



ó cualann  
cohousing alliance



**Cooperative,  
affordable  
homes in  
sustainable  
communities.**

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8<sup>th</sup> June 2018



# overview

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## About Us

Ó Cualann CoHousing Alliance is committed to building communities, not just houses.

Ó Cualann Cohousing Alliance CLG (Ó Cualann) is a housing co-operative with Approved Housing Body (AHB) status. A not-for-profit company limited by guarantee, Ó Cualann is governed by a voluntary board of directors.

Ó Cualann is a member of ICSH, it is operated by a professional management team and guided by a common charter prepared by its members.





## our vision

To see fully-integrated cooperative homes, at affordable prices, in sustainable communities throughout Ireland.

# our mission

To provide fully integrated, sustainable communities where 'owner members' will live side by side with 'tenant members' in social and private rented homes, sharing common amenities.






# cork 2050

Cork is uniquely positioned to play a crucial role that will enable Ireland to compete on the international stage.



# the ó cualann model



1. Fully integrated  
*(mixed income, mixed age, mixed ethnicity, mixed mobility, mixed needs)*
2. Cooperative
3. Affordable  
*(to buy / rent and maintain)*
4. Pre-sold to eligible candidates, in the case of all owner-occupied houses.
5. Private finance
6. Subsidised by Local Authorities
7. A2 rated and built to the best international standards.
8. Low-to-medium income

The homes are pre-sold and affordable for all members.  
The model is funded as follows:

- Booking deposit
- 10% deposit used for construction and guaranteed by HomeBond
- Members savings
- Loan Notes
- Bank finance
- Land
- Development levies
- Developers' margin
- Building contract
- Claw-back



## The cost of construction is as follows:

- Provide home at a cost of €170 – €180 per square foot, incl. VAT\*
- Typical 3 bed home of 1,100ft<sup>2</sup> , between €187,000 – €198,000 incl. VAT\*

\*Depending on specifications, site cost, etc.



## The clawback system operates as follows:

the current open market site value of the house



the subsequent disposal price/ market value of the house

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the affordable co-operative purchase price



The resulting figure will be the local council's clawback fee.

Example 1:

Open market sale for  
**€260,000**

$[\text{€}30,000 \times \text{€}260,000] \div \text{€}170,000 = \text{€}45,882$

Total gain is  
 $\text{€}260,000 - \text{€}170,000 = \text{€}90,000$

Council clawback is  
**€45,882**

Purchaser gain is  
**€44,118**

Example 2:

Open market sale for  
**€190,000**

$[\text{€}30,000 \times \text{€}190,000] \div \text{€}170,000 = \text{€}33,529$

Total gain is  
 $\text{€}190,000 - \text{€}170,000 = \text{€}20,000$

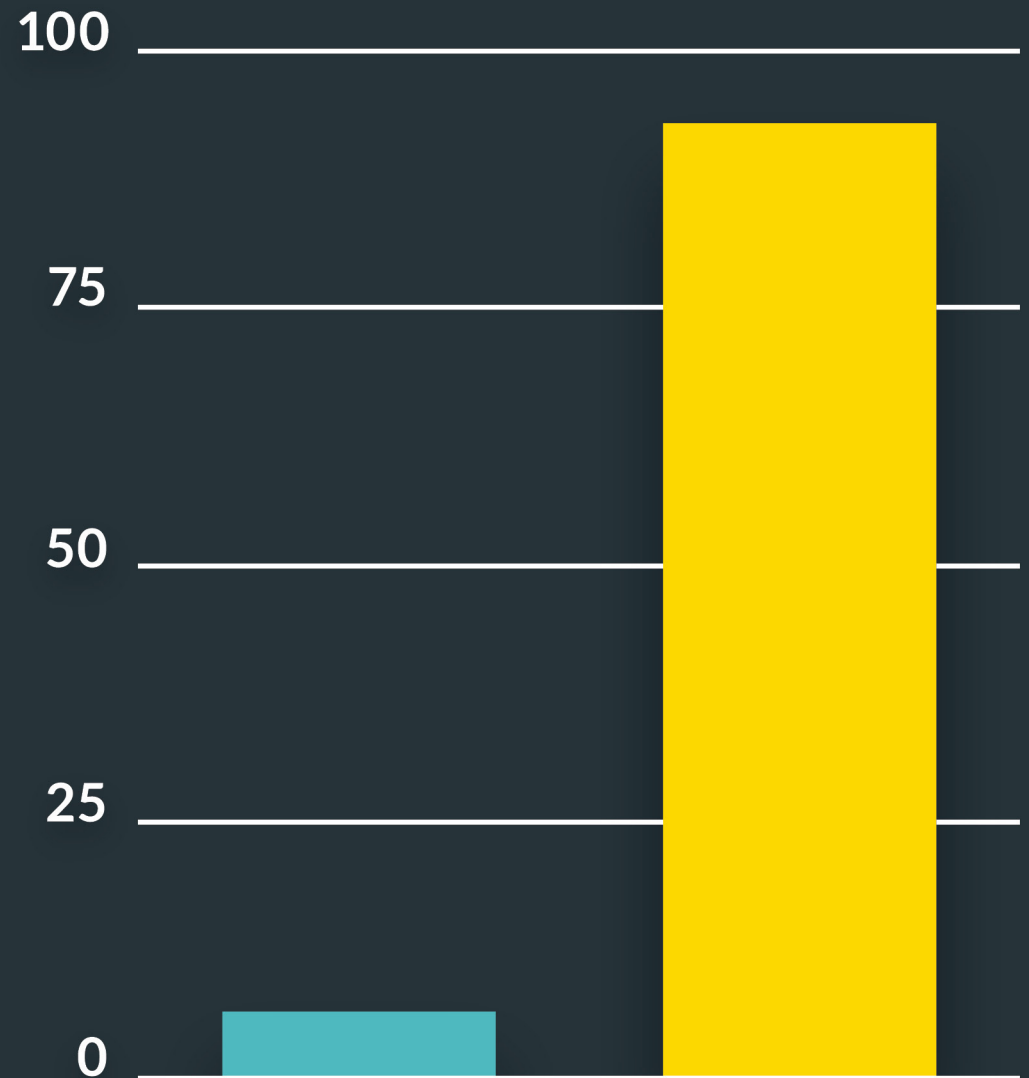
Council clawback is  
**€20,000**

Purchaser gain is  
**€00.00**

# house type requirement survey

From 765 repondents on the type of home preferred, the following results were received:

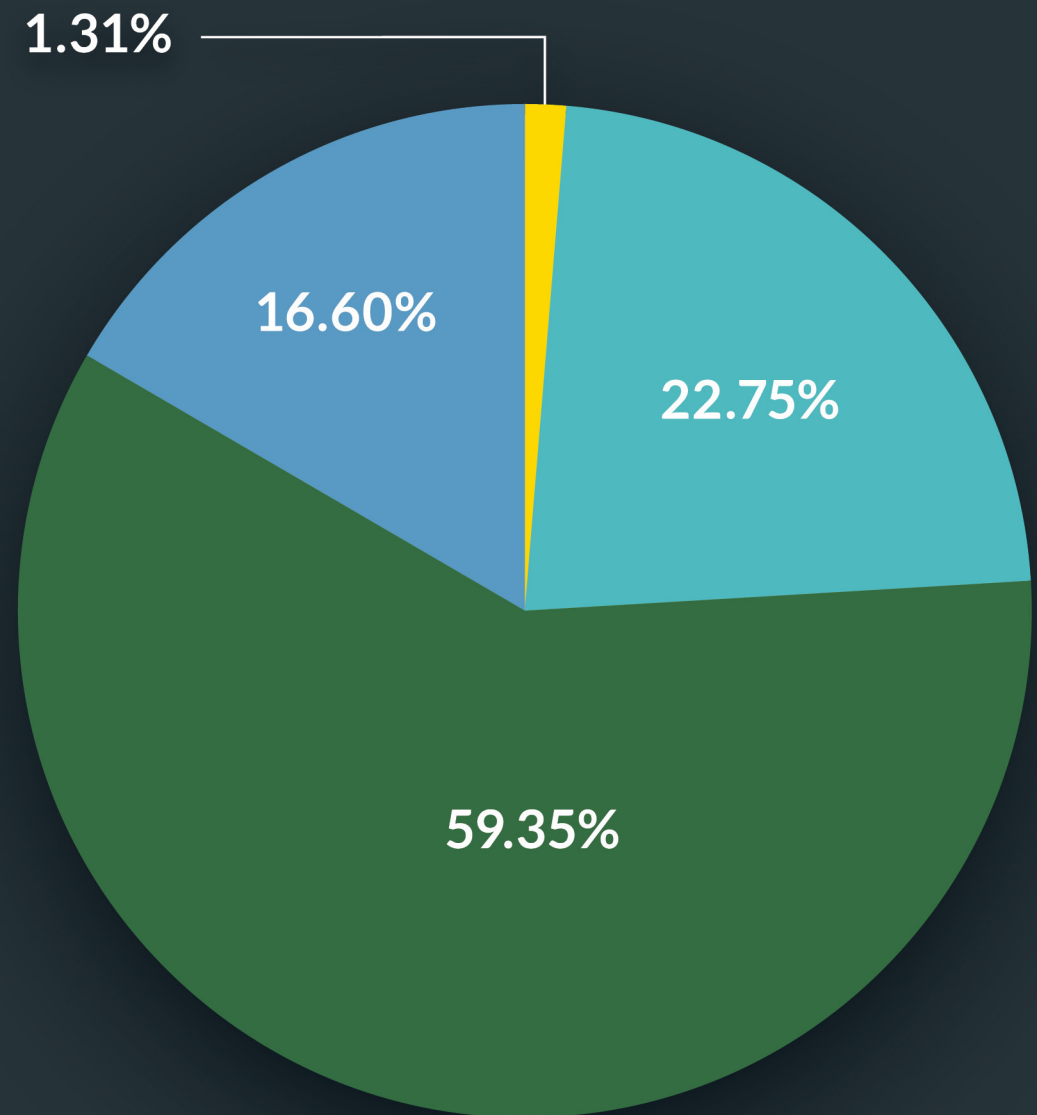
- Apartment
- House



# house type requirement survey

Of the same group, the following results for the preferred number of bedrooms was received:

- 1 bedroom
- 2 bedroom
- 3 bedroom
- 4 bedroom



# Funding matrix

	Owner Occupiers	Private Rental	Social Rental	Rent to Own
<i>Short-term construction finance</i>	Members Deposits, Members advance payments; Private funding through Banks arranged by Ó Cualann; or via the Ó Cualann Loan Notes or both.	Private funding through Banks or via the Ó Cualann Loan Notes or through partnerships with AHBs or a mix.	Various Government Financing arrangements: CAS/ CALF perhaps in partnership with other AHB.	Members Deposits, Extended 3–5 yr. Private funding through Banks arranged by Ó Cualann; or via the Ó Cualann Loan Notes.
<i>Long-term purchase funding</i>	Members' personal mortgages arranged by members with assistance from Ó Cualann.	Partnerships with other AHBs or via Ó Cualann Reserves with additional 10/15 year private finance.	Various Government Financing arrangements: CAS/ CALF perhaps in partnership with other AHB.	Members' personal mortgages, after 3 years, arranged by members with assistance from Ó Cualann.





# poppintree; a case study

- 49 cooperative, affordable type homes; all pre sold
- Started on site on 20 Oct 2016
- First 9 homes Handover July 2017
- Phase 1 Completed December 2017.
- Roads & services provided
- Eligibility Criteria developed by Ó Cualann and DCC
- 10 Year 'Gain sharing' / Clawback provision in favour of DCC

## Common charter:

- The community is built first  
*(based on member feedback)*
- Rights and responsibilities
- Right to safety and security
- Right to privacy
- Parking
- Allocation of houses



## Eligibility criteria:

*1st Preference will be given to existing members of CTSL and Parkside Cooperatives who also meet Ó Cualann's Eligibility Criteria as set out below.*

*2nd Preference will be given to existing tenants of DCC in the North West Area, who have a clear rent account and would like to return their rented home to DCC and purchase a home in this community and who also meet Ó Cualann's Eligibility Criteria as set out below.*

1. At least 70% of purchasers should be currently living or working in the Dublin City Council North West area. (See Map below.). 30% of purchasers may be from outside of this area.
2. Each purchaser must become a member of Ó Cualann and must sign and agree to be bound by the common charter and must agree to the DCC 'Clawback Arrangements' below\*.
3. Each purchaser must be a First Time Buyer. In case of joint applicants, neither applicant can be a previous owner or current owner of a property. This requirement may be exempted in the case of persons who are separated or divorced.
4. Purchasers must have earned under €59,000 and €79,000 in the previous tax year in respect of single applicants and joint applicants respectively. This must be verified by P60 for PAYE workers or by certified accounts by self-employed workers.
5. Each purchaser must in possession of a minimum deposit of 10% of the purchase price of the property, this deposit will be used as part of the construction finance.
6. Each purchaser must in possession of full mortgage approval in respect of the balance of the purchase price.
7. Purchasers must have an indefinite right to remain in Ireland either through nationality or refugee status.
8. Eligibility will be assessed by Jon Butterly of Advance Financial Services. Jon Butterly is the accredited financial intermediary appointed by Ó Cualann.
9. Houses, in each phase, will be allocated to prospective purchasers, on a first come, first served basis, allowing for the preferences above, according as they meet all of the above eligibility criteria.

## Details and specifications

- Architect designed scheme
- BER A2 rated minimum – preference for A1.
- Fitted kitchen and wardrobes; floor tiles in hall, bathrooms and kitchen
- Finished semi-solid wood floors upstairs
- Air Source heat-pump
- Space heater in the living room
- PV solar panels on the roof
- Bin storage to front; paving to the front path and driveway
- Garden shed and water-butt to the rear; planting and trees to rear gardens
- Parking for all houses

# national economy benefits from the ó cualann model

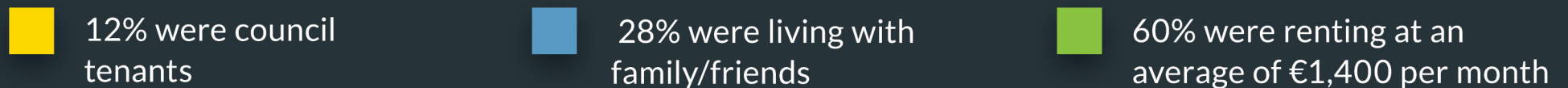
Assuming that 95% of Ó Cualann members will never buy on the open market and that the average price per affordable house over next 5 years is €200,000, from a scheme of 200 homes using the Ó Cualann model the following results could be expected.

The Government takes 25% in direct and indirect tax (€50k per house for the Government as windfall). Ó Cualann would like to see 50% of this sum going to the Local Authority.

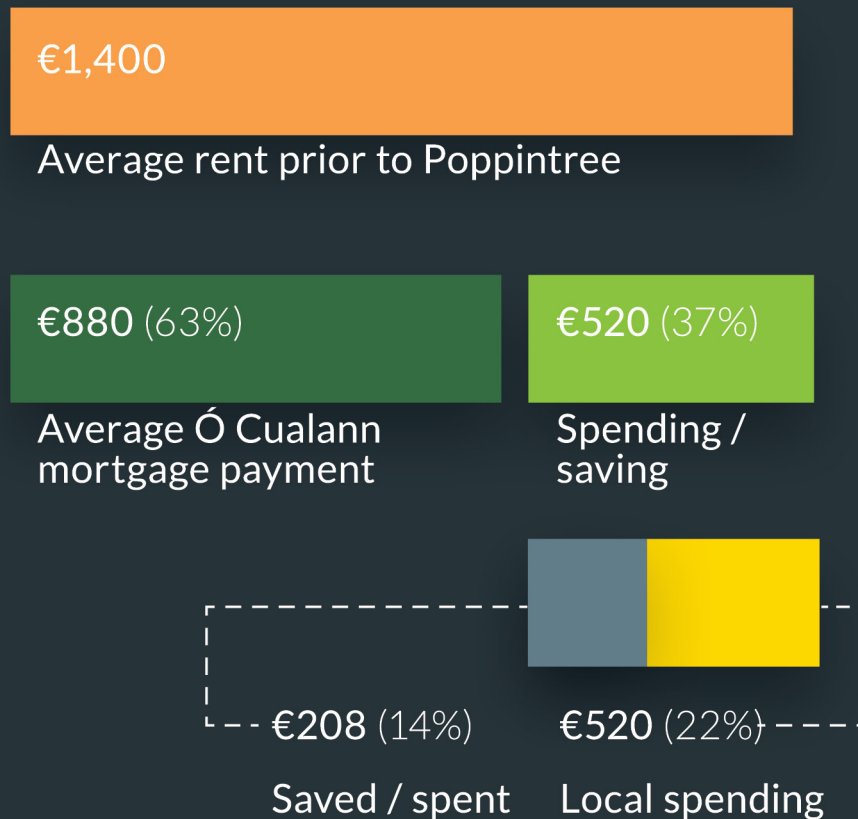
# local economy benefits from the ó cualann model

Assuming similar numbers to the Ó Cualann inaugural project in Poppintree, Dublin, the following results could be expected.

Prior to purchasing a home in Poppintree:



## Impact



In the Ó Cualann model, the average mortgage payment will be €880 per month. This allows for an extra €520 per household per month available for spending/saving. Assuming 40% of this is either saved or spent on imports or holidays etc., the remaining 60% (€312 per household per month) is available for local spending.

### Example

On sites in the Ballymun area there is potential for 2,000 Ó Cualann-model homes. Assuming 60% of new members are also renting prior to buying an Ó Cualann-model home, this allows €13,000,000 per year to be newly available as additional income in the local economy.



questions?



thank you