



## Amendment to First Home Scheme (FHS) Eligibility Criteria PLUS Important information to note

The First Home Scheme was established in July 2022 to assist eligible first-time buyers bridge an affordability gap between their deposit, an approved mortgage, and the price of a home. On 31st March 2023, the Minister for Housing announced an expansion to the FHS to include eligible tenants who have received a Notice of Termination and who wish to purchase the home they are currently renting.

On 19th September, the Minister for Housing has announced a further commitment to first time buyers under the Governments Housing for All strategy with the expansion of the Scheme to Eligible customers who intend to build their own home.

### ***What is changing?***

- FHS now available to first time buyers who are building their home on a site owned.
- FTB who are building their home on a site owned or in the process of being purchased. FHS will not release funds towards site purchases.
- Mid-way builds where drawdowns have commenced are excluded from this enhancement
- FHS will fund the affordability gap between the max Mortgage @ 4x LTI & the actual build cost up to BAU max limits
- FHS funding for this cohort will issue post the first stage payment. This will act as the customers second drawdown before The Mortgage Store issues the next stage payment (which will essentially be the customers third payment)
- Evidence of FHS drawdown will be required prior to release of the second drawdown.
- We are aware that overruns may occur from time to time and in these instances, you must engage with your Relationship Manager for guidance. Customer must be Macro Prudential compliant where FHS formed part of original build funding & meet standard Mortgage Store policy.
- FHS have accepted the risk their % equity share may increase in scenario's of under runs
- All other existing Scheme Rules apply

### ***Reminder***

The First Home Scheme operates a scheme minimum equity share of 2.5% of the property purchase price or build cost (for self-builds), or €10,000, whichever is higher.

### **Please Note:**

**This information is being provided for information purposes only. There is no change to FHS BAU processes.**

**All customer queries must be directed to FHS only.**

**Should you have any queries, please do not hesitate to contact your Relationship Manager.**



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#### Structural Survey Reports

All Structural Reports should be fully reviewed by you before submitting to The Mortgage Store for further assessment. Any essential works noted on a report may change the proposal significantly and these must be addressed prior to submitting the report to us. When addressing essential works, use our Change in Proposal process for guidance as essential works may require a full change in funding with a potential retention needed to ensure works are complete.

See below documents that will be required if essential works are identified;

- Accompanying letter from surveyor outlining if works are essential or require immediate attention
- Costings (Essential works ensuring each item is covered)
- Case message outlining works & how the clients plan to fund same (CIP funding statement as guidance)

#### Funding for Switcher cases

Customers should have sufficient funding in place to cover all costs associated with their switcher application i.e. legal fees and other professional fees including valuation report. This will need to be established up front at application stage.

#### EDS now accepted as Proof of Address

Please note that the EDS (Employment Detail Summary) document issued by Revenue can now be accepted as Proof of Address for your customers.

#### New Broker Declaration Form and Application Form

We have recently updated our Intermediary Declaration Form and Application Form. Updated versions of these forms are now available on our broker website. Please use new forms and delete any locally saved versions.