

CROÍ CÓNAITHE CITIES SCHEME

Activating Development of New Apartments

The Croí Cónaithe Cities scheme, managed by the Housing Agency, was created as part of the Government's 'Housing for All' plan, with the objective of activating existing planning permissions to increase the supply of apartments for owner-occupiers to purchase.

The scheme provides funding for the development of new apartments that are constrained by the viability gap between the costs of building and the market sale price of apartments. The scheme is also designed to create compact growth with funding being prioritised for developments that have higher densities and are near travel hubs.

Croí Cónaithe Cities has a budget of €450m until 2026. To be eligible to apply for the scheme, developments must be located in Dublin, Cork, Limerick, Galway or Waterford.

The buildings must be four storeys or higher with a net density of 35 dwellings per hectare and a minimum of 40 dwellings per application. Homes are only available for sale to owner-occupiers and the development must have been granted full planning permission, but construction cannot have begun.

Additionally, for any organisation to apply for the fund they must be able to demonstrate a viability gap that shows that the cost of building the apartment is higher than the market sale price for the apartment.

Approval for funding consists of three stages:

1. The Expression of Interest (EOI).
2. Ranking of suitable proposals.
3. Detailed due diligence including open book accounting.

The second EOI closed recently and currently under the scheme, there

Funding available for eligible properties:

Location	Maximum amount of funding available
Dublin	€120,000
Other areas	€144,000



Park Developments' apartments in Dublin – one of the recipients of Croí Cónaithe funding.

are two developments underway with further applications being assessed for funding.

Croí Cónaithe Cities works as an activation measure for vacant sites that have planning permission and as a result increases the supply of new apartments available to buy in Ireland's urban centres. This will benefit local areas by developing more housing and bringing new people into the local community.

The apartments made viable because of Croí Cónaithe are available to buy by anyone and buyers may avail of other complimentary measures, such as the 'Help to Buy' and 'First Home' schemes which help make home-ownership possible for a wider range of people. The development of new apartments in cities across Ireland will also enable more mixed tenure as people at different life stages look to live in central locations.

Examples of Croí Cónaithe Cities benefits for individuals at different life stages:

First Time Buyers	Changing Settings	Rightsizing
<p>A couple in their late 20s are looking to buy their first home.</p> <p>They buy a Croí Cónaithe apartment in Dublin worth €425,000. Using the 'First Home' and the 'Help to Buy' schemes they save €85,000 and €30,000 respectively, enabling them to buy a new apartment in Dublin for €310,000.</p>	<p>In a family of five, the parents are getting a divorce.</p> <p>To ensure he can continue living nearby, the father buys a new Croí Cónaithe apartment in the city centre costing €300,000. Using the 'Fresh Start' scheme he pays €210,000, which is within walking distance from the family home.</p>	<p>A retired couple living in a family home in the suburbs decide to downsize and sell their home for €675,000.</p> <p>They buy a new apartment through the Croí Cónaithe scheme in the city centre for €450,000 and use the rest of the money from the sale to fund their retirement. The new location means they're closer to amenities and less reliant on their car.</p>