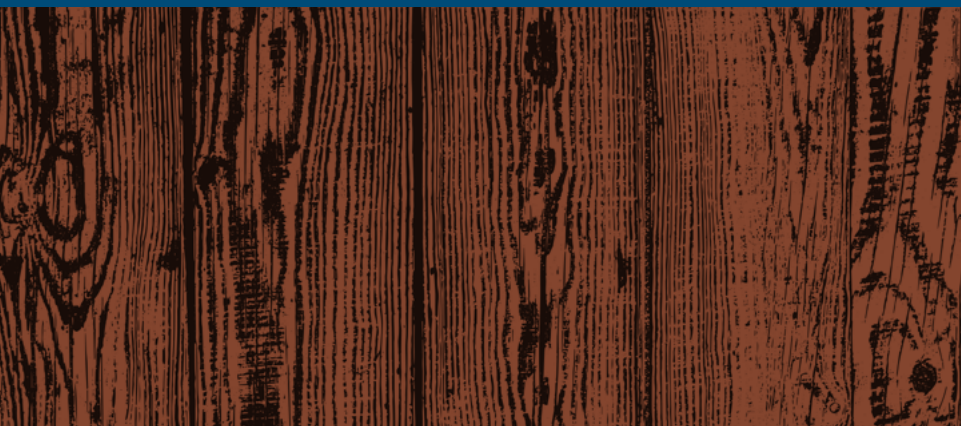


The First Home Scheme



 evara

What is it?

The First Home Scheme (FHS) is a shared equity scheme, designed to help bridge the gap for first-time buyers and eligible homebuyers between their deposit and mortgage, and the price of their new home. It is available for newly-built houses or apartments in a private development in the Republic of Ireland.

How much funding can the First Home Scheme provide?

- The FHS can fund up to 30% of the purchase price of your new property.
- This amount is reduced to 20% if you are availing of the Help to Buy Scheme (HTB).
- The minimum equity share is 2.5% of the property purchase price, or €10,000, whichever is higher.

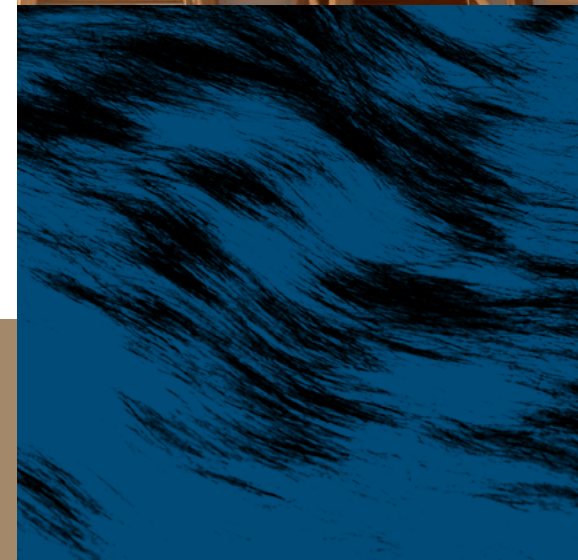
To be eligible for the scheme you must be:

- Over 18 years of age
- A first-time buyer, who is defined as a person who:
 1. Has not previously purchased or built a dwelling in the Republic of Ireland for his/her/their occupation, and
 2. Does not own or is not beneficially entitled to an estate, or has interest in any dwelling in the Republic of Ireland or elsewhere, and
 3. Has a right to reside in the Republic of Ireland

You may also be eligible if you:

- Have previously purchased or built a property in the Republic of Ireland with a spouse, civil partner, or partner, and that relationship has ended. You must not retain a beneficial interest in the previous property, or
- If you have sold (or divested of) that property as part of a personal insolvency or bankruptcy arrangement, or other legal process as a consequence of insolvency to be eligible for the Scheme, you must also:
 1. Have a Mortgage Approval with a Participating Lender, and borrow the maximum mortgage amount available to you from one of the Participating Lenders (up to 4x your income), and,
 2. Not be availing of a Macro Prudential Exception (MPE) with a Participating Lender, and have a minimum deposit of 10% of the property purchase price

PLEASE NOTE: Your income is not assessed by First Home Scheme as part of the FHS eligibility criteria.



What type of purchase can I make?

The First Home Scheme allows you to purchase a newly-built house or apartment in a private development. Property price ceilings per local authority area apply to both houses* and apartments.

This means that you cannot avail of the FHS if the cost of your property is above this amount. In some local authority areas, the price ceiling for houses and apartments is different.

The property price ceilings are as follows:

Local authority area	House ceiling price	Apartment ceiling price
Dublin City	€475,000	€500,000
Dún Laoghaire-Rathdown		
Fingal		
South Dublin		

* For the purpose of the First House Scheme, duplexes fall within house price ceilings

Application process

1. Starting your journey

If you're ready to get onto the property ladder, you'll need to raise the funds through a mortgage, savings, and in some cases, assistance from the Help to Buy Scheme. If you find that you still have a shortfall in funds, you can visit www.firsthomescheme.ie and use the FHS eligibility calculator to work out the minimum and maximum support you could potentially qualify for through the FHS. You don't need to have a specific property in mind at this stage, however you'll need to know the local authority area it's in.

2. Your application

To start your FHS application, you'll need a Mortgage Approval in Principle (AIP) from a participating lender. Once you have an AIP, you can register and apply for the FHS through the customer portal.

The supporting documentation required to submit your FHS application includes:

- A copy of your AIP from a participating lender
- Photo ID for all homebuyers, valid for at least another six months
- Current address verification (dated in the last six months) for all homebuyers

3. Receiving your eligibility certificate

Your application and documentation will be reviewed and, if approved, you'll receive an eligibility certificate.

It is important to understand that the eligibility certificate is not an offer from the FHS, but an indicative estimate of the minimum and maximum amount of equity you qualify for based on the information you provided. You will need to provide the eligibility certificate to your participating lender who will consider the FHS when they process your mortgage application

If you are approved for a mortgage, your participating lender will give you a Mortgage Letter of Offer and you can move to the next step of the process.

4. Receiving your customer contract

The mortgage letter of offer should be uploaded to your customer portal, as well as any other required documents outlined in your eligibility certificate for assessment by the FHS.

If your FHS application is approved, you'll receive a copy of your customer contract for the equity facility. The customer contract is the formal legal contract between you and the FHS. The customer contract and supporting documents will also be sent to your solicitor and must be signed by you and witnessed by your solicitor.

You will also need to sign a declaration that you meet the eligibility criteria for the FHS, that you understand that you have been advised to seek independent legal and financial advice, and that you understand the terms and conditions of the equity facility.

5. Getting your new home

The signed customer contract and all declarations and forms should be returned to the FHS by your solicitor to complete the application.

The FHS will then release funds to your solicitor's account, and your solicitor can finalise the property purchase on your behalf in parallel with the mortgage process. Your FHS equity facility is now set up and we will issue you with a welcome letter.

From this point on, you'll receive an annual statement. This will contain up-to-date information on the FHS equity facility and reflect any redemption payments and service charges applied.

Finally, it's also important you maintain adequate building insurance for the property as set out under your participating lender's mortgage letter of offer.



Redeeming the equity share

You can redeem all or part of the equity share at any time, although there is no obligation to do so unless a mandatory redemption event occurs.

When you make a redemption payment, you'll need to inform where the redemption funds came from (e.g. savings, gift etc.) to comply with anti-money laundering policies, in addition to completing some documentation in advance of any payment.

Property valuations

Because the equity share is linked to the market value of your property, for all redemptions you will need an up-to-date property valuation. This is performed by an independent FHS-approved valuer.

You will need to pay the fee for the valuation, which remains valid for 12 months from the date set out on the valuation.

When making a full redemption payment

If you choose to make a full redemption, that is to buy back all the equity share, you will also need to pay back any accrued service charges.

Note: repayments can be made to the equity share within the first six months with no requirement for a new valuation.

When making a partial redemption payment

If you choose to redeem part of the equity share, the partial redemption payment must be at least 5% of the original amount provided by the FHS. Up to two separate redemption payments can be made against the equity share in any 12-month period.



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More information on the
First Home Scheme can be found
at www.firsthomescheme.ie

