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## **The Right Vacant Property Incentives Could Address Housing And Climate Objectives Simultaneously– IPAV**

A new report by IPAV, the Institute of Professional Auctioneers & Valuers, concludes that our current plan for solving housing demand by focusing on new builds is not aligned with the national target to reduce carbon emissions.

Eamonn Galvin, Sustainability Advisor to IPAV who compiled the report says: “The carbon advantages of utilising existing vacant dwellings are as yet little appreciated but hold huge potential and advantages.

The report sets out a series of nine separate recommendations for tackling the issue, including what it terms ‘realistic’ tax incentives to bring vacant homes and shops back into use and a government fund with low interest rates for purchasers of derelict or vacant homes until such time as the new home reaches a liveable state.

In relation to the latter it says grants currently on offer cannot be availed of if, initially, buyers cannot draw down mortgages for the properties.

According to IPAV Chief Executive, Pat Davitt: “If correctly incentivised, and informed by the latest research from institutions like UCD supported by the Irish Green Building Council who are to the forefront on the issue, we could appreciably increase badly needed housing stock, and do so in a climate friendly way that would sustain property values over decades.”

The research by UCD estimates that a new build results in carbon emissions of 580kgs per M2 compared to a retrofit estimate of just 165 kg per M2.

The average carbon required for a new house is 65 tonnes CO2 compared to the average cost of a retrofit at 18.5 tonnes CO2 kgs per m2.

Mr Davitt said the target should be to have 25,000 vacant homes coming back into use every year. But he warned: “To succeed, and win, what we’re suggesting needs forensic focus, the involvement of all stakeholders, and rapid movement to action.

“As our report points out, the utilisation of vacant houses and shops is desirable socially and in terms of meeting climate change targets, and it is imminently achievable with the right set of policies.”

The report points out that while emissions created within Ireland are largely related to production of cement and aggregates, imported materials such as steel, iron and aluminium are significant drivers of carbon emissions from new builds.

Preliminary figures from Census 2022 show there are 166,752 vacant homes in Ireland.

### **IPAV’s Nine Recommendations:**

- A task force involving relevant stakeholders to bring together a workable set of policy measures.
- Further analysis and research, along the lines of the research conducted by UCD supported by Irish Green Building Council, to understand the full carbon implications of different types of

retrofits and their benefits by comparison with new builds. Given the wide variety of building types and states of repair of vacant properties the most cost effective ways of conducting these retrofits must be identified.

- The introduction of realistic tax incentives to bring vacant homes and shops back into use. This must include a free, or amnesty period, for Capital Gains Tax. If owners are not encouraged to sell and given incentives, they simply will not sell vacant homes.
- A government fund administered at low interest rates made available to purchasers of derelict or vacant homes until they get their new home into a liveable state and are in a position to re-mortgage it and repay the loan. Grants currently on offer, cannot be availed of if, initially, purchasers cannot draw down mortgages to purchase the property.
- The introduction a non-repayable €50,000 purchase subsidy for First Time Buyers of derelict homes to be administered in the same way as the Help-to-Buy scheme.
- The introduction of a non-repayable €20,000 purchase subsidy to First Time Buyers of vacant homes of more than 3 years to be administered as per the Help-to-Buy scheme.
- The creation of a national database on vacant properties county by county with a measurable matrix to deal with the reasons houses are vacant and the workable solutions.
- This should be informed by the local knowledge of postmen and local estate agents who typically have very strong local knowledge that can be used in identifying the status of vacant properties.
- At least one full time vacant properties officer in each Local Authority who would be responsible for knowing the status of vacant properties and lead plans to bring them back into use.

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