



**FOR THE LIFE YOU'RE AFTER**

**Top-up Mortgage Guide**

# 5 WAYS WE'RE SUPPORTING YOU TOWARDS THE LIFE YOU'RE AFTER

1

## Use the equity in your home



Borrow money against your home to pay for:

- Home improvements
- Inheritance tax on a property
- Separation agreement payment
- Support for family buying a home of their own

2

## Green Mortgage



You can apply for the Green 5 Year Fixed Interest Rate if you are undertaking home renovations. Evidence of eligibility depends on whether your home renovations:

### 1. Require planning permission:

A fully complete AIB Building Certificate confirming adherence to nearly Zero Energy Building (nZEB) standards is to be provided at each stage drawdown.

### 2. Do not require planning permission:

A valid BER cert showing the home has a BER rating of B3 or better prior to undertaking the work is required. Or if the work is intended to improve the BER of the home to at least B3 or better you will need to give us a valid BER Certificate when the work is completed and then the Green Rate can be applied. (ERC may apply).

3

## New 4 Year Fixed Rate

If you are borrowing €250,000 or more to buy or build a home to live in, we have a lower fixed rate of interest. Available to new and existing AIB mortgage customers, including Switchers, Top-Ups and Self Builds. AIB customers with more than one mortgage on the same property can avail of the rate if the combined value of the mortgage is at least €250,000 and 4 years or more remain on each mortgage. The balance of your mortgage(s) when issuing your Letter of Offer will determine eligibility.



4

## Approval in Principle

When you get your Approval in Principle it will last for six months, giving you time to finalise your plans whether it's a home improvement project or helping a family member to buy a new home.



5

## Dedicated Mortgage Advisors

Speak with one of our Mortgage Advisors in your local branch or over the phone. They'll answer any Top-up mortgage loan questions you have and guide you through the journey.



# Let's Talk Top-up Mortgages

Are you thinking of some home improvements? Or perhaps you want to help a family member buy a new home? If the balance of your current AIB mortgage is less than the current value of your home you may be able to use this equity to borrow an additional mortgage, to help with these expenses and more. Read on to see how we can help you.

## What is a Top-up mortgage?

Let's look at an example: If your home is worth €400,000 and your mortgage is €200,000, you could borrow an additional €180,000 (up to 90% of the current value of your home) to spend on things like improving your home or paying inheritance tax on a property.



We call this a Top-up mortgage and it's a way of borrowing money against the current value of your home. It is an additional mortgage loan to the one you have so it can have a different interest rate, be paid back over a different time period and even have a different repayment date to your current mortgage. Your current mortgage doesn't change.

## What can I use a Top-up mortgage for?

The equity in your home can be used to pay for:

- Home improvements
- Inheritance tax on a property
- Separation agreement payment
- Support for family buying a home of their own.



## With a Top-up mortgage you can:

- Borrow from a minimum of €10,000. The maximum depends on the current value of your home, what you can afford to repay and what you plan to do with the money.
- Choose a term of up to 35 years (to a maximum 68 years of age).
- Choose from competitive fixed or variable mortgage rates, including our AIB Green 5 Year Fixed Rate.



## Home Improvements and Energy Efficiency

You can apply for the Green 5 Year Fixed Interest Rate if you are undertaking home renovations. Evidence of eligibility depends on whether your home renovations:



### 1. Require planning permission:

A fully complete AIB Building Certificate confirming adherence to nearly Zero Energy Building (nZEB) standards is to be provided at each stage drawdown.

### 2. Do not require planning permission:

A valid BER cert showing the home has a BER rating of B3 or better prior to undertaking the work is required. Or if the work is intended to improve the BER of the home to at least B3 or better you will need to give us a valid BER Certificate when the work is completed and then the Green Rate can be applied. (ERC may apply).

If your current mortgage is on an AIB Fixed Rate and you want to change to the AIB Green Mortgage rate, we may charge you a breakage cost. For more information on our Green Rate Mortgage and breakage costs visit [www.aib.ie](http://www.aib.ie).

## Top-up mortgage: what to consider

- You may remember from your first mortgage that you gave us documents to support your mortgage application. The same goes for a Top-up mortgage. This means that you need to fill in a new application and give us documents like copies of your payslips, proof of ID and expenses. Although you already have a mortgage with us, we still need to ensure that you can meet the additional repayments.
- There may be additional costs:
  - To borrow against the equity in your home you'll need to have your home valued by an AIB approved valuer. Call 0818 100 051 or 01 771 58 48 and we'll arrange this for you. There is a cost to you of €150 for the initial valuation and €65 for any valuations needed thereafter. Your Mortgage Advisor will tell you at what stage of your application you need to do this.
  - You will need a solicitor to witness documents such as the Letter of Offer and the Family Home Declaration.
  - Your home insurance and/or life assurance costs may increase. You should contact your insurers to check if the additional loan amount affects your existing cover.
  - If you are planning home improvements you should let your home insurance provider know. If you need to move out of your home while the home improvement work is carried out additional insurance may be required to make sure your home is fully protected.
- As with your first mortgage, we recommend you get independent legal advice.

## How can I apply?

Talk to one of our Mortgage Advisors who will work through your plans and give you options. They're available in branch and on the phone. Visit [www.aib.ie](http://www.aib.ie) or call 0818 244 425 Monday to Friday 09:00 to 17:00 to get started.

# Tips when planning home improvements

## 1. Know your budget

Be realistic with your budget and know what you have to spend. Consider including a contingency of 10% of the cost in case of any surprises once the work gets underway.

## 2. Hire qualified and experienced professionals

Get certified professionals on board to design, build and supervise your project so that it satisfies building regulations. Pick an architect and a builder from recommendations. Check out their work and look at other houses in the area.

## 3. Are you eligible for government grants?

Check if any grants are available for the type of work you're planning. This could help save you money on installation costs and reduce energy bills over time. The Sustainable Energy Association of Ireland (SEAI) is a good source of information.

## 4. Will you need planning permission?

Your architect will be able to tell you if you need planning permission. If you do, you'll need the full and final planning approval for the 'grant of permission' before starting the work and getting a formal loan offer from us. We will need to see the letter you received that lists any conditions to the planning.

## 5. The paperwork

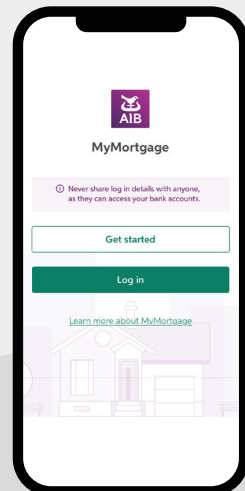
If we give you the loan in stages we will ask you for certain documents for the build so we can release each payment. Your architect, engineer or building surveyor will help you complete these documents. They are familiar with this process and your AIB Mortgage Advisor will always be on hand to help with your mortgage queries.

## MyMortgage - Manage Your Application Online

After you receive your Approval in Principle, you can use MyMortgage to upload your documents, talk to an expert and more. Ask your dedicated Mortgage Advisor for more information.

Login anytime from your smart phone, tablet or desktop to:

- Find out what stage your application is at.
- See what you need to do next.
- Upload paperwork like salary certs and pay slips.
- Download our forms.
- Send us a message any time with any questions you have.



# Your Mortgage Checklist

Things you'll need when meeting your AIB Mortgage Advisor.



## Documentation required to support your Mortgage Application

The following list details the standard documentation required to progress a mortgage application. We may require further information based on your personal circumstances or to further clarify any documentation or information you submit to us before we can consider your application complete. Your Mortgage Advisor will talk to you about what documentation is required for your application.

### Standard Documents – Required for all Applications

	1st Applicant	2nd Applicant
• Fully completed and signed application form	<input type="checkbox"/>	<input type="checkbox"/>
• 3 months most recent current account statements if not held with AIB	<input type="checkbox"/>	<input type="checkbox"/>
• 6 months most recent statements for any of the following not held with AIB: <ul style="list-style-type: none"><li>○ Savings</li><li>○ Investments</li><li>○ Borrowings including mortgages</li></ul>	<input type="checkbox"/>	<input type="checkbox"/>
• Reduced Statement Requirements may apply in certain circumstances (please consult with your Mortgage Advisor for further detail).		

- If you are separated or divorced, we require a copy of the separation agreement or alternatively solicitor's written confirmation of any financial obligations and/or maintenance payments stipulated in the separation agreement.
- If you require a work permit/visa to work in Ireland, we require your original Irish Residence Permit (IRP).
- If you are in receipt of income that is not included in your contract of employment, please send us the following Revenue documents to confirm your declared level of income:
  - o your 2 most recent Revenue acknowledged Form 11.
  - \*3 Years most recent Revenue Acknowledge Forms 11 may be required in certain circumstance (please consult with your Mortgage Advisor for further detail).
- Equity input for mortgage loan - If there is a difference between the borrowing amount and the cost of the intended purpose, then evidence is required to verify the source of the funding for the difference in amount. The balance must not be funded by borrowings.
- If you have any non-PAYE income we need to confirm your tax affairs are in order, please send us one of the following documents:
  - o ROS Charges and Payments statement confirming your tax is paid; or
  - o A letter of confirmation from your accountant confirming your tax affairs are in order, including any Revenue arrangements that may be in place.
- **Valuation Report - You will be advised when this is required so you do not need to arrange it prior to that time. You will need to contact AIB to arrange this. It needs to be completed by a valuer appointed by our Central Valuations Team. The Team can be contacted on 0818 100 051.**

## For Employees

- |  | 1st Applicant            | 2nd Applicant            |
|--|--------------------------|--------------------------|
| • Salary Certificate (available on aib.ie, in your AIB MyMortgage App or from your Mortgage Advisor) to be completed and stamped by your employer confirming permanency and basic salary. <input type="checkbox"/> <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |
| • For Employees - If you want to borrow past the age of 68, we require confirmation from your employer of your intended retirement date. <input type="checkbox"/> <input type="checkbox"/>   | <input type="checkbox"/> | <input type="checkbox"/> |
| • 3 most recent payslips <input type="checkbox"/> <input type="checkbox"/>   | <input type="checkbox"/> | <input type="checkbox"/> |
| • If your income is performance related, made up of any non-basic income (e.g. shift /overtime etc.) or you are on a contract, we require 3 years most recent statement of earnings e.g. Employment Detail Summary (EDS) from revenue.ie to confirm your track record of earnings. <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • If you are currently on leave from work, we require a letter from your employer confirming your return date under the same terms and conditions prior to leave. <input type="checkbox"/> <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/> |



## For Self-Employed/Sole Trader/Director of a Company/Partnerships

	1st Applicant	2nd Applicant
<ul style="list-style-type: none"> <li>Most recent audited accounts detailing 2 years trading (certified by your accountant).</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>3 years' most recent Audited Account or Trading Accounts certified by your Accountant may be required in certain circumstances (please consult with your Mortgage Advisor for further detail).</li> </ul> <p>For self-employed customers where audited/unaudited accounts are not available for Partnerships, 2 most recent Revenue acknowledged Form 11 to confirm declared level of income must be obtained.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>In all circumstances, please send us the following Revenue documents to confirm your declared level of income:               <ul style="list-style-type: none"> <li>o your 2 most recent Revenue acknowledged Form 11.</li> </ul> </li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Confirmation of tax position from your accountant or ROS Charges &amp; Payments Statement.</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Minimum 3 months recent current account bank statements not held with AIB for the business accounts.</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>We require 6 months most recent statements for any business borrowings if not held with AIB. *Reduced Business Loan Statement requirement may apply in certain circumstances (please consult with your Mortgage Advisor for further detail).</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>

## For Home Improvement Mortgage Loans

	1st Applicant	2nd Applicant
<ul style="list-style-type: none"> <li>If relevant, a copy of the full and final grant of planning permission.</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Costings template – your Mortgage Advisor will let you know which of the following to use:               <ul style="list-style-type: none"> <li>o Self-certified costings template – to be completed by you.</li> <li>o Certified costings template – completed by an architect, engineer or building surveyor on your behalf. This will need to be accompanied by a copy of their professional indemnity insurance.</li> </ul> </li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li><b>You'll need to have your home valued by an AIB approved valuer at a cost to you of €150 for the initial valuation and €65 for any subsequent valuations should they be required. Call 0818 100 051 or 01 771 58 48 and we'll arrange this for you. Your Mortgage Advisor can tell you when you need to have the valuation done.</b></li> </ul>		

## Customer Identification

---

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

- (a) A current valid passport or current driving licence and
- (b) A current utility bill or current bank/ financial institution statement

We are required by law to collect and verify your Personal Public Service Number (PPSN) or Tax Reference Number (TRN). This is required by the Central Bank of Ireland's Central Credit Register for Customer Identification.

In order to verify your PPSN / TRN you may need to provide us with an original or electronic version (for example, a PDF or photo) of a document showing your PPSN / TRN and full name. For a full list of acceptable documents and more information on how to provide it, visit [www.aib.ie/ccr](http://www.aib.ie/ccr) or your local AIB Branch.

## What other things do I need to know?

---

- We can only lend to people over 18
- The longest term we will lend over is 35 years (depending on your age)
- Repayments should be less than 35% of your disposable income
- Repayments can vary but this depends on the rate you choose
- We offer fixed rate, variable rate, green rate and split rate mortgages.

Allied Irish Banks, p.l.c. is an authorised agent and servicer of AIB Mortgage Bank u.c. in relation to origination and servicing of mortgage loans and mortgages. Allied Irish Banks, p.l.c. is regulated by the Central Bank of Ireland. AIB Mortgage Bank u.c. are regulated by the Central Bank of Ireland .

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

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

**Warning: The cost of your monthly repayments may increase.**

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

**WARNING: THE PAYMENT RATES ON THIS HOUSING LOAN MAY BE ADJUSTED BY THE LENDER FROM TIME TO TIME.**

**(Applies to variable rates only)**

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 property value. Minimum top-up mortgage loan amount is €10,000. Loans not available to people under 18. You must provide proof of income. Mortgage loans must be secured on the property. Mortgage protection and home insurance are required. You must pay for a valuation of your property. You must use a valuer from the list of AIB approved valuers and the valuation 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 a 'Green' Fixed rate of 3.65% and Annual Percentage Rate of Charge (APRC) 4.00%, this includes 60 monthly fixed repayments of €587.28 and 180 variable payments of €607.47. If the interest rate does not vary (based on today's equivalent variable Rate of 4.15%) during the term of the mortgage, the total cost of credit i.e. the total amount repayable less than the amount of the loan would be €44,853.65 (inclusive of €215.00 valuation report fees and security release fee of €60.00). The total amount repayable would be €144,853.65. The effect of a 1% increase in the prevailing variable rate (4.15%) will add €41.51 to the 180 monthly variable repayments. Available to new and existing customers. Breakage fees may apply in the case of existing customers. Lending criteria, terms and conditions apply. You'll have to show us that the property qualifies for a Green Fixed rate.

For regulatory information, visit [www.aib.ie/our-products/mortgages/Home-Mortgages-Regulatory-Information](http://www.aib.ie/our-products/mortgages/Home-Mortgages-Regulatory-Information)









Branch. Phone. Online.  
Call **0818 244 425**  
**[www.aib.ie/mortgages](http://www.aib.ie/mortgages)**  
or Drop in to any branch.

