

6pm Wednesday 17th May 2023

IPAV Calls for Bridging Finance Provision In Credit Union Bill To Address Unwillingness Of Banks To Lend For Vacant Properties

IPAV, the Institute of Professional Auctioneers & Valuers, today (Wednesday) has called on the Minister for Finance to amend the Credit Union (Amendment) Bill 2022, currently going through the Oireachtas, to make provision for Credit Unions to provide bridging finance to those wishing to buy vacant and derelict properties.

This would address the major gap in the market whereby other lenders currently have a grave reluctance to provide mortgages until such time as vacant and derelict properties are restored to a habitable state.

Speaking on Wednesday evening to the Joint Committee on Agriculture, Food and the Marine on the topic of revitalising derelict and vacant houses on farmland, Pat Davitt, IPAV's Chief Executive said a Government backed fund could be administered through the Credit Union movement to provide bridging finance to purchasers of such properties.

"Many are unable to acquire banking loans because of a current lack of services to, or the poor condition of, such properties, despite improved Government grants for such properties.

"Such a fund would complete the circle and make restoring such properties eminently viable and realistic.

"There are thousands of such properties which with State grants for restoration provide good value homes for people throughout the country. Bridging finance is the missing piece. Restoring vacant and derelict properties has the added advantage of further assisting rural regeneration and community diversity and cohesion, whilst also being climate friendly, as demonstrated in our recent report on vacant properties."

IPAV's report, *Vacant Properties – The Opportunity to Increase Housing Stock and Minimise Carbon Emissions*, highlighted the carbon advantages of utilising existing vacant dwellings, with the average carbon required for a new house being 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.

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

Ends