

- The information contained in these FAQ's contains information about eligibility criteria and how to apply for the Danesfort, White's Cross, Affordable Housing Scheme. **Please read these FAQ's carefully.**
- It is the responsibility of every applicant to ensure that they demonstrate eligibility for the Danesfort, White's Cross Affordable Housing Scheme.
- It is also the responsibility of every applicant to demonstrate that they can fund the purchase price of their chosen house type. **At the time of application, mortgage approval in principle, plus savings, plus Help to Buy if applicable, must total at least the minimum price of the house type selected by the applicant.**
- People who are married or in a civil partnership, or who are in a committed relationship and intend to reside in the home with their partner **must apply jointly.**
- Please note, **you cannot register for the online portal in advance**, you can only register when the portal goes live, on the date the portal opens.

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1) What is the Affordable Housing Scheme?

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

The price to be paid for a new Affordable Purchase home by the purchaser, and the percentage equity stake to be taken by Cork City Council, are calculated in accordance with Government Regulations. The price is calculated from an applicant's maximum mortgage capacity (usually gross income x 4) subject to a minimum price set by Cork City Council for the home.

2) How does the scheme work?

The main points of the scheme are as follows:

- The scheme is for first time buyers (with some exceptions) who cannot afford to purchase a home at its open market value.
- The scheme applies to new-build houses available for sale under the Local Authority's Affordable Housing Scheme.
- To participate in the scheme, applicants are required to maximise their mortgage drawdown capacity (usually 4 times a household gross income). Applicants who cannot avail of a mortgage of four times their gross household income **will be required** to provide evidence of same from their lender. Please contact affordablehousing@corkcity.ie for more information if required.
- Applicants who have any interest in a property, either in Ireland or abroad, are not eligible to apply for the Local Authority Affordable Purchase Scheme. Local Property Tax (LPT) checks are conducted on all applicants and declarations are required to confirm same. 'Fresh Start' applicants should contact affordablehousing@corkcity.ie for further information.
- Applicants who are, married, in a civil partnership or in a committed relationship must apply jointly and provide full financial details for both applicants. Mortgage approval in Principle and Revenue's Help to Buy (HTB) approval must also be in joint name.
- All purchasers will sign up to an 'Affordable Dwelling Purchase Arrangement' with your Cork City 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 purchaser can redeem this equity share at any time, subject to a minimum of €10,000 per repayment. Cork City Council may not seek realisation of its affordable dwelling equity for a 40-year period (other than for breach of the agreement).
- The equity share is fully repayable to Cork City Council upon sale of the property or in the event of the death of the homeowner.

3) Am I eligible for this scheme?

In order to be eligible to apply for Cork City Council's Affordable Housing schemes, 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. If you are a Fresh Start Principle Applicant or already own a dwelling which is not suited to your current accommodation needs, please contact affordablehousing@corkcity.ie for further information.
- Income Limits apply to each scheme and house type. Details are available on the website of each Affordable Housing scheme.
- Some applicants with a higher income *may* also be eligible if their lender will only provide them with a maximum mortgage which is less than 85.5% of the market value of the dwelling. Please note, evidence that an applicant cannot avail of a higher mortgage is required by Cork City Council from their bank or financial institution, in a format which is prescribed by the Affordable Housing legislation. Applicants will be required to provide Cork City Council with the evidence the Council requires, in the format requested, within the timeframe given. Note that applicants **cannot** choose to avail of a lower mortgage than that which is available to them.
- Each person included in the application must have the right to reside indefinitely in the State. All non-EEA/EU applicants must be legally resident in Ireland for a period of 5 years; or have leave to remain extending to potentially permit 5 years reckonable residence; or have indefinite leave to remain in the State. Applicants will have to demonstrate that they meet the residency requirements and provide past and present IRPs.
- The affordable home must be the household's normal place of residence. Intending purchasers from a member state of the EU/European Economic Area can apply for an affordable home, provided they are living and working in Ireland.
- Applicants' purchasing power **must not exceed 95% of the market value of the property**. This means that your mortgage approval in principle, plus savings, plus HTB if applicable, less the first €30,000 in savings, cannot exceed 95% of the Open Market Value of the property selected.
- Under the Scheme of Priority for Affordable Dwelling Purchase Arrangements, as adopted by Cork City Council, where the number of eligible applicants exceeds the number of affordable dwellings for which applications are made, applications will be prioritised in accordance with your Cork City Council's Scheme of Priority. A copy of this document is available in the Related Documentation Section.

4) Do I need a mortgage before applying?

While it is not a requirement, it is **strongly recommended** that applicants have their Mortgage Approval in Principle prior to applying for Affordable Housing. If you have not already applied to a lender for a mortgage at the time of your application, you should do so as soon as possible. **You will be required to have mortgage approval at the time of the assessment of your application** – note that this could be very shortly after submitting your application on the online portal.

A minimum **deposit** of 10% of the purchase price of the property will also be required. Applicants should ensure they have sufficient funds before applying. First time buyer applicants can avail of Revenue's Help to Buy Scheme. For more information please see:

<https://www.revenue.ie/en/property/help-to-buy-incentive/index.aspx>. Please note that co-habiting or married applicants must be jointly assessed for the mortgage.

Applicants must maximise their mortgage capacity and should apply for a mortgage of four times gross household income. Applicants are also required to demonstrate that the total of their mortgage, savings, and HTB if applicable, is equal to or greater than the minimum purchase price of their selected property.

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

This can be done on the online portal application by self-declaration, and with Revenue Help to Buy approval. If you are a first-time buyer and have not already applied to Revenue for your Help to Buy, you should do so as soon as possible.

6) How is the affordable purchase price of the properties decided?

The affordable purchase price will be calculated by Cork City Council based on the maximised Mortgage Approval in Principle and /or financial ability to meet the minimum Purchase Price, whichever is greater, of eligible applicants. This calculation can take into account applicants maximum mortgage capacity, HTB if applicable and savings. All Affordable properties advertised show a minimum and maximum purchase price, and the determined purchase price for each applicant will be within this set price range. Note: applicants **cannot** choose to avail of the minimum purchase price - each applicant's purchase price is determined in accordance with their gross household income and purchasing power in accordance with the Income Assessment Policy.

Applicants' Purchasing Power will be calculated as the combined total of:

- Maximum mortgage capacity, i.e., typically 4 times gross household income, plus,
- Help to Buy if applicable, plus,
- Relevant savings**.

The following formula is used to calculate the price of an affordable home:

Gross Household Income (as determined by Cork City Council) *9/10, subject to the minimum purchase price of the property type selected by an applicant.

Example 1, Applicants A & B have a joint gross household income of €70,000 and have applied to purchase an affordable home with a minimum purchase price of €281,000.

€70,000 x 4 = Mortgage Approval in Principle (€280,000)
€280,000/9*10 = Purchase Price is €311,110.

The applicants will need to demonstrate that they have their mortgage approval in principle of €280,000, plus their deposit of €31,110 (which can be made up of a combination of savings and HTB if applicable).

Example 2, Applicants A & B have a joint gross household income of €62,000 and have applied to purchase an affordable home with a minimum purchase price of €281,000.

€62,000 x 4 = Mortgage Approval in Principle (€248,000)
€248,000/9*10 = €275,555. Applicants need demonstrate they can at least meet the minimum purchase price of €281,000. Therefore, in this case, the applicants will need their mortgage approval in principle of €248,000 plus an additional €33,000, which can be made up of a combination of savings and HTB if applicable (€248,000 plus €33,000 = €281,000, min purchase price. **Please note that future /projected earnings / bonus etc are not taken into account – Applicants must have sufficient finances in place at the time of assessment to show they can meet their purchase price.**

**** All savings must be declared and must be provided to Cork City Council in the form of a recent statement, which clearly shows the name and address of the account holder.**

Screenshots are not acceptable. €30,000 of the applicant's savings may not be included in the calculation of Purchasing Power in accordance with Housing Legislation. Savings in excess of €30,000 are reckonable towards the calculation of your purchasing power.

7) How can I apply?

All applications are via the Online Portal - 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. Cork City Council's website
2. Cork City Council's Social Media pages
3. In a local/national newspaper

The advertisement will include details about the scheme including how and when to apply. Applications will be accepted through an **online application portal**. **Please note, you cannot register for the online portal in advance, you must register when the portal goes live on the date the portal opens.**

On the day the application portal opens, you will be required to register on the portal before you can proceed to application stage. You can then proceed to complete the online application form and upload the requested documentation.

Please be aware that applications **must include** all the required documentation. Applicants who submit **incomplete applications** will be contacted to request outstanding information and **it is only when all the relevant information is received that your completed and submitted application will receive a date and time stamp.**

It is the responsibility of each applicant to ensure that all required information and documentation is submitted at the time of application.

Failure to do so could result in your application being deemed invalid.

A checklist of documents required is contained in the Related Documentation Section and should be read in conjunction with these FAQ's.

8) How do I apply on the Online Portal?

The application process will be via an online platform. The system will allow for the input of all relevant data and the uploading all supporting documentation. **As per the Affordable Housing Act, only one application, per couple/single person, per scheme, is allowed.**

Step 1: REGISTERING: Register with the online platform. You will need the following information: Your Full Name, a valid & active email address & a Mobile Phone Number. You will generate a registration verification number via text message, which you will enter to complete the set-up process.

Step 2: LOG ON: You will then be able to log on to the online platform to begin your application process. Again, as part of this login, you will generate a verification number via text message to your mobile device. You will then need to enter this six-digit code to log in.

Step 3: THE APPLICATION: You will be presented with 5 tabs. If you are a single applicant you will need to complete 4 tabs and if you are a joint applicant, five tabs will need to be completed.

Tab 1: Application

This tab will contain the general scheme information, such as scheme name, single or joint application, number of household members to reside in the house, type of property you are seeking etc.

Tab 2: Applicant A

This tab will contain the specifics of the principal applicant: name, date of birth, PPS number, Marital status, Nationality, contact telephone numbers and email, current address, employment details, previous year's gross income details, the option to add details of other dependent household members (name, date of birth, age)

You will also be required on this tab to upload documents in relation to the following: proof of income (Salary Cert and Employment Detail Summary), proof of citizenship, proof of right to reside in Ireland, proof of buyer status i.e. Help To Buy, and proof of address.

Tab 3: Applicant B

This tab must be used where there is a secondary or joint applicant. The same details as above will be required.

Tab 4: Finance

All applicants will be required to provide evidence of their ability to finance the purchase of their selected property, i.e. mortgage approval in principle letter, Help to Buy amount if applicable and proof of savings i.e. **recent** statements for **all** bank & credit union accounts.

Tab 5: Declarations

You will need to agree to a number of declarations in relation to your application e.g. the information you submitted is true and accurate, etc.

9) What happens next?

Your application will be assessed, and Cork City Council will determine your eligibility for an affordable dwelling. When all applications have been assessed and qualification has been determined, we will contact all applicants via the portal to advise if their application has been successful or unsuccessful.

10) How do I know which property to apply for?

A: It is recommended that single person households apply for the 2 Bedroom dwelling – on the basis that under the Scheme of Priority for Affordable Dwelling Purchase Arrangements, where the number of eligible applicants exceeds the number of affordable dwellings for which applications are made, applications will be prioritised in accordance with Cork City Council's Scheme of Priority, to include that for three-bedroom dwellings, priority shall be given to 2 or more-person households.

11) What is the Scheme of Priority?

A: In accordance with the Housing Act 2021 each Local Authority is obliged to prepare and adopt a Scheme of Priority. Cork City Council adopted a Scheme of Priority in April 2021. In cases where the number of applications exceeds the number of available dwellings, the Scheme of Priority determines the order of priority to be accorded to eligible and qualifying applicants. This may include factors such as household size, residency in the local authority's area, or an allocation based on the order the applications are received.

12) How can I provide evidence that I have resided in the Cork City administrative area for more than 5 years?

A: A copy of a rental agreement, utility bill or other correspondence clearly dated is sufficient. Please note, if uploading a utility bill etc, **it is only the first page**, which shows your name, address and date that is required for each year. You do not need to upload each page of the bill itself. In the event that your application is determined as qualifying under the 30% Lottery in accordance with the Scheme of Priority, you may be required to submit proof of residency within the Local Authority's area for 5 years. One document per year will be required.

13) Can I use the First Home Scheme to help finance my property?

A): No, the Local Authority Affordable Purchase Scheme and the First Home Scheme are both shared equity schemes but are administered independent of each other. Purchasers **cannot** use the First Home Scheme to finance a Local Authority Affordable House Scheme.