



First Steps to Getting a Mortgage for Owner Occupiers

be with



Your Mortgage – step by step

1 Meet with your AIB Mortgage Consultant to discuss your Mortgage requirements. You can also get a quote for Life Assurance, Payment Protection and Home Insurance.

You

2 Return the required supporting documentation to your AIB Mortgage Consultant.

You

- Mortgage Top Ups – A Valuation Report is required prior to full loan approval.
- Self Build properties – An initial Valuation Report is required prior to full loan approval, advising cost / value of site and estimated market value on completion of build.
- For all other loans, once you have full loan approval you will need a Valuation Report completed.

All Valuation Reports must be completed by a Valuer from the AIB Residential Mortgage Valuers' Panel in the Bank's standard form. You must pay for this Valuation Report yourself.



3 Once you have full loan approval and once you have returned a completed Valuation Report, we will send your legal Mortgage documentation to your chosen Solicitor. For Mortgage 'Top Ups' we will send the loan offer directly to you. Your AIB Mortgage Consultant can witness your signature(s).

Us

4 Talk to your AIB Mortgage Consultant and meet the appropriate specialist to arrange your Life Assurance, Payment Protection and Home Insurance.

You

5 Evidence of your Life Assurance and Home Insurance must be returned to your Mortgage Consultant along with the completed Direct Debit mandate.

You

6 Your Solicitor returns all your signed documentation to AIB and requests your Mortgage funds.

Solicitor

7 AIB will send your Mortgage funds to your solicitor and you can pick up the keys to your new home.

Us

8 For Mortgage 'Top Ups' we can lodge your Mortgage funds directly into your current account.

Us

It's easier than you think, talk to us today.

- Drop into your local AIB branch and meet a Mortgage Consultant.
- Click on www.aib.ie and use our free 'Call Me' service.
- Call us on 1890 724 724 (Monday to Friday 8am-9pm, Saturday 9am-6pm).

First Steps to Getting a Mortgage

Whether you are a First Time Buyer choosing your first home or moving house, talk to your bank about the most suitable option for you. Our Mortgage Consultants are available to discuss your particular needs and how much you can afford to borrow. We'll guide you through the Mortgage process, Step-by-Step.

- At AIB we can give you a **Sanction in Principle (SIP)**, based on your income details. A SIP is useful if you are still looking around for your new property. The amount you can afford to borrow depends on a number of things. When we take all your details into account, we will give you an indication of how much you can repay comfortably and then you can start looking around for your new home.

Remember to budget for all the costs associated with purchasing a new property.

Legal Fees

When you have found your desired property and we have sanctioned your Mortgage you must choose a solicitor to act on your behalf. It's worthwhile shopping around to get the most competitive quote available. We will send you and your solicitor an AIB 'Mortgage Loan Offer' pack. This will explain all of the Terms and Conditions of your Mortgage offer. Your solicitor will guide you through the paperwork and ensure you have a full understanding of your Mortgage Terms and Conditions.

Surveyor's Fees

For your own peace of mind it may be worth organising a structural survey of your property. This will ensure that there are no faults that may affect its value. However, a structural survey is not a Bank requirement.

Valuation Report

You will need a Valuation Report completed by an approved valuer from the AIB Residential Mortgage Valuers' panel before your Letter of Loan Offer can be issued to you and your solicitor. For Mortgage Top-Ups, a Valuation Report is required prior to full loan approval.

Self-Build Mortgages

For Self Build properties, it will be necessary to have an initial Valuation Report completed prior to full loan approval, advising cost / value of site and estimated market value on completion of build.

Prior to the final drawdown and/or upon completion of the Self Build, a further Valuation Report will be required stating that the property has been completed and its current market value.

The Valuation Report must be completed and signed by an approved valuer from the AIB Residential Mortgage Valuers' panel.

Interim building certificates will be required before release of funds on a phased basis or in tranches. These certificates must be completed by a member of one of the following:

- The Royal Institute of Architects in Ireland (RIAI)
- The Institution of Engineers of Ireland (IEI)
- The Association of Consulting Engineers of Ireland (ACEI)
- The Society of Chartered Surveyors
- Chartered Institute of Building in Ireland (CIOB)
- Irish Building Control Institute (IBCI)
- Chartered Institute of Architectural Technologists (CIAT).

For all properties the Architect, Surveyor or Engineer will also be required to:

1. Confirm that they hold 'indemnity insurance'
2. Furnish a contact number
3. 'Stamp' the form with their official brand.

Blank Building Certificates are available from your Mortgage Consultant at your branch or from our Mortgage Customer Service Team on 1890 252 008.

A list of the approved AIB Residential Mortgage Valuers' Panel is available from your Mortgage Consultant at your local branch or at www.aib.ie

Getting the right cover

Life Assurance

Life Assurance pays out a lump sum in the event of the death of the life or lives assured. It is important that you take out sufficient Life Assurance cover to clear your mortgage in the event of the untimely death of one of the parties to the loan. That way your partner or family is not left with an unmanageable debt burden. All parties to the loan must take out the correct type of Life Assurance, which may vary depending on the amount, term and type of borrowing.

It is important to remember that Life Assurance should also take account of flexible repayment options such as Interest Only, Deferred Start (Moratorium) or Payment Holidays.

Illness Cover

You may also be concerned about how you or your partner could continue to pay the mortgage or sustain your lifestyle, if your finances were substantially affected due to illness or accident. When you are taking out a mortgage this is an ideal stage in your life to:

- think about how you would find a lump sum to pay down your debts, if you were to suffer from a serious illness;
- investigate what percentage of salary your employer would pay you if you were unable to work due to illness or accident (and for how long they would pay you);
- take time out to consider how your lifestyle (or your business – if you are self-employed) would be impacted if such unforeseen circumstances occurred.

Make an appointment with an AIB Financial Adviser, who can help you navigate through the jargon and your options, to find the most appropriate type and amount of life assurance and illness cover to suit your own personal and financial circumstances.

Home Insurance

AIB offers Home Insurance cover for your buildings and contents and the option to spread your payments over 12 months at no extra cost.

Buildings insurance

You must have buildings cover (fire cover) in place in order for us to issue your Mortgage funds. Buildings insurance should reflect the **re-instatement value** as evidenced in your valuation report. If purchasing an apartment, a copy of your buildings block policy (available from your solicitor) can be forwarded to us. For new-build or self-build properties 'In-course of Construction' or 'Self Build Insurance' is required.

Contents insurance

We recommend that you also take contents cover for your personal belongings. This will enable you to repair or replace your possessions in the event that they are damaged, destroyed or lost. You can also add extra cover for accidental damage, specified valuables or for personal effects which you intend taking outside your home.

If you are purchasing an apartment you should also consider contents cover for yourself as block policies on apartments do not cover your contents.

Get a quote for your Home Insurance...

To find out about our great discounts and get a quote today, simply talk to your Mortgage Consultant in your local branch or call us on 1890 724 724 (Monday to Friday, 8am-9pm, Saturday, 9am-6pm).

Home Insurance is also available online at www.aib.ie

Top Tip

Make sure you arrange an appointment for your Life Assurance in plenty of time before you want to draw down your Mortgage funds.

Top Tip

Don't forget you may be eligible for tax relief on your Mortgage repayments. For more information you can log onto www.revenue.ie

Payment Protection Insurance

Payment protection is an optional insurance policy. It helps you meet your repayments for a maximum of 12 months in the event that you are unable to work as a result of accident, sickness, or involuntary unemployment. It also offers a lump sum payment should you suffer from critical illness. We recommend that you consider this policy and its benefits.

Talk to your Mortgage Consultant in your local AIB branch.

So you've found the right property and have a Mortgage offer from AIB. Many people find choosing a Mortgage a challenging experience because there's so much choice and so many factors to consider. That's why your Mortgage Consultant will take the time to go through every aspect of your Mortgage and help you make sense of it all. We are here to help find the Mortgage that is best for you.

Completing your purchase

So you've signed your Mortgage loan offer with AIB, completed all the legal documentation with your solicitor and received a copy of 'The Next Steps to Completing Your Mortgage'. **Now it's time to talk to your Mortgage Consultant about:**

- Arranging Life Assurance / Illness Cover
- Arranging Home Insurance
- Completing a Direct Debit Mandate.

We can't send the Mortgage funds to your solicitor until we have an original copy of the documents listed above. Specific conditions are set out in **Part 2** of your Letter of Loan Offer, so ensure you consult with your Solicitor so that nothing is forgotten. When your solicitor requests the Mortgage funds, we will send him / her the funds directly to complete the purchase of your property.



THE NEXT STEPS TO COMPLETING YOUR MORTGAGE

Step 1 - Sign Letter of Loan Offer
See Mortgage
Your Letter of Loan Offer and all related legal documentation has been sent to your solicitor for signing. Please arrange to meet your solicitor as soon as possible to complete same. A copy of your Letter of Loan Offer is enclosed for your records.

Top Up Mortgage
Please find enclosed your Letter of Loan Offer in duplicate, one for signing and return and one for you to keep. Also enclosed is the statutory Declaration of Married Status Family Home Protection Act (DSFHA). This must be completed and returned by a practicing Solicitor or Commissioner for Courts. It is important that this form is completed and that the non-relevant paragraphs Paragraph 9(2) or 9(2)(b) is deleted.
We strongly recommend that you take independent legal advice, before signing your Top Up Letter of Loan Offer. Alternatively, call our AIB branch, and we will take you through your loan documentation, and witness your signature(s).

Step 2 - Original Valuation Report
An independent original Valuation Report should be completed and signed by a suitably qualified valuer from AIB's approved Valuers Panel (enclosed) and returned to AIB. Please ensure that the estimated value and the market value are clearly documented within the report.

Step 3 - Arrange Life Assurance Cover
All parties to the loan must take out the correct type of Life Assurance, which will depend on the amount, term and type of borrowing.
Please contact your Mortgage Consultant at your local branch to arrange an appointment with AIB Financial Advisors to discuss your life insurance options. Alternatively you can contact your own professional Life Assurance Company.

Step 4 - Arrange Home Insurance Cover
You must have buildings cover in place in order for us to issue your mortgage funds. Buildings insurance should reflect the replacement value as evidenced in your valuation report.
If purchasing an apartment, a copy of your buildings block policy (available if you own your apartment) must be forwarded to us.
For new build or self-build properties, the names of Contractor or 'Self Build Insurance' is required.
To get a quote for your Home Insurance cover you can ask your Mortgage Consultant in your local AIB branch, call 1892 224 224 or log on www.aib.ie, alternatively you can contact your own professional insurance company.

Step 5 - Payment Protection Plan
Payment Protection Plan is an optional insurance policy that, in the event of a successful claim, covers your Mortgage repayments for a maximum of 12 months if you are unable to work as a result of accident, sickness, or involuntary unemployment. Business Income Self-employment. It also offers a lump sum payment should you suffer from critical illness.
We recommend that you consider this policy and its benefits. Talk to your Mortgage Consultant in your local AIB branch.
Please complete the enclosed Direct Debit mandate with the current account details from which you will be paying your mortgage.

Step 6 - Complete Direct Debit mandate
Once completed, the Direct Debit Mandate and evidence of Life Assurance and Home Insurance must be returned to your Mortgage Consultant or alternatively to AIB Mortgage Bank, Home Mortgages, Bankers' Buildings, Ballsbridge, Dublin 4 before we can issue your mortgage funds.

Step 7 - Return to AIB
Once completed, the Direct Debit Mandate and evidence of Life Assurance and Home Insurance must be returned to your Mortgage Consultant or alternatively to AIB Mortgage Bank, Home Mortgages, Bankers' Buildings, Ballsbridge, Dublin 4 before we can issue your mortgage funds.

OTHER - Self-build mortgages

1) For Self-Build properties, you will already have submitted an initial valuation report covering cost of site and estimated market value on completion of build. A further Valuation Report will be required from the Valuer, prior to final drawdown and/or upon completion, starting that the property has been completed and the current market value. The Valuation Report must be completed and signed by a suitably qualified Valuer from AIB's approved Valuers Panel.

2) Insurance building certificates will be required for release of funds on a phased basis as to tranches. These certificates have to be completed by a member of one of the following:

- Royal Institute of Architects in Ireland (RIA)
- Institute of Engineers in Ireland (IEE)
- Chartered Institute of Building in Ireland (CIBI)
- Chartered Institute of Architectural Technicians (CIAT)
- Irish Building Control Institute (IBCI)
- Association of Consulting Engineers of Ireland (ACEI)
- Society of Chartered Surveyors (SCS)

The architect, Surveyor or Engineer will also be required to:

1. Confirm that they hold 'indemnity insurance'
2. Furnish a contact number
3. Stamp the form with their official brand

3) Your mortgage repayment, be it capital and interest or interest only, will be calculated based on the amount of your mortgage drawn down at any given time. Following each interest drawdown your repayments will be recalculated to take account of the newly drawn down amount.

4) The rates available during the interest drawdown period are:

- In the case of 'interest free' properties, the Bank's 5 year 'Self-Build Rate' or
- In the case of 'interest free' properties, the Bank's 5 year 'Self-Build Rate' or
- The Bank will offer the appropriate rate to follow variable rate based on the Estimated Value of the completed property as stated in your Letter of Loan Offer.

5) Upon completion of your mortgage, you may then choose from the most up-to-date suite of Bank rates applicable to your property in line with Condition 24 of your Letter of Loan Offer.

Important
A Mortgage loan must be drawn down in full within three months from the date of your Letter of Loan Offer. If the property is a new dwelling in course of construction, or in respect of which a certificate of completion is required, it must be fully drawn down within six months from the date of your Letter of Loan Offer.
Note 1: At the time of completion your Valuation Report must not be more than six months old from the date of your original Letter of Loan Offer. Original Report/Certificates are required to be submitted by an AIB Bank Official.
Note 2: Where a mortgage loan is drawn down on a phased basis as to tranches, the Bank will retain a minimum of 10% of the value of the uncompleted loan amount pending receipt of the full and final valuation report.
Your Mortgage Consultant will be delighted to discuss any of the above with you and arrange an appointment for a consultation should you require it.
Customer Service Contact Number: 1892 224 208
Fax: 01 8526174
Email: homeownings@aib.ie

Next Steps Guide



Jargon Buster

Annual Percentage Rate or APR

The APR (Annual Percentage Rate) reflects the total cost of borrowing over the term of the loan, taking into account all charges associated with the borrowing including the interest and non-interest related charges. It also takes into account other variables including for example, the frequency of Interest Charging (i.e. Monthly -v- Quarterly).

Annuity Mortgage

This is the most common type of Mortgage. The initial amount of your Mortgage is known as the capital amount. Every month you pay back some of the capital borrowed along with interest. Once all the capital and interest is paid back the property is yours.

Assignment of Life Assurance

The legal transfer of ownership of a life assurance policy and any benefits to a third party. The customer continues to pay the premium on the policy. In the event of death, the assurance policy is redeemed to clear the assignee's Mortgage.

Capital

This is the original amount of money borrowed. Interest due is calculated on this amount.

Deferred Start (Moratorium)

With a Deferred Start you make no repayments for a specified time and the interest accrued is simply added to your Mortgage.

Drawdown

The Bank will send the Mortgage funds to your solicitor once all the required documentation has been approved.

Equity

This is the difference between the value of your home and the outstanding amount on your Mortgage. For example, if your house is worth €500,000 and your Mortgage is €300,000 you have €200,000 equity.

First Time Buyer

A First time Buyer is a person who has not previously, either individually or jointly, purchased or built on his / her own behalf a house (including an apartment) in Ireland or abroad.

Guarantor

A guarantor is someone who pledges that a loan or other type of debt will be paid. Usually, a guarantor agrees to pay or perform another person's debt or duty should that person fail to do so.

Interest Only

With an Interest Only option, the amount borrowed (Capital) remains outstanding, until the end of the 'Interest Only' period. You just make repayments to meet the interest.

Letter of Loan Offer

The Letter of Loan Offer which is issued to you and your chosen solicitor includes the details of your Mortgage offer, for example, rate, repayment type and term.

Life Assurance

This is a form of insurance where an assurance company agrees to pay a sum of money in the event of the insured individual's death.

Loan to Value

Loan to Value or LTV is the amount that you are borrowing relative to the value of the property you are buying. For example, if you're buying a property valued at €400,000 and are borrowing €200,000, your LTV is 50%. To calculate your LTV, simply divide your Mortgage amount by the value of the property you are buying and multiply by 100.

Repayment Break

In some circumstances customers can choose to take a Repayment Break for up to 6 months. The interest accrued during this period will be added to their loan and the customer typically increases their repayments for the remainder of the term in order to clear their loan within the original term agreed.

Reinstatement Value

This is the cost of completely re-building your house (less the value of the site) including professional fees. The Reinstatement Value is the figure for which your house should be insured, rather than the market value of the house.

Split Rate

A Split Rate gives you the option of dividing your borrowings between Variable and Fixed rates. This enables you to benefit from the advantages of each rate in whatever proportions you choose.

Stamp Duty

This is a government duty charged on the purchase of a property. Whether you are a first time buyer, owner occupier or investor, the amount of stamp duty payable is: 1% of first €1,000,000 and 2% on any excess over €1,000,000.

For more information log onto www.revenue.ie

Variable Rate

With a Variable rate, your monthly repayments may rise and fall over the life of your Mortgage. A Variable rate gives you the flexibility to make early repayments or lump sum repayments and so reduce the overall cost of your Mortgage. There is also the option of changing to a Fixed rate at any time.

Tax Relief at Source (TRS)

Mortgage TRS can be claimed in respect of qualifying loans secured on the deeds of your main residence i.e. a new Mortgage, a top up loan, a home improvement loan. The Mortgage tax relief element on the Mortgage interest is given, by your lender, either in the form of a reduced Mortgage payment or a credit to your funding account. It is not necessary to claim Mortgage interest relief in an annual tax return, and it no longer appears on your Notice of Tax Credits.

Valuation

A professional valuer from the approved AIB Residential Mortgage Valuers' panel will complete a Valuation Report. This report will give an indication of the market value of your property. It is important to note that the Valuation Report is not a detailed structural survey or planning survey.

Documentation required to support your Mortgage Application

For Employees	1st Applicant	2nd Applicant
• 3 months up to date consecutive payslips are required to confirm your basic salary.	<input type="checkbox"/>	<input type="checkbox"/>
• AIB Salary Certificate (available in all branches) to be completed and stamped by your employer confirming permanency and basic salary.	<input type="checkbox"/>	<input type="checkbox"/>
• P60 can be provided in addition to payslips, however this includes all income (including bonus/overtime etc), therefore 3 months up to date consecutive payslips are required to confirm your basic salary.	<input type="checkbox"/>	<input type="checkbox"/>
• 6 months statements are required for any Savings and / or Investment not held with AIB.	<input type="checkbox"/>	<input type="checkbox"/>
• 6 months statements are required for any borrowings not held with AIB.	<input type="checkbox"/>	<input type="checkbox"/>

For Self-Builds	1st Applicant	2nd Applicant
• Planning Permission and details of proposed size of property (square feet/metres).	<input type="checkbox"/>	<input type="checkbox"/>
• (A) Copy of your Fixed price Contract or (B) If you are building by Direct Labour, a detailed schedule of build costs to be completed by your qualified architect/engineer/building surveyor – detailing build costs and outlining that the property can be completed in full for the proposed build cost (template available in all Branches).	<input type="checkbox"/>	<input type="checkbox"/>
• An initial Valuation Report will be required prior to full loan approval advising cost of site and estimated market value on completion of build. (See page 3 for details)	<input type="checkbox"/>	<input type="checkbox"/>

For Self-Employed / Sole Trader / Director of limited company	1st Applicant	2nd Applicant
• 3 years audited/trading accounts (certified by your accountant).	<input type="checkbox"/>	<input type="checkbox"/>
• Confirmation of tax position from your accountant.	<input type="checkbox"/>	<input type="checkbox"/>
• Minimum 6 months recent Business Bank statements not held with AIB.	<input type="checkbox"/>	<input type="checkbox"/>
• Minimum 6 months statements for any borrowings not held with AIB.	<input type="checkbox"/>	<input type="checkbox"/>
• For Sole / non-Company Traders, 3 years Revenue Notice of Assessment.	<input type="checkbox"/>	<input type="checkbox"/>

Equity input for Purchase	1st Applicant	2nd Applicant
• If you have been gifted funds to assist with your Mortgage, we require confirmation in writing of such and confirmation that it is non repayable. Documentary evidence of the source of any gift may be required	<input type="checkbox"/>	<input type="checkbox"/>

For Non-AIB Customers	1st Applicant	2nd Applicant
• In order to comply with legislation to combat money laundering and terrorist financing you will need suitable proof of identity and residential address. <ul style="list-style-type: none"> – A current valid passport or current drivers licence and – A current utility bill or current bank/financial institution statement. 	<input type="checkbox"/>	<input type="checkbox"/>
• 6 months recent bank statements (including 1 original).	<input type="checkbox"/>	<input type="checkbox"/>
• If your existing Mortgage is not with AIB, we require 6 months recent mortgage statements (including 1 original).	<input type="checkbox"/>	<input type="checkbox"/>
• If you live abroad or have a Banking Relationship abroad a foreign credit check will be required.	<input type="checkbox"/>	<input type="checkbox"/>

For all Customers: If you are separated or divorced the Bank may need to see some documentary evidence, such as your Deed of Separation or Divorce Decree.

Other: _____

Note: For all Top Up Mortgage applications, an original independent valuation report must be completed by an approved valuer from the AIB Residential Mortgage Valuers' panel prior to full loan approval.

Your AIB Mortgage Consultant is:

AIB Branch:

Telephone:

**+add
more
green**

We all want to do our bit for the environment. That's why AIB has created 'Add more green', a range of environmentally-friendly initiatives that will help us and our customers create a greener world. Even something as simple as signing up for eStatements can make a huge difference. Find out how you can help add more green at www.aib.ie/csr

Printed on recycled paper. 

Drop into any AIB Branch | 1890 724 724 | www.aib.ie

be with

