



Comhairle Contae Chill Dara

Kildare County Council

FREQUENTLY ASKED QUESTIONS – AFFORDABLE HOUSING PURCHASE SCHEME

What is the Affordable Homes Scheme?

Under the 'Local Authority Affordable Purchase Scheme', Kildare County Council is making new homes available for purchase by eligible applicants at reduced prices. In return, Kildare County Council will take a percentage equity stake in the Affordable Purchase home. The Council's equity stake will be equal to the discount of the purchase price from the full market value of the home. For example, if an eligible applicant purchases a home at a 20% discount, Kildare County Council will take a 20% equity interest in the home.

How does the Scheme work?

The main points of the Scheme are as follows:

- The Scheme is for first time buyers (along with some exceptions) who cannot afford to purchase a home at market value.
- The Scheme applies to specific new-build houses and apartments.
- To participate in the Scheme, applicants will be required to maximise their mortgage drawdown capacity (four times a household income), from a participating bank, or Local Authority Home Loan.
- The maximum financial support available on each home will be established by Kildare County Council.
- All purchasers must sign up to an 'Affordable Dwelling Purchase Arrangement' with Kildare County Council. Under this arrangement the Council will take a percentage equity share in the dwelling, equal to the difference between the market value of the dwelling and the price paid by the purchaser, expressed as a percentage of the market value of the dwelling.
- The equity share required will not be less than 5% of the market value of the dwelling.
- The Council may not seek realisation of its affordable dwelling equity for a 40-year period (other than for breach of the agreement). However, the purchaser may choose to redeem or buy out the affordable dwelling equity at any time by means of one or a series of payments to the Council.
- If the purchaser chooses not to redeem the equity share while living in the home, the local authority can do so when the property is sold or transferred, or after the death of the owner.

Where can I buy an Affordable Home?

Affordable homes will be made available for sale by Kildare County Council, under affordable dwelling purchase arrangements under the Affordable Housing Act 2021 and associated Regulations. Details of specific schemes will be advertised in advance of the open date for applications.

When will the properties be available?

Details of specific schemes will be advertised by Kildare County Council on our website and in a local newspaper in advance of the open date for applications.

Am I eligible for this Scheme?

In order to be eligible to apply for Affordable Housing, applicants must satisfy the following criteria;

- Each applicant must be a First-Time Buyer or meet the exceptions under the Fresh Start Principle or own a dwelling which, because of its size, is not suited to the current accommodation needs of the applicant's household.
- Each person included in the application must have the right to reside indefinitely in the State.
- The affordable home must be the household's normal place of residence.
- Applicants' purchasing power must not exceed 95% of the market value of the property.

How do I prove that I am a First Time Buyer?

By self-declaration and/or Revenue Help to Buy approval obtained from the Revenue Commissioners is alternative documentary proof.

Are there exceptions to the First Time Buyer requirement?

The Fresh Start principle applies for applications to State affordable housing and loan schemes. This means that the following categories of persons are eligible to apply for the Local Authority Affordable Purchase Scheme:

- Applicant(s) who previously purchased or built a residential property but is divorced/separated or otherwise and has left the property and divested themselves of their interest in the property are eligible. Where a couple was in a relationship but not married, and the relationship has ended, the Fresh Start Principle can apply.
- Applicant(s) who previously purchased a residential property but has been divested of this through insolvency or bankruptcy proceedings, are eligible to apply. However, a separate assessment of creditworthiness will be conducted by the underwriters.

A further exception may apply in the case of an applicant who owns a dwelling which, because of its size, is not suited to the current accommodation needs of the applicant's household.

How do I apply for the Scheme?

The application process will be via an online platform. The system will allow for input of all relevant data and uploading of all supporting documentation.

It should be noted that only complete applications will be allocated a number and considered a valid application.

What information is needed to support my application?

In the online application process, applicants will have to submit a fully completed application form with all declarations completed and submit the following:

- Photographic Identification: Any one of the following documents:
 - Current Valid Signed Passport
 - Current Valid Passport Card
 - Current Valid Public Service Card
 - Current Valid EU/EEA Driving Licence – must contain photograph (Irish Provisional Licence accepted)
 - Current EU National Identity Card
- Proof of Address: Any one of the following documents:
 - Utility Bill e.g., landline telephone (not mobile), gas, electricity, heating, oil, waste collection (where a utility bill is a first bill, a second form of address verification is required)
 - Correspondence from a Regulated Financial Institution operating in the Republic of Ireland (Insurance / Assurance Co., Bank, Building Society, Credit Union, Credit Card Company)
 - Correspondence from a Government Department / Body
- Proof of Residency in the Republic of Ireland: Any one of the following documents:
 - Summary (P60)
 - Statement of Payments/Benefits from Dept. of Social Protection
 - Tenancy agreement if you are renting
 - Bank statements for at least 3 months showing day-to-day transactions or Direct Debits for utility bills
 - An employment letter from your current employer, which includes your name, address and date you commenced work
- Proof of Right to Reside in Ireland:
 - GNI Stamp 4
- Proof of income: PAYE employees:
 - Salary Certificate, Employment Detail Summary, and payslips (3 if paid monthly, 6 if paid fortnightly and 12 if paid weekly)
- Proof of income: Self-Employed: Documents for previous 2 years:
 - Audited/Certified Accounts, Tax Balancing Statement and Tax Payment Receipt
- Proof of income: Social Welfare Income:
 - Documentary evidence of all social insurance and social assistance payments, allowances and pensions being received by members of the household.

As income of household members over 18 is also included in the assessment for qualification, evidence of payments to these household members is also needed.

- Proof of Residency in Kildare for the last 5 years for applicants to qualify under the 30% Residency Rule:
Utility bills (gas, electricity, landline telephone (not mobile))
Bank statements/credit union statements
Documents issued by government department that shows your address
Statements of Liability P21 from Revenue dated for EACH of the last 5 years
- Proof of Present Address dated within the last 3 months: Any one of the following documents: Current utility bill (gas, electricity, landline telephone (not mobile))
Bank statement/credit union statement
Document issued by government department that shows your address
Statement of Liability P21 from Revenue
- Proof of PPSN/Tax Registration Number: Any one of the following documents:
Statement of Liability P21
Tax Assessment
Notice of Credits from Revenue
Letter from Revenue Commissioners addressed to you showing PPSN, employee details from Revenue
Receipt for social welfare payment
Letter from Department of Employment Affairs and Social Protection addressed to you showing your PPSN
Medical Card
Drug Payment Scheme Card
Payslip
P45
- Evidence of savings/deposit: Statements dated within 3 months
- Evidence of first-time buyers' status: Self declaration
- If not a first time buyer: Evidence of qualification under the Fresh Start Principle:
<https://localauthorityhomeloan.ie/about/>

Or

Evidence that the applicant owns a dwelling which, because of its size, is not suited to the current accommodation needs of the applicant's household.

- Confirmation of eligibility for Help to Buy Scheme: Note that applicants are considered first-time-buyers only if BOTH are buying their home for the first time

myAccount PAYE applicants:

Print out from Revenue portal confirming names of applicant(s) and maximum entitlement under the scheme.

ROS self-assessed applicants:

Print out from Revenue portal confirming names of applicant(s) and maximum entitlement under the scheme.

- Mortgage:

Loan approval in principle letter stating the maximum mortgage available to applicants. In addition to the Local Authority Home Loan, the following financial institutions are participating in the scheme Bank of Ireland, Allied Irish Bank or Permanent TSB.

- Employer Reference: dated within the previous 6 weeks
- Landlord Reference: dated within the previous 6 weeks
- Bank Statements: for the previous 6 months

What is meant by market value?

The market value of a property is the price for which the property would be expected to achieve on the open market.

What is meant by affordable purchase price?

The affordable purchase price for a property is the price that the applicant will pay for the property after the discount has been applied to the market value. This price is based on an applicant's income and purchasing capacity.

How is the affordable purchase price calculated?

Example – Property with a Market Value of €395,000

The below examples show varying incomes and how they determine the affordable purchase price and the Council's equity share of a property with a market value of €395,000. These are examples only.

Example Based on 3 bed Semi Detached House Minimum Prices						
Gross household income	Mortgage (income x 4)	Deposit (Minimum 10%)	Purchasing Power, (Mortgage + Deposit)	KCC Contribution	KCC Equity Share	Total Cost
€73,000	€292,000	€29,200	€321,200	€73,800	19%	€395,000
€77,000	€308,000	€30,800	€338,800	€56,200	14%	€395,000

The higher an applicant's purchasing power is, the more they will contribute to the price and the less equity the Council will take.

How is my purchasing capacity calculated?

The purchasing capacity of applicants will be calculated as the combined total of:

- Maximum mortgage capacity, i.e., 4 times gross household income

Plus

- A minimum deposit of 10% of the affordable purchase price

Plus

- In limited circumstances, any relevant savings, i.e., any savings in excess of the combined sum of the required deposit amount plus €30,000 may be taken into account.

How much of a deposit do I need?

Financial institutions require that a minimum 10% deposit must be raised from applicants' own resources. Example: For a property with a market value of €350,000 you will need a deposit of at least €35,000. The Help to Buy (HTB) Scheme operated by The Revenue Commissioners can be utilised towards this deposit amount where the applicant does not have savings to account for same.

How is a decision made on my application?

The decision on your application is made by Kildare County Council in accordance with the eligibility criteria set out in this document and a Scheme of Priority adopted by Kildare County Council on 24 October 2022.

Properties will be allocated on a first come first served basis.

What is the scheme of priority?

A [Scheme of Priority](#) was approved by the Elected Members of Kildare County Council on 24th October 2022. The Scheme of Priority outlines a methodology to be applied to determine the order of priority accorded to eligible households where the demand for such arrangements exceeds the dwellings or resources available. The main points are as follows:

- The Property must be suited to the applicant household's need. In relation to 100% of the dwellings, date and time of application will be one of the criteria on which eligible applications will be prioritised under the Council's Scheme of Priority.
- In relation to 30% of the dwellings, priority will be given to eligible applicants making the application based on any person making the application being or having been resident in the administrative area of Kildare County Council for a minimum period of 5 years.

If I am approved for the scheme, where can I apply for a loan?

Finance can be secured from Bank of Ireland, Permanent TSB or Allied Irish Bank. Alternatively, finance can be sourced via Kildare County Council by way of a Local Authority Home Loan

Applications for Local Authority Home Loans should be made to Local Authority Home Loans Section, Housing Department, Kildare County Council, Aras Chill Dara, Devoy Park, Naas, Co.Kildare.

Email: housingloans@kildarecoco.ie.

- If a home is being sold under a Local Authority Affordable Purchase scheme, the relevant price for the determination of the home's eligibility for the Local Authority Home Loan is the 'purchase price' determined by the relevant local authority for that Affordable Purchase home.
- Applicants can borrow up to 90% of the purchase price for a home under the Affordable Housing Schemes within the house price limits set out for the Local Authority Home Loan. A deposit of at least 10% of the purchase price is also required.
- Regardless of the market value, if the 'purchase price' is below the relevant maximum price under the Local Authority Home Loan for that local authority, it is eligible to be purchased using the Local Authority Home Loan scheme.

Can the Council demand repayment of the “Affordable Dwelling Equity”? (Other Equity Realisation Events)

The Council can demand the repayment of the affordable dwelling equity by serving a Realisation Notice on the homeowner on the occurrence of certain realisation events which are set out in the Affordable housing Act 2021.

A Realisation Notice will specify a period (not shorter than three months commencing on the service of the notice) after which the Council will be entitled to realise the affordable dwelling equity. The procedure for this arrangement will be clearly set out in the Affordable Dwelling Purchase Arrangement.

What is an Affordable Dwelling Purchase Arrangement?

The Affordable Dwelling Purchase Arrangement is the legal agreement or contract between the Council and the purchaser setting out the terms and conditions under which the Council provides the Affordable Dwelling Contribution.

Each successful applicant will enter into an Affordable Dwelling Purchase Arrangement with Kildare County Council. The agreement covers the obligations of the purchaser and the Council and makes provision for the registration of the agreement with the Registry of Deeds/Land Registry. The agreement will also set out how and when the homeowner can make redemption payment(s) to reduce the Council's affordable dwelling equity share as well as the conditions under which the Council may seek redemption of the affordable dwelling equity.

Successful applicants will be required to enter into a Contract for Sale with the developer in order to complete the purchase of the affordable home. This Contract of Sale will include all standard conveyancing terms and conditions and the developer will also require confirmation of the purchasers' Affordable Dwelling Purchase Agreement with the Council.