

## Incremental Tenant Purchase Scheme 2016 Dún Laoghaire-Rathdown County Council

Under the new Tenant Purchase Scheme, as an existing tenant, you may be eligible to buy your home from Dún Laoghaire-Rathdown County Council, provided you meet the eligibility criteria as set out for the scheme.

### **Main Criteria:**

1. **Only the registered Tenant(s) may apply to buy the property.**
2. Certain DLR owned houses qualify for the scheme and they may only be sold to the existing registered tenant(s), who have been a tenant for a minimum of one year or more.
3. Certain classifications of properties are **NOT** for sale under the scheme.
4. If you have previously bought a property under any Tenant Purchase Scheme you are excluded from buying under the current Tenant Purchase Scheme.
5. The applicant's Income and his/her resident & rent assessed spouse/civil partner/co-habitant's Income, will be included in determining the gross income. You must have a minimum reckonable income of €15,000.00 gross per annum to qualify and your primary source of reckonable income must be from employment.
6. You are also required to have a clear Rent Account and have submitted your up-to-date Rent Assessment forms and income details to the Revenue (Rents) Section; have a clear background check and have a clear Water Charges account with Irish Water.
7. Tenants with a history of 12 weeks or more accumulated within the past 3 years prior to applying to purchase, where the tenant(s) or a household member was in arrears of rent, rent contributions, charges, fees or any other monies owed to the Council may not be eligible to purchase. This disqualification does not apply where the tenant or household member enters into rescheduling arrangements for paying off these debts and complies with the terms of the arrangement.
8. You must continue to pay your rent and submit any necessary rent assessment forms to the Revenue (Rents) Section, until you have purchased the dwelling.
9. All applications will be subject to a clear Anti-Social behaviour background check in accordance with the Council's Anti-Social Behaviour Strategy.
10. A proposed joint purchaser (incl. resident & rent assessed spouse/civil partner/co-habitant only), included on the incremental tenant purchase scheme application form, who is not already a registered tenant on the existing tenancy agreement, must contact the Housing Allocations Section in order to determine their eligibility & the criteria under the Housing Allocations Scheme for registered tenancy. You may apply for registered tenancy if you are eligible. You must do this before you apply to buy the property under the tenant purchase scheme.
11. In cases where a married couple were tenants of a property and have since separated, it will be necessary for the party who has left the property to surrender his/her interest in the tenancy and for the remaining tenant to sign a new tenancy agreement. It will also be necessary to submit a Legal Separation Agreement/ Deed of Waiver/ Decree of Divorce. Please contact the Housing Allocations Section to discuss and update your Tenancy Agreement under the Housing Allocations Scheme, before you apply under Incremental Tenant Purchase Scheme.
12. The relevant discount % amount's, are based on your reckonable income. (see page 10 & 11 in tenant handbook).

13. The market value of the property will be determined by a qualified valuer appointed by the Council. The relevant discount amount will be deducted from the market value and a nett purchase price offer may be made to you in writing. This is the amount you pay the Council.
14. The discount amount will also be charged to the property for the relevant term. This is known as the IP charge.
15. You must fund the purchase of your home from your own funds: i.e. a mortgage from a financial institution, Home Purchase Loan from the Council.
16. You will need a solicitor acting on your behalf in order to complete the sale.
17. Arrears of any kind with the Council must be cleared in full before completion of sale.
18. There are detailed conditions pertaining to the sale & occupancy of the house eg the house must be occupied as the normal place of residence, maintenance of the house, no Anti-Social behaviour, the consent of the Council must be sought for resale etc.
19. The sale of your house under this scheme does not imply any warranty on the part of the Council in relation to the state of repair or condition of the house or its fitness for human habitation and, as the house will be valued on the basis of its existing condition, the Council is under no obligation to put your house into good structural condition prior to sale.
20. On completion of the sale, you are responsible for the repair & maintenance of the property, insurance premiums and payment of the Local Property Tax.
21. If you wish to sell the property within the first 5 years, you must repay the Council the full IP charge amount.
22. After the first five years, the IP charge will then decrease at 2% per annum until the term expires, subject to conditions. Any resale of the property during the rest of the term time is still subject to the repayment of the balance of the IP charge amount.
23. A portion of any profits made on any resale, will also be payable to the Council.
24. The Council have first option to buy back your home.
25. You will also have to give prior written notice to the Council of your intention to sell and the consent of the Council will also be required for any resale.
26. All correspondence with the Council regarding the scheme is WITHOUT PREJUDICE AND SUBJECT TO ANY TRANSFER ORDER.

### **Incremental Tenant Purchase Scheme 2016** **Application Process.**

#### Stage 1:

1. A fully completed application form with all the relevant income documents, for the registered tenants(s) and his/her resident & rent assessed spouse/civil partner/co-habitant, must be included with the application. For PAYE workers a P21 for the previous year. For self-employed: a copy of the income and expenditure accounts for each business to establish the nature and amount of income involved, Certified Audited Accounts for the previous two years, a current tax balancing statement, current preliminary revenue tax payment receipt. Also bank account statements, tax returns and Notice of Assessment for the previous two years with projections of income and expenditure for the current year. Or such documentation as required by DLRCC to establish the nature and amount of income involved.

- 2 The non-refundable application fee of €50.00 (made payable by postal order or bank draft only), must be attached to the form and be submitted to the Sales Scheme Section, Housing Department.
- 3 Initial examination of the application made at this stage.
- 4 Incomplete applications will be returned to the applicants.
- 5 Rent checks, income checks, tenancy checks and background checks will be carried out.
- 6 A proposed joint purchaser (incl. resident & rent spouse/civil partner/co-habitant only) on the incremental tenant purchase application form, who is not an already an existing registered tenant at this stage, must contact the Housing Allocations Section to determine their eligibility & the criteria under the Housing Allocations Scheme for registered tenancy. You may apply for registered tenancy if you are eligible. This process is required to be completed before the Tenant Purchase Application progresses onto the next stage.
- 7 It will also be necessary to submit a Legal Separation Agreement/ Deed of Waiver/ Decree of Divorce in order to update your Tenancy Agreement if required. This process is also required to be completed before the Tenant Purchase Application progresses onto the next stage.
- 8 Any further information or documents request by the Council must be returned within 4 weeks. If the documents are not returned within 4 weeks, the non-submission will be treated as a refusal to proceed by you and your application will then be closed.
- 9 Any subsequent applications will also require the €50.00 fee.
- 10 Applicants may proceed to stage 2.

**You must continue to pay your rent and submit any necessary rent assessment forms to the Revenue (Rents) Section, until you have purchased the dwelling.**

Stage 2:

1. A fee of €184.50 is required and will be requested, for a valuation of the property to be carried out. A postal order or bank draft only, made payable to Dún Laoghaire-Rathdown County Council will be required in order to proceed.
2. A valuation of the property will be carried out by a qualified valuer appointed by Dún Laoghaire-Rathdown County Council. This is in order to determine the market value of the property.
3. On completion of the valuation, the relevant discount will be applied to the market value of the property. A letter detailing the market value, discount amount and the nett purchase price will be issued to the registered tenant(s). This offer will be valid for a six-month period only.
4. If you wish to accept and proceed with the offer, you must obtain full mortgage approval and return your approval documents with full terms and conditions attached and contact details for your solicitor, within the six-month period to the Council.
5. If the above documents are not returned within 6 months, the non-submission will be treated as a refusal of offer by you and your application will then be closed.

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Stage 3:

1. On receipt of full mortgage approval with full terms and conditions attached and your solicitors contact details; the Council may then give approval to the sale of the property. The Council may write to your solicitor, notifying them of the Council's consent to the disposal of the property, under the terms of the Incremental Tenant Purchase Scheme. Please note that the consent will also be subject to specific conditions e.g. any outstanding monies owed to the Council; an up-to-date and clear rent account and household income assessment, a clear household waste and water charges account, up to date and full payment of Irish Water charges, etc.
2. You then have 3 months only to complete the sale subject to the conditions made.  
**You must continue to pay your rent and submit any necessary rent assessment forms to the Revenue (Rents) Section, until you have purchased the dwelling.**

Stage 4:

Completion of purchase & transfer of ownership:

1. The full amount of the nett purchase price will be payable to the Council before the Tenant Purchase Combined Transfer and Charging Order is made, subject to Conditions. All monies outstanding to the Council must also be paid in full.
2. On completion of the sale, all responsibility for the repair and maintenance of the property is with the registered owners. This also includes payment of Local Property Tax and having an adequate property insurance policy on the house.  
**You must continue to pay your rent and submit any necessary rent assessment forms to the Revenue (Rents) Section, until you have purchased the dwelling.**

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