



Affordable Housing, Credit Policy update and Important Information

The Mortgage Store is accepting applications for property purchases under the **Local Authority Affordable Purchase Scheme**. The scheme makes newly built homes available in specific housing estates at a reduced price.

The scheme is available to FTBs and Fresh Start applicants. This means that people who are divorced or separated and have no interest in the family home, or who have undergone insolvency proceedings, will be eligible to apply. Acceptance to the scheme is determined by the relevant local authority based on an assessment of the customers purchasing power (generally 4.0x income) and is independent of the mortgage process. **So once a customer has been approved for the Scheme by their local authority (council) we can accept your mortgage application for them.**

- ✓ There is no change to the customer mortgage journey and standard credit policy applies.
- ✓ Customers can apply for a CBOI exception which is subject to approval (to be applied for through your Relationship Manager).
- ✓ Customers can apply for Help to Buy (HTB) funding assuming they meet the HTB qualifying criteria.
- ✓ Customers purchasing an Affordable Property cannot also avail of the First Home Shared Equity Scheme (FHS) so please ensure this is not listed as funding.
- ✓ A second charge to the Local Authority will be registered and rank behind the Bank's First Legal Charge, the Bank's priority of charge is captured in a priority agreement.

Priorities Agreement

The Department of Housing and the Banking industry have agreed an industry standard Priority Agreement and once the Local Authority have signed up to the agreement (this is done centrally through BOI legal department) the process becomes streamlined and we do not require to seek a copy of the priorities agreement for any applications for affordable housing properties under these Authorities.

To date **seven** local authorities have signed up to the priority agreement.

Local Authorities signed up to Affordable Housing Priority Agreement:

- ✓ Cork City Council
- ✓ Cork County Council
- ✓ Fingal County Council
- ✓ South Dublin County Council
- ✓ Waterford County Council
- ✓ Westmeath County Council
- ✓ Wicklow County Council

Information on other government housing schemes

We have recently received queries on various government schemes and whether we can progress applications under these schemes where a second charge will be registered against the title deeds.

For example, Incremental Tenant Purchase Scheme, Repair and Leasing Scheme, Croí Cónaithe.

We have requested that the BPFI engage with the Housing Association to enquire if these schemes can progress through The Mortgage Store and if the existing priority agreement in place for Affordable Housing and the First Home Scheme can be applied on these schemes.

In the meantime, if you receive a request for an application falling under any of these schemes, please contact your Relationship Manager for assistance.

Affordable Housing continued...

When submitting Affordable Housing applications, the following information must be included:

1. Market Value
2. Discounted purchase price (as decided by Local Authority)

Note: The Purchase Price will reflect a percentage discount offered by the Local Authority (decided by the local authority) and on that basis will be lower than the Market Value of the property.

Rate applicable will be based on the Market Value, which will be confirmed at application stage on the Local Authority approval.

Mortgage amount will be based on max 90% of discounted Purchase Price.

Credit Policy and Calculator Updates

We have updated our Credit Policy Guide and Mortgage Assessment calculator – both attached. Note: The usual password applies to both attachments.

Salary Certificate - Reminder

Salary certificates submitted with applications must be no older than 3 months from the date of submission.

Change of Solicitor Details

If your customer changes solicitor during the course of their application, it is important to notify us as soon as possible to avoid legal packs issuing to the wrong solicitor.

Inter-family Purchase – what is required at assessment

Please use the following as a guide prior to submitting Inter-family purchase applications for assessment:

1. Market Value of the property.
2. Contracted purchase price (customers should confirm this with Solicitor) – LTV for Policy/CBOI is based on contracted Purchase Price, Pricing band is based on Market Value.
3. Name of person/people to whom funds are to be paid (e.g. parent or siblings, this is required for conditioning)
4. Funding – should part of the funding include gifted equity OR inheritance, please ensure this outlined in your memo (i.e. no evidence of funds required).
5. Tax – ensure this is covered off in memo i.e. is tax due on difference between Market Value and contracted Purchase Price and/or gifted equity.
6. Will parents/other family member continue to reside in the property? If so, please liaise with your RM for guidance.

Structural Reports

All Structural Reports should be fully reviewed by you before submitting to The Mortgage Store. Any essential works noted on a report will change the proposal significantly and these changes should be addressed prior to submitting the report to us. Changes should be submitted using Change in Proposal process as essential works will require a full change in funding with a potential retention needed.

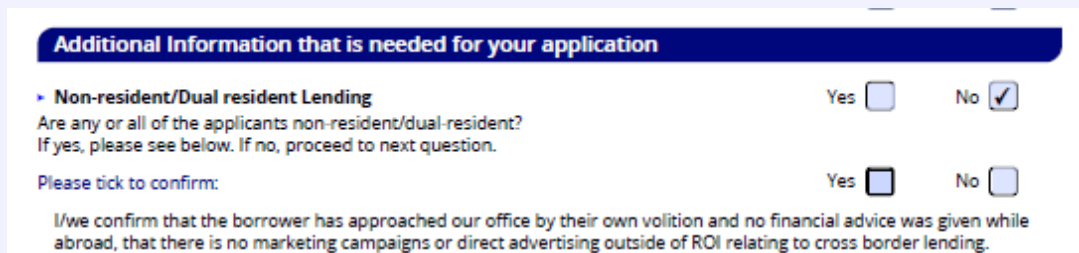
Document Checklist

We recently updated our Document Checklist to include the question:

Non-resident/Dual resident Lending - Are any or all of the applicants non-resident/dual-resident?

If the answer to this question is No, please tick the **No** checkbox and proceed to the next question - **Are the applicants availing of the First Home Shared Equity Scheme**. You do **not** need to complete the **Please tick to confirm** section underneath if answer is **No**.

If the answer to the **Non-resident/Dual resident Lending** question is **Yes**, please tick the **Yes** checkbox and proceed to the **Please tick to confirm** section underneath as this section is mandatory when confirmed as non-resident/dual resident lending.



Additional Information that is needed for your application

► **Non-resident/Dual resident Lending**

Are any or all of the applicants non-resident/dual-resident?
If yes, please see below. If no, proceed to next question.

Yes ☐ No ☒

Please tick to confirm:

Yes ☐ No ☐

I/we confirm that the borrower has approached our office by their own volition and no financial advice was given while abroad, that there is no marketing campaigns or direct advertising outside of ROI relating to cross border lending.

Valuer's Panel

A reminder that we regularly update our Valuer's Panel with the most recent update occurring this week. With this in mind, please ensure to always obtain valuer's details from our most up to date panel at the following link:

[Valuation Panel Search - Bank of Ireland](#)

This link is for broker use only.

Valuation Reports - Submitting multiple documents

Before sending in or uploading a Valuation Report, please ensure that it hasn't already been submitted or sent in directly by the Valuer. Also, if you are sending a report directly to us, use one method of delivery such as upload only. Don't upload and email as this causes duplication. We have received multiple reports on some cases which significantly impacts our ability to review and accept the condition in a timely manner.