



# Frequently Asked Questions

## Croí Cónaithe (Cities) Scheme



### 1. About Croí Cónaithe (Cities)

#### 1.1 What is Croí Cónaithe (Cities)?

Croí Cónaithe (Cities) is a scheme that will support the building of apartments for sale to owner occupier households in 5 cities in Ireland. They are Dublin, Cork, Limerick, Galway and Waterford. The planned scheme aims to bridge the current “Viability Gap” where the cost of building apartments in these cities is higher than the market sale price.

#### 1.2 What is a Viability Gap?

A viability gap is where the cost of building an apartment, or a house is higher than its market sale price. The “gap” is the difference between the delivery cost and the sale price. The development of apartments is expensive, particularly in urban areas. Apartments have larger structural elements such as lifts or underground car parking which make construction more expensive than for houses. Apartments can only be sold or rented once the entire complex is finished, unlike houses in housing estates which can be built in phases. These factors make it difficult to build apartments at a cost below the market sale price and result in a viability gap.

#### 1.3 Why is Croí Cónaithe (Cities) needed?

Under the proposed scheme, a major initiative in Housing for All, the Government’s housing plan to 2030, a viability fund will help kick-start construction of apartment schemes, activating some of the estimated 90,000 un-commenced planning permissions in the five cities of Dublin, Cork, Limerick, Galway, and Waterford. The figure for un-activated permissions in Dublin is approximately 60,000, which is about four years of housing supply in the capital.

It's about giving people who wish to buy a home and live in cities more choice, in turn making our cities more vibrant. This initiative supports the Government's aim of compact growth and tackling climate change by providing housing in our urban cores rather than through urban sprawl.

#### **1.4 How many apartments are expected to be delivered under the scheme?**

It is anticipated that Croí Cónaithe (Cities) will require €450 million to support the delivery of up to 5,000 apartments.

#### **1.5 Why support the development of apartments for sale?**

A key national policy objective is to build more homes within our cities and towns, resulting in compact growth and vibrant, liveable cities. This will help to tackle climate change, reduce vacancy and dereliction, and help to meet the strong demand for urban living. Many people want to live close to work as well as all of the attractions and amenities our cities have to offer. A key focus of *Housing for All* is to ensure that people who wish to buy a home, have a choice of locations, particularly within our cities and towns. If newly built apartments can be made available to households at market sale prices, this would open up a new source of housing supply, allow greater choice of housing and support sustainable living within cities.

#### **1.6 How will Croí Cónaithe (Cities) work?**

The planned Croí Cónaithe (Cities) Scheme will bridge the viability gap between the costs of building apartments and the market sale price of those apartments. Funding will only be made available for suitable apartment developments where there is a demonstrated viability gap, meaning that these apartments would not otherwise be built. Or if they were built, the apartments would not be made available for purchase by owner-occupier households. Open book accounting will be required for all developments to make sure that the funding support provided feeds through in reduced costs to the home-buyers. The funding support is only payable at the point of final conveyance to an eligible owner-occupier.

#### **1.7 Who will manage the planned Croí Cónaithe (Cities) Scheme?**

The scheme will be managed and administered by The Housing Agency on behalf of the Department of Housing, Local Government and Heritage. The Housing Agency will receive proposals for developments via eTenders, including assessing the eligibility and carrying out detailed due diligence and an open book assessment on eligible proposals.

The Croí Cónaithe (Cities) Scheme Expression of Interest (EOI) Application Form can be accessed through the eTenders Platform: [European Dynamics - View CfT Workspace \(etenders.gov.ie\)](https://etenders.gov.ie). Please note that the eTenders web platform is being used for its functionality only and it is acknowledged that this EOI process is not a public tender.

## 2 Homebuyers

### 2.1 Who will be eligible to buy an apartment supported by Croí Cónaithe (Cities)?

It is intended that the scheme will be open to anyone buying an apartment to live in themselves as their normal place of residence. An eligible purchaser means a person or persons who solely or jointly purchase one of the designated apartments under the Croí Cónaithe (Cities) Scheme with the expressed intention of occupying the apartment as their normal place of residence. For example, this could include first-time buyers or people who are selling their home and wish to buy an apartment. Each person can only buy one apartment supported by Croí Cónaithe (Cities).

### 2.2 How much will the apartments cost?

Apartments will be available to buy at market prices which will be determined following the due diligence process of the scheme. Both delivery costs and market values will be assessed by independent quantity surveyors and valuers as appointed by The Housing Agency.

### 2.3 Will first-time buyers of these apartments be able to avail of the 'First Home' shared equity scheme and the Help to Buy grant?

Yes, first-time buyers of these apartments will be able to avail of the 'First Home' Shared Equity Scheme [Home \(firsthomescheme.ie\)](http://Home(firsthomescheme.ie)) and the Help to Buy grant [How much can you claim? \(revenue.ie\)](http://How much can you claim?(revenue.ie)).

## 3 Developments Supported by Croí Cónaithe (Cities)

### 3.1 What types of housing will be available to buy under Croí Cónaithe (Cities)?

The aim of Croí Cónaithe (Cities) is to support the delivery of apartments in Dublin, Cork, Limerick, Galway and Waterford. Only newly constructed apartments will be supported; however, these apartments can be located within a wider development of houses or duplexes. Duplexes are typically one single home spread across two floors connected by an internal staircase, and they are usually on top of a ground-floor apartment.

### 3.2 How will apartment developments be chosen to be included in Croí Cónaithe (Cities)?

Expressions of Interest are invited from developers with planning permission to build apartment blocks. These submissions must be made online. To be eligible, apartment blocks must be:

- located in Dublin, Cork, Limerick, Galway or Waterford cities based on the Metropolitan Boundaries
- Full grant of planning approval **must** be in place at the time of submission,
- Apartment blocks **must not** have commenced construction at the time of submission or prior to entering into a Designation and Development Agreement with the Housing Agency,

- four storeys or higher and have a net density of at least 35 dwellings per hectare,
- A minimum of 40 units and upwards (as individual developments or a phase(s) of a wider development),
- close to public transport,
- for sale to owner-occupier households only, and
- be able to demonstrate a viability gap, where the cost of building the apartments is higher than the market sale price.

Eligible apartment developments will then be ranked based on density, date of delivery of the apartments, the quality of the development, the delivery cost per apartment and proximity to core services and amenities. Proposals will then be subject to detailed due diligence and an open book assessment.

### **3.3 Can you apply for Croí Cónaithe (Cities) if you have full planning permission granted for a mixed tenure development?**

The Croí Cónaithe (Cities) Scheme is intended to promote home ownership in apartment development. In larger apartment developments, proposers may wish to consider combining Croí Cónaithe (Cities) for some blocks along with other tenures for other blocks, some of which may also be able to benefit from State supported funding interventions (e.g. Cost Rental with AHBs, Project Tosaigh with the LDA or the Cost Rental using the STAR scheme). Cost Rental delivered by AHBs and Project Tosaigh, each have their own criteria and parameters, and any such combined apartment developments would be subject to agreement by all parties.

### **3.4 When will apartments supported by Croí Cónaithe (Cities) be available to buy?**

Apartments are expected to be delivered in 2026 and 2027.

### **3.5 How much funding is available for apartments supported by Croí Cónaithe (Cities)?**

The level of funding provided will be based on the viability gap for each apartment, which will be calculated and fixed closer to the date of delivery of the apartment. The maximum funding anticipated for each apartment is €120,000 (inclusive of VAT). However, this may need to be exceeded by no more than 20% (€144,000 inclusive of VAT) in certain cases in regional cities where lower market prices mean that the viability gap is larger.

### **3.6 How will Croí Cónaithe (Cities) account for inflation in construction costs?**

Apartments provided with support from Croí Cónaithe (Cities) are expected to be delivered in 2026 and 2027. The level of support provided for each apartment will be finalised closer to the date of delivery. Proposed costs will be evaluated by The Housing Agency to ensure that the support provided, benefits the individuals or households who purchase the apartments.

### **3.7 How can I find out more about the Croí Cónaithe (Cities) Scheme?**

More information can be found at: <https://www.housingagency.ie/CroiConaitheCities>. Proposers are invited to submit proposals via eTenders. The Croí Cónaithe (Cities) Scheme Expression of Interest (EOI) Application Form can be accessed through the eTenders platform: [European Dynamics - View CfT Workspace \(etenders.gov.ie\)](https://etenders.gov.ie). Please note that the eTenders web platform is being used for its functionality only and it is acknowledged that this EOI process is not a public tender. Please feel free to contact our dedicated Croí Cónaithe (Cities) Scheme team at the Housing Agency on +353 (0) 1 656 4100.