

KILKENNY COUNTY COUNCIL

LOCAL AUTHORITY

AFFORDABLE PURCHASE SCHEME

INFORMATION BOOKLET



AUTUMN 2023



CONTENTS

<u>WHAT IS THE LOCAL AUTHORITY AFFORDABLE PURCHASE SCHEME.</u>	5
<u>WHO IS THE SCHEME FOR</u>	6
<u>HOW DOES THE SCHEME WORK</u>	7
<u>WHAT ARE THE ELIGIBILITY CRITERIA</u>	8
<u>HOW DO I KNOW IF I AM ELIGIBLE</u>	9
<u>WHEN AND HOW DO I APPLY</u>	11
<u>REQUIRED DOCUMENTATION</u>	12
<u>HOW WILL SUCCESSFUL APPLICANTS BE DECIDED</u>	14
<u>FREQUENTLY ASKED QUESTIONS</u>	15
<u>FURTHER INFORMATION</u>	39
<u>APPENDICES</u>	40





WHAT IS THE LOCAL AUTHORITY AFFORDABLE PURCHASE SCHEME?

Under the Affordable Housing Fund, Kilkenny County Council will make homes available at a reduced price for eligible applicants who are seeking to purchase a newly built home but need additional funds to bridge the gap between their mortgage and deposit to cover the full price of the home.

In return Kilkenny County Council will take a percentage Equity Share in the Affordable Home. Purchasers will enter into an Affordable Dwelling Purchase Agreement with Kilkenny County Council.

The purchaser can redeem or 'buy out' this Equity Share at a time of their choosing but there is no obligation to do so. If the purchaser chooses not to redeem the equity share while living in the home, the Council can do so when the property is sold, transferred or after the death of the owner.

It is proposed to deliver these homes on Council owned land and through agreements with Private Developers.

WHO IS THE SCHEME FOR?

The scheme is open to **FIRST TIME BUYERS** and **FRESH START** applicants.

It is aimed at households who cannot afford a home at its open market value using their combined deposit, their approved maximum mortgage and savings.

The home must be used as the homebuyers's Principle Private Residence.



HOW DOES THE SCHEME WORK?

- The scheme applies to specific new-build homes.
- The property must be used as your primary residence.
- The support provided by the local authority takes the form of an Equity Share on the home.
- To participate in the scheme, applicants will be required to maximise their mortgage drawdown capacity (4 times a household income, from a participating bank, according to the Central Bank's macro-prudential rules).
- Applicants may be able to avail of the Local Authority Home Loan.
- Applicants may be able to avail of the **HELP TO BUY SCHEME**.
- The maximum financial support available from the local authority on each home will be established by the local authority delivering the homes.
- The purchaser can redeem (buy-out) the Equity Share at a time of their choosing but there will be no requirement to do so.
- 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 or after 40 years.
- The minimum equity share required will not be less than 5% of the market value of the dwelling.
- The maximum equity share will not be greater than 40% of the market value of the dwelling.



WHAT ARE THE ELIGIBILITY CRITERIA?

To be eligible for a property under the Local Authority Affordable Purchase Scheme, the following criteria apply:



The combined financial income of all of the persons making the application, is below a certain level. This is calculated by multiplying the gross household income by 4. This figure is known as the “ purchasing power ” and it must be less than 85.5% of the market value of the affordable home.



None of the persons making the application has previously purchased or built a dwelling in the state for his or her occupation. (exceptions below)



None of the persons making the application owns, or is beneficially entitled to an estate or interest in, any dwelling in the State or elsewhere.



Each of the persons making the application has a right to reside in the State indefinitely.

Exceptions apply as follows:

1. Where a person making the application satisfies the [FRESH START](#) principle. In this case a person may also be eligible if s/he has previously purchased or built a property in the Republic of Ireland together with a spouse, a civil partner or a person with whom s/he was in an intimate and committed relationship and that relationship has ended

and

that s/he has sold, or has been divested of, that dwelling as part of a personal insolvency or bankruptcy arrangement or proceedings or other legal process consequent upon insolvency.

2. Where any of the persons making an application previously owned, or was beneficially entitled to an estate or interest in, a dwelling in the Republic of Ireland and such dwelling, because of its size, is not suited to the current accommodation needs of the applicant's household.

HOW DO I KNOW IF I AM ELIGIBLE?

All applicants must satisfy the four criteria listed above.



INCOME

- 1) The applicant /s “ purchasing power ” (i.e. gross household income divided by 4) must be less than 85.5% of the market value of the Affordable Home.

For example, for an affordable home with a market value of €375,000, the maximum gross household income eligible to apply for the Affordable Home would be calculated as follows:

MARKET VALUE	€375,000
85.5% OF MARKET VALUE	€320,625
DIVIDED BY 4	€80,156 (MAXIMUM GROSS HOUSEHOLD INCOME LIMIT)

Gross Income is calculated based on previous 52 weeks preceding application date.

- 2) In addition to Household income applicants must demonstrate sufficient savings to cover the minimum deposit of 10% of the purchase price of the Affordable Home.

FIRST TIME BUYER APPLICANTS CAN AVAIL OF THE HELP TO BUY SCHEME WHICH IS OPERATED BY THE REVENUE COMMISSIONERS TO ASSIST THEM WITH THEIR DEPOSIT.

- 3) Savings. The first €30,000 is disregarded. Anything in excess of €30,000 will be added to applicant’s purchasing power.
- 4) If the total of Purchasing Power + Deposit + Excess Savings exceeds 95% of the market value of the home then the applicant is not eligible for an Affordable Dwelling Purchase Arrangement for that home.
- 5) Applicants must be in a position to apply for a mortgage (you will be required to maximise your mortgage drawdown capacity).

Or

If applicants are unable to obtain a mortgage, the LOCAL AUTHORITY HOME LOAN may be an option.

<p><i>PLEASE REFER TO THE AFFORDABLE PURCHASE DWELLING ARRANGEMENTS <u>INCOME ASSESSMENT POLICY</u> FOR INFORMATION ON ASSESSABLE INCOME.</i></p>	<p><i>WHILE IS IT NOT A REQUIREMENT, IT IS STRONGLY RECOMMENDED THAT MORTGAGE APPROVAL IN PRINCIPLE BE IN PLACE PRIOR TO APPLYING TO PURCHASE AN AFFORDABLE HOME...</i></p>
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FIRST TIME BUYER OR FRESH START APPLICANT ONLY

All first time buyer applicant/s must provide documentary evidence confirming they do not own or have an interest in property in Ireland or elsewhere.

First Start Applicants must provide documentary evidence showing s/he has been divested of any interest in property in Ireland. In addition, should a Fresh Start Applicant be a Non-Irish National, further documentary evidence must be provided confirming that there is no interest in property outside of Ireland.

APPLICANTS MUST NOT BE OWNERS OF PROPERTY OR MUST NOT HAVE AN INTEREST IN A PROPERTY IN THE STATE OR ELSEWHERE.

RIGHT TO RESIDE

The applicant /s must currently have a legal right to reside and work in the Republic of Ireland. It will be necessary to demonstrate habitual residence.

In addition to the above eligibility criteria, Kilkenny County Council's [SCHEME OF PRIORITY](#) for Affordable Home Purchase Arrangements applies. This scheme sets out the manner in which affordable dwelling purchase arrangements are made available by Kilkenny County Council and the methodology that will be applied to determine the order of priority to be applied to eligible households where the demand exceeds the number of Affordable Homes available for purchase in the Affordable Purchase Scheme.



WHEN AND HOW DO I APPLY?

There will be an individual application process for each Affordable Purchase Scheme.

PLEASE NOTE: THERE IS NO GENERAL APPLICATION FORM OR WAITING LIST.

When Affordable Homes are made available for purchase, they will be advertised in the following places:

1. Kilkenny County Council's website
2. Kilkenny County Council's Social Media pages
3. In a Local newspaper

The advertisement will include details about the scheme including how and when to apply.

Applications will be accepted through an online application portal only. On the day the application portal opens, the applicant/s will first need to register on the portal and then can proceed to complete the online application form and submit the requested documentation.

BE AWARE THAT APPLICATIONS WILL BE PRIORITISED ON A FIRST COME FIRST SERVED BASIS.

A link to the application portal along with a list of the [REQUIRED DOCUMENTATION](#) will be available on Kilkenny County Council's website. A video guide of how to complete an application will also be available in advance. The Council will publish a notice on their website, on social media and in a Local newspaper, advising of the houses are available for sale, giving details of how to make an application for affordable homes, types and locations of properties available, income limits and minimum / maximum sale prices. Applications will be accepted through the online application system only. The system will allow for input of all relevant data and applicants will be required to upload supporting documentation.

APPLICANTS SHOULD ENSURE THAT THEY HAVE FULLY COMPLETED THE APPLICATION FORM AND DECLARATIONS AND SUBMITTED ALL THE REQUIRED DOCUMENTATION, AS THE 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.

WHAT INFORMATION DO I NEED WITH MY APPLICATION?

In the online application process, the applicants will be required to complete an online application form. In addition the system will allow you to upload all requested supporting documentation. The applicant/s will also be required to complete the necessary declaration and consent forms.

The following is a list of supporting documentation that each applicant will be required to provide as part of their application:

- Photographic Identification for all applicants. (See [PAGE 31](#) for further detail)
- Proof of present address dated within last 3 months. (See [PAGE 31](#) for further detail)
- Personal Public Service Number (PPSN) / Tax Registration Number. (See [PAGE 31](#) for further detail)
- Proof of Income (See [PAGE 32](#) for further detail)
- Evidence of Savings (See [PAGE 33](#) for further detail)
- Evidence of First Time Buyer's Status by way of a Self- Declaration by applicant/s that s/he/they do not own or do not have an interest in a property in Ireland or elsewhere. (See [PAGE 34](#) for further detail).
- Confirmation of eligibility for Help to Buy Scheme (if applicable)
- If you are not a First Time Buyer:
 - Evidence of qualification under [FRESH START](#) Principle (See [PAGE 37](#) for further detail)
 - or
 - Evidence that you own a dwelling which, because of its size, is not suited to the current accommodation needs of your household (See [PAGE 38](#) for further detail)..



- Proof of Residency & Right to Reside
 - Irish Citizens - Proof of Citizenship: Copy of Passport or Birth Certificate. (See [PAGE 35](#) for further detail)
 - Non-Irish Citizens - Proof of Right to Reside in Ireland. (See [PAGE 35 & 36](#) for further detail)
- Proof of Residency in Kilkenny for the last 5 years for applicants looking to qualify under the Scheme of Priority 30% Residency Rule. (See [PAGE 38](#) for further detail)
- Mortgage Approval in Principle letter stating the maximum mortgage available to applicants or Proof of communication with lender demonstrating applicant/s is/are in the process of acquiring mortgage approval.

Details of documentation required to satisfy the above list is available from [PAGE 30](#).

APPLICATIONS FOR EACH AFFORDABLE SCHEME WILL BE OPEN FOR A DEFINED TIME PERIOD. NO APPLICATIONS WILL BE ACCEPTED OUTSIDE OF THAT TIME.

ALL APPLICATION DETAILS AND DATA SUBMITTED WILL ONLY BE RETAINED FOR THAT SPECIFIC SCHEME AND WILL NOT BE CARRIED FORWARD FOR ANY FUTURE AFFORDABLE HOUSING SCHEME(S).

APPLICANTS WHO SUBMIT FALSE OR MISLEADING INFORMATION ON THEIR APPLICATION WILL BE DISQUALIFIED FROM THIS PROCESS.





HOW WILL SUCCESSFUL APPLICANTS BE DECIDED ?

Applicants who submit a valid application will be assessed in accordance with the eligibility criteria set out in this document and Kilkenny County Council's [SCHEME OF PRIORITY](#) for Affordable Dwelling Purchase Arrangements

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

Selected applicants will be required to obtain formal mortgage approval, verify their application details and offered the opportunity to purchase a property in sequence until all properties have been sold.

NOTE: The property developer is not involved in the administration or the selection process for this Affordable Purchase Scheme.





FREQUENTLY ASKED QUESTIONS...

WHO IS DEEMED TO BE A FIRST TIME BUYER?

A first-time buyer is defined as a person who

- has not previously purchased or built a dwelling in the State or elsewhere for his or her occupation
and
- does not own, or is not beneficially entitled to an estate or has an interest in, any dwelling in the State or elsewhere.

FOR THE PURPOSES OF A JOINT APPLICATION ALL APPLICANTS MUST QUALIFY AS FIRST TIME BUYERS EXCEPT WHERE AN APPLICANT IS ELIGIBLE UNDER THE FRESH START PRINCIPLE.

APPLICANTS ARE CONSIDERED FIRST TIME BUYERS ONLY IF ALL NAMED APPLICANTS ARE BUYING THEIR HOME FOR THE FIRST TIME.

HOW DO I DEMONSTRATE THAT I AM A FIRST TIME BUYER?

All applicants must demonstrate that s/he / they don't own or have an interest in a property in Ireland or elsewhere.

Please see [PAGE 36](#) for further details.

ARE THERE EXCEPTIONS TO THE FIRST TIME BUYER REQUIREMENT?

1. Persons who qualify under the **FRESH START** principle are eligible to apply for an affordable home under the Local Authority Affordable Purchase Scheme.

and

2. Applicant(s) that previously owned, were beneficially entitled to, or have an interest in a dwelling in the State and that this dwelling, because of its size, is not suited to the current accommodation needs of the applicant's household i.e., house overcrowded, may be eligible to apply.

WHAT IS THE FRESH START PRINCIPLE?

The **FRESH START** principle means that applicants who are divorced, legally separated/separated or the relationship has ended and have no financial interest in the family home are eligible to apply under this scheme.

In addition, applicants who have undergone personal insolvency/bankruptcy proceedings will also be eligible to apply for the Local Authority Affordable Purchase Scheme.



WHAT IS THE HELP TO BUY SCHEME?

The Help to Buy (HTB) scheme, operated by The Revenue Commissioners is an incentive for first-time property purchasers. It will help you with the deposit you need to purchase or self-build a new house or apartment. You must purchase or self-build the property to live in as your home.

Where you meet the required conditions, you will receive a refund of:

- Irish Income Tax
- and
- Deposit Interest Retention Tax (DIRT) you paid in Ireland.

The refund will be from the four tax years prior to when you make your application. The refund will not include any refunds you have already claimed.

Please refer to the qualifying criteria defined by the Revenue Commissioners for eligibility for the [HELP TO BUYS SCHEME](#).



WHAT IS THE SCHEME OF PRIORITY?

The Kilkenny County Council Scheme of Priority was approved by the Elected Members of Kilkenny County Council on 20th February 2023. This Scheme of Priority outlines the rules Kilkenny County Council uses to decide which applicants will be offered dwellings. The Scheme of Priority will apply in the event where there are more eligible applicants than Affordable Homes available.

Kilkenny County Council's Scheme of Priority can be viewed [HERE](#).

In relation to 70% of the homes, where the number of applicants exceeds the number of houses, priority as to which type of home is deemed to adequately cater to the accommodation needs of a household, will be made on the following basis:

DWELLING TYPE	MEETS ACCOMMODATION NEEDS OF:
FOUR BEDROOM DWELLING	3 OR MORE PERSON HOUSEHOLD
THREE BEDROOM DWELLING	2 OR MORE PERSON HOUSEHOLD

And thereafter on a first come first served basis.

For the remaining 30% of dwellings, Kilkenny County Council will prioritise as follows:

Applicants having been resident, in the administrative area of Kilkenny County Council for a minimum period of 5 years and then to which type of home is deemed to adequately cater to the accommodation needs of a household as above.

And thereafter on a first come first served basis.

IF I AM NOT AN IRISH CITIZEN, HOW DO I DEMONSTRATE RIGHT TO RESIDE?

Applicants from a country outside the Republic of Ireland are eligible to apply for a home under the Local Authority Affordable Purchase Scheme if they are habitually resident in the Republic of Ireland and subject to the following:

1. UK citizens - evidence of habitual residence

2. EU/EEA citizens - evidence of habitual residence.

[All EU/EEA citizens who are legally resident in the State will not be eligible to apply for a Local Authority Affordable Purchase for the first three months of residence in the State.]

3. Non-EU/EEA citizens with single/joint applications where both applicant(s) are Non-EU/EEA applicants must be

a. legally resident in Ireland for a period of 5 years;

or

b. have leave to remain extending to potentially permit 5 years reckonable residence; or

c. have indefinite leave to remain in the State.

4. An application from a Non-EU/EEA national, who is a spouse or civil partner of a EU / EEA national, may be considered as part of a joint application for that household, provided they have a valid residence card or permanent residence card with a valid Stamp 4EUFam.



WHAT IS THE MARKET VALUE OF THE PROPERTY?

The market value of an Affordable Home is the price for which the Affordable Home might reasonably be expected to achieve on the open market. The initial market valuation of the home in order to calculate the equity share is carried out by the Council. For subsequent valuations of the property, a valuation mechanism will be set out in the Affordable Dwelling Purchase Arrangement. A valuation will be required when a redemption payment is being made by the purchaser. Over time, if the value of the Affordable Home increases, the amount owed on the value of the equity share will increase in line with the prevailing market value.

WHAT IS THE MEANT BY THE AFFORDABLE PURCHASE PRICE?

The Affordable Purchase Price for a property is the price that the applicant will pay for the property after the Council's percentage Equity Share has been applied to the market value. This price is based on an applicant's income and purchasing power.

WHAT IS THE INCOME LIMIT FOR AN AFFORDABLE DWELLING?

The income limit for a particular affordable dwelling is 85.5% of the market value of the property divided by 4.

HOW MUCH OF A DEPOSIT DO I NEED ?

Financial institutions require that a minimum of 10% deposit must be raised from applicant's own sources.

First time buyer applicants can avail of the [HELP TO BUY SCHEME](#). The Help to Buy Scheme operated by The Revenue Commissioners can be utilised towards this deposit amount where the applicant does not have savings to account for same.



WHAT IS MEANT BY THE PURCHASING POWER ?

The applicant /s “ purchasing power ” (i.e. gross household income multiplied by 4) must be less than 85.5% of the market value of the Affordable Home.

If the total of the applicants

- Purchasing Power (Maximum mortgage capacity, i.e. 4 times gross household income)
Plus
- Deposit of 10% of the affordable purchase price,
Plus
- Relevant savings**

exceeds 95% of the market value of the home then the applicant is not eligible for an Affordable Dwelling Purchase Arrangement for that home.

**If you have savings above a certain amount, you may not qualify for the scheme. You can have the money to cover the deposit on the home and an additional €30,000. Anything above this is added to your purchasing power.



HOW IS THE AFFORDABLE PURCHASE PRICE OF THE PROPERTY DECIDED ?

The Affordable Purchase Price will be calculated by Kilkenny County Council based on the “purchasing power” of eligible applicants.

This calculation takes into account an eligible applicant’s maximum mortgage capacity plus deposit, plus savings, and the minimum price set for the home by the Council.

The minimum price to be paid by the applicant is prescribed in legislation in [REGULATION 6 OF SI No 21 OF 2023](#).

The minimum equity stake is 5%

Example: The below table shows an example of varying applicant incomes and how they determine the affordable purchase price and the Council’s equity share of an affordable home with a market value of €300,000. You can see that the higher an applicant’s income is, the more they will contribute to the price and the less of an equity share the Council will take. The Council will work this out for you as each house price will differ.

INCOME	EQUITY %	EQUITY AMOUNT	MORTGAGE CAPACITY GROSS INCOME X4	DEPOSIT	PURCHASER PAYS
€64,125	5.00%	€15,000	€256,500	€28,500	€285,000
€64,000	5.19%	€15,556	€256,000	€28,444	€284,444
€63,000	6.67%	€20,000	€252,000	€28,000	€280,000
€62,000	8.15%	€24,444	€248,000	€27,556	€275,556
€61,100	9.63%	€28,889	€244,000	€27,111	€271,111
€60,000	11.11%	€33,333	€240,000	€26,667	€266,667
€59,000	12.59%	€37,778	€236,000	€26,222	€262,222

Calculations shown are for illustrative purposes only

WHAT IS THE AFFORDABLE DWELLING CONTRIBUTION ?

The Council will provide a contribution known as an “Affordable Dwelling Contribution” that facilitates the purchase of homes by an eligible applicant. This refers to the monetary amount contributed by the Council.

The Affordable Dwelling Contribution is the difference between the combined total of the purchaser’s deposit and maximum mortgage capacity (and savings where relevant) and the open market value of the home on the date of purchase.

$$\begin{array}{c} \textit{OPEN MARKET VALUE} \\ \\ \textit{MINUS} \\ \\ \textit{[DEPOSIT + MORTGAGE CAPACITY + RELEVANT SAVINGS]} \\ \\ = \\ \\ \textit{AFFORDABLE DWELLING CONTRIBUTION.} \end{array}$$

WHAT IS THE AFFORDABLE DWELLING EQUITY?

The Affordable Dwelling Equity, also known as the Equity Share, is the percentage of the market value that Kilkenny County Council will contribute to the purchase of an Affordable Home. This will be at least 5% of the open market value. This entitles the Council to the same percentage in value of a future sale of the property subject to terms and conditions.

The Equity Share represented as a % value of the dwelling, is the difference between the purchase price and open market value at time of purchase.



WHAT IS THE 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 the Council. This will be prior to or at the same time as the closing of the purchase of their affordable home.

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 this Equity Share.

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.

WHEN CAN THE AFFORDABLE DWELLING EQUITY BE REPAID?

It is a condition of the Local Authority Affordable Purchase Scheme that the Council will register a charge on the property equal to the Affordable Dwelling Equity, or Equity Share, representing the percentage discount below market value that the home is purchased for. The Affordable Dwelling Equity will in general become repayable upon the subsequent sale of the property or after forty years. The total amount repayable in respect of the Affordable Dwelling Equity to remove the Council's shared equity interest from the property will depend on the future market value of the home and the timing of the repayment(s).

EXAMPLE:

A home is valued at €300,000 at time of purchase. The Housing Authority has an Equity Share of 10% (initially valued at €30,000). If sometime in the future the homeowner decides to buy out the Council's Equity Share, a valuation of the home is carried out and the market value of the home is now €350,000. The home owner will need to pay €35,000 (10% equity share) to redeem the Housing Authority's equity share in the home.

The Council's Equity Share in the property must be repaid in full, but the timing of repayment(s) is flexible. From five years after their purchase, purchasers can decide when to make redemption repayments on the Equity Share, subject to a minimum repayment amount of €10,000, or the Equity Share can be repaid when the purchaser subsequently decides to sell the property. The Council will keep a record of all redemption payments made by the purchaser, revising the Affordable Dwelling Equity percentage accordingly. When the full Equity Share is repaid, the Council will discharge it in the Registry of Deeds / Land Registry.

CAN THE COUNCIL DEMAND REPAYMENT OF THE 'AFFORDABLE DWELLING EQUITY'?

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 including:

1. The expiry period of 40 years without redemption in full of the equity share by the purchaser(s) (which will be the period during which the Council may not realise its equity share other than for breach of other conditions of the agreement)
2. In the event of the death of the purchaser.
3. Where the purchaser commits an act of bankruptcy, or is adjudicated as bankrupt.
4. A mortgagee, incumbrancer or receiver gains possession of the affordable dwelling.
5. The dwelling becomes subject to an order or process for compulsory purchase.
6. The dwelling is demolished or destroyed, whether by fire or otherwise or is damaged so as to materially affect its market value.
7. The dwelling is abandoned or is no longer the principal primary residence of the purchaser(s).
8. The dwelling is sold.
9. Where there is a material breach of a covenant in the Affordable Dwelling Purchase Arrangement.
10. The purchaser(s) is found to have deliberately misled the Council in respect of any material fact regarding eligibility or priority in making their application.

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.

DO I NEED MORTGAGE APPROVAL BEFORE APPLYING?

While it is not a requirement of the scheme, it is strongly recommended that Mortgage Approval in Principle be secured before the application portal opens. As part of the application process, applicants should submit this Mortgage Approval in Principle letter from their proposed lender confirming the maximum mortgage available to the applicants when applying for affordable housing.

Purchasers can use a mortgage from any private lending institution, such as a bank or building society, to finance their purchase or if refused by 2 banks/building societies, they can then apply for the [LOCAL AUTHORITY HOME LOAN](#).

If you do not have mortgage approval in principle/Local Authority Home Loan approval, you will be required to provide details on how you intend to finance the purchase of an affordable home.

WHERE A PURCHASER IS AVAILING OF A MORTGAGE FROM A BANK / FINANCIAL INSTITUTE TO PURCHASE THE HOME, A SEPARATE 'PRIORITIES AGREEMENT' BETWEEN THE COUNCIL AND THE BANK/ FINANCIAL INSTITUTE PROVIDING THE MORTGAGE TO THE PURCHASER WILL BE NECESSARY.

THIS AGREEMENT BETWEEN THE COUNCIL AND THE BANK WILL NOT IMPACT ON THE PURCHASER BUT WILL RECORD THAT THE COUNCIL WILL RETAIN AN EQUITY SHARE IN THE PROPERTY AND WILL PROVIDE THAT THE BANK'S INTEREST WILL TAKE PRIORITY.

HOW LONG BEFORE I AM NOTIFIED IF MY APPLICATION HAS BEEN SUCCESSFUL?

It is intended that applicants will be notified within 8 weeks of closure of the application portal.

HOW CAN I SATISFY THE 30% RESIDENCY RULE?

To qualify under the 30% Residency Rule, applicants will be required to provide proof of being resident in the administrative area of Kilkenny County Council for a minimum period of 5 years.

Each applicant can provide a Statement of Liability from Revenue for each year of the preceding 5 years clearly showing name and address of applicant.

and/or

A copy of a rental agreement, utility bill or other formal correspondence (e.g. bank statement, letter from government department) in applicant's name and clearly dated for each of the preceding 5 years.

WHAT TYPE OF HOMES ARE AVAILABLE & WHEN DO THEY BECOME AVAILABLE?

Information on property location, property types, size and price will be advertised on Kilkenny County Council's website, Social Media pages and on a Local newspaper as each Affordable Housing Scheme is announced in advance of the open date for applications.

HOW DO I KNOW WHICH PROPERTY TO APPLY FOR?

You are advised to apply for the property most suited to your household needs, bearing in mind the Scheme of Priority which sets out that a 2 or more person household will be given priority for a 3-bed home, and a 3 or more person household will be given priority for a 4-bed home.



WHERE CAN I VIEW THE VARIOUS HOUSE PLANS?

The house plans will be made available for viewing on Kilkenny County Council's website when the scheme is announced.

WILL I BE ABLE TO SELECT WHICH HOUSE I WANT?

Preference of applicants for a particular house location within the scheme will be based on the confirmed order of merit post assessment of applications by Kilkenny County Council and in accordance with the Scheme of Priority.



SUPPORTING DOCUMENTATION REQUIRED WHEN MAKING APPLICATION...

PHOTOGRAPHIC IDENTIFICATION

Any one of the following documents for each applicant:

- Current, valid signed passport / passport card.
- Current, valid Public Service Card.
- Current valid EU/EEA driving licence - this must contain a photograph (Irish Provisional Licence accepted).
- Current EU National Identity Card

PROOF OF PRESENT ADDRESS

Any one of the following documents dated within the last 3 months for each applicant:

- Utility Bill e.g. landline telephone (not mobile), gas, electricity, heating oil, refuse 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 e.g. Insurance / Assurance Co., Bank, Building Society, Credit Union.
- Correspondence from a Government Department.

PPSN / TAX REGISTRATION NUMBER

Any one of the following documents for each applicant:

- Statement of Liability showing PPSN and applicant name and address.
- Tax Assessment showing PPSN and applicant name and address.
- Notice of Tax Credits from Revenue showing PPSN and applicant name and address.
- Letter from Revenue Commissioners addressed to applicant/s and showing PPSN, applicant name and address
- Receipt for Social Welfare payment showing PPSN and applicant name and address.
- Letter from Government Department showing PPSN, applicant/s name and address.
- Current valid Medical Card / current Drug Payment Scheme Card showing PPSN and applicant name and address.



PROOF OF INCOME

Documentary evidence of the preceding 12 months' income for all applicants must be provided. This information must be uploaded as you complete your online application.

If Employed

- Statement of Liability for the preceding year
and
- The previous year's Employment Detail Summary
and
- Pay and Tax Summary (Year to Date)
and
- Up to date Salary Certificate from your employer



Available via

www.revenue.ie/MyAccount

If Self Employed

- A minimum of 2 years' accounts and an Auditor's Report from a suitably qualified practitioner in the state (such as ACCA, FCA, CPA, IPA) confirming that
 - All taxes, both personal and business are up to date and in order
 - That there are no arrangements in place with Revenue
 - There are no outstanding tax liabilitiesand
- A Notice of Assessment and/or Self-Assessment Acknowledgement letter for the preceding 12 months
and
- Current Preliminary Revenue Tax Payment Receipt

If Not Employed

- A statement from Department of Social Protection detailing all welfare payments received over the preceding 12 months. This should include the commencement and cessation date of receipt of such payments.
- If a household is in receipt of social welfare for less than 12 months, employment income must be provided (as outlined above) to cover the duration of the employment.

continued overleaf...

Maintenance payments:

- Where the applicant receives maintenance payments, which are the subject of a maintenance order, these payments must be evidenced (through bank statements or if not, a copy of the maintenance order for at least the preceding 12 months).
- Where the applicant receives maintenance payments which are not the subject of a maintenance order, these payments must be declared and evidence of receipt of same provided.

Proof of any additional income not listed above is requested. Please see the [AFFORDABLE DWELLING INCOME ASSESSMENT POLICY](#)

EVIDENCE OF SAVINGS

- Statements for all current/savings/ deposit etc account from all financial institutions (e.g bank/ post office / credit union) for each applicant for the preceding 12 months.

FIRST TIME BUYER STATUS *(WHERE APPLICABLE)*

EVIDENCE THAT APPLICANTS DO NOT OWN OR HAVE AN INTEREST IN PROPERTY IN STATE OR ELSEWHERE

The following information must be provided with all Local Authority Approved Purchase Scheme applications for each applicant

IRISH CITIZEN / UK CITIZEN / EU / EEA AND NON-EU/EEA CITIZENS

A Local Property Tax (LPT) check is carried out by the Local Authority as a guide to an applicant's eligibility as a first-time buyer. The LPT check will compare the applicant's PPSN against a database of people registered for the Local Property Tax.

- Applicants will be required to provide their consent to allow the Local Authority to conduct such checks as are necessary to confirm that s/he or they are a first-time buyer, with the exception of the Fresh Start Principle. This check is done by the Local Authority via the Revenue Commissioners online LPT system. This consent can be provided when completing the Declarations Section of the online application portal.
- Confirmation of eligibility for Help to Buy Scheme (if applicable) should be provided. This can be a printout from Revenue portal (myAccount for PAYE applicants / ROS for Self-assessed applicants) confirming names of applicant(s) and maximum entitlement under the scheme), OR a printout from Revenue portal showing application submitted/acknowledged and "Under Review". ***Note that applicants are considered first-time-buyers only if BOTH are buying their home for the first time.**

UK CITIZEN / EU / EEA AND NON-EU/EEA CITIZENS

- For UK, EU/EEA and Non-EU/EEA applicants, a self declaration must be completed at time of application confirming that they do not own or have an interest in a property outside of Ireland.

IMPORTANT: Applicants may be requested to provide documentary evidence confirming this fact should their application be shortlisted. Documentation must be provided from the equivalent of his/her own country's Revenue Commissioners / Land Registration offices confirming that s/he has not been and /or are not owners of a property in his/her country of origin.

Please ensure this information / evidence is sourced in advance of your application to avoid disqualification. Please see [PAGE 45](#) for a list of the relevant registration authorities for EU/EEA and Non EU/EEA countries.

RIGHT TO RESIDE

The applicant/s must currently have a legal right to reside and work in the Republic of Ireland. It will also be necessary to demonstrate that s/he or they are habitually resident in the state.

Furthermore, there are minimum periods of residence required for non-EU/EEA applicants.

1. **IRISH CITIZENS** subject to habitual residence demonstration by providing the following:

- Current Valid signed passport or Current valid Driving Licence or Current Valid Public Service Card

and any one of the following:

- Statement of Liability from Revenue showing name and address
- Pay and Tax Summary Year to date from Revenue
- A letter from your current employer, which includes your name, address and date you commenced work
- Statement of payments / benefits from the Department of Social Protection
- Tenancy Agreement if renting, showing name and address.

Applicants from a country outside the Republic of Ireland are eligible to apply for Local Authority Affordable Purchase Scheme if they are habitually resident in the Republic of Ireland and subject to the following:

2. **UK CITIZENS** subject to habitual residence demonstration by providing the following:

- Current Valid signed passport or Current valid Driving Licence or Current Valid Public Service Card

and any one of the following documents:

- Statement of Liability from Revenue showing name and address
- Pay and Tax Summary Year to date from Revenue
- A letter from your current employer, which includes your name, address and date you commenced work
- Statement of payments / benefits from the Department of Social Protection
- Tenancy Agreement if renting, showing name and address.

continued overleaf...

3. **EU/EEA CITIZENS** who are legally and habitually resident in the State by providing the following:

- Current Valid signed passport or Current valid Driving Licence or Current Valid Public Service Card

and any one of the following documents:

- Statement of Liability from Revenue showing name and address
- Pay and Tax Summary Year to date from Revenue
- A letter from your current employer, which includes your name, address and date you commenced work
- Statement of payments / benefits from the Department of Social Protection
- Tenancy Agreement if renting

Note: All EU/EEA citizens who are legally resident in the State will not be eligible to apply for a Local Authority Affordable Purchase for the first three months of residence in the State.

4. **NON EU/EEA CITIZENS** with single/joint applications where both applicant(s) are Non-EU/EEA applicants must provide

- Proof of legal and habitual residence in Ireland for the previous 5 years
or
- Proof of leave to remain extending to potentially permit 5 years reckonable residence
or
- Proof of indefinite leave to remain

- An application from a Non EU/EEA National, who is a spouse or civil partner of an EU /EEA national, may be considered as part of a joint application for that household, provided they have a valid residence card or permanent residence card with a valid Stamp 4EUFam.

FRESH START APPLICANTS *(WHERE APPLICABLE)*

If applying under the **FRESH START** Principle the following documentation will be required to accompany an application:

Fresh Start : Relationship Termination

- Where a marriage or civil partnership that has been legally or otherwise dissolved, the Court Order/Separation Agreement/other legal document should be provided as proof of the relationship ending. If there are acceptable reasons why elements of such documents cannot be provided (such as containing personal information not relevant to the Affordable Housing application), a redacted version may be provided, along with a solicitor's letter confirming that the redacted information has no financial implications. The documentation must show that the applicant has left the family home and has retained no interest in it.
- Where the intimate and committed relationship with the person with whom the applicant purchased or built the previous property has ended, and where no legal process has occurred, a solicitor's letter or an affidavit/declaration from the applicant will be required to confirm the relationship has ended and the applicant has retained no interest in the property. Any relevant legal or financial obligations stemming from the relationship terminating should also be provided.

Fresh Start – Post Bankruptcy

- Written evidence that the applicant has exited insolvency or bankruptcy or another legal process consequent upon insolvency, e.g. repossession as part of a court order and that where having had previously purchased a home, this property has been sold or s/he has been fully divested of that property as a result of such process.



EVIDENCE THAT CURRENT DWELLING DOES NOT MEET ACCOMMODATION NEED OF HOUSEHOLD. *(WHERE APPLICABLE)*

- A self declaration must be completed at time of application confirming that the applicants current dwelling does not meet the accommodation need of the household.

IMPORTANT: Applicants will be requested to provide documentary evidence confirming this fact should their application be shortlisted. A current Independent Valuation of the applicant property outlining the size and a description of the property including the number of bedrooms may need to be submitted on request.

HOW CAN I SATISFY THE 30% RESIDENCY RULE?

Each applicant can provide a

- Statement of Liability from Revenue for each year of the preceding 5 years clearly showing name and address of applicant.

and/or

- A copy of a rental agreement, utility bill or other formal correspondence (e.g. bank statement, letter from government department) in applicant's name and clearly dated for each of the preceding 5 years.



FURTHER INFORMATION:

Further useful information on the Affordable Housing Scheme can be found at the links below:

- <https://affordablehomes.ie/>
- [Affordable Housing Act 2021](#)
- [Affordable Housing Regulations 2023](#)
- [Affordable Housing \(No 2\) Regulations 2023](#)
- [Fresh Start Principle](#)
- [Affordable Purchase Scheme Income Assessment Policy](#)
- [Scheme of Priority - Kilkenny County Council Affordable Purchase Scheme](#)
- [Local Authority Home Loan](#)
- [Help to Buy Scheme](#)
- [First Homes Scheme](#)
- [Affordable Purchase Scheme - Glossary of Terms](#)

APPENDIX 1...



THE FRESH START PRINCIPLE

A 'Fresh Start' principle applies for applications to State Affordable Housing Schemes. This means that the following categories of persons may be eligible to apply for an affordable home.

1. Applicant(s) that previously purchased or built a residential property but are divorced and has left the property and divested themselves of their interest in the property may be eligible to apply. Examples of documentary evidence will be:
 - Separation Agreement
 - Court Order
 - Affidavit from a Solicitor confirming the separation or divorce.

2. Applicant(s) that previously purchased or built a residential property but have been divested of this through insolvency or bankruptcy proceedings, may be eligible to apply. Examples of documentary evidence will be Solicitors Letter confirming the applicant has exited insolvency or bankruptcy and that any previously purchased home has been sold or they have fully divested of that home as result of such process.

continued overleaf...

FRESH START – RELATIONSHIP TERMINATION

Proof of Fresh Start – Relationship Termination Eligibility Criteria

If applying under the Fresh Start – Relationship Termination principle

The applicant must meet all the following criteria;

- The marriage, civil partnership or relationship with the person with whom they purchased or built the property has ended,
and
- The person is now applying to purchase a property on their own or with a different person,
and
- have left the family home and retained no interest in it,
and
- the property under the Local Authority Affordable Purchase Scheme is the first residential property purchased since leaving the family home. Particular notice should be paid to the condition that the marriage, civil partnership or relationship with the person with whom the applicant purchased or built the previous property has ended.
- Where a marriage or civil partnership that has been legally or otherwise dissolved, the Court Order/Separation Agreement/other legal document should be provided as proof of the relationship ending. If there are acceptable reasons why elements of such documents cannot be provided (such as containing personal information not relevant to the mortgage application), a redacted version may be provided, along with a solicitor's letter confirming that the redacted information has no financial implications.
- Where the intimate and committed relationship with the person with whom the applicant purchased or built the previous property has ended, and where no legal process has occurred, a solicitor's letter or an affidavit/declaration from the applicant will be required to confirm the relationship has ended. Any relevant legal or financial obligations stemming from the relationship terminating should also be provided.

FRESH START – POST BANKRUPTCY

A person who has exited insolvency/bankruptcy proceedings and had previously purchased a property may still be eligible for Local Authority Affordable Purchase Scheme, as a result of insolvency or bankruptcy, they had to sell or had been divested of their property. It is not relevant for persons who were insolvent but who never purchased a property, they are eligible as first-time buyers, subject to meeting the other eligibility requirements of the scheme. It

is not relevant for most persons who have gone through a successful Personal Insolvency Arrangement as these generally result in a person keeping their home.

Applicants under Fresh Start – Post Bankruptcy must provide details of their eligibility at application stage.

Proof of Fresh Start eligibility for Insolvency/bankruptcy

- Written evidence that the applicant has exited insolvency or bankruptcy or another legal process consequent upon insolvency, e.g. repossession as part of a court order and
- that where having had previously purchased a home, this property has been sold or they have been fully divested of that property as a result of such process.

APPENDIX 2...

PROPERTY REGISTRATION REQUIREMENTS FOR VARIOUS EU/ EEA AND NON EU/EEA COUNTRIES.

ENGLAND & WALES

If any Housing applicant completes a PN 1 Form and submits it to the Land Registry of that country together with the required fee then the Land Registry will confirm whether or not persons of that name own land or property in England and Wales. If the reply received from Land Registry includes more than one person of that name then the applicant must provide a sworn affidavit that they are not one of the names mentioned on the letter from the Land Registry.

FRANCE

It is NOT possible for a French Citizen to apply to the register in France (“Le cadastre”) in the locality that he/she resided in France to get confirmation that he/she did not own property in that particular locality. It is only possible to get a certificate if you do actually own property in that locality. In the instances of French Citizens, a sworn Affidavit will suffice to the effect that they do now own land or property in France.

GERMANY:

Applicants should be referred to the so called “Einwohnermeldeamt” (registration office) in Germany at their place of residence. Each city or district has its own land registry where there would be a record on existing property. The information together with a sworn affidavit to the effect that the applicant does not own property in any city or district in Germany would be needed. Applicants should also be asked for a so called “Meldeauskunft” which is a list of their previous residential addresses and their registrations with the relevant city councils as every resident has to register same in Germany.

HUNGARY:

The Consular Section of the Hungarian Embassy was not able to provide definitive answers regarding Hungarian Citizens. Their advice is as follows: “The clients should contact the competent Hungarian authority, which is the

Ministry of Rural Development, Vidékfejlesztési Minisztérium 1055 Budapest, Kossuth Lajostér 11, 1860 Budapest. Tel: 0036-1-795-2000”

ITALY:

Italian applicants should refer to the “Agenzia del Territorio” of the area where they are from in Italy for all information relating to property ownership in Italy.

continued overleaf..

JORDAN:

The applicant should contact the Department of Land and Registry who will provide them with a certificate testifying whether or not they own property (fee 1 Jordanian Dinar). This document should then be taken to the Ministry of Foreign Affairs in Jordan for their official stamp (fee 5 Jordanian Dinar). The applicant does not need to present in person. Application can be made through a relative in Jordan.

NORTHERN IRELAND:

The agency to contact is: Land & Property Services, Lanyon Plaza, 7 Lanyon Place, Town Parks, Belfast, BT1 3LP. Tel: 030 0200 7803

POLAND:

Polish applicants should contact their local authority “Starostwo Powiatowe” and obtain a certificate from their Land and Building Inventory.

SCOTLAND:

Scottish applicants are required to get confirmation from the Scottish Land Registry that they do not own property in the county they lived in there plus a sworn Affidavit that they do not own property in the remaining 32 counties.

SLOVAKIA:

Confirmation from the county the applicant resided in is available following submission of a written request along with a fee (€8) to that County’s Cadastry Register. This along with a sworn affidavit confirming that they do not own property in any other county within Slovakia.

SOUTH AFRICA:

Applicants would need to engage a lawyer to complete the process for them or alternatively contact the Department of Land Affairs in South Africa to seek the information. This department is arranged on a regional basis in South Africa and the Consular Section in the South African Embassy gave the following as the contact number of the office in Pretoria for those applicants based in the region. Tel: +27 123 128911.

continued overleaf..

SWITZERLAND:

There is no centralized property register in Switzerland. These land registries are locally organized. Switzerland has 26 Cantons. Some of the Cantons have several land registry offices. Furthermore, Switzerland has three official languages. Applicants are required to submit a translated copy from the land registry in their own canton and a sworn affidavit that they do not own properties in any of the Cantons in Switzerland.

UNITED STATES OF AMERICA:

Each State has control over its own recordings. If applicants have property then they can contact the Land Registry / Deed Office in the State which would have a recording. If they do not they may wish to check with the Real Estate Board in any state they may have resided in, in order to get confirmation that no property is listed under the name provided.

Alternatively, applicants may wish to provide copies of tax returns filed with the Internal Revenue Service and State taxes (which generally include a property tax) as for US citizens it is a Federal law that taxes are filed every year even if they are not resident in the US.

ALL OTHER COUNTRIES NOT LISTED ABOVE TO BE CONFIRMED WITH EMBASSY OF THEIR COUNTRY

APPENDIX 3...

KILKENNY LOCAL AUTHORITY AFFORDABLE PURCHASE SCHEME

GLOSSARY OF TERMS

AFFORDABLE DWELLING CONTRIBUTION

This is the amount paid by Kilkenny County Council towards your purchase of an affordable home. This refers to the monetary amount paid, whereas the Equity Share refers to this amount as a percentage of the Market Value.

AFFORDABLE DWELLING PURCHASE ARRANGEMENT (ADPA)

This is the legal contract you will enter into with Kilkenny County Council if your application is successful and you are approved to purchase an affordable home. This sets out, among other legal arrangements, the details of the Affordable Dwelling Contribution made by the Council, a valuation mechanism, and procedures for making redemption payments.

AFFORDABLE PURCHASE PRICE

This is the price you will pay after Kilkenny County Council's Affordable Dwelling Contribution is subtracted from the Market Value. This will be calculated using your income, savings and the terms and conditions of the Affordable Housing Scheme you are applying for.

FIRST TIME BUYER

You are a First Time Buyer if:

- You have not previously bought or built a property to live in.
- You do not own or have an interest in any property in Ireland or abroad.

FRESH START APPLICANT

You are a Fresh Start applicant if the Fresh Start Principle applies to you.

HELP TO BUY SCHEME

First Time Buyers can avail of the Help to Scheme which is operated by the Revenue Commissioners to assist them with their deposit. For more information, please see www.revenue.ie/en/property/help-to-buy-incentive

LOCAL AUTHORITY HOME LOAN

The Local Authority Home Loan is a mortgage offered by a Local Authority. If you have been unable to get a mortgage from a bank, you may be able to use a Local Authority Home Loan to purchase your property, subject to the terms and conditions of the Local Authority Home

Loan. For more information, please see

<https://kilkennycoco.ie/eng/services/housing/housing-loans/>

MORTGAGE APPROVAL IN PRINCIPLE

An Approval in Principle takes the form of a letter from a lender indicating the amount you are eligible to borrow for a mortgage.

PURCHASING POWER

Takes into account maximum mortgage capacity and savings and will determine the price that a purchaser will pay for an affordable home. It is calculated by multiplying your gross household income by 4 and this figure must be less than 85.5% of the market value of an Affordable Home.



*For further information please contact the
Affordable Housing Team at :*

KILKENNY COUNTY COUNCIL
AFFORDABLE HOUSING SECTION
JOHNS GREEN HOUSE
JOHNS GREEN
KILKENNY
R95 Cx92

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