

Comhairle Cathrach Chorcaí

Cork City Council

Tenant Purchase Scheme 2011 - Application Form

Tenants are to engage a solicitor prior to applying to purchase the property.

Please read the notes on page 2 before completing this form

Applicant's/Applicants' Details

APPLICANT(S) NAMES(S) _____

ADDRESS _____

TELEPHONE NO(S) _____

DATE(S) OF BIRTH _____

OCCUPATION(S) _____

NAME & ADDRESS(ES) OF EMPLOYER(S) _____

GROSS INCOME(S) FOR THE PREVIOUS TAX YEAR = _____

(P.60 OR CERTIFIED ACCOUNTS MUST BE SUBMITTED)

IN PRESENT EMPLOYMENT(S) SINCE _____

Tenancy Details. See Notes No. 2, 3 and 4

LOCAL AUTHORITY TENANT(S) SINCE _____

RESIDENT AT CURRENT ADDRESS SINCE _____

DO YOU INTEND TO USE THIS ADDRESS AS YOUR NORMAL PLACE OF RESIDENCE? YES _____ NO _____

DO YOU CURRENTLY RESIDE AT THIS ADDRESS? YES _____ NO _____

IF YES ABOVE, ARE YOU BEING ASSESSED FOR RENT PURPOSES? YES _____ NO _____

PLEASE LIST ALL OTHER PERSONS RESIDING AT THIS ADDRESS:

NAME	RELATIONSHIP TO APPLICANT(S)	AGE	WEEKLY INCOME

Account Details. [See Notes 5, 6 and 7 on page 2]

SERVICE/REFUSE CHARGE ACCOUNT CLEAR YES _____ NO _____

IF NO, AMOUNT DUE € _____ WAIVER APPLICATION ON FILE YES _____ NO _____

WILL PAY/CLEAR ARREARS BY _____

RENT ACCOUNT- AMOUNT OF WEEKLY RENT € _____

CLEAR TO DATE- YES _____ NO _____

IF NO ABOVE, AMOUNT DUE € _____

DO INCOME DETAILS CORRESPOND WITH THOSE DECLARED FOR RENT ASSESSMENT PURPOSES?

YES _____ NO _____

IF NO, AMOUNT PAYABLE RETROSPECTIVELY € _____

WILL PAY/CLEAR ARREARS BY _____

Purchase Details. (Complete a Local Authority Loan Application immediately if (d) below applies).

How do you propose to finance the purchase of the house? (Please tick below)

- (a) Bank/Building Society Loan
- (b) Cash Purchase
- (c) Credit Union Loan
- (d) Local Authority House Purchase Loan over 20 years 25 years 30 years
- (Note: Loan Term must be completed before you reach the age of 70 years)**
- (e) Other Method (e.g. financial assistance from a relative etc)

If you have indicated (d) above, Cork City Council reserves the right to refuse this application if, based on the details you provide herein, you are not deemed eligible under normal lending criteria/credit checks for loan approval.

If you have indicated (e) above, or if you have other means to fund the purchase, please furnish full details with this Application Form.

If there is any other information you wish to give in support of your application, please furnish full details with this Application Form.

Notes:

1. Each tenant/applicant must sign the completed Application Form.
2. Each applicant must currently be a tenant of the house in respect of which the application is being made.
3. Each applicant must be a tenant of a local authority dwelling for at least 12 months.
4. Each applicant must continue to reside at the house as his/her/their normal place of residence.
5. The income details submitted with this form should correspond with those previously submitted by the tenant(s)/applicant(s) in accordance with the letting agreement for rent assessment purposes.
6. Applications will only be considered from tenants whose rent accounts **and** service/refuse charge accounts are clear, either as a result of payment in full or entitlement to waivers.
7. Applications will only be considered from tenants who have complied with the terms of their letting agreements.
8. If an offer is made following consideration of this application, the **offer must be accepted in writing by your solicitor and returned to the Housing Loans and Grants office together with a copy of any loan sanction within two months from the date of the offer.** Non-receipt of such acceptance by this office for any reason will be treated as a refusal of the offer by the tenant(s)/applicant(s).
9. Applicants are free to obtain an independent valuation of the house at their own expense should they feel that the valuation relied upon by Cork City Council is unreasonable.
10. **Incomplete forms or forms not accompanied by the necessary income certificates will not be considered.**
11. No binding contract will exist until such time as the terms of the offer have been accepted in writing by the applicant(s) or the applicant's/applicants' solicitor, and the approval of the City Council has been obtained where relevant.

I/We declare that the information contained in this Application Form is true and accurate to the best of my/our knowledge and belief and I/we undertake to complete the purchase of the house within 6 months of the date of any offer.

Signed _____ **Applicant(s)**

In the presence of _____, **Solicitor for the Applicant(s)**

on this the _____ day of _____, 20_____.

Received by Housing Department on _____.

CORK CITY COUNCIL - HOUSING & COMMUNITY DIRECTORATE

TENANT PURCHASE SCHEME 2011

Who is eligible to purchase?

If you have been a named tenant of a local authority for at least ten years, you may apply to purchase the house under the 2011 Scheme. The local authority can only sell to the named tenant(s) whose name(s) will ultimately appear on title deeds. You must also currently be residing in the house you are applying to purchase as your normal place of residence.

Is there a closing date for receipt of Applications for the 2011 Scheme?

Yes - the Department of Environment, Heritage & Local Government recently announced that the 2011 Scheme will cease on the 31st December 2011.

How is the purchase price calculated?

The price of the house will be its market value as determined by the local authority, in its existing state of repair and condition, less discounts. The structural condition of the house will be taken into account and any increase in the market value due to **authorised** improvements you have made to the house will be disregarded in calculating the price.

What discounts are available?

Under the 2011 Scheme, you will be allowed a discount of 3% of the market value of the house for each year up to a maximum of 15 years or 45% discount.

How is the purchase financed?

The purchase price will be payable on the completion of the sale and the tenant, as purchaser, will be responsible for raising the necessary finance. If you need a mortgage/loan as most purchasers will, you have the choice of applying to your local authority or to a Bank/Building Society. The local authority may be able to offer you, subject to the criteria (including credit checks) laid down for the approval of local authority loans:

- a loan at a variable rate of 3.25% (i.e. it varies up or down as interest rates generally change) subject to a maximum of €220,000. (**Note: Loan Term must be completed before you reach the age of 70 years**)

Building Societies and Banks should consider loan applications from tenants purchasing their houses under a Tenant Purchase Scheme on the same basis as if you were applying for a loan to buy a private house. In the instance that the offer is made to one person only and if the purchase is being financed by you in conjunction with any other person, confirmation from the lending institution that it is aware the title will be vested in your sole name only will be required before the sale proceeds. You will have the same range of options as any other borrower in relation to the type of loan, interest rates, term etc, you may wish to take.

Can a tenant contest the local authority's valuation?

Yes by submitting a valuation certificate from a qualified valuer to support your claim (at your own expense). In the event of a significant difference between the local authority's original valuation and that submitted by the tenant's independent valuer, the local authority may refer the matter to the Valuation Office.

Are any houses excluded from sale?

Houses provided for elderly persons, flats and maisonettes are specifically excluded from both Schemes. Also, the local authority may at its discretion exclude houses for reason of good estate management, structural condition or if it proposes to carry out remedial works to them. In general, other than these categories, all houses may be included in the Schemes strictly subject to Cork City Council having sufficient title (freehold) to sell.

Does the Local Authority have to put the house into good structural condition?

No. The sale price of the house will reflect its existing state of repair and condition. The local authority is under no obligation to put any house being purchased into good structural condition prior to sale. No warranty by the local authority shall apply, or be deemed to be implied, as to the state of repair or condition or the fitness for human habitation of any house sold under either Scheme.

Who is responsible for the maintenance of the house after purchase?

You will be fully responsible for the upkeep and maintenance of the house from the date you complete the sale.

Do tenant purchasers qualify for tax relief?

You may qualify for income tax relief on your mortgage interest subject to Government policies.

Is mortgage protection insurance required?

Such insurance is compulsory in the case of a local authority mortgage. In the first instance you will be required to avail of the local authority's Mortgage Protection Scheme but if not eligible under the terms of that scheme, you will be required to provide proof of Mortgage Protection Insurance from another source. The premium for the local authority's scheme is added to the interest rate on your loan. Building Societies and Banks also usually require and arrange Mortgage Protection Insurance.

Are there other costs involved in the purchase?

As well as the purchase price payable to Cork City Council, you will be responsible for paying your own Solicitor's legal fee (but not Cork City Council's legal fee), your Engineer's fee, Stamp duty on the transfer from the Council and registration fees to register your ownership of the house. You will have to pay any fees charged by any lender from whom you obtain finance. It will also be necessary for you to pay all rent, refuse/service charges due by you in respect of the house to the Council to the date of completion of the sale.

Are there restrictions on the use/resale of the house?

Yes. The house must, unless the local authority otherwise specifically allows, be occupied as the normal place of residence by the purchaser (i.e tenant), his/her family or successors in title. If you wish to sell the house within a period of 20 years from the date of the purchase, you must get the consent of the local authority to the sale. For this purpose both you and the proposed purchaser must complete an Application Form and the consent may be refused if (a) it results in you rendering yourself or your family homeless or (b) the proposed purchaser is an investor who does not intend residing in the house.

How long will the offer by Cork City Council remain valid?

You through your solicitor have 2 months to accept in writing any offer made enclosing a copy of any loan sanction. Once you accept the offer, a binding contract is deemed to exist. It is your responsibility to accept the offer in time and non-receipt of the acceptance of the offer will be treated as a refusal of the offer by you and your application will cease to be valid. No offer will be made until all monies due to Cork City Council are paid in full and the Council has established that your tenancy record is clear. If rent, service charges etc. have been outstanding, it is your responsibility to notify the Housing Directorate when they are clear. You are advised to do this timely in order to secure the valuation on your house, which could increase by virtue of any delay. You must complete the sale within 6 months of the offer.

Where can I get any further information?

The staff of the Housing & Community Directorate are available to assist you with your application at the public counter on the ground floor of City Hall Monday to Friday from 9.00am to 1.30pm. We are also available at the following direct phone lines: 021-4924243, 021-4924512, 021-4924169, 021-4924719.

Please return your completed Application Form to the Housing Loans and Grants Office, Ground Floor, City Hall, Cork, with the following:-

- 1. Receipt for the Application fee of €30.00 – paid at the Cash Payments Section**
- 2. Copy of Income Details**
- 3. Application Form signed by you and by your solicitor**