

Mid-Year Update

For the period up to 31 July 2020*

Key Stats



€340m**

Total funding approved to date



1,477

Supporting the delivery of 1,477 new homes



29

Total number of facilities approved to date



€12m

Average loan facility size



34%

Social Housing units



66%

Private Housing units



6.53%

Average lending rate

Key Highlights

HBFI was established as a commercial entity by the Minister for Finance in January 2019 to assist in the delivery of new homes by providing funding for residential development projects throughout the country.

In May 2020, HBFI launched 3 additional products and now has the ability to fund residential projects, which are commercially viable, from 5 units to over 300 units at market rates. To date, HBFI has received extensive interest from the residential development sector and has approved over €340m in funding.

Covid-19

Covid-19 has presented a very challenging environment for all sectors of the economy. While construction sites were closed during the early stages of lockdown, the construction sector was one of the first to reopen following the implementation of extensive safety measures. HBFI has adapted quickly to the market requirements and the HBFI Momentum fund, brought to the market in early May, is a direct response to Covid-19 and is available as a short-term market intervention. Further details are available overleaf.

Social Housing

HBFI has engaged extensively with the Social Housing Sector, in particular with Approved Housing Bodies, Local Authorities and the Housing Agency, to understand the market requirements and to ensure that HBFI can be a facilitator in unlocking developments where funding may currently be a barrier. To date, 34% of the total number of units for which funding has been approved by HBFI will be acquired by Approved Housing Bodies and Local Authorities.

* Figures reported are from 28 January 2019 to 31 July 2020.

** 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

On 10 May 2020, HBFI launched a range of new products to further support the residential development sector. These new products allow for greater coverage and overall flexibility in supporting the home building finance market. A key priority for HBFI is to remain agile and adapt to the market needs of the residential development sector. We will continue to engage directly with the sector and to consider new product requirements in support of the residential sector in these unprecedented times.

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



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

The indicative criteria are as follows:

€1m Facility size from €1million

Gearing of up to **80%**

(site purchase and development funding included)

Margin of between **6-9%**

(over 3 month Euribor)

1%

entry and exit fee will be applied. minimum entry/exit fee: €15K

10 units or above



The HBFI Standard Development Product is HBFI's original product offering and is designed to fund residential projects of more than 10 units.

The indicative criteria are as follows:

10 The minimum number of units (houses/apartments or a mix) for which funding will be provided under this product type

Gearing of up to

80%

(site purchase and development funding included)

Margin of between

5-8%

(over 3 month Euribor) with an entry fee and exit fee of up to 1%

Apartment Development



The HBFI Apartment Funding Product is a specialist offering for apartment developments.

The indicative criteria are as follows:

This product is for projects where the majority of the development consists of apartments.



Gearing of up to **80%**

(site purchase and development funding included)

This product can be used to fund developments with pre-sales/private sales or

a mix

Fees

and margin will be reflective of risk pertaining to each development

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.

The indicative criteria are as follows:

Gearing of up to

65%

(site purchase and development funding included)

Facility size up to

€75m

For larger amounts contact HBFI to discuss

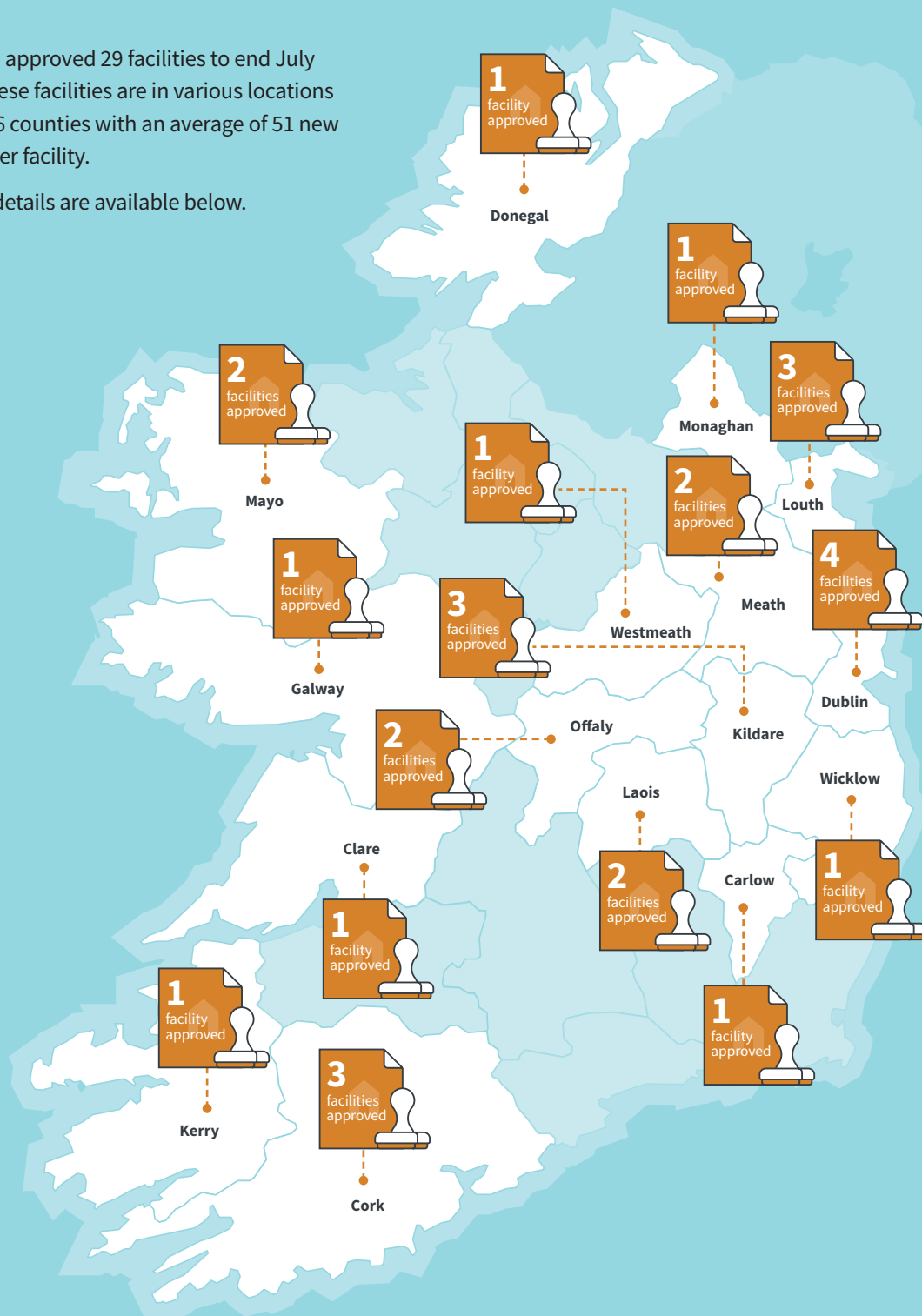
Fees

and margin assessed on a case by case basis

HBFI Facilities Approved to 31 July 2020 by County

HBFI has approved 29 facilities to end July 2020. These facilities are in various locations across 16 counties with an average of 51 new homes per facility.

Further details are available below.



€340m
Total funding
approved to date



1,477
Total number of units
for which funding has
been approved



16
Number of counties
supported

Examples of Projects Being Funded by HBFI



Social Housing Project

COMPANY NAME:

Barraduff Homes Ltd

SITE LOCATION:

Barraduff, Co. Kerry

NUMBER OF UNITS: 56

STATUS:

Under construction

HBFI LENDING MANAGER:

Richard Tynan



Private Market Project

COMPANY NAME:

McParland Bros Builders Ltd

SITE LOCATION:

Old Dublin Road, Dundalk, Co. Louth

DEVELOPMENT NAME: Bellfield

NUMBER OF UNITS: 17

STATUS: Under construction

HBFI LENDING MANAGER:

Shane Hartney



Contact HBFI

For general queries please contact

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Maoiniú Teaghais-Tógála Éireann
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