



#### **EXCEPTION TO THE INCOME LIMIT:**

In general, the income limit for an affordable dwelling is 85.5% of market valued divided by 4.

The exception here caters for a situation where an applicant's income multiplied by 4 exceeds 85.5% of the market value of the dwelling, but the applicant is in fact unable to secure a mortgage from a bank/financial institution for 85.5 % of the market value of the dwelling.

This might be for example, due to the age of a person making the application or due to a situation where a financial institution may calculate the income in a slightly different manner to Carlow County Council.

#### **For example:**

Dwelling Market Value:	€390,000
85.5% of Market Value:	€333,450
Income Limit	€83,362
Applicant Income:	€85,000
Borrowing Capacity from Bank/Lender:	€300,000

As can be seen in the above example, the applicants Income exceeds the Income Limit for the property however their Borrowing Capacity is less than the 85.5% of market value.

Where an applicant provides evidence from a bank/financial institution confirming that the maximum mortgage he/she/ they can get is less than 85.5% of the market value, the applicant will not be deemed ineligible for an affordable dwelling purchase arrangement.