**Tenant Purchase Scheme – South Dublin County Council**

The Incremental Tenant Purchase Scheme in South Dublin County Council (SDCC) will allow social housing tenants to purchase a dwelling in which they reside from the Council. This scheme replaces all previous expired schemes.

This scheme involves a discount for the tenant purchaser linked to his or her income and that of his or her spouse etc., and a discount-related incremental purchase charge on the property that reduces to nil over a period of years, unless the tenant purchaser resells the house or fails to comply with conditions of the sale during that period. Where the tenant purchaser resells the property before the end of the charge period, he or she must pay back to SDCC a portion of any profits arising from the sale, thereby generating funds for this local authority to invest in new social housing or the refurbishment of existing housing.

**Who is eligible?**

* The person must be the tenant of the house to be sold by the housing authority and the house must be available for sale under the scheme.
* The tenant, or joint tenants, must have been in receipt of social housing support for a minimum period of ten years.
* The tenant must have a minimum reckonable income of €12,500 per annum
* A tenant may be disqualified from purchasing a house for a number of different reasons including rent arrears and anti-social behavior (See full scheme for details)
* Certain properties may not be purchased under this scheme including but not exclusively the following:
* Houses designed for occupation by elderly persons,
* Group traveller housing,
* Part V dwellings provided in private estates,
* Other properties the Council do not wish to include in the scheme

Please see exclusions under the Tenant Purchase Scheme for South Dublin County Council

**Calculation of Reckonable Income**

SDCC will include the reckonable income of all joint tenants and any tenant’s spouse, civil partner or cohabitant who is resident in the house when calculating reckonable tenant income for the purposes of the scheme;

Reckonable income will be calculated as **gross** income, i.e. before deduction of income tax, USC, pension contributions, pension-related reductions and PRSI, etc.,

Social welfare payments (including pensions) by DSP may be included in reckonable income where they constitute a secondary source of income, i.e. a social welfare payment to a tenant in receipt of income from employment is reckonable income, as is a social welfare payment to the spouse, civil partner or cohabitant of a tenant in employment;

Certain types of payments will be disregarded for the purposes of calculating reckonable income, including Child Benefit, Carer’s Allowance and Benefit and Family Income Supplement.

**What is the purchase price of the house?**

The purchase price of a house is the market value of the house for the purposes of calculating the applicable discount and will be determined by South Dublin County Council.

**What is the price discount?**

The housing authority will give the tenant a discount of 60%, 50% or 40% off the purchase price of the house, depending on reckonable tenant income:

* A discount of 60% off the purchase price applies where reckonable tenant income is between €15,000 and €20,000;
* A discount of 50% off the purchase price applies where reckonable tenant income is between €20,001 and €29,999;
* A discount of 40% off the purchase price applies where reckonable income is equal to or greater than €30,000.

**How do I pay for the house?**

* The tenant is not required to pay a deposit to the housing authority as part of the tenant purchase process if they are funding the purchase of the property through a loan from a private lending institution.
* However, if you require to apply for a House Purchase Loan through South Dublin County Council you will require a 3% deposit of the purchase price.

**Is there a charge placed on the property?**

On the sale of a house under the scheme, the council will place an incremental purchase charge on the house equivalent to the discount granted to the tenant off the purchase price.  Thus, if the council gives a 50% discount to the purchaser, the incremental purchase charge will be 50% of the value of the house.  The period for which the charge applies to the house (i.e. the charged period) depends on the level of the charge.  The incremental purchase charge will wither away to nothing over the charged period in annual incremental releases of 2% of the value of the house, provided that the purchaser complies with the terms and conditions of the transfer order.  The incremental releases for the first 5 years of occupancy will not be applied until that period has expired;

**Can I sell my house during the charge period?**

* The Housing Authority will have first refusal on buy-back of tenant purchased houses resold during the charging period, in which case the resale price is the current market value of the house less the value of the outstanding charge on the property.
* If the house is resold within 5 years of purchase the tenant purchaser must pay the current value of the total charge back to the Council. If later it will be the current value of the outstanding charge.

This is a summary of the scheme for information purposes only and does not include all the terms and conditions.  A brochure is available by download with the full conditions of the scheme.

**Exclusions under the Tenant Purchase Scheme**

1. A tenant is not entitled to purchase under the scheme if he or she –
* previously purchased a dwelling under a tenant purchase scheme,
* has significant rent arrears and is not complying with arrangements agreed with the Council to pay off those arrears,
* has failed to pay all outstanding water charges due and owing to Irish Water; or
* has or is engaged in anti-social behaviour (this prohibition also applies to household members)
* has had the tenancy for a period less than ten years.
1. South Dublin County Council also exclude the following:
* Tenant (or one of the joint tenants) subject to a Debt Relief Notice which is inclusive of rent arrears
* Tenant who has not submitted all relevant income details for an up-to-date Rent Assessment (this applies to all household members)
1. Properties that cannot be sold under the scheme
* Affordable Housing;
* Houses designed for occupation by elderly persons;
* Houses provided for persons with disabilities making the transition from congregated settings to community based living under the National De-institutionalisation Programme,
* Group traveller housing,
* Caravans, mobile homes, etc.,
* Part V dwellings provided in private estates,
* Local authority apartments and other dwellings (including maisonettes) that require regular upkeep and management of common areas etc., in conjunction with other dwellings or properties are excluded from sale under the scheme
1. South Dublin County Council in the interest of proper estate management or on account of their structural condition exclude:
* Houses that are under-occupied
* Unsold Affordable Houses
* Remedial works proposed
* Tenant subject to Debt Relief
* Tenant who has not submitted all relevant income details
* All one bed units