

HBFI MID-YEAR UPDATE

FOR THE PERIOD TO 30TH JUNE 2022

Key Highlights

Demand for funding continues in a more challenging environment for new home delivery.

Throughout H1 2022, HBFI has continued to see strong demand for residential funding across our full product range. Total loan approvals to the end of June 2022 exceeded €1,156m with €321m approved in the first six months of the year.

The regions continue to be a key area of focus and HBFI has now approved projects in 20 counties across the state. This funding is across 86 projects and can support the delivery of 5,210 homes.

Notwithstanding the uncertainty in the cost of construction and supply chains, significant progress has been made on HBFI funded projects so far in 2022. Of the 86 projects with funding approved, 50 projects are now under construction or completed. These projects will support 3,229 new homes.

HBFI is committed to working with both customers and public and private sector stakeholders to respond to increasing demand for housing, while managing through the current market uncertainties.

As 2022 continues, HBFI remains agile and responsive and will continue to evolve our offering to ensure there is adequate funding to support commercially viable home building throughout Ireland.

Approvals*



€1,156m

Total funding approved to date



€13.4m

Average loan facility size



5,210

Supporting 5,210 homes



€1m to €94m

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



86

Total Number of facilities approved to date



6.8%

Rates for core products 5% to 9%, average 6.8%



20

Across 20 counties



23%/77%

23% social housing, 77% private housing across all products

Active Sites



€737m

Total funding approved on active and completed sites to date



3,229

No. of new homes delivered or under construction



50

Total Number of active or finished sites to date

Homes completed



715

Number of units completed and sold



1,783

Contracted for sale/sale agreed

* Figures reported are from 28 January 2019 to 30 June 2022. Not all schemes approved will drawdown funding from HBFI for various reasons including the project not progressing or alternative funding secured.

HBFI

Maoiniú Teaghais-Tógála Éireann
Home Building Finance Ireland

Opening doors for new home building in Ireland

Outline of HBFI's Current Product Offering

HBFI has five products on offer, meaning finance can be provided for all types and size of residential projects from 5 to 300 plus units. Amongst the product offering, HBFI provides specialist products for Social/Affordable Housing (with reduced fees for qualifying projects), a Green Funding Product (with a discounted margin for qualifying projects) and a product specifically for small schemes of between 5 and 9 units.

HBFI can also provide funding for large scale projects throughout the State and will consider a scheme for funding once the majority of the development relates to residential units. Further information can be found at www.hbfi.ie or by calling 01 238 4600.



Under 10 Units (including COSME)

The Small Development Funding Product (under 10 units) is designed to provide funding for projects of between five and nine residential units.



- 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
- 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.

- 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%
- The maximum funding provided under this product type is typically €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 the overall facility.

- 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
- The maximum funding provided under this product type is typically €75m
- Margin and fees will be reflective of risk pertaining to each development.



Social/Affordable Housing

The Social/Affordable Housing Product is designed to provide funding for social and affordable housing projects that are contracted for sale preconstruction to a Local Authority, an AHB (Approved Housing Body) or the LDA (Land Development Agency).

- The project must be contracted to a Local Authority, an AHB or the LDA prior to the first drawdown from the facility provided by HBFI
- Gearing of up to 80% (includes site purchase and development funding)
- The minimum amount that can be borrowed under this product is €3 million
- Margin of between 5% and 7% (over 3-month Euribor), with an entry fee of 1% and no exit fee
- Ideally, the site should have planning permission or be in the process of achieving planning permission.



Green Funding Product

The Green Funding Product is designed to encourage the development of sustainable housing across all HBFI products.

- In order to qualify for this 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 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)
- Early engagement with HBFI is essential to ensure that the criteria for HPI certification are planned from the outset
- Further information can be found on the Irish Green Building Council Website at www.IGBC.ie.

Recent Projects Funded by HBFI



Over 10 Units

Company Name:
Cannon Kirk

Site Name:
Dundoogan

Site Location:
Haynestown, Co. Louth

Number of Units:
73 homes (second phase)
55 homes (first phase)

HBFI Lending Manager:
Alan Leech

Project Status:
Nearing Completion



Under 10 Units

Company Name:
HX Properties Ltd

Site Name:
Adare Close

Site Location:
Killincarrig, Greystones, Co. Wicklow

Number of Units:
6 homes

HBFI Lending Manager:
Richard Tynan

Project Status:
Under construction



Social/Affordable Housing

Contracted to:
Tuath Housing

Site Name:
Milestream

Site Location:
Shanakiel, Cork

Number of Units:
42 homes

HBFI Lending Manager:
Richard Tynan

Project Status:
Under Construction

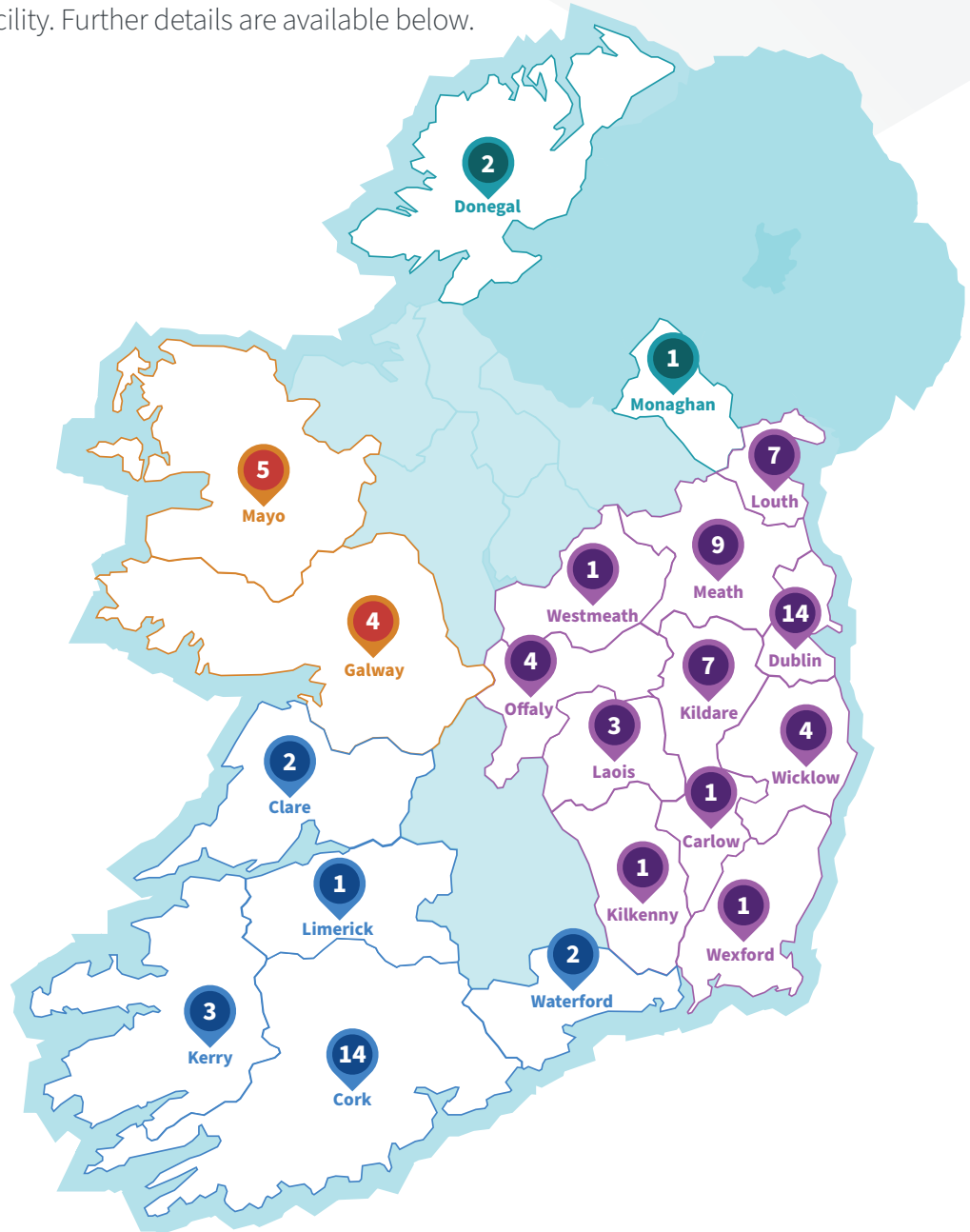
HBFI Facilities Approved to Date

by County

HBFI has approved 86 facilities as of the end of June 2022. These facilities are in various locations across 20 counties with an average of 61 new homes per facility. Further details are available below.




The number of facilities approved per county



For further information or to discuss a project, please contact one of our Business Development Managers

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