



AIB launches EUR350 million New Homes Development Fund

13th February 2014

AIB today launches a €350m New Homes Development Fund to support the construction and supply of new homes in the cities and suburbs of Dublin, Cork and Galway.

The fund, developed to address the growing shortage in residential housing in these urban areas, will be available to borrowers who can demonstrate prior experience in residential development. New and existing AIB customers are invited to apply for new home development funding which is available from today. The fund is expected to significantly boost job creation in the construction area.

AIB has deployed a team of specialists in each of the three regions who will be available to support applications for funding.

In addition to this, AIB is making mortgage funding available to match demand in the market.

Head of Business Banking at AIB, Ken Burke said: "AIB recognises the acute shortage of available housing in key locations around the country and this €350m fund will support experienced operators in constructing quality housing units to help meet demand."

Property Industry Ireland (PII), the organisation which represents businesses working in the Irish property and construction sectors has welcomed the new initiative. PII Director, Dr Peter Stafford, said: "The lack of new housing has been the main contributing factor to the rapid increase in house-prices and rents in some parts of Ireland. The most important issues in the property sector in 2014 will be how to maintain affordability of houses through increasing the supply of new property to meet the demand, and encouraging the availability of funding to build them.

"Last week, the Government recognised that housebuilding had the potential to create 12,000 vital jobs in construction and support the viability of many small, regionally-based housebuilding firms. The New Homes Development Fund, which is targeted at those businesses, will make a positive step in supplying new houses to support the obvious growing demand." he added.

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