



Overview of Affordable Housing Scheme

October 3rd, 2024

John Waters

Queries to affordablehousing@galwaycoco.ie

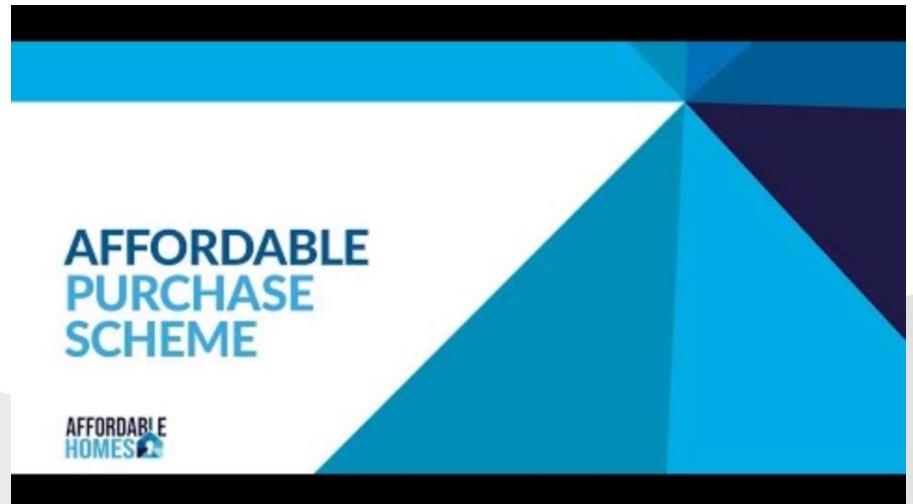


Affordable Housing in Claregalway

- First affordable homes to be developed in County Galway since 2012.
- 61 affordable housing units are being delivered in the Garraí Na Gaoithe development in 3 phases.
- 17 units, including 2 two-bedroom, 9 three-bedroom and 6 four-bedroom houses, are being delivered in the first phase of the development.
- 16 units in the second phase will commence in January. 28 units to be developed in the third phase later next year.
- Located on the Lakeview Road, the housing scheme also features a crèche and is located close to local amenities in Baile Chláir.



What is the Affordable Purchase Scheme?





What is the Affordable Purchase Scheme?

- Reduced priced homes for first-time and other eligible buyers who cannot afford to purchase a home at its open market.
- Applicants must have a maximum mortgage and 10% deposit.
- Galway County Council will provide a monetary contribution towards the purchase of the new home.
- Difference between the combined total of the maximum mortgage capacity, deposit and savings (where relevant) and the open market value.
- This contribution will be expressed as a percentage and represents the equity share the local authority will retain.

Eligibility – Part 1



- You must be over 18 years of age.
- You must be a First-Time buyer or qualify under the Fresh Start principle.
- Your purchasing power must not exceed 95% of the open market value of the home.
- You must have a minimum deposit of 10% of the purchase price.
- You must have a right to reside indefinitely in the State.
- The affordable home will be your principal place of residence.

Eligibility – Part 2



• Minimum equity share to "bridge the gap" is 5% of the full purchase price.

Open market value	What you can afford to pay (purchasing power)	Affordability gap (€)	Affordability gap (%)	Eligible to apply for scheme?
€400,000	€390,000	€10,000	2.5%	No
€400,000	€340,000	€60,000	15%	Yes

Maximum Income Limit



- The maximum income limit for an affordable home is 85.5% of the open market value divided by 4 with exceptions.
- Exceptions include:
 - a) the age of a person making the application
 - b) where a financial institution may calculate the income in a slightly different manner to the local authority assessing the application.

Open Market Value	€395,000
85.5% of Open Market Value	€337,725
Divided by 4	€84,431 = Maximum income limit

How do I apply?



- Apply on the online portal via http://www.galway.ie/affordable.
- Names, dates of birth and address.
- Confirmation that you are a First-Time buyer or Fresh Start applicant.
- Proof of Income.
- Proof of right to reside in the State.
- Evidence of savings/deposit.
- A Mortgage Approval in Principle letter stating the maximum mortgage available should be provided if available.

Decision on Application I



- Applications will be time stamped and ranked in order of the date and time they are received.
- If oversubscribed, households of at least 2 persons to be given priority for threebedroom homes and households of at least 3 persons to be given priority fourbedroom homes.
- 70% of these dwellings will be allocated to the eligible applicants in the date and time order that their applications were received.
- In relation to 30% of the dwellings, priority will be given to eligible households based on any person making the application being or having been resident within the administrative area of Galway County Council for a minimum period of two years.

Decision on Application II



- If still oversubscribed, priority will be given to residents either within the Athenry
 Municipal District or within 10km of Claregalway and within the administrative area of
 Galway County Council for a minimum period of two years.
- If still oversubscribed, priority shall be given to the eligible applicants on a lottery basis.
- In Gaeltacht areas, such as Garrai Na Gaoithe in Claregalway, there is a planning requirement that 20% of the houses "shall be restricted to use as a house by those who can demonstrate the ability to preserve and protect the language and culture of the Gaeltacht."
- The full Scheme of Priorities is available at www.galway.ie/affordable.

How much will I pay?



- The price you pay will be based on your purchasing power.
- Each home has a minimum and a maximum purchase price.
- Purchasing power is calculated on the combined total of the following:
 - Maximum mortgage capacity, i.e., 4 times gross household income, plus,
 - ➤ A minimum deposit of 10% of the affordable purchase price, plus,
 - ➤ Any excess savings over and above the amount required for your 10% deposit plus an allowed additional €30,000.
- If this total gives you a figure which results in you not requiring a minimum 5% equity share from the local authority then you will be ineligible.

What is the Equity Share?



- The equity share is the percentage of the open market value the local authority will contribute to the purchase of the affordable home and is known as an affordable dwelling contribution.
- This represents the percentage reduction from open market value.
- The minimum equity share the local authority can offer is 5%.
- The maximum affordable dwelling contribution per dwelling is €75,000.
- The minimum redemption payment you can make is €10,000.
- Certain events, known as realisation events, will automatically trigger the repayment of the equity share.

Example



• The examples below show how your income helps to determine your purchasing power and the level of local authority's equity you require. These figures are based on a notional property with an open market value of €395,000.

Gross Household Income	(A) Mortgage Capacity (Income x 4)	(B) Purchaser can pay (A) ÷ 0.9	Deposit 10% of (B)	Open Market Value	Local authority contribution (€)	Local Authority Equity Share (%)
€73,000	€292,000	€324,444	€32,444	€395,000	€70,556	18%
€77,000	€308,000	€342,222	€34,222	€395,000	€52,778	13%

Redemption Example



 Redemption payments are made based on the open market value at the time of making the payment. The examples below demonstrate how the value of the equity share may change over time.

OPEN MARKET VALUE AT TIME OF PURCHASE	AFFORDABLE PURCHASE PRICE	LOCAL AUTHORITY CONTRIBUTION	EQUITY SHARE (%)	OPEN MARKET VALUE AT TIME OF REDEMPTION PAYMENT (€)	VALUE OF LOCAL AUTHORITY EQUITY SHARE (€)
€400,000	€300,000	€100,000	25%	€430,000	€107,500
			25%	€380,000	€95,000

Help to Buy



- The Help to Buy (HTB) scheme helps first-time buyers purchase a newly built home.
- The scheme is run by the Revenue.
- Refund of Irish Income Tax and Deposit Interest Retention Tax (DIRT) you paid in Ireland from the four tax years prior to when you make your application.
- The maximum payment is €30,000.
- The mortgage must be at least 70% of the purchase value of the property.
- Damree Developments (Claregalway) Limited is an approved developer under the scheme.

Worked Example



- A couple with a joint income of €67,500 wish to purchase a 3-bedroom property with Market Value (MV) of €362,000.
- They have €40,000 in savings.
- They have applied for Help to Buy and have received approval for €24,000.

Gross	Mortgage (4	Can afford with 10%	Required Equity	Equity as %	LTV
Household	times gross	deposit (Column B ÷	(Difference between	of market	(270 +
Income	income)	9 x 10)	MV and column C)	value	62)
					/362
€67,500	€270,000	€300,000	€62,000	17.1%	91.7%

- The couple purchase the house.
- €24,000 from Help to Buy plus €6,000 of their savings is used as deposit.
- They have €34,000 left in savings which can be used to furnish the house or pay back shared equity if they wish.

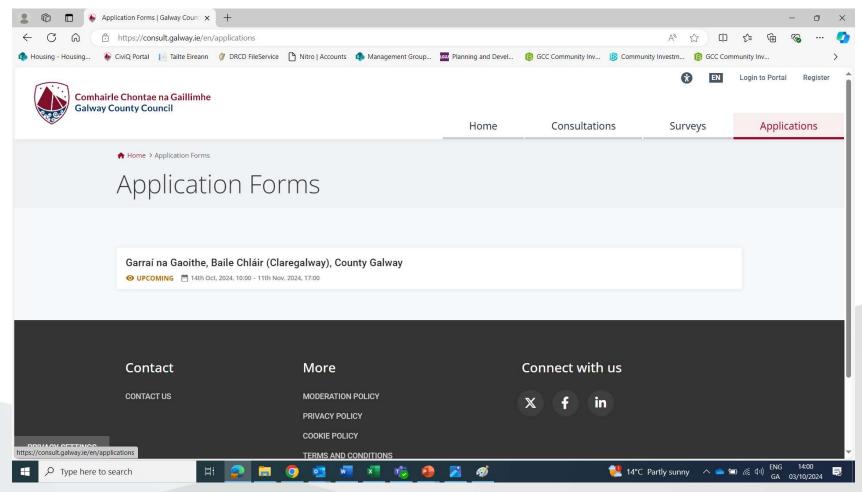
Garraí Na Gaoithe Properties



Quantity		Gross Household Income Limit (€)*			Maximum Purchase Price
2	2 Bedroom Mid Terrace	€68,400	€320,000	€245,000	€304,000
2	3 Bedroom Mid Terrace	€77,378	€362,000	€287,000	€343,900
2	3 Bedroom End Terrace	€78,553	€367,500	€292,500	€349,125
4	3 Bedroom Semi - detached	€79,515	€372,000	€297,000	€353,400
1	3 Bedroom Detached	€89,775	€420,000	€345,000	€399,000
2	4 Bedroom Semi – detached	€94,050	€440,000	€365,000	€418,000
2	4 Bed End Terrace	€94,050	€440,000	€365,000	€418,000
2	4 Bedroom Detached	€99,394	€465,000	€390,000	€441,750

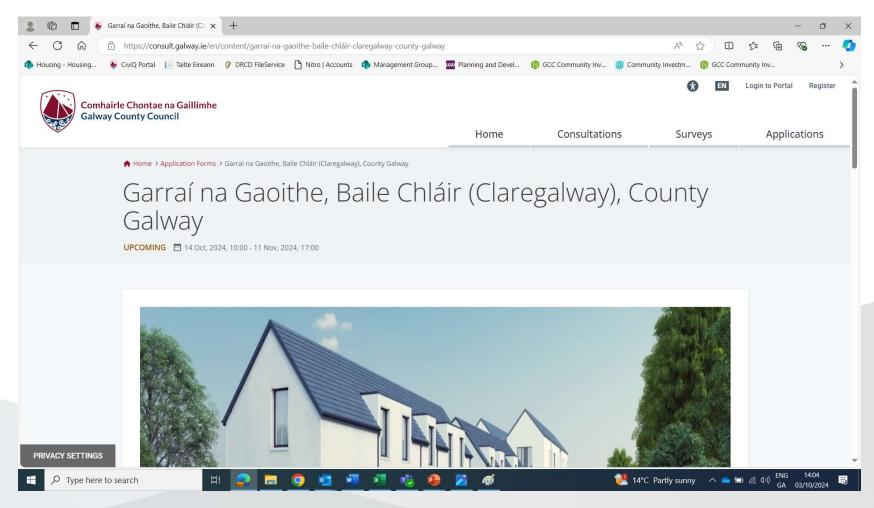
Portal Home Screen





Welcome Page





Portal I



Applicati	on
Joint Appli	ication *
O Yes	
O No	
What type	of property are you seeking? *
2 Bedi	room
☐ 3 Bedi	room
4 Bedi	room
	erstand that the property chosen is within my/our affordability range and also best suits the household's housing needs in line with the bunty Council Scheme of Priority for Affordable Dwelling Purchase Arrangements. *
☐ Yes	
I/We unde	erstand that documentary evidence may be required to verify household need. *
Yes	

NEXT PAGE >



Portal II



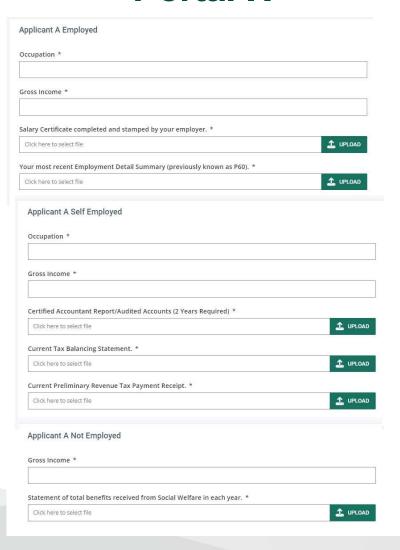
O Single		
O Married/Civil Partner		
O Cohabitant		
O Widowed		
O Separated		
O Divorced		
Citizenship Status *		
- Select -		×
Donald of Citizen ship #		
Proof of Citizenship *		WAL ASSESSMENT A
Click here to select file		1 UPLOAD
Passport or birth certificate if Irish	Passport if ELI/EFA/LIK ritizen, Garda National Immigration Bureau card (stamp 4) if other nationality	
More information	. Passport if EU/EEA/UK citizen. Garda National Immigration Bureau card (stamp 4) if other nationality.	
More information Are you a fluent Irish speak		
More information Are you a fluent Irish speak Yes		
More information Are you a fluent Irish speak Yes No		
More information Are you a fluent Irish speak Yes		
More information Are you a fluent Irish speak Yes No		
More information Are you a fluent Irish speak Yes No Tel		
More information Are you a fluent Irish speak Yes No		
More information Are you a fluent Irish speak Yes No Tel		

Portal III



O Yes					
O No					
Proof of Address *					
Click here to select file					1 UPLOAD
	phone or telephone). Current bank statement.				
More information					
Household Members					
Name	81.5		of Birth		Remove action
Name	Relationship	Date	of Birth		Remove action
		Day	Month	Year	m REMOVE A ROW
			Media	Vr	A DEMANE A DOWN
		Day	Month	Year	m REMOVE A ROW
4. Šimo – 1900.					
First Time Buyer Fresh Start Applicant					
First Time Buyer Fresh Start Applicant Require Larger Property					
First Time Buyer Fresh Start Applicant Require Larger Property					↑ UPLOAD
First Time Buyer Fresh Start Applicant Require Larger Property Proof of Buyer Status * Click here to select file Help to Buy Scheme completed application ronfirming that you have never previously floored/spapared or otherwise and have More information	n, confirming approval. If you are a First Time Buyer and not availi owned a dwalling in Iraland or any other state. For Firsch Start Ap left the property and divested themselves of their interest in the	plicants a court Decree / Sol			idavit from a Solicitor
First Time Buyer Fresh Start Applicant Require Larger Property Proof of Buyer Status * Click here to select file Help to Buy Scheme completed application onfirming that you have never previously flivored/sparated or otherwise and have More information	owned a dwelling in Ireland or any other state. For Fresh Start Ap	plicants a court Decree / Sol			idavit from a Solicitor ing the applicant is
First Time Buyer Fresh Start Applicant Require Larger Property Proof of Buyer Status * Click here to select file Help to Buy Scheme completed application onfirming that you have never previously flivored/sparated or otherwise and have More information	owned a dwelling in Ireland or any other state. For Fresh Start Ap	plicants a court Decree / Sol			idavit from a Solicitor
First Time Buyer Fresh Start Applicant Require Larger Property Proof of Buyer Status * Click here to select file Help to Buy Scheme completed application ronfirming that you have never previously divorced/separated or otherwise and have More information Proof of savings * Click here to select file Savings balance of all bank current account	owned a dwelling in Ireland or any other state. For Fresh Start Ap	plicants a court Decree / Sol property.	iritors lette	r confirmi	Idavit from a Solicitor ing the applicant is
First Time Buyer Fresh Start Applicant Require Larger Property Proof of Buyer Status * Click here to select file Help to Buy Scheme completed application confirming that you have never previously divorced/separated or otherwise and have More information Proof of savings * Click here to select file savings balance of all bank current account focument.	owned a dwalling in Ireland or any other state. For Fresh Start Ap left the property and divested themselves of their interest in the	plicants a court Decree / Sol property.	iritors lette	r confirmi	Idavit from a Solicitor ing the applicant is
First Time Buyer Fresh Start Applicant Require Larger Property Proof of Buyer Status * Click here to select file Help to Buy Scheme completed application confirming that you have never previously divorced/separated or otherwise and have More information Proof of savings * Click here to select file savings balance of all bank current account focument More information	owned a dwalling in Ireland or any other state. For Fresh Start Ap left the property and divested themselves of their interest in the	plicants a court Decree / Sol property.	iritors lette	r confirmi	Idavit from a Solicitor ing the applicant is
First Time Buyer Fresh Start Applicant Require Larger Property Proof of Buyer Status * Click here to select file Help to Buy Scheme completed application rondiffining that you have never previously divorced/separated or otherwise and have More information Proof of savings * Click here to select file Savings balance of all bank current accound document More information Employment Status *	owned a dwalling in Ireland or any other state. For Fresh Start Ap left the property and divested themselves of their interest in the	plicants a court Decree / Sol property.	iritors lette	r confirmi	Idavit from a Solicitor ing the applicant is
Help to Buy Scheme completed application confirming that you have never previously divorced/separated or otherwise and have More information Proof of savings * Click here to select file Savings balance of all bank current accoundocument.	owned a dwalling in Ireland or any other state. For Fresh Start Ap left the property and divested themselves of their interest in the	plicants a court Decree / Sol property.	iritors lette	r confirmi	Idavit from a Solicitor ing the applicant is

Portal IV





Portal V



All fields marked by symbol "*" are required and must be completed.

Finance	
Do you have mortgage approval? *	
○ Yes	
○ No	
they can finance the purchase of their selected property.	Principle or Local Authority Home Loan, you will need to commence this process now. All applicants must supply evidence the u will need to upload a maximum Loan Approval In Principle (AIP) Letter in order for your application to be fully assessed nonstrate potential finance, until you have an AIP letter in place.
Proof of Finance *	
Click here to select file	1 UPLOAD
Loan Approval in Principle Letter or screenshot from an o More information Joint Savings Accounts	ne calculator.
Click here to select file	1 UPLOAD
Savings balance of all bank current accounts, saving accound document. More information	ts, Revolut accounts, Credit Union accounts & An Post accounts etc. for applicant(s) in sequential date, uploaded as one sing

SAVE DRAFT

Document Checklist



- Available via http://www.galway.ie/affordable.
- 1. Proof of Nationality
- 2. Proof of Right to Reside in Ireland (if applicable)
- 3. Proof of present address dated within the last 3 months
- 4. Evidence of all accounts/assets
- 5. Proof of Income
- 6. Proof of Buyers Status
- 7. Evidence of Ability to Finance the Purchase

Thank You



- Applications will be accepted via an online application portal which will go live on 14th October 2024 at 10.00am. Applications may be made between October 14th and November 11th, 2024.
- Further information on the Garraí Na Gaoithe scheme, including the Scheme of Priority, link to the application form, and support documentation required is available at www.galway.ie/affordable.
- Thank you for listening. Any questions?

