

# LIMERICK CITY COUNCIL ANNUITY LOANS

All applicants cannot be considered for housing loans until they have made a Bona Fide Application to both a Bank and a Building Society and have been refused by both. It will be necessary for the applicant to submit a letter from both the Bank and the Building Society that they applied to for a loan confirming the following:-

- \* the applicants income.
- \* amount of savings.
- \* purchase price of the house they are seeking the loan in respect of
- \* the amount of the loan they were refused.

## WHO IS ELIGIBLE TO APPLY?

If you belong to one of the following categories you are eligible to apply for consideration for an Annuity Loan;

- (a) Tenants and Tenant Purchasers of local authority houses who intend to return their houses to the authority on providing a private house for their own occupation under the scheme.
- (b) Persons included by a local authority in its latest assessment of housing needs or accepted for inclusion in the next such assessment, i.e. on the housing waiting list.
- (c) Tenants of one year's standing of houses provided by approved housing bodies under the Rental Subsidy Scheme e.g. RESPOND who intend to return their houses to the housing body on providing a private house for their own occupation under the scheme.
- (d) Persons in need of housing whose household income in the preceding tax year, calculated in accordance with a formula, does not exceed €2,000.00.

Under the formula, income will be reckoned as follows;

- in the case of a **single income household**, two and a half times the borrower's income in the preceding tax year,
- in the case of a **two income household**, two and a half times the income of the principal earner, plus once the other income.

Examples of how the proposed formula and limit would work in different circumstances are shown below:-

	Single Income Household	Single income Household	Two income Household	Two income Household
Principal Income	€6,800.00	€8,000.00	€0,000.00	€2,000.00
Subsidiary	Nil	Nil	€17,000.00	€17,000
Formula	€6,800.00 X 2.5 = €2,000.00	€8,000.00 X 2.5 = €5,000.00	€0,000.00 X 2.5 + €17,000.00 = €2,000.00	€2,000.00 X 2.5 + €15,000.00 = €7,000.00
Eligible	Yes	No	Yes	No

## **WHAT IS THE MAXIMUM LOAN AVAILABLE?**

The maximum loan available is €165,000.

Subject to this maximum, a loan can amount to **95%** of the price/value of the house, net of the new house grant where applicable.

## **WHAT ARE THE REPAYMENTS?**

The repayments are paid monthly and the amount payable is based on the amount borrowed and the interest rate applicable.

Repayments may vary from time to time depending on the interest rate changing.

The method of repayment is by way of Standing Order.

## **WHAT IS THE RATE OF INTEREST?**

The variable interest rate is 2.95% and the fixed interest rate is 4.37%.

The variable interest rate is subject to change and repayments will go up and down, depending on the change in interest rates.

## **WHAT IS THE REPAYMENT PERIOD?**

New Houses - 30 years

Second-Hand - 20 years for a house built before 1950

Houses - 25 years for a house built after 1950

A reduction in the repayment period may also apply depending on the age of the applicant(s), (i.e. 15 year repayment period).

## **CAN I CLAIM TAX RELIEF?**

Tax relief is deducted at source and your monthly repayments will include this deduction.

## **WILL I GET THE NEW HOUSE GRANT?**

No. The New House Grant was abolished by the Department of Environment and Local Government on the 13<sup>th</sup> November, 2002.

## **HOW LONG MUST APPLICANT(S) BE EMPLOYED?**

All applicants for a house purchase loan must be in full-time, permanent employment for a minimum of a tax year i.e. they must produce a P60 from their present employment which shows their income over a 52 week period.

## **WHAT AMOUNT OF SAVINGS IS REQUIRED?**

The amount of savings required must cover,

- \* your own legal expenses.
- \* land registry fess and miscellaneous expenses.
- \* percentage of Limerick Corporation's legal expenses (i.e. 0.75% of the purchase price plus VAT).
- \* 5% of the net purchase price of the house.

## **NOTES:**

- (1) Annuity House Purchase Loans are only advanced to first time owners. In exceptional circumstances loan applications may be provided to enable existing home owners purchase a larger house for the purpose of relieving unfitness or overcrowding in the existing house and if failure to give a loan could cause hardship.
- (2) The selection of the house is your own choice but Limerick Corporation must be satisfied that it is reasonably priced, of suitable size and standard to cater for the applicant's needs and free from structural defects.
- (3) An existing house must have hot and cold water systems, a fixed shower or bath and an indoor toilet.

## EXAMPLES OF MONTHLY REPAYMENTS

### VARIABLE INTERST RATE OF 2.95%

<i>AMOUNT</i>	<i>20 YEARS</i>	<i>25 YEARS</i>	<i>30 YEARS</i>
€ 80,000	€41.68	€77.29	€35.13
€ 90,000	€496.89	€124.45	€77.02
€100,000	€52.10	€71.61	€18.91
€110,000	€67.31	€18.78	€60.80
€120,000	€62.52	€65.94	€02.69
€130,000	€17.73	€13.10	€44.59
€140,000	€72.94	€60.26	€86.48
€150,000	€28.15	€07.42	€28.37
€160,000	€83.36	€54.58	€70.26
€170,000	€38.57	€01.75	€12.15
€180,000	€93.78	€48.91	€54.04
€190,000	€1,048.99	€96.07	€95.93
€200,000	€1,104.20	€43.23	€37.82

# LIMERICK CITY COUNCIL

HOUSING DEPARTMENT

LOANS SECTION

CITY HALL

LIMERICK



APPLICATION FOR

ANNUITY LOAN

*PHONE 061-407226  
JANE WALLACESTUNDON*

## APPLICATION FOR ANNUITY LOAN

**PLEASE READ THE FOLLOWING NOTES CAREFULLY BEFORE COMPLETING THIS FORM.**

**ALL QUESTIONS ON THE FORM MUST BE ANSWERED**

**PLEASE WRITE YOUR ANSWERS CLEARLY IN BLOCK CAPITALS**

***All applications must be submitted in person at this office. Postal applications will not be accepted.***

### **AGE LIMIT FOR EACH APPLICANT IS A MAXIMUM OF 55 YEARS**

You must submit the following items with your application. Incomplete applications will not be accepted.

1. Application Fee of €70.00 which is **not refundable**.
2. Long Birth Certificate for each applicant. Short Birth Certificate or Baptismal Certificate are not acceptable.
3. Documentary evidence of savings – 12 month Statements required. Savings must be over a regular period of time, i.e. at least six months.
4. Documentary evidence of existing loans or other financial commitments – 12 month Statements required.
5. Passport Photograph for each applicant.
6. If Renting Privately -
  - (i) a letter from Landlord confirming how long a tenant,
  - (ii) weekly/monthly rent,
  - (iii) rent book, receipts for rent or bank statements showing evidence of rent being paid,
7. Evidence of Income for applicant and joint applicant, see below:

### **For Persons on PAYE**

- A P60 Certificate for the tax year immediately preceding the date of application.
- If the P60 does not cover the full 52 weeks of the particular tax year, a Statement from the Department of Social Welfare or your Employment Exchange giving full details of any Benefits or Assistance received during the period must be submitted.
- Completed Employment Information Forms (copies attached) from your Employer(s) and Three recent Payslips.

### **For Self-employed Persons**

- A Balancing Statement and Notice of Assessment from Inspector of Taxes for the two tax years immediately preceding the date of application.

**LIMERICK CITY COUNCIL reserves the right to make enquiries concerning an applicant's employment, occupation, salary or income.**

8. Local Authorities cannot now consider applications for Housing Loans until the applicants have made a **Bona Fide Application** to both a Bank and Building Society and has been refused by both. It will be necessary for the applicant to submit a letter from **both** the Bank and Building Society they applied to for loan facilities confirming the applicant's income, amount of savings, purchase price of the house they are seeking the loan in respect of plus the amount of loan they were refused.
9. Site location map.
10. Certificate of sale price of house which can be obtained from the Auctioneer.
11. Estimate of Solicitors expenses and Stamp Duty. Please note that all Housing Loan Applicants will be liable to pay a portion of the Corporation's Solicitor's Fees resulting from the transaction.
12. In the case of an application being made for the purchase of a house where the house is not occupied, it will be necessary to submit a key of the dwelling with your application to allow the Corporation to inspect the property.
13. **FOR A NEW HOUSE**
  - \* Letter of Registration under National House Building Guarantee Scheme Form HG47.
  - \* Two copies of Plans and Site Plan.
14. (i) For applicants seeking loans **less** than €6,350.00 please obtain form from Housing Department re: Tax affairs and arrange to have certified by your Tax Inspector.  
  
(ii) For applicants seeking loans **more** than €6,350 please obtain a tax clearance certificate from the Revenue Commissioners.

# ANNUITY LOAN APPLICATION

## PERSONAL DETAILS:

**APPLICANT A**

**APPLICANT B**

NAME

\_\_\_\_\_

ADDRESS

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

TELEPHONE NUMBER    Applicant A \_\_\_\_\_ Applicant B \_\_\_\_\_

DEPENDANTS \_\_\_\_\_

DATE OF BIRTH \_\_\_\_\_

PPS NO. \_\_\_\_\_

GROSS INCOME  
(before tax) in last  
tax year \_\_\_\_\_

CURRENT WEEKLY  
TAKE HOME PAY \_\_\_\_\_

ANY OTHER INCOME \_\_\_\_\_

OTHER FINANCIAL  
COMMITMENTS (LOANS ETC.)                      YES/NO                      YES/NO

If Yes Give Details \_\_\_\_\_

\_\_\_\_\_

Are You:

Married                                           

Engaged                                              
(Date of Marriage \_\_\_\_\_)

Separated                                           

Single                                           

Single Parent                                           

Widow/Widower

\*\*\*\*\*

**LOAN TYPE**

HOUSE TYPE LOAN IS REQUIRED FOR:

- (A) New House YES/NO
- (B) Previously Occupied House YES/NO

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**HOUSING CIRCUMSTANCES**

1. Details of present housing and need for alternative accommodation:  
 \_\_\_\_\_  
 \_\_\_\_\_
2. Have your ever applied for housing with a Local Authority YES/NO  
 If Yes, state (a) Name of Local Authority \_\_\_\_\_  
 (b) Date of Application \_\_\_\_\_  
 (c) Location where housing sought \_\_\_\_\_
3. Has applicant or spouse, either individually or jointly, previously built or bought another house in Ireland or Abroad  
 \_\_\_\_\_

\*\*\*\*\*

**FOR PREVIOUSLY OCCUPIED HOUSES ONLY**

1. Name and Address of Seller \_\_\_\_\_  
 \_\_\_\_\_
2. Relationship to Applicant \_\_\_\_\_
3. Address of House in respect of which loan is required  
 \_\_\_\_\_
4. Is House Occupied Yes/No

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**FOR PURCHASE OR ERECTION OF NEW HOUSE ONLY**

1. Name and Address of Builder \_\_\_\_\_  
 \_\_\_\_\_
2. Date of Commencement of Work \_\_\_\_\_

3. Planning Permission Reference No. \_\_\_\_\_

4. Is House registered under National Housing Building Guarantee Scheme

Yes/No

\*\*\*\*\*

**LOAN DETAILS**

1. Purchase Price of House € \_\_\_\_\_

2. Legal Costs € \_\_\_\_\_

3. Total Cost € \_\_\_\_\_

4. Amount of Loan Required € \_\_\_\_\_

5. How balance of cost is to be met –

(a) Own savings € \_\_\_\_\_

(b) Other Sources (Please Specify)

\_\_\_\_\_

6. Bank or other Financial Institution to which Limerick City Council may refer for reference \_\_\_\_\_

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**DETAILS OF INCOME**

**APPLICANT A**

**APPLICANT B**

Name and Address of Employer

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

How long have you been with this employer

\_\_\_\_\_

\_\_\_\_\_

If less than 5 years give details of previous employment:

Name and Address of Employer

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Amount of Gross Salary or wages in Tax Year Preceeding date of application:

\_\_\_\_\_

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**SELF-EMPLOYED**

Total Income for Tax Year Preceeding application € \_\_\_\_\_

Nature of Business or Profession \_\_\_\_\_

Year business or profession was established \_\_\_\_\_

\*\*\*\*\*

I/We declare that the information above is correct to the best of my/our knowledge and belief and that this form was completed before being signed by me/us.

I/We undertake to reside in the house as my/our normal place of residence.

**SIGNATURE OF APPLICANT(S)** \_\_\_\_\_

\_\_\_\_\_

**DATE** \_\_\_\_\_

**HOUSING LOAN APPLICATION**

**TO BE COMPLETED AND RETURNED WITH EVERY APPLICATION FORM**

**TO BE COMPLETED BY APPLICANT A IN BLOCK CAPITAL LETTERS**

1. Your Full Name .....
2. Previous Name (if any) .....
3. Present Address .....
4. Previous Address (if any) .....
5. Full Address of New House .....
6. Income Tax Reference Number .....

**TO BE COMPLETED BY INSPECTOR OF TAXES**

I hereby certify in accordance with my records and to the best of my knowledge, that the above named person has not previously claimed income tax relief in respect of interest paid on money borrowed to purchase or build a dwelling.

**Signed:** .....

**Date:** .....

**Official Stamp**

**HOUSING LOAN APPLICATION**

**TO BE COMPLETED AND RETURNED WITH EVERY APPLICATION FORM**

**TO BE COMPLETED BY APPLICANT B IN BLOCK CAPITAL LETTERS**

1. Name of Spouse/Partner .....
2. Previous Name (if any) .....
3. Present Address .....
4. Previous Address (if any) .....
5. Full Address of New House .....
6. Income Tax Reference Number .....

**TO BE COMPLETED BY INSPECTOR OF TAXES**

I hereby certify in accordance with my records and to the best of my knowledge, that the above named person has not previously claimed income tax relief in respect of interest paid on money borrowed to purchase or build a dwelling.

**Signed:** .....

**Date:** .....

**Official Stamp**

Please read the following carefully before you sign:-

**STATUTORY DECLARATION**

(To be made before a District Judge, Commissioner for Oaths or a Peace Commissioner, Member of Garda Siochanna, Priest or Minister of Religion)

I/We declare and agree that –

- (1) I am/We are over 18 years of age.
- (2) The information given in this application form is true to the best of my/our knowledge and belief and that this form was completed before being stamped by me/us.
- (3) The reports of Limerick City Council's advisors are for the confidential information of the City Council only and cannot be disclosed, and that no responsibility can be accepted by Limerick City Council for the condition of the property.
- (4) The property will be my/our normal place of residence.
- (5) I/We also declare that I/We have been advised to obtain professional advice as to the structural stability and suitability of the dwelling house for habitation and acknowledge that the City Council in issuing a loan to me/us, does not accept any statutory or common law duty of care to me/us to ensure that the dwelling house is properly constructed or free of defects.
- (6) **I am/We are now in good health and I am/We are not aware of any reason why I/We should not qualify for the Mortgage Protection Plan incorporated in this loan scheme. I am/We are in gainful employment at date of application.**
- (7) I/We hereby authority Limerick City Council to make any enquiries as they consider necessary for the purpose of this application.
- (8) I/We make this solemn declaration conscientiously believing the same to be true and by virtue of the Statutory Declaration Act, 1938.

**SIGNATURE OF APPLICANT(S)**

\_\_\_\_\_

\_\_\_\_\_

**DATE**

\_\_\_\_\_

**\*Declared before me by this \_\_\_\_\_ day of \_\_\_\_\_, 2003 at**  
**\_\_\_\_\_ by \_\_\_\_\_ and**  
**\_\_\_\_\_ who is/are personally known to me (or who is/are**  
**identified to me by \_\_\_\_\_ who is personally know to me).**

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**DISTRICT JUSTICE,  
COMMISSIONER FOR OATHS,  
PEACE OMISSIONER,  
MEMBER OF GARDA SIOCHANA,  
PRIEST OR MINISTER OF RELGION.**

APPLICANT A

Name \_\_\_\_\_

Address \_\_\_\_\_

**TO BE COMPLETED BY EMPLOYER:**

Employers Name \_\_\_\_\_

Address: \_\_\_\_\_

In relation to the above named loan applicant I confirm that the following information is correct:

Nature of Employment \_\_\_\_\_

Date of Commencement \_\_\_\_\_

Present Gross Income \_\_\_\_\_ (weekly/annual)

Is employment Permanent or Temporary: \_\_\_\_\_

Is employment Full-time or Part-time: \_\_\_\_\_

Is employment continuous: \_\_\_\_\_

Will applicant be employed by you for the foreseeable future? YES/NO

Is applicant entitled to sick pay benefit? YES/NO

If YES please give details: \_\_\_\_\_

\_\_\_\_\_

Employers Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Employers Stamp

**APPLICANT B**

Name \_\_\_\_\_

Address \_\_\_\_\_

**TO BE COMPLETED BY EMPLOYER:**

Employers Name \_\_\_\_\_

Address: \_\_\_\_\_

In relation to the above named loan applicant I confirm that the following information is correct:

Nature of Employment \_\_\_\_\_

Date of Commencement \_\_\_\_\_

Present Gross Income \_\_\_\_\_ (weekly/annual)

Is employment Permanent or Temporary: \_\_\_\_\_

Is employment Full-time or Part-time: \_\_\_\_\_

Is employment continuous: \_\_\_\_\_

Will applicant be employed by you for the foreseeable future? YES/NO

Is applicant entitled to sick pay benefit? YES/NO

If YES please give details: \_\_\_\_\_

\_\_\_\_\_

Employers Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Employers Stamp