

Your guide to
buying your first home

Wake up in your own gaff

We're here to help you find
your perfect first home



EBS

home [hohm] noun]

1. a house, apartment, or other shelter that is the usual residence of a person, family, or household.
2. the place where a person's **domestic** affections are centered.

As Dorothy said when she clicked her heels together in the *Wizard of Oz*, “there’s no place like home”. Buying a home is one of the biggest purchases you will ever make, but there comes a time when you just want to find a place to call your own.

Whether you’ve been renting, sharing with friends, or living with your folks, you’ll know when the time is right. And when it is, there’s lots of help and advice out there to get you on the property ladder.

EBS has been helping people in Ireland buy their first homes for over 78 years so we’ve put together this *Guide to Buying Your First Home* to help you in the process.

In this Guide we look at getting mortgage ready and finding the home of your dreams.

Good luck with finding and financing your first home purchase and if you’d like to discuss it with us at any stage, do get in touch.



For information on how to finance your new home, drop into your local EBS, log on to www.ebs.ie or call 0818 654 322.

EBS

On the move

After years in the doldrums, the Irish property market is picking up and owning your own home with EBS is becoming a real option

First time buyer's, in particular, are climbing on the property ladder as they find very good value in house prices, sometimes with monthly loan repayments costing less than their previous rent. So if you thinking of buying your first home, what's the next step? Here are 5 steps to consider.

01 The first thing to do is to find out if buying a property makes financial sense. Your new home may be financed with a combination of:

- ☒ Savings
- ☒ A new mortgage

02 It makes sense to save as much as you can for a deposit on your new home. EBS offers a regular savings account. Log onto www.ebs.ie for more information.

03 Do a household budget. Work out how much you have coming in versus what you spend every month. There are lots of on-line budget calculators to help you do this just like the one on www.ebs.ie

04 To find out how much you can comfortably afford to repay each month, check out some of the affordability calculators online, which will give you an idea of how much you could realistically borrow.

05 Remember when you buy a new home, you may also need cash to fund additional costs such as:

- ✓ Valuation fees for a report on your house, which is given to your lender.
- ✓ A valid BER certificate.
- ✓ Legal fees to your solicitor.
- ✓ Surveyor fees to look over the house before you buy.
- ✓ Stamp Duty- Log onto www.revenue.ie for the latest rates for stamp duty.
- ✓ Repairs, decoration and furnishings.
- ✓ Storage and moving fees.

Once you get an overview of your finances, you'll be in a better position to decide if buying your first home is right for you.



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House hunting

If you've decided that buying your first home is right for you, it's a good idea to get Approval in Principle before you start house hunting – so you have an idea of how much you can borrow towards buying your new home. This agreement may last only a few months, so keep in touch regularly with your lender.

Finding the right house takes time, so check out the tips on page 6.

When you find the house and your offer is accepted, contact your lender to move from 'Approval in Principle' to 'Full Loan Approval'. To do this, your property will need to be valued by a valuer.



This is also a good time to look into house insurance and life cover to avoid delays later on. EBS is offering 3 months* free home insurance when you take out a policy with us.



*Offer terms**

- The 3 months free offer is 25% off the annual premium in Year 1.
- Available to new policy holders who take out 12 months owner occupied building and contents cover.
- Offer is applied after all other premium reductions have been made and is subject to minimum premiums payable of Buildings €126, Contents of €105 and All Risks €12.60.

EBS Home Insurance is solely underwritten by Allianz p.l.c. Standard acceptance criteria, terms and conditions apply.

Applying for a Mortgage at EBS

When applying for a mortgage at EBS, there are a number of factors we consider to ensure the loan is suitable for you.

- Your income - EBS will consider your annual income. We will ask you to provide evidence of a sustainable income pattern.
- Your age and number of years left to retirement.
- Outstanding loans repayments - these may include car loan, personal loan or credit card.
- Other monthly outgoings - these may include household costs, childcare costs, travel cost, etc.
- Credit history - this shows your repayment history on existing or previous loans.
- Savings - this shows you have the ability to save on a regular basis and that you have built up a sufficient deposit.
- The value of your new home - this is the market value or purchase price of your property.
- The amount you need to borrow - this is the difference between the amount you have yourself to put towards the purchase and the purchase price of the property. EBS will assess whether you can sustain the monthly mortgage repayment based on your current income and financial commitments, even in a period of higher interest rates. EBS will also assess whether you have sufficient remaining income after the mortgage repayment is made every month.



House-hunting tips



Anna Shelswell-White, Editor of Ireland's favourite interior magazine, *House and Home*, shares her top tips on finding the ideal home



Some of the things you should ask yourself when doing your wish list are:

- ☒ House or apartment?
- ☒ New or second-hand?
- ☒ Do you want to live close to your work, family and friends?
- ☒ How important is parking? And, what about shops, restaurants, leisure facilities?
- ☒ List 10 important features in order and decide which ones you could live without e.g. garage, south facing garden, number of bedrooms, etc.

Always know what you want - and don't want. Write a checklist of what you expect from your first home and bring it with you every time you view a property

PLAN YOUR TRIPS

- Make the most of your time by viewing properties close to each other.
- Confirm the appointment and get the name and phone number of the person showing you the property.

When viewing houses, take a walk around the exterior and watch out for things like missing roof slates and cracks in walls

If you're seeing a lot of places, it's easy to get confused - so take notes, measurements and pictures/video to help you with your decisions later.

BEFORE YOU GO IN

- Check maps before you go to make sure the area is served by public transport and good roads.
- Take a look at the area. Is it well maintained? What's the traffic like?



Ask lots of questions. If the property is second-hand, find out why the property is being sold and how long it has been on the market. If it's been on sale for a long time, there might be room for bargaining.

Find out what's included in the sale. If you're buying a house or an apartment, check if there is a Property Management Company involved and what rules and guidelines they have in place and, most importantly, the annual service fee. If the common areas are not well maintained ask to see the accounts.

- View at different times of the day and week e.g. does traffic change in the evenings/weekends, is there a lot of noise from schools, trains, traffic etc.
- Verify if you have to pay extra for a parking space.

{ Drive or walk around and check out the parking facilities, shops, parks, pubs, restaurants and so on }

WHEN YOU'RE INSIDE

- Check for musty smells, creaky floorboards, cracked, stained, bumpy or flaky walls and ceilings. Beware of smells used to cover this up or fresh paint.

- Open and close windows and doors to make sure they are not damaged or warped.

- Ask about heating and whether the property is alarmed.

- Test the taps and shower and flush the toilets.

- Make a list of what may need to be repaired.

- View the property in the morning and afternoon to see the level of natural light.

- Remember, empty rooms appear bigger than they are, so try to imagine them with your style of furniture.

- Don't be put off by dodgy decor. A lick of paint and some imagination can make all the difference.

- Check to see you understand how the heating and boiler works, if possible ask for a demonstration.

- Most of all don't be afraid to ask plenty of questions, take your time and don't be rushed.



Happy house-hunting!
Anna Shelswell-White
House and Home
Magazine

On the move Checklist



There's so much to think about when you're moving into your first house so we've compiled a handy check-list to help you on your way.

1 MONTH *before move*

☐ Decide if you will move yourself with help from friends and family or if you will hire professional movers. If you are doing it yourself, check your insurance cover and increase the cover if necessary.

Tip: Don't underestimate the cost of buying boxes, renting a van and the hassle of moving yourself. If you use professional movers make sure they are insured and agree full terms and conditions with them in advance.

☐ If you are renting, declutter your house setting aside anything you don't want to bring with you for recycling, gifting or donation to charity shops.

☐ Put insurance in place for your new home.

☐ Buy packing materials and enlist friends if you are moving yourself.

☐ Start to use up all the food in your freezer.

☐ Check if you have broadband in your new home and arrange a connection as it can take a little longer if there is no service already at the address.

☐ Arrange for any pets to be temporarily housed during the move.

☐ Arrange babysitting for any small children on the day of the move.

☐ Clear out your kitchen cupboards and dispose of all those out of date foods hidden in the back.

☐ Make sure any children's school records have been transferred to a new school.

☐ Start packing non essentials like winter clothes and other seldom used equipment.

☐ Make sure a removal van will be able to pull up outside both properties and agree with neighbours if necessary.

☐ If you are renting notify your landlord of your move.

The legal stuff: Make sure you have the seller's solicitor's details.

2 WEEKS *before move*

Make a floor plan of the new house and mark the name of each room on it. This should correspond to the names you put on the top and sides of your boxes in thick marker. You can then use this as a guide for delivering clearly marked boxes to the right location in your new home.

☐ You will need to have utilities like gas and electricity connected in your new home. If there are existing suppliers arrange with the sellers to transfer them into your name.

☐ Notify An Post of your forwarding address and arrange forwarding of your mail. There is a charge for this service.

- ☐ Notify telecom, broadband and TV providers of your move and set up an account for your new home.
- ☐ Set up waste collection services at your new home.
- ☐ Ensure you have any alarm codes for your new house and arrange for the service provider to change the codes for you once you move in.

1 WEEK *before move*



- ☐ Check the weather forecast for the day of the move to ensure you have rain gear/ grit for icy paths and warm clothes as appropriate.
- ☐ Pack an emergency box with lightbulbs, candles, fuses, torches, first aid equipment. Keep this box in your car for moving.
- ☐ Start packing as much of your house contents as you can marking boxes on the top and sides with the name of the room they will go to in your new house.
- ☐ Buy cold storage bags for moving the contents of your freezer.
- ☐ Pack any valuables carefully and consider storing them off-site during the move. Make sure you have insurance cover in place.
- ☐ Do any laundry necessary.

2 DAYS *before move*

- ☐ Defrost your freezer.
- ☐ Pack a cleaning box to take to your new house including, cleaning products, refuse bags, vacuum cleaner, washing up liquid etc.

- ☐ Put passports, licences and valuable documents in a safe place.

DAY *before move*

- ☐ Pack your remaining contents, except essentials you will need overnight like your kettle, toiletries etc.
- ☐ Prepare a box of picnic foods and flasks for the day of your move. And don't forget chocolate a – must-have for busy movers!
- ☐ Pack a box for your laptops, tablets etc and bring this box in your car with you.

DAY *of move*

- ☐ Pack a box of essentials to include, kettle, teabags, coffee, milk, bread, clothes you will need for day one, baby foods and supplies, any medication you need, toiletries, toilet paper and pet food. *Bring this box with you in your car.*

- ☐ Finish packing toiletries,
- ☐ Strip the beds and put all bedding in clearly marked bags.
- ☐ Start packing the van and once you have finished, check everywhere for anything overlooked.

- ☐ Before you close the door on your old home take final meter readings of you gas and electricity accounts and note the readings in your new house also.

- ☐ Check all doors and windows are locked before you leave and arrange to return keys to the landlord.

- ☐ Wave goodbye!



EBS d.a.c. provide mortgage loans. If you engage with us through one of our network offices you are dealing with a Tied Mortgage Agent of EBS.

These are standard warnings about your payments and your rates that we must give you:

IMPORTANT INFORMATION

Warning: If you do not keep up your repayments you may lose your home.

Warning: If you do not meet the repayments on your loan, your account will go into arrears. This may affect your credit rating, which may limit your ability to access credit in the future.

Warning: The cost of your monthly repayments may increase.

Warning: You may have to pay charges if you pay off a fixed-rate loan early.

WARNING: YOUR HOME IS AT RISK IF YOU DO NOT KEEP UP PAYMENTS ON A MORTGAGE OR ANY OTHER LOAN SECURED ON IT.

THE PAYMENT RATES ON THIS HOUSING LOAN MAY BE ADJUSTED BY THE LENDER FROM TIME TO TIME. (Note: Applies to variable rate loans only)

If you cancel or make a claim for reimbursement of a direct debit repaying your mortgage account, and fail to make alternative arrangements for payment, your account will go into arrears.

The amount you can borrow depends on how much you can afford to repay, typically no more than 35% of your disposable income but will depend on your individual circumstances. Factors considered include your income, financial status and evidence of your ability to repay (including capacity to repay at higher interest rates). Maximum loan amount is 90% of the purchase price or valuation whichever is lower. Minimum loan amount is €25,000. Loans not available to people under 18. You must provide proof of income. Mortgage loans must be secured by a first legal mortgage/charge over the property. The property must be within the Republic of Ireland. Mortgage protection and home insurance are required. You must pay for a valuation of your property, this must be carried out by a valuer on our panel of valuers and must be dated within 4 months of drawdown. Legal fees will apply, these fees will be determined by negotiation with your solicitor.

A typical €100,000, 20 year mortgage for an Owner Occupier Residential Property with LTV greater than 80% will have a variable interest rate of 4.15% and APR 4.3%, and 240 monthly repayments of €613.91. If the APR does not vary during the term of the mortgage, the total cost of credit i.e. the total amount repayable less the amount of the loan would be €47,554.23, (inclusive of valuation report fees of €215.00). The total amount repayable would be €147,554.23. The effect of a 1% increase in interest rates for such a mortgage will add €54.36 to the monthly repayments. Note: The above warning notice in respect of adjustments to repayment rates will not apply during any period when the loan is at a fixed rate.

Some costs are not known to us and are therefore not included in the annual percentage rate of change (APRC). These costs are detailed in the Letter of Offer. The costs associated with a BER certificate are not known to us. Your assessor will tell you how much this costs. The APRC is the total cost of the loan expressed as an annual percentage. The APRC is provided to help you compare different offers.

Lending criteria, terms & conditions apply. For regulatory information, visit <https://www.ebs.ie/mortgages/home-mortgages-regulatory-information>

EBS d.a.c. is regulated by the Central Bank of Ireland.



Your guide to **buying your first home**



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