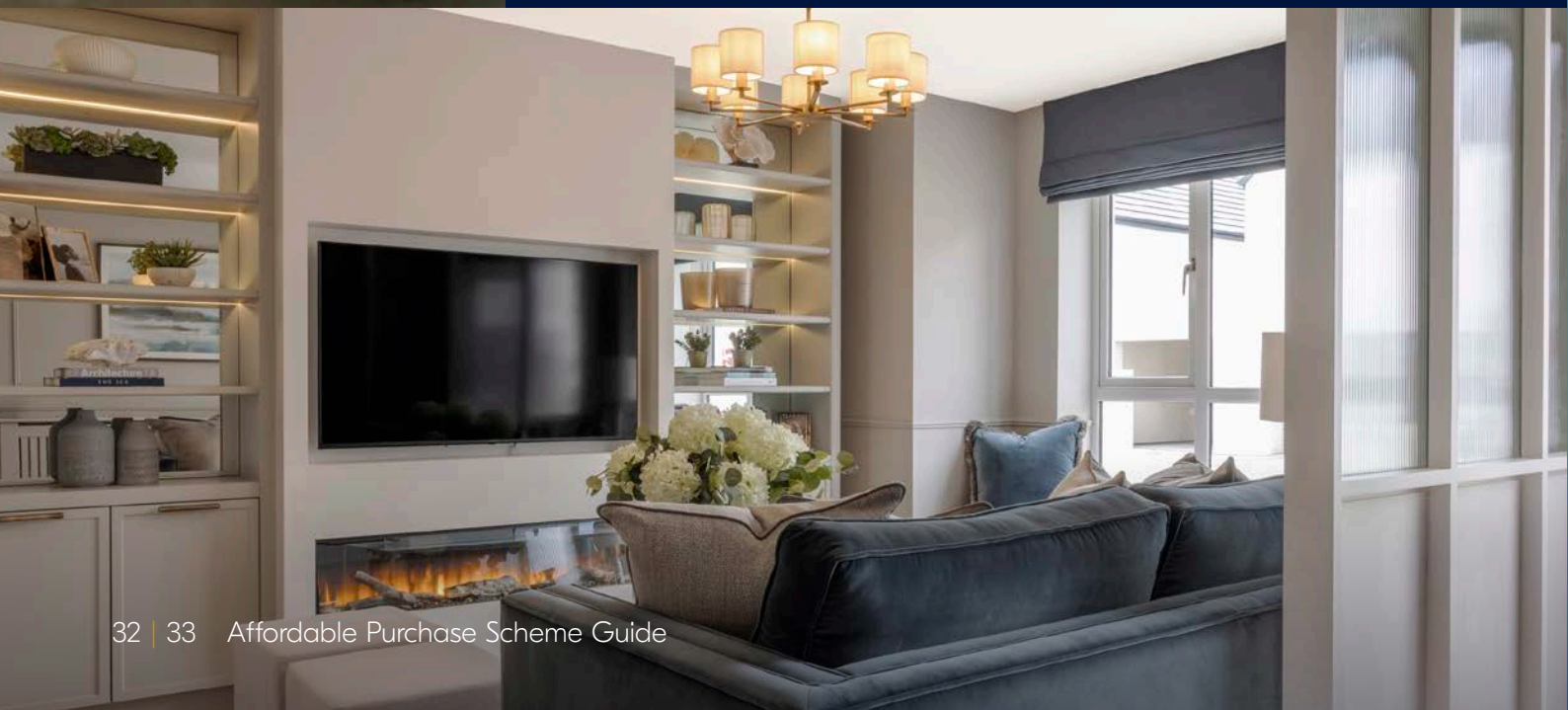
Pre-Wiring For Electric Vehicles

Even if your current car isn't an electric or hybrid model, you may decide to switch in the future. That's why provisions for the installation of an electric vehicle charge point are made where applicable, so your home is ready when you make the move to electric driving.

Guarantee

Each Glenveagh home is covered by a 10 year structural guarantee.





Solar Pv Panels Make A Big Difference

The latest solar panel technology can make a big difference to your home. Not simply in terms of sustainability but in cost savings too. By capturing natural light from the sun, photovoltaic panels on the roof of your home offer an environmentally friendly way to power your TV, kettle or toaster or electric vehicle!

Committed Customer Care Team

We always strive to provide the highest level of customer service. We are dedicated to helping you before, during and after your move into your new home, to ensure that all your needs are met,

All of our homes are covered by various warranties ranging from 6 to 18 months, depending on whether they cover major or minor issues. Caring for our customers is central to what we do and we take pride in providing all our new home owners with quality care throughout the home-buying and moving in process.

Building Lasting Communities

At Glenveagh, we don't just build homes, we build lasting communities. Our vision is to foster flourishing communities in Ireland by enriching the lives of our residents and the environment that surrounds them through a number of locally-backed initiatives.



A man with a beard and a woman are in a home. The man is holding a set of keys and looking at them with a smile. The woman is covering her eyes with her hand and laughing. The background shows a doorway and some furniture.

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you live*

To find out more about the affordable purchase process
and upcoming Glenveagh homes available under the
Affordable Purchase Scheme visit:

glenveagh.ie/affordable-purchase-homes



Love WHERE
you live

Discover our full range of communities at:

glenveagh.ie