

**THE
FINANCIAL
EXPERT**

| PENSIONS
| INVESTMENTS
| PROTECTION



**A
GUIDE FOR
FIRST TIME
BUYERS**

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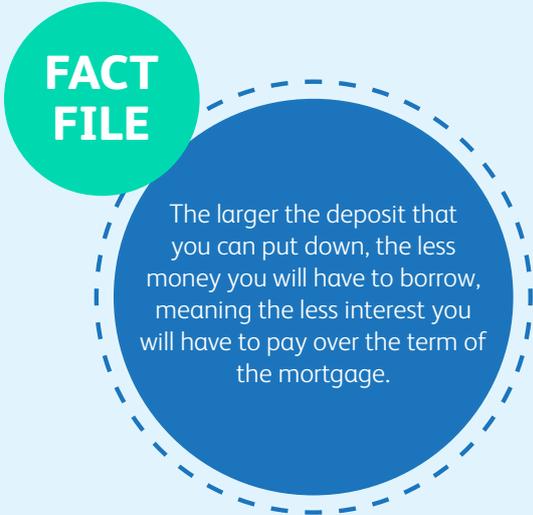
THE BEST JOURNEY ALWAYS TAKES US HOME

What is a Mortgage?

A mortgage is a loan required to finance the purchase of a property. A mortgage allows individuals to buy a property now and pay for it over a number of years.

When you are obtaining a mortgage, you will need to put down a deposit. The amount of this deposit will depend on whether you are a first-time buyer or non-first-time buyer. It will also depend on the lender's criteria for the amount they will lend compared to the value of the property.

The mortgage amount will be the purchase price of the home, less the amount of your deposit (which can be made up of savings and any financial gifts from e.g., parents). Regular payments must be made over the term of the mortgage to repay the mortgage loan. These payments are usually made monthly.



FACT FILE

The larger the deposit that you can put down, the less money you will have to borrow, meaning the less interest you will have to pay over the term of the mortgage.

It is important to review your mortgage protection policy regularly which can be done through your Financial Broker.

Buying a home

Before deciding on if buying is the best option for you, you should review your budget to find out how much you can afford in monthly mortgage repayments. The CCPC has a [budget planner](#) that you can use to see how much you can afford each month.

In general, properties are purchased and sold either by: Private treaty or public auction.

A private treaty sale is where the property is not put into an auction. You can contact the seller or the seller's agent, usually an estate agent, to agree a purchase price.

Auctions are usually advertised in a local newspaper, estate agent or by a sign on the property.

Your Financial Broker will be able to explain the choices available to you in simple language allowing you to make an informed decision.

Fact File: You can get mortgage approval in principle before you start to look for a property. This lets you know how much you have to spend.

Mortgage Protection Insurance

When taking out a mortgage, you need to consider how it will be paid off in the event of your death. You may also consider how to continue repayments if your income falls, due to illness, unemployment, or other reasons.

When you get a mortgage to buy your home, you will generally be required to take out mortgage protection insurance. This is a particular type of life assurance taken out for the term of the mortgage and designed to pay it off on the death of the borrower or joint borrower.

There is also another type of Mortgage Protection insurance called Mortgage Repayment Protection insurance. This insurance is usually optional.

It is a type of payment protection insurance that is designed to repay your mortgage for a certain amount of time.

It is important to review your mortgage protection policy regularly which can be done through your Financial Broker.

FACT FILE

In most cases, the lender is legally required under [Section 126 of the Consumer Credit Act 1995](#) to make sure that you have mortgage protection insurance before giving you a mortgage.



What Reliefs are available

Help to Buy (HTB) Incentive: As a first-time buyer, this incentive will help you towards the deposit you need to buy or build a new home. The incentive gives you a refund of the income tax and Deposit Interest Retention Tax (DIRT) you paid over the previous four tax years. The incentive applies if you buy, or self-build a new residential property as your main home between 19 July 2016 and 31 December 2021. See the Help to Buy (HTB) incentive section for more information.

First-Time Buyers (FTB) Relief: You pay DIRT on interest you receive on your savings in financial institutions such as banks and building societies. If you are a first-time buyer that buys or self builds a property to live in, you may be able to claim a DIRT refund. The FTB is relief applied to homes bought or self-built between 14 October 2014 and 31 December 2017. See the First Time Buyers' (FTB) relief section for more information.

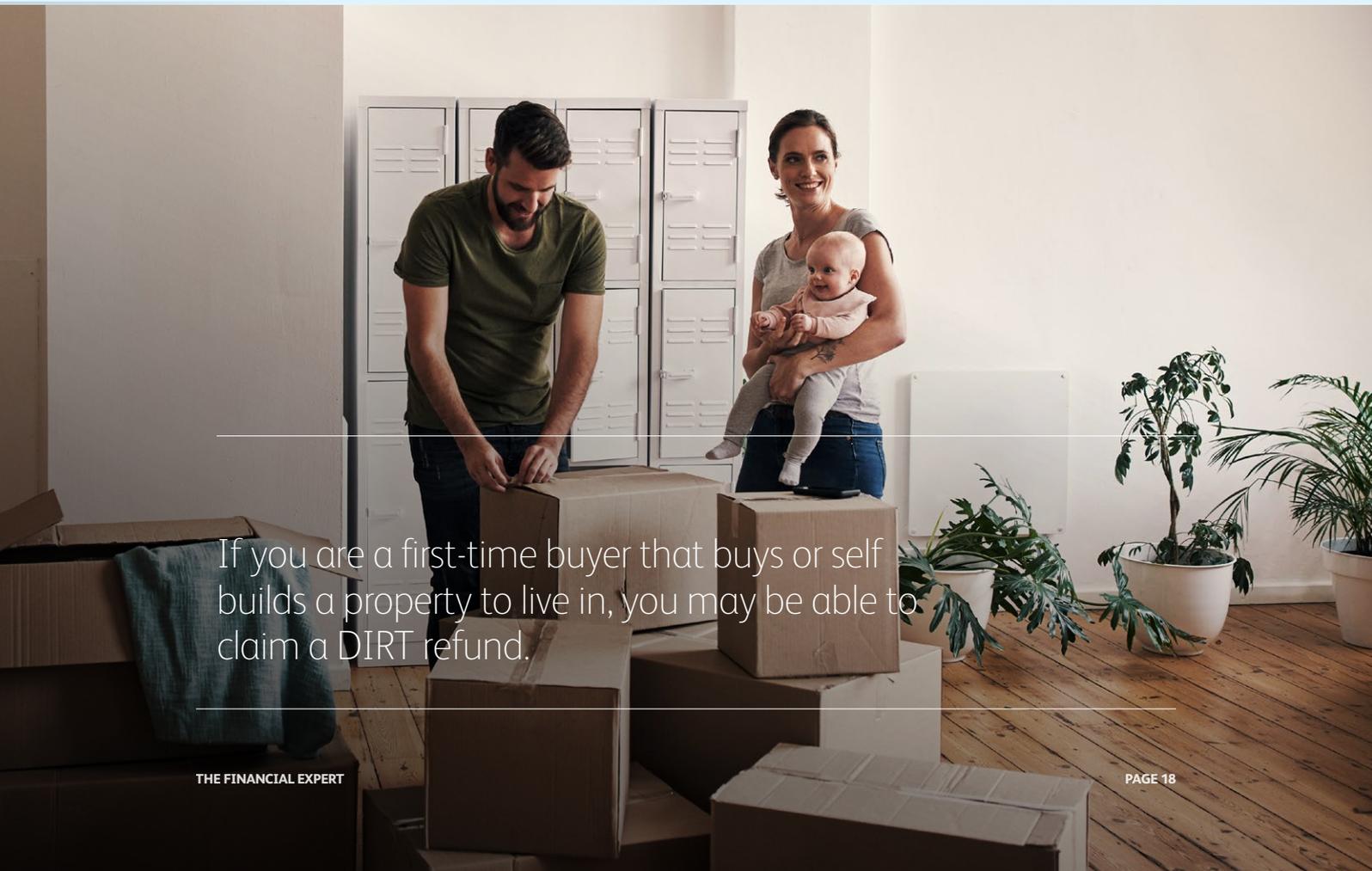
What is a Financial Broker?

Clear. Concise. Professional Advice

Financial Brokers are experts on financial planning matters and work on your behalf giving you a choice of products and providers from across the market. A Financial Broker will work with you to understand your financial goals and helps you create a plan to meet your personal finance objectives. Their services can include: personal financial planning, life cover, serious illness cover, income protection, health insurance, savings, investments, pensions, retirement planning, business financial planning, inheritance tax planning, mortgages.

Why would I need to use a Financial Broker?

Your Financial Broker will be able to explain the choices available to you as a first-time buyer in simple language allowing you to make an informed decision.



If you are a first-time buyer that buys or self builds a property to live in, you may be able to claim a DIRT refund.

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