



**LOCAL INFRASTRUCTURE HOUSING ACTIVATION FUND
COST REDUCTION HOUSING DIVIDEND
ADMINISTRATIVE SCHEME FOR THE DISPOSAL OF COST REDUCED UNITS
MEATH COUNTY COUNCIL – AUGUST 2019**

1.0 INTRODUCTION

In recognition of the fact that a financial contribution has been made by Meath County Council and the Department of Housing, Planning & Local Government under the Local Infrastructure Housing Application Fund (LIHAF) towards the provision of critical infrastructure to secure the timely provision of residential development, a proportion of units constructed by the Housing Provider are to be provided for cost reduced housing.

These units are to be provided at an agreed discount of the selling price of comparable units in the development as certified by the Housing Provider.

This document sets out Meath County Council's Administrative Scheme for the disposal of the cost reduced units made available as a result of LIHAF.

2.0 METHOD OF APPLICATION

Where a residential development yields a LIHAF cost reduction dividend, the disposal of the associated cost reduced units will be advertised individually, ie on a scheme by scheme basis.

Advertisement of LIHAF cost reduced units will be placed in at least one newspaper circulating within the administrative area and on Meath County Council's website.

Each LIHAF cost reduced scheme will be considered as a standalone scheme. If the LIHAF funded development is over a phased development, with LIHAF cost reduced units contained in each phase, each phase of the development will be considered separately and as such, will be advertised individually.

Applications will only be considered for the dwellings which are subject of an advertisement. An individual application in response to each advertisement will be required.

Once all LIHAF cost reduced units in an individual LIHAF cost reduced scheme are sold, any remaining unsuccessful applicants will be informed of same, and advised that their submitted application and supplementary documentation will no longer be retained in accordance with Data Protection.

Where an unsuccessful applicant is interested in being considered for a LIHAF cost reduced unit in a separate scheme/s, they will be required to submit an application each time a scheme is advertised by Meath County Council.

3.0 ELIGIBILITY TO PURCHASE CRITERIA

In order to be eligible to purchase a LIHAF cost reduced unit, the following criteria must be fulfilled:

- Applicants must not be eligible for social housing support, ie gross annual income must exceed the social housing income thresholds set for Co. Meath at the time of application
- For single income households, annual gross income must not exceed €50,000 and for double income households, the incomes must not exceed €75,000
- Applicant must be a First time buyer. Applications may be accepted at the discretion of Meath County Council from eligible persons who were previous home owners but no longer own a home due to marital separation

4.0 FALSE/MISLEADING INFORMATION

Any applicant who deliberately gives false or misleading information, or who fails to give or withholds relevant information in order to further their application will be liable for the following sanctions, depending on the circumstances of each case:

- Cancellation of their application
- Withdrawal of an offer of a dwelling, where Meath County Council is satisfied that, were it not for the giving of false or misleading information or the withholding of relevant information the offer in question would not have been made

5.0 EXISTING TENANTS

Existing tenants of Meath County Council or an Approved Housing Body will be eligible to apply provided they meet the eligibility criteria set out at Section 2 above and that they surrender their homes to Meath County Council or the Approved Housing Body in a suitable condition

6.0 ALLOCATION OF COST REDUCED UNITS

An order of application will be assigned to eligible applications received before the closing date

LIHAF cost reduced units will be allocated to eligible applicants on a first come first served basis, following the application of the priority classes in order of listing, as set out below:

- Eligible Applicants who have one member of the household living in the administrative area of Meath County Council for at least 12 months immediately preceding application
- Eligible applicants that are in a position to proceed with the purchase of the property in the shortest time as possible (ie an applicant who has the necessary mortgage approval in place at the time of application and is therefore in a position to proceed with purchase without delay)

7.0 CONDITIONS OF SALE

▪ CONTROL ON RESALE OF COST REDUCED UNITS

By acquiring a LIHAF cost reduced unit, the purchaser acknowledges that the price of the property does not reflect the current market value of same.

In the event that the property is first resold before the expiration of twenty years from the date of the Deed of Transfer, the purchaser herein shall pay to Meath County Council out of the proceeds of sale an amount equal to a percentage of the proceeds relating to the property. The percentage is calculated in accordance with the following formula:

$$Y \times 100 \div Z$$

Where Y is the difference between the market value of the property* at the time of the purchase by the purchaser herein and the price as actually paid and Z is the market value of the property* at the time of the original sale by the Local Authority to the purchaser. This percentage is applied to the actual sale price/proceeds of sale at the time of the purchaser's sale of the property.

The claw back amount payable shall be reduced by 10% in respect of each complete year after the 10th year. No clawback shall apply after 20 years.

In calculating the amount payable, due allowance will be made for any 'material improvements' made by the purchaser. 'Material improvements' means improvements made to the cost reduced home (whether for the purpose of extending, enlarging, repairing or converting the house) but does not include decoration.

A burden on the property folio will be placed at the time of sale of the LIHAF cost reduced unit to reflect this claw back clause.

** Market value of the property is deemed to be the market value agreed between Meath County Council and the relevant developer on which the LIHAF related discount has been applied, in order to determine the cost reduced price of the applicable LIHAF units*

▪ OCCUPATION

Applicant (s) will be required to occupy the allocated cost reduced unit as their normal place of residence

8.0 LEGAL ADVICE

An applicant is advised to seek independent legal advice prior to completing the purchase of any LIHAF cost reduced unit under this Scheme.

9.0 STRUCTURAL SURVEY

An applicant to whom an offer of an cost reduced unit has been made should satisfy herself/himself as to the structural soundness of the cost reduced unit before completing the purchase.