



HFA announces record year of lending for social housing

The Housing Finance Agency (HFA), a State body which provides funding for social housing, today (19 December 2018) announced a record year in lending for social housing provision.

The HFA had loan approvals for social housing, to approved housing bodies (AHBs), of €615m for the year, for 3,292 homes. This compares to €336m approved in 2017, which represents an 83% year on year increase.

HFA CEO, Barry O’Leary, said: “We have had a very busy year, with a considerable increase in business with approved housing bodies, universities, and the Rebuilding Ireland Home Loan through local authorities. Our ability to provide up to 30-year fixed interest rate loans delivers certainty to those organisations developing new social housing.

The HFA commenced lending to universities this year and sanctioned €135m in loan finance for the construction of 1,173 new student bedrooms. This is a significant development which will help alleviate the housing crisis by increasing the availability of rental units in Dublin.

The HFA also finances the *Rebuilding Ireland Home Loan*, launched by local authorities earlier this year, and has long-term fixed rate funding set aside for the scheme. €270m in mortgages have been approved to date, making home ownership available to 900 households who would otherwise not have been able to access the mortgage market. This loan, available through local authorities, offers 30-year fixed rates at 2.25%.

ENDS

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Notes to Editors

- Established in 1982, Housing Finance Agency plc provides loan finance to local authorities, approved housing bodies and universities for housing and related purposes.
- HFA has an outstanding loan book of €3.8 billion, consisting of 85% loans to local authorities and 15% loans to approved housing bodies.
- Since the HFA commenced lending to AHBs in late 2011, it has approved loans of €1.28 billion for 7,958 homes. This represents a significant contribution in the State’s response to the housing situation.
- Loans advanced to AHBs in 2018 amounted to €283m, compared to €171m in 2017. This equates to a 65% year on year increase in funds advanced for social housing.
- The HFA raises finance through the following:
 - the National Treasury Management Agency, and
 - facilities arranged with the European Investment Bank and the Council of Europe Development Bank.
- The HFA is self-financing, adding a small margin onto its cost of funds to cover its administration costs, and does not receive any funding from the Exchequer.