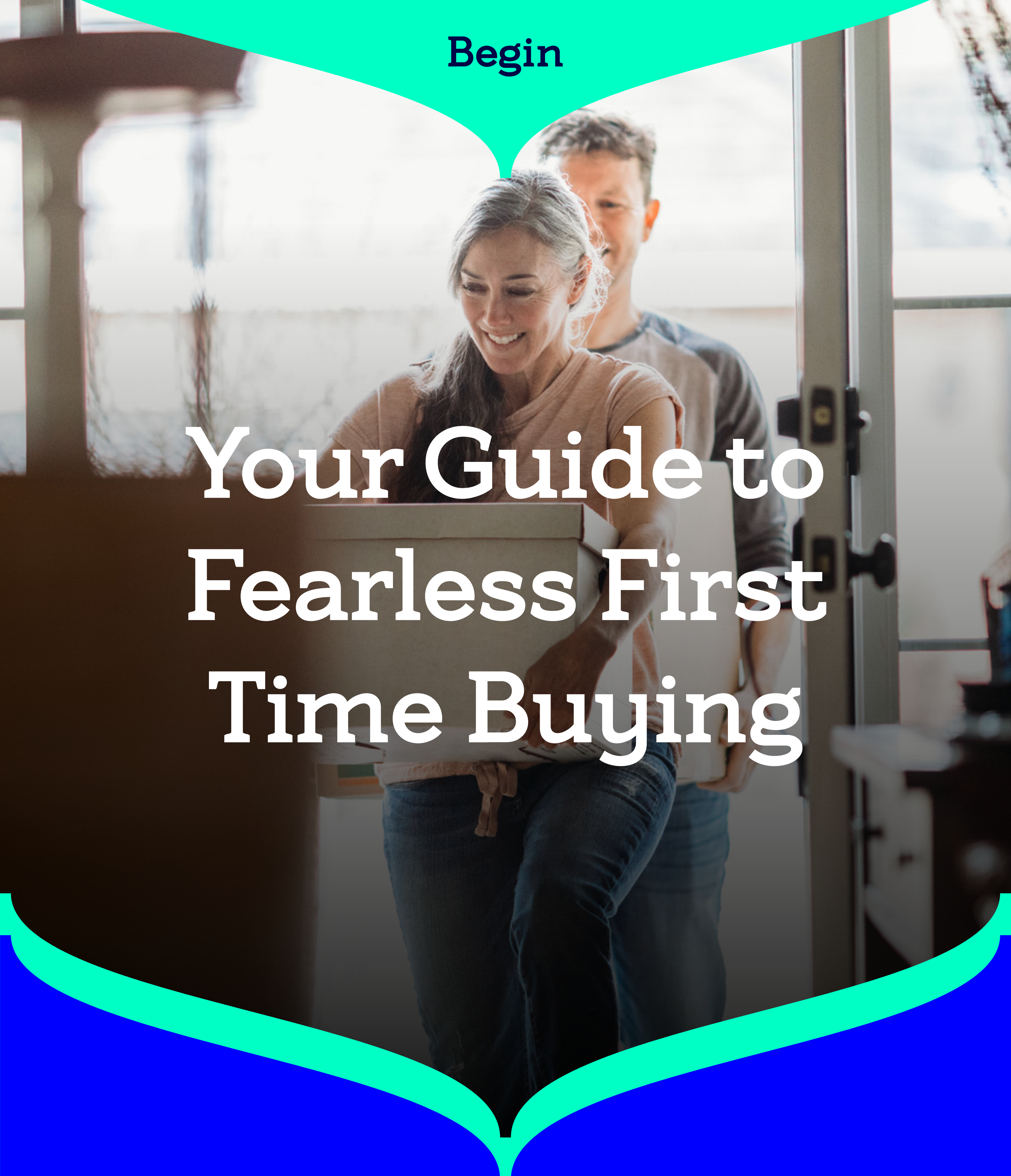
Begin



Your Guide to Fearless First Time Buying

Bank of Ireland

You've got this and we've got you

“ our mortgage specialists are here to support you all the way through your home-buying journey...

Buying your first home is exciting.

It can also be daunting, as it's a big financial commitment.

Bank of Ireland has helped thousands of people move into their first home so we understand those nerves and our mortgage specialists are here to support you all the way through your home-buying journey...

MYTH Buster

You have to be an existing Bank of Ireland customer to get approved for a mortgage

You don't. Applications are assessed on a case-by-case basis. And, existing customers don't get more favourable treatment. So that's 2 myths busted for the price of 1.

Your Mortgage Journey

1 Allow yourself lots of time to get "mortgage ready"

2 Start saving your deposit and reducing any debts

3 Find out how much you can borrow

4 Chose how you want to apply:

- **Online** – if you're ready to start your application, you can register for our mortgage hub and fill out your application online with help from our homebuying team
- **Over the phone** – with one of our mortgage specialists
- **In your local branch** – face to face with one of our branch mortgage specialists

5 Get your approval in principle

6 Choose your location (location, location)

7 Start looking for your new home

8 Once you've found it, secure it with a deposit

9 Get your formal offer letter

10 Get property professionally surveyed (very important!)

11 Arrange a valuation of the property

12 Shop around for a solicitor

13 Pay your deposit (usually 10% of purchase price for First Time Buyers)

14 Get home insurance and life insurance (aka mortgage protection)

15 Get packing

16 Get your keys

17 Pat yourself on the back (and go celebrate)

MYTH Buster

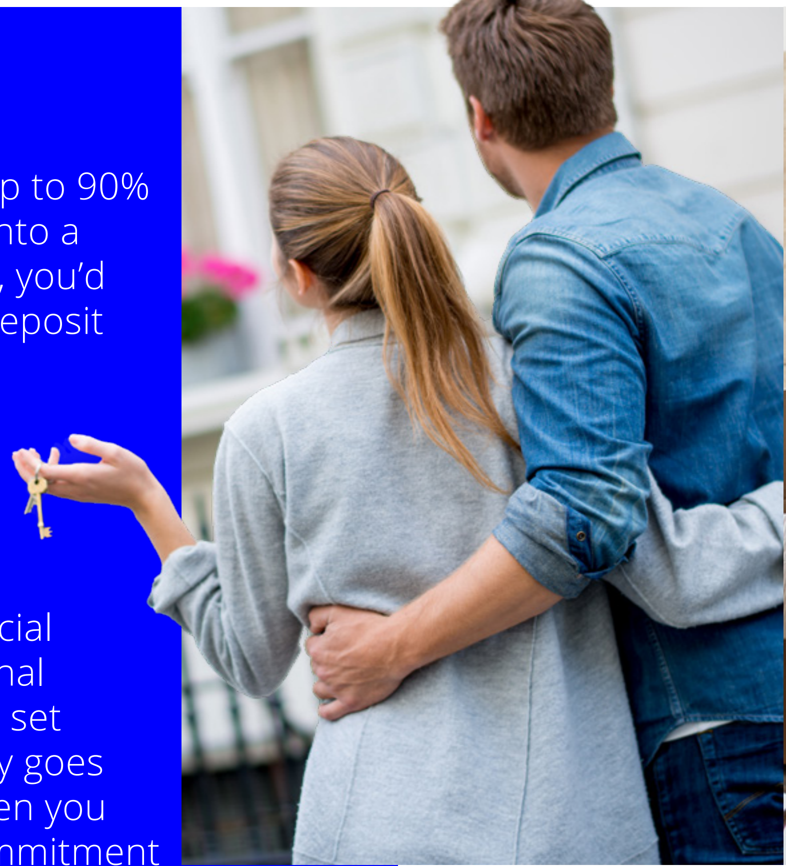
It's difficult to get a mortgage if you're self-employed

We consider all mortgage applications. If you've done the groundwork and can provide the necessary documentation, you're as likely to be approved as anyone else.

Deposit & Savings

Save it to spend it

As a first time buyer, you can borrow up to 90% of the value of the property. To move into a home valued at €300,000, for example, you'd need to have €30,000 saved for your deposit before applying.



That's a considerable sum of money so the best way to start saving it is just that – start. Put away enough of your income each month to build up your deposit. It can help to open a special savings account and give it a motivational name like 'My First Home Fund'. Simply set up a monthly direct debit so the money goes straight from your current account when you get paid. This regular saving shows commitment and that you can repay your debts, which is seen positively when applying for a mortgage.

Before applying, it's important to work out how much you can comfortably afford to repay on your mortgage. Jot down all your outgoings - rent, utilities, groceries, transport, car loan, childcare, nights out, Netflix subscription etc, and make the decision to cut back on any non-essentials.

To work out how much you can afford, check out our online mortgage calculator. Done that? You've no excuses now, so get saving towards your deposit.

> “regular saving shows commitment and that you can repay your debts, which is seen positively when applying for a mortgage.

Open a MortgageSaver account and we'll top it up by €2,000

€2,000 Bonus Interest on your Savings (ess DIRT - Deposit Interest Retention Tax) at the prevailing rate for First Time Buyers. Just save by direct debit between €200 and €2,500 monthly, for at least 6 consecutive months and save a minimum of €5,000 in total. Also, draw down your mortgage loan within 30 months of opening your MortgageSaver account (terms and conditions apply).

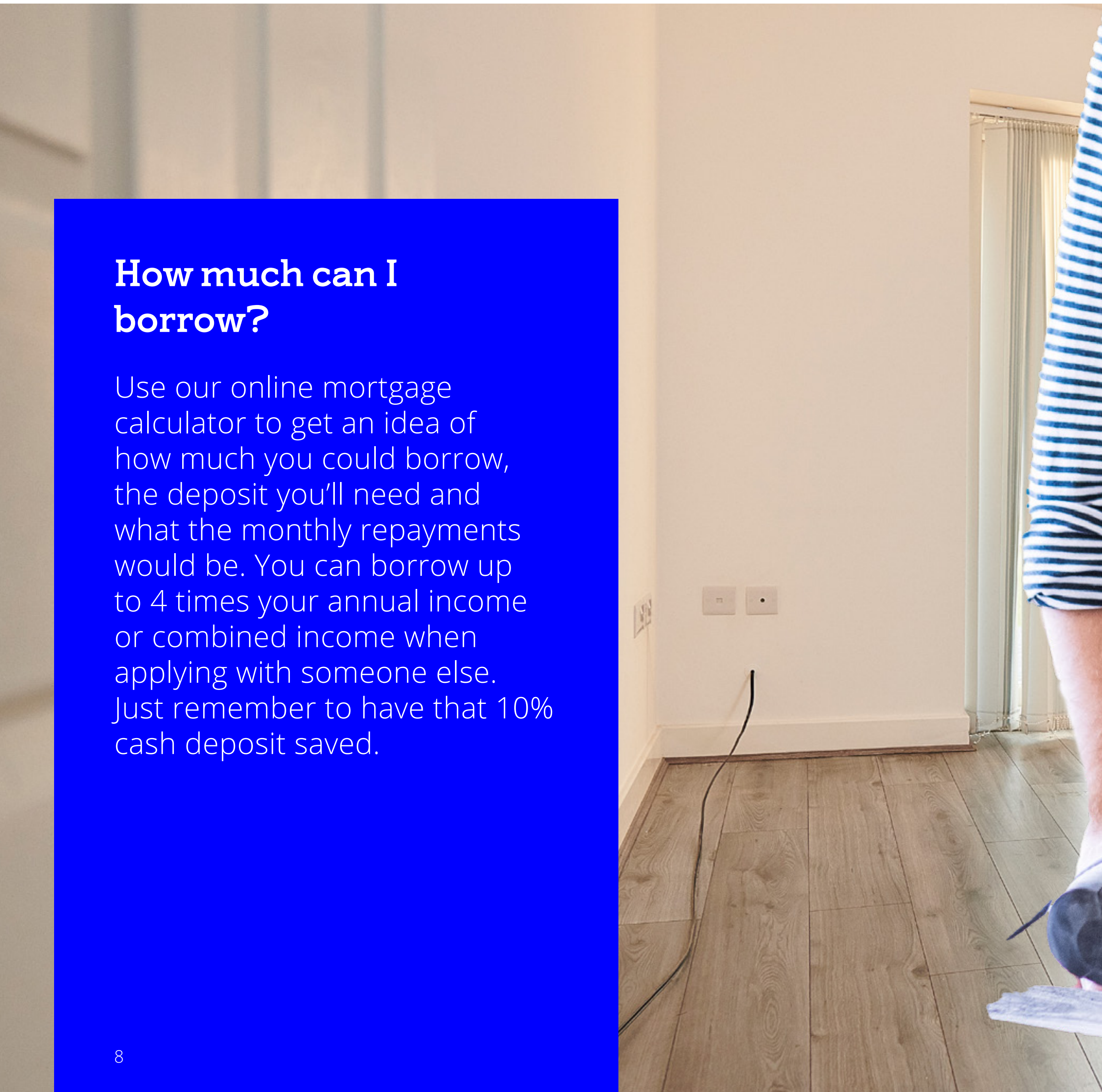
MYTH Buster

It's cheaper to rent than to buy

In some cases, mortgage repayments are less than the rent that would have to be paid on the same property.

How much can I borrow?

“You can borrow up to 4 times your annual income or combined income when applying with someone else.



How much can I borrow?

Use our online mortgage calculator to get an idea of how much you could borrow, the deposit you’ll need and what the monthly repayments would be. You can borrow up to 4 times your annual income or combined income when applying with someone else. Just remember to have that 10% cash deposit saved.

MYTH Buster

You have to provide a 20% deposit

Buyers only need a deposit of 10% to secure their first home.

Other cost Considerations

Deposits, solicitors, rates and fees. There are a lot of different costs to consider when buying your first home. Here's a quick rundown:

Initial Booking Deposit

Normally between 2 - 5% of the purchase price, this will be payable to your estate agent. It's fully refundable up until the point where contracts are signed.

Deposit Balance

This is the balance of 10% of the purchase price, less your initial deposit. It's payable once you've signed the contracts, at which time it becomes non-refundable.

Stamp Duty

This is a charge that the Government applies to the purchase of a residential property. For properties up to €1,000,000 it's 1% of the purchase price. New build properties are slightly different, in that the rates are applied to the value of the home minus VAT. That currently stands at 13.5%, meaning that a new build costing €400,000 would result in stamp duty totalling €3,460. You pay Stamp Duty to your solicitor at closing.

Structural Survey

This is a private survey undertaken by a professional of your choosing and is essential to make sure there are no issues with the property you're buying.

Bank Valuation

This is a legal valuation that must be carried out by an independent professional body. It should cost you around €150 - €250 plus VAT but this can vary, so shop around.

Annual Service Charges

These are more typically paid on apartments and some housing schemes where there are shared amenities and communal areas that are maintained by a management company.

Solicitors Fees

This can be a flat fee or a percentage of the purchase price. This is a cost that you may be able to negotiate when you appoint your solicitor

SPECIAL OFFER

Get up to 3% Cashback with a Bank of Ireland mortgage

Our special Cashback Plus offer comes in handy when you need to pay for professional fees or to help furnish your new home . We'll give you 2% of your new mortgage back as cash after you draw down your mortgage and an additional 1% of your mortgage back in cash in 5 years' time subject to meeting the conditions of the mortgage.

(Terms & Conditions)
This offer is available to first-time buyers who draw down their new mortgage by 31st December 2023. Cashback is not available with the High Value Mortgage fixed interest rate.

MYTH Buster

You need to have found a property before you apply for a mortgage

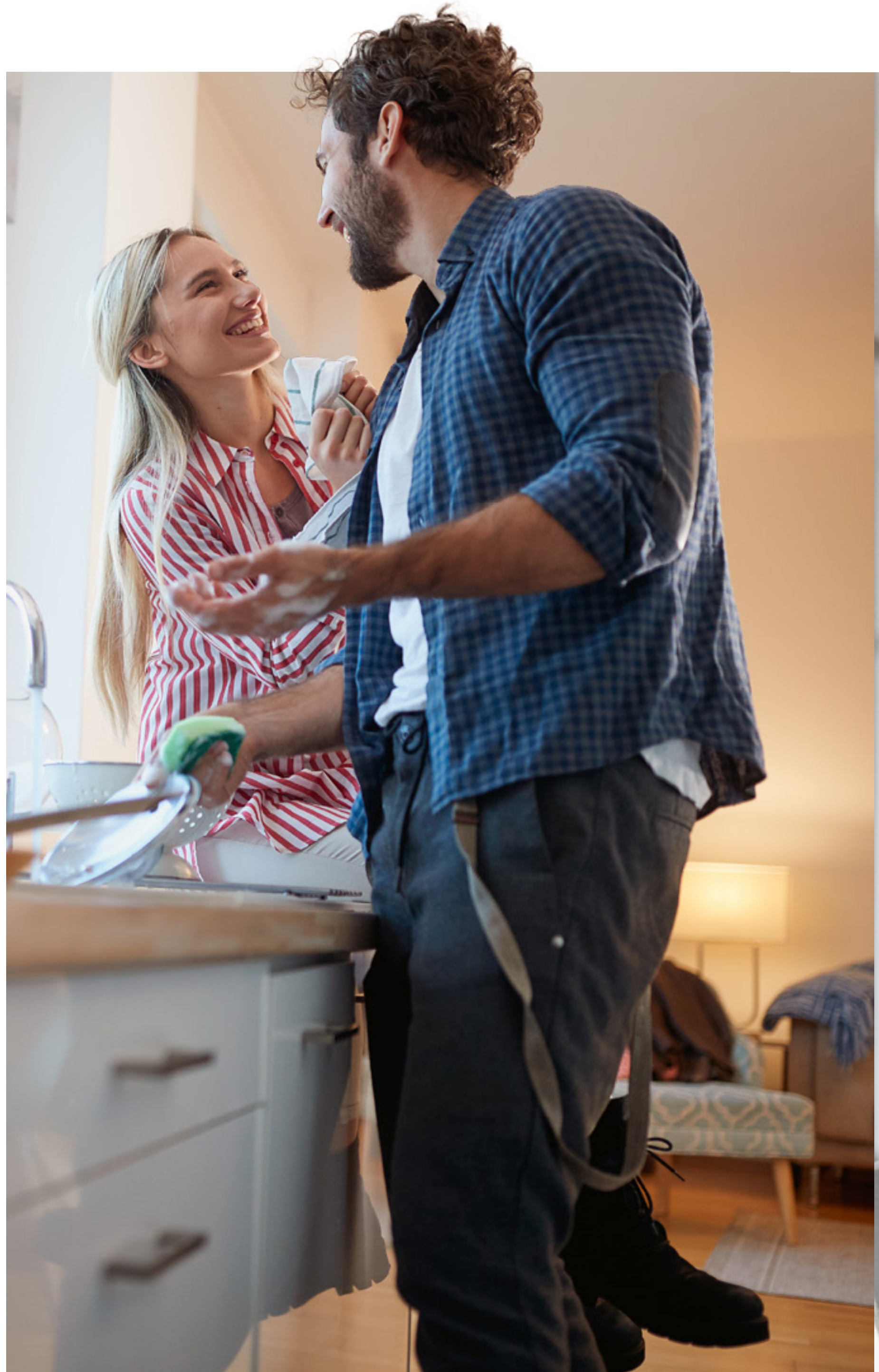
Once your application is successful and you have your formal 'House Hunter Approval in Principle' letter, you can go looking for a property. This approval generally lasts for 6 -12 months.

Helpful Schemes

There are number of Government schemes to help you secure your first home and we've outlined some of these below. Be sure to do lots of web searching of your own, too. If you have any questions around these schemes, do get in touch.

The First Home scheme
is part of the Government's 'Housing For All' strategy. Launched in July 2022, it's primarily designed to help first time buyers bridge the gap between what they're allowed borrow under the Central Bank's mortgage lending rules and what they need to borrow in order to buy a home. It's a shared equity scheme in which the Government takes a stake or 'share' in your home, in return for providing you with up to 30% of the property price.

For more information, visit citizensinformation.ie



The Help-to-Buy incentive, also known as the Help-to-Buy scheme, is a Government tax refund scheme designed to help firsttime buyers get the deposit you need to buy a newly-built home. You can claim a maximum of 10% of the value of the property or €30,000 - whichever is lower.

For more information, visit gov.ie

> **"There is some brilliant help available.**

MYTH Buster

Banks won't approve mortgages for people buying homes on their own

We look at each case individually. To make sure you can afford your monthly repayments we'll check your accounts and any existing loans.

Ready to apply?

Now that you've learned more about the mortgage process we hope you're feeling a little less daunted about applying and we'll make sure you understand each step along the way.

To apply, simply submit an online application, make an appointment with one of our in-branch mortgage specialists or in some cases, we'll come to see you.

Book an in-branch appointment or have a Mobile Mortgage Manager visit you

Book your appointment online or pop into your nearest branch to arrange a chat with one of our mortgage specialists or have them come to you.

> **"chat with one of our mortgage specialists today**

MYTH Buster

When applying for a mortgage, you'll be scrutinised for every penny you spend

We'll review your statements but you won't be punished for the odd splurge. What's important is that you're able to bounce back from large instances of spending and tighten the purse strings to show a consistent pattern of saving.

Jargon Buster

There's quite a bit to understand around the mortgage process and adding to this are confusing acronyms and complicated language. To help unravel it all, we've listed some of the most common terms below.

Annual Percentage Rate of Charge (APRC)

This is basically a calculation of the overall cost of your loan, expressed as an annual rate. It takes into account all the costs involved over the loan term, such as the interest rate, valuation fee and Property Registration Authority charge.

Interest Rate

Your interest rate is your cost for borrowing money. The rate is usually expressed as a percentage rate per year and can be either a fixed amount or a changing variable amount.

Variable Interest Rates

A variable rate offers flexibility but it means your interest rate can go up or down depending on a variety of factors.

Fixed Interest Rates

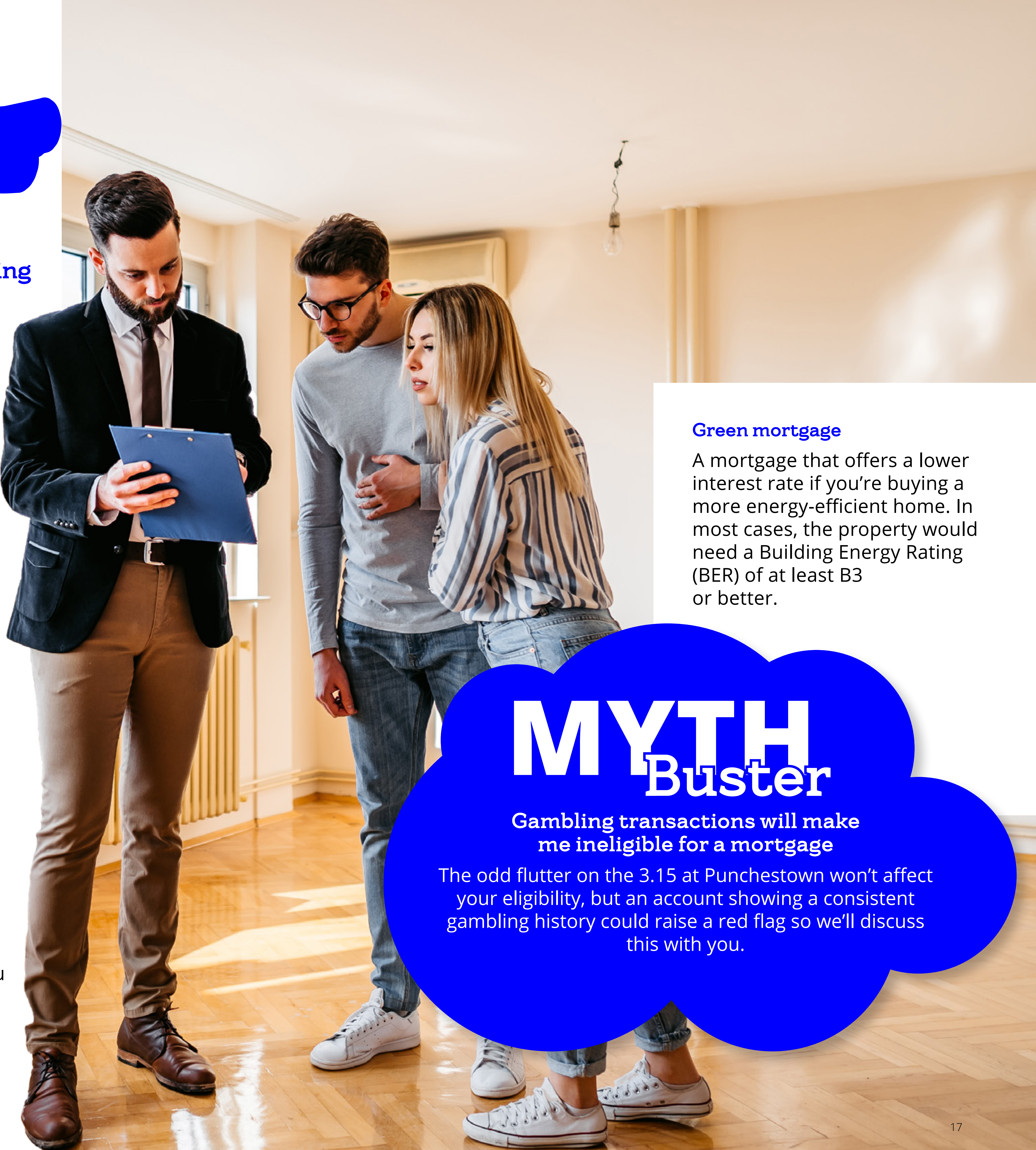
A fixed rate means just that - your interest and monthly repayments are set for a particular period of time, usually from 1 to 10 years. It helps you to budget as your rate won't rise (but equally, it won't go lower).

Approval in Principal (AIP)

When your application is officially accepted, we'll send you a letter to confirm this. You can now start to look for your new home. This approval lasts between 6 – 12 months, so get hunting!

Loan to Value (LTV)

This is the amount that you can borrow compared with the value of the property you are buying. For example, if a house is valued at €300,000 and you borrow €240,000, your LTV is 80%.



Green mortgage

A mortgage that offers a lower interest rate if you're buying a more energy-efficient home. In most cases, the property would need a Building Energy Rating (BER) of at least B3 or better.

MYTH Buster

Gambling transactions will make me ineligible for a mortgage

The odd flutter on the 3.15 at Punchestown won't affect your eligibility, but an account showing a consistent gambling history could raise a red flag so we'll discuss this with you.

Important information

The lender is Bank of Ireland Mortgages. Lending criteria and terms and conditions apply. Over 18's only. A typical mortgage to buy your home of €100,000 over 20 years with 240 monthly instalments costs €615.79 per month at 4.2% variable (Annual Percentage Rate of Charge (APRC) 4.3%). APRC includes €150 valuation fee and mortgage charge of €175 paid to the Property Registration Authority. The total amount you pay is €148,114.60. We require property and life insurance. You mortgage your home to secure the loan. Maximum loan is generally 3.5 times gross annual income (4 times gross annual income for first time buyers) and 90% of the property value. A 1% interest rate rise would increase monthly repayments by €54.02 per month. The cost of your monthly repayments may increase – if you do not keep up your repayments you may lose your home.

Foreign Currency Loan: All our mortgage loans are in Euro. Your mortgage loan will be treated as a Foreign Currency Loan under EU consumer law if either (a) you intend to repay it from earnings in a currency other than Euro; or (b) if you live in an European Economic Area (EEA) Country that is outside of the Eurozone. For example, if you intend to repay your mortgage loan from earnings in sterling; or if you live in Norway (an EEA country outside the EU) or Poland (a country in the EU and EEA), your mortgage loan will be a foreign currency loan. When we lend a Foreign Currency Loan we add a special set of conditions to your Offer Letter and must give you extra information. These things are designed to help you limit the exchange rate risk to which you are exposed by borrowing a mortgage loan in Euro.

Valuation: The Bank requires that you arrange a valuation of the property (or properties) offered as security, carried out by a valuer acceptable to the Bank. You will need to pay the valuation fee direct to the valuer. You need to agree that fee with the valuer (you should expect to pay a fee of €150 to €250 plus VAT but this can vary). If we withdraw the loan offer we may refund this fee. No responsibility is implied or accepted or warranty given by the Bank for the value or condition of the property as outlined in the valuation. The valuation report will remain the property of the Bank and you are entitled to your own copy of the report.

Legal fees: You will need to pay legal fees to your own solicitor, which you need to agree with him or her as part of your own arrangement. This does not include costs associated with the Bank's legal investigation of title for the purpose of the mortgage.

Accountable trust receipt: €63. You will need to pay this fee to the Bank where your solicitor requests the Title Deeds from the Bank on your behalf.

Security Perfection Fee for Equity Release: €600. This fee covers the Bank's legal expenses where the Bank agrees to handle an Equity Release loan without the need for a customer to engage his/her own solicitor.

The following additional costs will be payable by the borrower (i) for all Buy to Let properties and (ii) for principal dwelling housing where the loan amount is €1.5 million or over.

1. The borrower must reimburse the Bank for the legal costs incurred by the Lender in effecting the Lender's Security and related tasks (excluding costs associated with the Bank's legal investigation of title for the purpose of the mortgage);
2. The outlay and fees payable to state agencies for the registration of the Lender's Security, which must be remitted to the borrower's solicitor.

   The Lender's legal costs to be reimbursed by the borrower are the following:

   a) the Lender's solicitor's professional fee of €950 plus Value Added Tax per property

   b) Outlay and fees payable to state agencies for the registration of the Lender's Security which shall not exceed €350 per property.

The Lender's legal costs, once paid by the borrower, are not refundable. Typically these must be paid at the closing of the transaction. You may be liable for legal, valuation and other costs incurred in perfecting the security or any other requirements even if the Mortgage loan is not advanced.

Arrears: Interest Surcharge If you do not pay us a repayment instalment or other sum of money by the date you are due to pay it, we may charge you a default interest rate of 0.5% per month or part of a month (which is 6% per year) on the unpaid sum. This default interest is added to normal interest.

We do not charge borrowers default interest when they are in a Mortgage Arrears Resolution Process under the Central Bank's Code of Conduct on Mortgage Arrears and are cooperating reasonably and honestly with us.

Early Repayment or Ending a Fixed Rate Early: When a fixed rate applies to a Loan or part of a Loan we may suffer a loss if (1) you repay the Loan or part of it before the date you were due to pay it; or (2) you and we agree in writing to change the fixed rate to a new fixed Interest rate or to a variable interest rate; or (3) we oblige you to pay all amounts which you owe us following your default.

If we suffer such a loss you must pay us compensation when we ask you to pay it. Such compensation will be equal to "C" where:

C = A x (R%-R1%) x D ÷ 365, and

"A" = the amount repaid early (or the amount for which the fixed rate is changed to a new rate) averaged from the date of early repayment (or rate change) to the end of the fixed rate period to allow for scheduled repayments (if there are any) and interest charges.

"R%"= the annual percentage interest rate which was the cost to us of funding an amount equal to "A" for the originally intended fixed rate period.

"R1%"= the annual percentage interest rate available to us for a deposit of an amount equal to "A" for a period equal to "D".

"D" = the number of days from the date of early repayment (or rate change) to the end of the fixed period.

Here is a worked example: Let us assume you wish to repay €100,000 on a fixed rate before the fixed rate period ends.

"A" = €100,000, "R" = 5%, "R1" = 3%, "D" = 2 years or 730 days:

C = €100,000 x (5%-3%) x 730 ÷ 365

So, C = €100,000 x 2% x 730 ÷ 365

C = €4,000

Regulatory Notice for Asset Covered Security Act Bank of Ireland Mortgage Bank u.c. – Prudent Market Value for the purposes of the Asset Covered Securities Act, 2001 Regulatory Notice (Section 41(1)) 2004 [Irish Residential Property Assets/ Mortgage Credit Assets]. For the purpose of satisfying publication requirements which apply under the above referenced regulatory notice, Bank of Ireland Mortgage Bank u.c. hereby gives notice that the Prudent Market Discount that applies in relation to Bank of Ireland Mortgage Bank u.c. for the purposes of that regulatory notice is currently 0.15 (in percentage terms 15%).

WARNING: The cost of your monthly repayments may increase.

WARNING: If you do not keep up your repayments you may lose your home.

WARNING: You may have to pay charges if you pay off a fixed–rate loan early.

WARNING: If you do not meet the repayments on your loan, your account will go into arrears. This may affect your credit rating, which may limit your ability to access credit, a hire- purchase agreement, a consumer-hire agreement or a BNPL agreement in the future.