Exception To Income Limit

In general, the income limit for an affordable dwelling is 85.5% of market value 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	€833,362
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.