

## **Minister must give clarify on future of Rebuilding Ireland Home Loan Scheme**

**Statement by Cllr Alison Gilliland, Labour Party**

**Tuesday 5th March 2019**

"I was appalled when a local couple contacted me with a communication from Dublin City Council advising them that their application under the Rebuilding Ireland Home Loan Scheme could not be progressed as 'the original allocation of funding for the Rebuilding Ireland Home Loan scheme nationwide has now run out'. DCC further advised them that 'It should be noted that interest rates may change under any further phase of the scheme and that any proposed interest rate is not guaranteed until the time of drawdown of a loan.'

"Funding was only given for 1,000 applicants under the Rebuilding Ireland Home Loan Scheme which was a rebrand of the old local council mortgage scheme.

"Due to huge demand, applications are now being halted, as over 1,500 loan approvals have already been issued. That only 1,000 applicants were thought sufficient shows how out of touch the Minister is with the realities of high rents and high house prices and the struggle of ordinary workers to secure a mortgage.

"The Minister for Housing should now ensure additional resources are put in place through the Housing Finance Agency to allow all application to progress to drawdown and further loans to be made.

"This scheme is aimed at low income families who've been refused by two banks. Their earnings cannot exceed €50,000 for a single person or €75,000 for a couple. They may already have gone sale agreed, and are trying to buy a secure home.

"Families trying to access these loans will typically be paying high rents for insecure accommodation and are not eligible for social housing. These loans are often their last chance to permanent, secure home for their families.

"The issuing of any directive from the Department of Housing telling councils to stop considering applications sets off alarm bells for those who are considering the Loan Scheme as their last resort or who have already started their applications.

"The Department should clarify immediately if councils are no longer accepting applications for the Home Loans Scheme; what does this mean for those who have already begun their applications process; and when will the next stream of funding be secured??

"The notion that funding for such a necessary scheme would even be allowed lapse, and result in applicants being left in limbo, during what is such a stressful period is alarming."

ENDS

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