

Affordable Purchase Scheme

**An Easy-to-Read Guide
to the Affordable Purchase Scheme**





This is an Easy-to-Read guide to the Affordable Purchase Scheme.

What is in this document?



1. What is the affordable purchase scheme?



2. Who is the affordable purchase scheme for?



3. Rules when applying for the affordable purchase scheme.



4. Rules for your household to get the affordable purchase scheme?



5. How do you apply for the affordable purchase scheme?



6. What information will you need to apply?



7. How does my application get looked at?



8. What are the next steps if you are approved for an affordable purchase home?



9. More information.



1. What is the affordable purchase scheme?



The affordable purchase scheme helps people buy a new home at a lower price.



These are called affordable purchase homes.



Local authorities will tell people about affordable purchase homes in their area.



The affordable purchase scheme aims to help people afford homes in areas where the cost of homes can be very high.



The local authority will pay for some of the home so you pay a lower price.



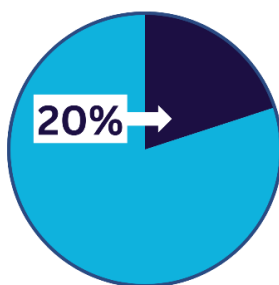
Local authorities can also be called county councils.

The local authority will pay a percentage of the cost of the home so you can pay a more affordable price.



It will pay the difference between the market value and the amount you pay.

In return the local authority will have an equity share in your home.



For example, if the local authority pays for 20% of the cost of your home, then they will hold 20% of an equity share.

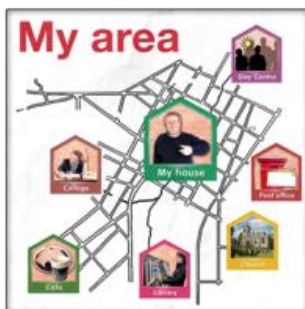
An equity share is a sum of money that has been used to help buy your home.

You can buy back this equity from the local authority.



You do not need to do this unless you sell the home.

If you have not paid it off before you die the local authority will claim their portion from your estate.



Your local authority has to provide public services in your area such as water and housing.

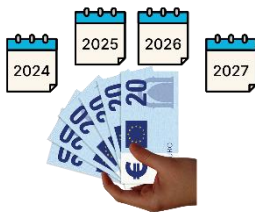
You may need a mortgage to cover the rest of the money needed to buy the home.



You can apply for a mortgage from a bank or another lender such as a credit union.



A mortgage is an amount of money that you borrow from a bank or lender to help you buy a home, like a house or an apartment.



You pay the money back over a number of years.



2. Who is the affordable purchase scheme for?



The affordable purchase scheme is for people who need money to help pay for a home.

You must be a First Time Buyer or a Fresh Start applicant.



An applicant is someone who is applying for something, for example, you are an applicant if you apply for the affordable purchase scheme.

First time Buyer:



This means that you have never bought or built a home:

- in Ireland
- in another country



- on your own or
- with someone else.



Fresh Start Applicants:

You could apply for the affordable purchase scheme under the Fresh Start Principle if you:

- Owned a home in the past with someone, **and**

you have divorced or separated, and you no longer have a financial interest in the home.



- **Or** you owned a home but no longer have financial interest in this home because you went bankrupt.



Bankrupt means that you could not pay back money you owed in the past and the bank took back your home to sell it.



- **Or** you own, or owned a home in the past but it is no longer suitable for you or your family to live in.



If you get the Fresh Start Principle you will be treated like a First Time Buyer.



3. Rules when applying for the affordable purchase scheme.

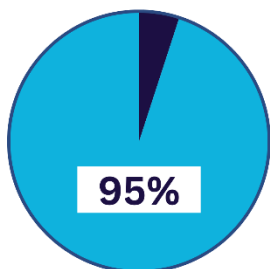
To qualify for an affordable purchase home, you must:



- Show that you are able to pay the minimum purchase price of the home you wish to buy.



This might be made up of the mortgage amount you can get from a bank or lender + your deposit + savings.



If your mortgage, deposit and savings is more than 95% of the open market value of the home, you will not be able to get help from the scheme.



- You are over 18.
- Plan to live in the home.



- Have a legal right to live and work in Ireland.



4. Rules for your household to get the affordable purchase scheme?



There is a maximum amount your household income can be.

Household income is the sum of the incomes of the people applying for the home.



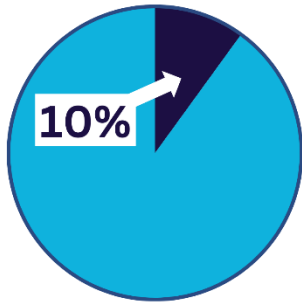
You can ask the local authority housing officer to work out the maximum amount your household income can be to get the scheme.

Deposit



You must have saved a deposit.

A deposit is the amount of money you pay up front when buying the home.



You will need 10% of the price of the home to pay your deposit.



5. How do you apply for the affordable purchase scheme?

Your local authority will say how to apply for affordable homes on their website.



Local authorities tell the public about homes available through the affordable purchase scheme in their local newspaper.



Some homes appear on the Affordable Home website, you should check this regularly.



You can type in this web address to view them:

<http://affordablehomes.ie/buy/properties/>

To apply you will have to send in the right documents the local authority asks for.



We have listed the documents you will have to send in with your application in the next section.



The local authority will then look at your documents and application.



6. What information will you need to apply?

You will need to fill in an application form.



You can find out more information on the application form through the local authority ads of affordable purchase homes.



You will need to give documents to prove:

- your name

- your date of birth



- your address



- your Personal Public Service Number
(This is also called your PPSN)



- your finances (like bank statements)
- details about your income.



- proof that you are allowed to live and work in Ireland.



- a letter from a bank showing the highest amount of money you are allowed to borrow to buy a home.



- if you were approved for the Help-to-Buy scheme, you will need to give a letter showing it.



- that you are a first-time buyer or a fresh start applicant.



Savings

You must show that you have savings for your deposit.

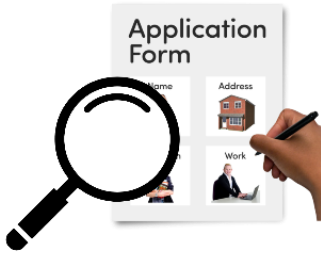
You can show:



- bank statements,
- post office savings,
- credit union savings or
- a similar document



You can ask your local authority to tell you about all of the documents you will need to apply.



7. How does your application get looked at?



The local authority will assess your application and the information you have given to see if you qualify for the affordable purchase scheme.



If you are offered a property it will be done based on the order of the date and time of your application and if the house is suitable for you.



The local authority will then work out how much money they will give to help with the purchase of the home based on how much you can afford to pay.



After this, you may be contacted by the local authority and you will have to pay a deposit and confirm some legal details.



8. What are the next steps if you are offered an affordable purchase home?

If you are offered a home you will have to:



- Apply for approval of a loan offer to get the funds to buy your share of the affordable purchase home.
- Get Mortgage Protection Insurance.



You must pay this insurance so that if anything happens you, your family can continue to live in the home and the mortgage may be paid by the insurance.



- Sign your name on a contract of sale and an affordable dwelling purchase agreement.

You will get to view the home to see if it needs any finishing touches.



- Contact the bank providing the mortgage to give you the funds to buy the home.



After these steps the local authority will add their funds to buying the home.

The home can then be bought with the mortgage and local authority contribution.



The sale is then made final and can't be changed. This means you can collect your keys to move into the affordable purchase home.

9. More information.



For more information on anything in this guide contact your local authority.



Some useful websites:

[Local Authorities \(www.gov.ie\)](http://www.gov.ie)

[Housing - CCPC Consumers](http://www.citizensinformation.ie)

www.citizensinformation.ie

www.housingagency.ie

<https://affordablehomes.ie>



An Ghníomhaireacht
Tithíochta
The Housing Agency

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