

LIMERICK CITY & COUNTY COUNCIL ANNUITY LOAN



Limerick City & County Council will consider applications for qualified persons for loans for the acquisition or construction of houses situated within its administrative area.

Applicants cannot be considered for housing loans until they have made a Bona Fide Application to two Financial Institutions (Bank or Building Society lenders only) and have been refused by both.

WHO IS ELIGIBLE TO APPLY?

Applicants must meet the following criteria in order to be eligible to apply for consideration for an Annuity Loan;

- (a) Be a first time buyer as defined by Section 92B of the Stamp Duties Consolidation Act 1999
- (b) Aged between 18 & 70
- (c) In the case of a single borrower , annual gross income cannot exceed €50,000
- (d) In the case of a joint application, annual gross income cannot exceed €75,000

HOW LONG MUST APPLICANT(S) BE EMPLOYED?

The primary earner on the application must be in continuous employment for at least **two** years (this can be self employment) and the second applicant must have at least one year. Certain exceptions can be considered.

SAVINGS REQUIRED?

3% of the net purchase price of the house
All legal expenses
12 month savings record

WHAT IS THE MAXIMUM LOAN AVAILABLE?

The maximum loan available is €200,000.
Subject to this maximum, a loan can amount to 97% of the value of the house.

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.

The borrower may, on paying all sums due on account of interest, repay the Council the whole of the outstanding principal of a loan, or any part thereof.

WHAT IS THE RATE OF INTEREST?

The rate of interest on a loan shall be variable and as such is subject to change.
Current Interest Rate = 2.30% correct as of July 2016.

WHAT IS THE REPAYMENT PERIOD?

The loan shall be repaid with interest within such period not exceeding 30 years, from the date of payment of the loan, or, if the loan is made in instalments from such date as may be determined by the Council.

A reduction in the repayment period may apply depending on the age of the applicant(s).

CAN I CLAIM TAX RELIEF OR THE NEW HOUSE GRANT?

No. Tax Relief was abolished in Budget 2012.

The New House Grant was abolished by the Department of Environment and Local Government on the 13th November, 2002.

NOTES:

1. Decisions on all loan applications shall be made in accordance with the credit policy.
2. The property cannot have a gross internal floor area of more than 175 square meters.
3. The selection of the house is your own choice but the Council 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.
4. The borrower must occupy the house as their normal place of residence.
5. The borrower must keep the house adequately insured to the satisfaction of the Council.
6. All mortgages must be covered by Mortgage Protection Insurance for the full amount and lifetime of the loan.

ASSOCIATED FEES:

Contact for information on current fees

FOR MORE INFORMATION PLEASE CONTACT

Joan O'Shea,
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