

THE LDA: Opening Doors To Affordable Homes

The Land Development Agency (LDA) is committed to meeting the need for affordable homes for sale and rent across Ireland. The LDA's first Direct Delivery scheme in Shanganagh, Shankill in Co. Dublin will launch this year.



In line with the Government's 'Housing for All' strategy and Project Tosaigh, the Land Development Agency is delivering homes through two key programmes - Affordable Purchase and Cost Rental.

The LDA operates two main delivery mechanisms – Project Tosaigh and Direct Delivery. Project Tosaigh was announced in 2022 in the Government's 'Housing for All' strategy, to unlock land in private ownership that has planning permission but where delivery has stalled due to financing and other constraints.

To date, over 1,000 households already rent or own a home delivered by the LDA through Project Tosaigh, and the Agency is targeting the delivery of 8,000 in total by 2028 under this groundbreaking Government initiative.

The developments are well spread across the regions, with homes in Dublin, Cork, Waterford, Meath, Kildare and Wicklow already let or sold. A new cost rental development in Castletroy in Limerick will launch later this year.

The second stream – Direct Delivery – sees the LDA deliver homes on State or other land sources, through direct contractor appointments or

housebuilder JVs. This pipeline is delivering more than 10,000 homes, which are currently at various stages of development, with planning permission secure for more than 6,000.

Later this year, the first Direct Delivery homes will be launched at Shanganagh in Shankill, Co. Dublin. The 597 houses and apartments were developed in partnership with Dun Laoghaire-Rathdown County Council, highlighting the crucial role that collaboration plays in delivering on the State's housing need.

Alongside the two delivery schemes is an active call for Expressions of Interest for sites in the five main cities, with capacity for at least 200 homes.

The Agency wants to engage with landowners who have sites which are well located, have access to transport links and amenities, and which have existing planning permission.

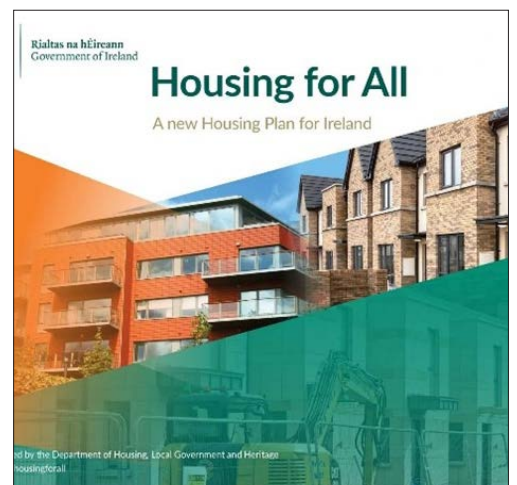
WHAT IS AFFORDABLE PURCHASE?

In partnership with several local authorities, the LDA has released a number of Affordable Purchase schemes across the country. New homes are available for purchase

by eligible applicants at affordable prices under the Local Authority Affordable Purchase Scheme.

The scheme helps prospective purchasers buy homes by bridging the gap between the price of the home and the level of personal funds, Help to Buy (HTB) and mortgage funding available to them, thus enabling prospective purchasers to own a newly built, A-rated home.

In return, the local authority will take a percentage equity stake, known as an Affordable Dwelling Contribution, in the



Affordable Purchase home equal to the difference between the open market value of the property and the affordable price paid by the purchaser. So, if the home is purchased with a 20% Affordable Dwelling Contribution, the local authority will retain a 20% stake in the home. Each local authority introduces its own affordable housing scheme and manages the application process.



Current LDA schemes offering homes for Affordable Purchase:

- Baker Hall, Navan, Co. Meath – 50 units
- Clonmore, Ballyvinitier, Mallow, Co Cork – 95 units
- Elder Walk, Summerfields, Kilbarry, Co Waterford – 92 units

Coming in 2024

- Shanganagh, Shankill, Co Dublin
- Wilkinsons Brook, Hollystown, Dublin 15

Full details at <https://lda.ie/affordable-homes>

AFFORDABLE DWELLING CONTRIBUTION

The Affordable Dwelling Contribution is the difference between the combined total of the purchaser's deposit and maximum mortgage capacity (and savings where relevant) and the market value of the home on the date of purchase. The minimum Affordable Dwelling Contribution is 5%. If the purchaser wishes, they can buy back the local authority's stake at any time but are not obligated to until the ultimate sale of the home.

QUALIFICATION CRITERIA

To qualify for the Local Authority Affordable Purchase Scheme applicants must meet the following criteria:

- You must be a first-time buyer.
- Your income must be below a certain level. This is calculated by multiplying your gross annual income by 4. This figure is known as your 'purchasing power' and it must then be less than 85.5% of the market value of the affordable home.
- You cannot have more accumulated savings than the money required to cover the deposit for the home and an additional €30,000. Anything above this is added to your purchasing power. And, if this goes above 95% of the market value of the property you are not eligible for the scheme.

- You have not previously bought or built a property to live in.
- You do not own or have an interest in any property in Ireland or abroad.
- You are purchasing the property as your home.
- You have the right to live in Ireland.
- You may qualify if you 'fresh start' applicant i.e. if you previously owned a home, but you no longer have a financial interest in it because you are now divorced, separated, or your relationship has ended, or you have gone through personal insolvency or bankruptcy.

WHAT IS COST RENTAL?

Cost Rental is a new housing tenure that was created under the Affordable Housing Act 2021. It is a new rental tenure which offers a long-term, secure rental option that will contribute to the development of a sustainable housing market in Ireland which provides choice across all tenures. The rent on these units is based on the cost of building, managing, and maintaining the homes. Under *Housing For All*, the LDA is one of the State's primary channels for the development of cost rental housing.

*Terms and conditions for cost rental housing in Ireland are set out in the Affordable Housing Act 2021.

To be eligible for consideration for Cost Rental Housing, tenants must meet the following criteria.

- Net household income is below €66,000 p.a. for Dublin and €59,000 outside Dublin
- They can afford to pay the cost rent for the home – the rent is no more than 35% of the net household income.
- They are not in receipt of any social housing supports (including Rent Supplement or HAP)
- They do not own a property.
- The household size matches the size of the property advertised (All members of the household must be living in Ireland at time of applying).
- The household has only entered one application for a specific cost rental property.

2024 Applications

In January 2024 the LDA launched the application processes for 621 new cost rental apartments, which are being delivered through the LDA's Project Tosaigh initiative. They are being made available across four locations in Dublin and Kildare, providing eligible applicants with the opportunity to secure a new home at rents that are at least 25% lower than market rates.

The homes are located in Hansfield in Dublin 15, Citywest in West Dublin, Kilternan in Dublin 18 and Leixlip in Co Kildare. This is the first time that Project Tosaigh homes have been made available in Kildare.



Quarter, Citywest Business Park

Hansfield, Dublin 15: A total of 247 homes at Barnwell Point Apartments in Hansfield. Rents at this development range from €1,050 for a studio, €1,225 for a 1-bed apartment and €1,400 for a 2-bed apartment. An initial application process ran in January 2024.

Quarter, Citywest Business Park: A total of 236 apartments at The Quarter in Citywest in west Dublin with rents of €1,390 for a 1-bed, €1,580 for a 2-bed and €1,750 for a 3-bed. An initial application process ran in January 2024.

Harpur Lane Leixlip: A total of 52 apartments, in Harpur Lane in Leixlip, Co Kildare. Rents at Harpur Lane are €1,357 for a one-bed and €1,585 for a two-bed. An initial application process ran in January 2024.

Kilternan, Dublin 18: A total of 86 apartments in Dun Óir in Kilternan in Dublin with rents of €1,300 for a one-bed apartment and €1,450 for a two-bed unit. The application date and process for this development will be announced on the LDA's website.

In addition, the LDA also launched another phase of 15 cost rental homes from an existing development at Parklands in Citywest. Rents at Parklands range from €1,350 for a three-bed house and €1,450 or €1,460 for a four-bed house depending on house type.

**Project Tosaigh is delivered by the LDA in which the Agency steps in to kickstart construction and partners with developers on stalled or unviable developments and then makes the homes available as either cost rental or for purchase through a shared equity scheme. All of the homes are cost rental.*

The LDA is now conducting new lotteries for cost rental homes and processes with local authorities for affordable purchase homes.

Full details at <https://lda.ie/affordable-homes/lda-cost-rental>



Hansfield, Dublin 15

In total, the LDA is making over 600 homes available to rent in superb locations at reduced rates for eligible candidates. Our new tenants in Dublin and Kildare will enjoy affordable rents and security of tenure. They will also live in well-connected and A-rated homes where they will have the opportunity to become part of and enrich new and existing sustainable communities. Under Project Tosaigh, the LDA will deliver over 5,000 homes by 2026. This is in addition to the 10,000 we are in the process of developing directly on state-owned or acquired land. Project Tosaigh is an excellent and well-funded initiative which allows the LDA to partner with developers to ensure delayed or otherwise unviable projects are completed and the homes are made available to tenants and purchasers at affordable rates.

John Coleman, CEO of the Land Development Agency

