

Mid-Year Update

For the period up to 30 June 2021*

Key Highlights

Despite the closure of construction sites for a large portion of H1 2021, HBFI has continued to make significant progress in increasing the supply of residential development finance. Total loans approved to the end of June 2021 exceed €500m thereby supporting the construction of approximately 2,500 new homes.

Approvals



€539m**

Total funding approved to date



2,477

Supporting 2,477 homes



54

Total Number of facilities approved to date



17

Across 17 counties



€10m

Average loan facility size



€1m to €94m

Individual loan facilities range from €1m to €94m



7%

Rates for core products 5% to 9%, average 7%.



27%/73%

27% social housing,
73% private housing – all products

Active Sites (under construction and completed)



€291m

Total funding approved on active sites to date



1,364

Supporting 1,364 homes



19

Total Number of active sites to date 19 across 17 counties

Homes completed



198 units

Number of units completed and sold



866 units

Contracted for sale/sale agreed

*figures reported are from 28 January 2019 to 30 June 2021

**not all schemes approved will drawdown funding from HBFI for various reasons including the project not progressing or alternative funding secured

Outline of HBFI's Current Product Offering

HBFI now has a suite of 6 different products designed to meet the specific needs and risk profiles of different residential development situations. Our aim has been to remain responsive to changing market conditions and introduce new products to widen our coverage to support the home building finance market.

During the first half of 2021 we have successfully launched the Green Product which is designed to assist residential development projects that promote sustainability and meet specific green initiative targets.

An overview of HBFI's product offering is outlined below. For further details or to Submit an Enquiry visit www.hbfi.ie.

	Under 10 Units (to include COSME) The Small Development Funding Product (under 10 units) is designed to provide funding for projects of between five and nine residential units. 	<ul style="list-style-type: none">● Facility size from €1m (to include land purchase (up to 50%) and development funding)● Gearing of up to 80% (includes site purchase and development funding)● Margin of between 6% and 9% (over 3-month Euribor)● A 1% entry and exit fee will be applied subject to a minimum entry fee of €15K and minimum exit fee of €15K● Ideally, the site should have planning permission or be in the process of achieving planning permission● Loan Guarantee Scheme provided by the EIF (European Investment Fund).
	10 Units or Above HBFI's original product offering, the Standard Development Funding Product, is designed to fund residential projects of 10 units or more.	<ul style="list-style-type: none">● The minimum number of units (houses/apartments or a mix) for which funding will be provided under this product type is 10● Gearing of up to 80% (includes site purchase and development funding)● Margin of between 5% and 8% (over 3-month Euribor), with an entry fee and exit fee of up to 1%● Ideally, the site should have planning permission or be in the process of achieving planning permission● The maximum funding provided under this product type is €35m.
	Apartment Development The HBFI Apartment Funding Product is primarily geared towards apartment development as opposed to site purchase but may incorporate funding for site as part of overall facility.	<ul style="list-style-type: none">● This product is for developments consisting of predominantly apartments● Gearing of up to 80% (includes site purchase and development funding)● This product can be used to fund developments with pre-sales/private sales or a mix● Ideally, the site should have planning permission or be in the process of achieving planning permission● The maximum funding provided under this product type is €75m● Margin and fees will be reflective of risk pertaining to each development. Please contact HBFI to discuss your project.
	Momentum Fund The Momentum Fund is a direct response to the Covid-19 crisis and is designed to temporarily provide funding to established developers for large-scale developments in prime locations, which might have previously been funded by the mainstream banks.	<ul style="list-style-type: none">● Facility size of up to €75m (for larger amounts contact HBFI directly to discuss)● Gearing of up to 65% (includes site purchase and development funding)● Margin and fees will be assessed on a case by case basis.
	Social Housing The Social Housing Product is designed to provide funding for social housing projects that are contracted for sale pre construction to a Local Authority or an AHB (Approved Housing Body).	<ul style="list-style-type: none">● The minimum number of units (houses/apartments or a mix) for which funding will be provided under this product type is 10● The project must be contracted to a Local Authority or an AHB prior to the first drawdown from the facility provided by HBFI● Gearing of up to 80% (includes site purchase and development funding)● Margin of between 5% and 7% (over 3-month Euribor), with an entry fee of 1% and no exit fee.
	Green Funding Product The Green Funding Product is designed to encourage the development of sustainable housing across all HBFI products.	<ul style="list-style-type: none">● In order to qualify for the product the project must be certified to the HPI (House Performance Index) or equivalent standard● Those projects that qualify will be able to avail of a discount of up to 0.5% on the margin that they could normally expect to be charged● The product/discount is available across all HBFI products (some products are subject to certain minimum margins – please contact HBFI for further information)● The usual qualification criteria (set out for each product) continue to apply● Early engagement with HBFI is essential to ensure that the criteria for HPI certification is planned from the outset● Further information regarding the qualification criteria can be found on the Irish Green Building Council Website at www.IGBC.ie

HBFI Facilities Approved to Date (30 June 2021) by County

HBFI has approved 54 facilities to the end of June 2021. These facilities are in various locations across 17 counties with an average of 46 new homes per facility. The funding approved to-date facilitates the delivery of 1,404 houses and 1,073 apartments.



The number of facilities approved per county

Examples of Projects Being Funded by HBFI



Social Housing Project

Company Name:

Barraduff Homes Limited

Site Name:

Shronedarragh, Barraduff

Site Location:

Barraduff, Co. Kerry

Number of Units:

56

HBFI Lending Manager:

Richard Tynan

Project Status:

Complete



10 Units and Above

Company Name:

Gildoc Ltd

Site Name:

Curates Court

Site Location:

Ennis, Co. Clare

Number of Units:

12 units

HBFI Lending Manager:

Riona Lynch

Project Status:

Complete



10 Units and Above

Company Name:

Kenny Timmons Family Investments Ltd

Site Name:

Willmount View

Site Location:

Kells, Co. Meath

Number of Units:

20

HBFI Lending Manager:

Richard Tynan

Project Status:

Complete



Maoiniú Teaghais-Tógála Éireann
Home Building Finance Ireland

Contact HBFI

For general queries please contact
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