

## Exceptions to Income Limits

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 the local authority assessing the application.

<b>Example</b>	
Dwelling Market Value:	€390,000
85.5% of Market Value:	€333,450
Income Limit:	€83,363
Applicant Income:	€85,000
Borrowing Capacity from Bank/Lender	€320,000

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 ineligible for an affordable dwelling purchase arrangement.