



# House Purchase Loan Policy

Date of policy: **June 2020**

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## 1. PURPOSE

The object of the scheme is to help meet the difference between the proportion of the cost usually advanced by banks/mortgage providers and the total cost involved in house purchase (the word "house" can be interpreted as meaning any residential accommodation of permanent construction and which is the staff member's sole or main residence). Applications for loans should be made to the Financial Services Division (FSD).

## 2. PROCEDURE

- 2.1 The loan scheme is only available for the first purchase of a house as a primary residence in Dublin or the surrounding commuter areas. Loan applications will be approved by the Chief Financial Officer (CFO) who will consider each case on its merits. The Finance Committee will note any loans made on authorisation of the CFO.
- 2.2 A loan may be made to any staff member who
  - a) is a permanent member of staff
  - b) is the holder of a contract of a duration of 5 years or longer
- 2.3 No loan will exceed an amount equal to 25% of the basic annual salary, such salary being as at the date of application, or an amount of €20,000, whichever is the lesser.
- 2.4 Loans, once authorised by the CFO, will be formally offered to the staff member in writing, this offer will only be valid for six months from the date of offer.
- 2.5 Loans will be issued against a letter of guarantee signed by the staff member confirming they accept the Terms and Conditions of the loan.
- 2.6 Loans must be repaid in full
  - a) by a permanent member of staff over a period not exceeding 10 years
  - b) by a contract holder of a duration of five years or longer over a period not exceeding the balance of the contract duration.
- 2.7 Interest will be charged on the reducing balance at the same rate of interest determined by the Department of Finance for qualifying home loans as currently allowed by Revenue guidelines.  
<https://www.revenue.ie/en/employing-people/benefit-in-kind-for-employers/other-benefits/preferential-loans.aspx>

- 2.8 Repayments of principal and interest charges will be deducted from the salary of staff members.
- 2.9 Should the staff member resign from or otherwise leave the employment of the University, they must arrange to repay the loan in full together with any interest due before leaving. If the loan remains unpaid, this will be deducted from the net pay of the final salary payment. If the loan amount exceeds the final salary payment Trinity reserves all legal rights to pursue the outstanding amount if not paid in full within 30 days from the date the staff member ceases to be an employee.
- 2.10 Should the staff member take unpaid leave then the loan repayments will be added to the end of the loan repayment period, provided that the remaining term of the loan does not exceed the remaining contract of employment. In these instances, repayments will be adjusted to cover the excess once the staff member returns from unpaid leave or the staff member can arrange to make repayments during the period of unpaid leave.
- 2.11 Should the staff member take a career break, the staff member will be required to arrange for the loan to be repaid for the duration of the career break. If the staff member does not return to the University following a career break then the loan must be repaid in full.
- 2.12 Should the staff member subsequently dispose of the property, the staff member will be required to arrange for the repayment of the loan in full.
- 2.13 Should the staff member suffer a "death in service" then the estate of the staff member will be required to repay the remainder of the loan.
- 2.14 The University reserves all legal rights to pursue the debt if not repaid in accordance with the Terms and Conditions of the loan.
- 2.15 The policy will be subject to annual review by the CFO.



**Trinity College Dublin**

Coláiste na Tríonóide, Baile Átha Cliath

The University of Dublin

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THE UNIVERSITY OF DUBLIN  
TRINITY COLLEGE  
HOUSE PURCHASE LOAN  
SCHEME APPLICATION FORM\*

Application by	Surname	_____
	First name	_____
	Employee No	_____
In respect of premises at (if property is known at time of application. Full address must be provided at time of House loan collection)		_____
First purchase of house in Dublin or surrounding commuter areas (Yes/No)		_____
Staff Classification:		
- Permanent or 5 year contract		_____
- Position and grade		_____
- Department		_____
- Date of joining TCD		_____
Basic salary p.a. at date of Application (i.e. exclude any additional remuneration)		_____
Loan being applied for (not to exceed 25% of basic salary p.a. or €20,000 whichever is the lesser)		_____
Repayment period (not to exceed ten years)		_____

It is your present intention to remain in the University's service throughout the repayment period of the loan?

*(Please note that the University may recover all or part of the outstanding loan balance against monies due to applicants as salary during period of notice and/or final salary).*

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Estimated total cost of house purchase

*(include cost of house, commission (if any), legal expenses)*

\_\_\_\_\_

Manner in which total cost is to be met

Savings:

€ \_\_\_\_\_

Mortgage:

€ \_\_\_\_\_

Monthly Repayments:

€ \_\_\_\_\_

*(Enclose copy of mortgage offer showing monthly repayments)*

No of people repaying mortgage:

\_\_\_\_\_

*(Enclose statement of earnings of anyone else repaying mortgage)*

Present residential address of applicant

\_\_\_\_\_

Tenure of present accommodation

Owner / Related / Other (elaborate)

*(delete whichever does not apply)*

\_\_\_\_\_

Date of Birth

\_\_\_\_\_

I confirm that I have read and fully accept my obligations under the University's House Purchase Loan Scheme

*Signed*

\_\_\_\_\_

\*Please submit the application form along with the Mortgage Offer and a copy of your last payslip