

Cairn Homes plc
2020 Interim Results Presentation

Better ways to build



2020 Interim Results Presentation

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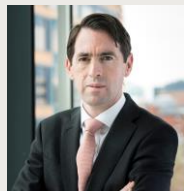
Michael Stanley

Co-Founder & CEO



Shane Doherty

Chief Financial Officer



Declan Murray

Head of Investor Relations

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01

H1 2020 Review

Highlights

Health & Safety

Top Priority

Together with our subcontractors and suppliers, fully committed to creating safe environments for the communities in which we work

Construction Sites

15 active 17 by year end

Including five new 2020 site commencements allowing us to return to our growth strategy as outlined earlier this year

Construction Productivity

c. 85%

Of pre-pandemic productivity levels and driving further efficiencies (from c. 60% in May 2020)

Operating Profit

€5.8m

With a disciplined approach to cost and cash management, maintained profitability despite production and sales constraints faced during and after two-month site closures

Continued investment in strong sales pipeline

WIP Investment

€56.8m

Growth and demand led strategy remained constant during the lockdown period. This continued investment underpins management's confidence and ambitions for the future

Sales Momentum

1,030*

Closed sales and current forward sales pipeline. **c. 350** of these new homes expected to close in **2021**. Forward sales pipeline has a sales value of **€237m**

Operational Review



Health and Safety

- Successful implementation of “Return to Work Strategy”
- All sites operating under new protocols and standard operating procedures
- €1m invested in personal protective equipment and other related measures
- Allocated additional Health & Safety resources to all sites
- New protocols overseen by Covid-19 compliance officers



Subcontractors and Supply Chain

- Regular communication and assisted in remobilisation upon site reopenings
- Launched a €5m subcontractor support scheme for those self-employed
- 2,000 in full-time jobs across our active sites with all major trades returned
- Partnership approach in an unprecedented period has enhanced already strong relationships
- NPS tracking methodology now in place



Construction Activities

- Successfully reopened all 15 active sites on 18 May 2020
- Phased reintroduction of trades across low and high density
- Productivity at c. 85% with trades working more efficiently under new protocols
- Extended construction programmes impacting site management and preliminary costs
- Site personnel numbers down 10-20% but output per person back at pre-Covid levels

Our Ambitious Growth Plan

€56.8m net WIP investment in H1

€261.3m

WIP investment

932 units

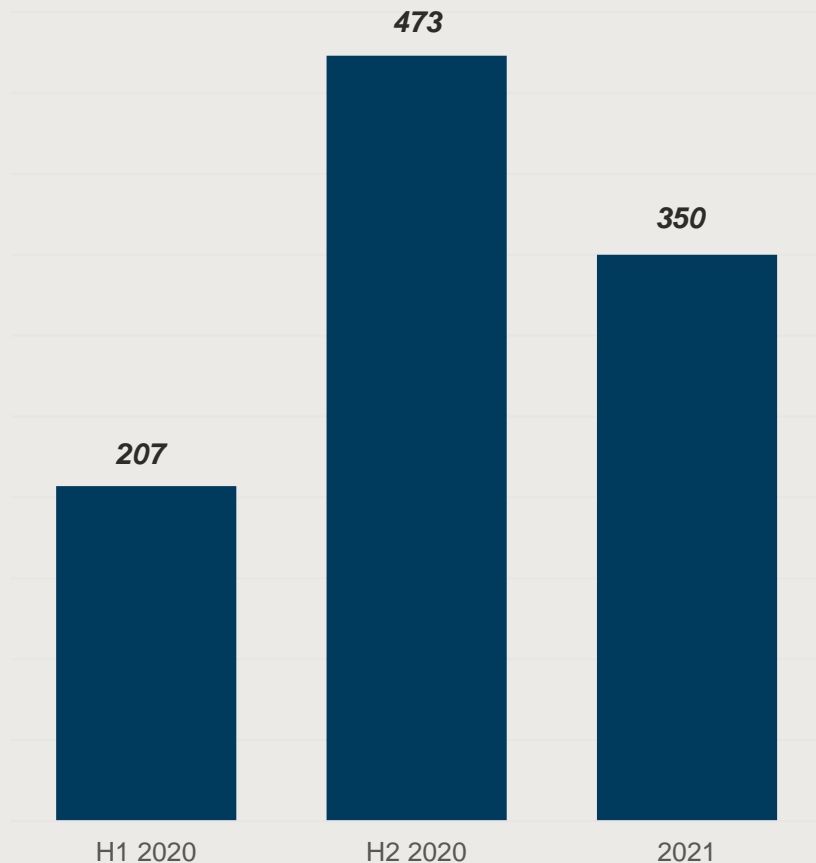
Combination of completed units and units under construction

Overall WIP targeted at core markets

- Significant portion of total €261.3m construction work in progress (“WIP”), including €56.8m net WIP investment in H1, is in our core starter home and contracted PRS markets
- Overall WIP investment is largely covered by our €237m forward order book
- WIP profile will enable us to respond to demand in H2 2020 and into 2021

Strengthening 2020 and 2021 Closed and Forward Order Book

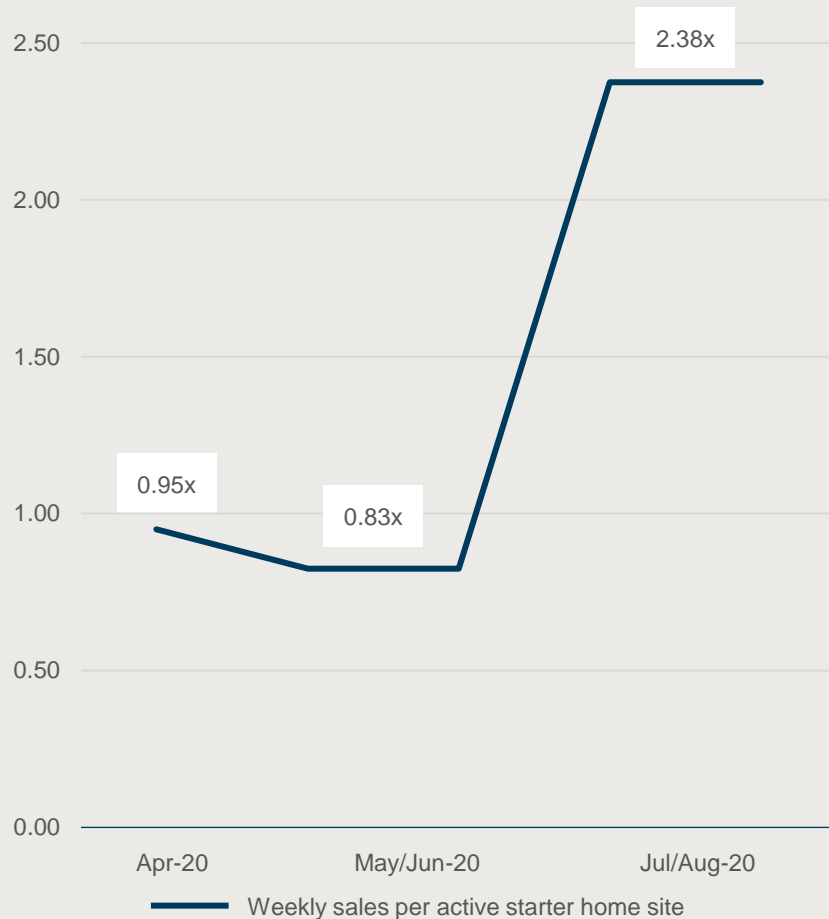
Forward order book serving 2020 and 2021



- Closed and forward order book of 1,030 units includes 350 new homes which will close in 2021
- Forward order book has a net sales value of €237m as at 9 September 2020
- Marketing strategy adapted post-Covid to enhance our online interaction with prospective customers
- Marketing suites and show homes modified to provide safer environment for customers
- One-to-one viewing appointments are leading to higher sales conversion rates
- 2020 enquiry levels up 59% and more than 200% in Q3 to date
- Majority of recent sales to customers who are mortgage approved post-lockdown

First Time Buyer Market Trends

Strong demand from recent starter home launches



Starter home pricing at pre-Covid levels

- Starter home pricing resilient against the economic backdrop, in both existing and recently launched developments
- Three starter home scheme launches between late June and mid July. Strong demand from first time buyers, benefitting from enhanced Help to Buy)
- H1 2020 starter home ASP was €322,000 compared to €321,000 in H1 2019 (both excl. VAT)



Gandon Park, Lucan

02

Financial Results & Guidance

H1 2020 Financial Performance

	June 2020 Unaudited	June 2019 Unaudited	Movement
	Total €m	Total €m	
Revenue	80.9	192.4	(57.9%)
Gross profit	13.0	35.7	(63.5%)
<i>% margin</i>	16.1%	18.6%	(2.5%)
Administrative expenses	(7.3)	(8.4)	+13.3%
Operating profit	5.8	27.3	(78.9%)
<i>% margin</i>	7.1%	14.2%	(7.1%)
Profit before tax	1.2	21.8	(94.3%)
Profit for the year	1.2	18.7	(93.6%)
Basic earnings per share	0.16 cent	2.37 cent	
Net assets	740.4	775.2	
NAV per share	99 cents	98 cents	
Land at cost	696.4	722.5	

Maintaining profitability despite disruption to our core construction and marketing activity

Revenue and Sales Performance KPIs

Average Selling Prices

Sales	Units	ASPs €'k				Revenue
		Starter Homes	Trade Up/Down	Apartments	Overall	
H1 2020	207	322	369	348	337	€69.7m
H1 2019	390	321	406	608	449	€175.3m
Movement	(47%)	0%	(9%)	(43%)	(25%)	(€105.6m)

Closed & Forward Sales Pipeline

	Units	Revenue
2020 – closed and forward sales	680	€216m
2021 – forward sales	350	€110m
Total closed and forward sales pipeline	1,030	€326m

Closed and Forward Sales Momentum

	Units	Av. Monthly Movement	Revenue (ex-VAT)
30 April 2020	830	(16)	€254m
31 May 2020	867	+37	€266m
9 September 2020	1,030	+54	€326m

Starter home sales - **68%** of total residential sales revenue

Key Gross Margin Considerations

	Jun-20	Jun-19
	%	%
Gross profit	16.1%	18.6%
Core housebuilding margin	16.6%	18.1%
Covid-19 & related adjustments	1.4%	
Adjusted gross margin	18.0%	18.1%

Commentary

- A full review of all of sites was undertaken to ascertain the following:
 - The additional preliminary costs associated with the full lockdown during April and May 2020
 - Increased preliminary costs associated with longer lead times on sites that may arise due to Covid-19
 - Continually reviewing productivity levels and sales absorption rates
- When Covid-19 related costs and non-core transactions are excluded, our underlying gross margin is c.18.0%
- Assuming no further site closures occur relating to COVID-19, we do not expect this negative impact on gross margin to sustain into future periods.

Underlying gross margin (net of COVID-19 costs and non-core transactions) c. **18%**

Balance Sheet at 30 June 2020

	June 2020 Unaudited	December 2019 Audited
	€m	€m
Non-current assets	3.2	3.7
Land held for development	696.4	692.8
Construction work in progress	261.3	204.5
Other receivables	13.5	12.4
Cash	155.6	56.8
Total assets	1,130.0	970.2
Other liabilities / payables	47.1	58.4
Net assets (excluding borrowings)	1,082.9	911.8
Loans and borrowings	(342.5)	(148.0)
Net Assets	740.4	763.7
Balance sheet KPIs		
Cash and cash equivalents	155.6	56.8
Net debt	(186.8)	(91.2)
Debt to GAV	32%	16%

Strong balance sheet underpinned by land at historic low cost and WIP investment in forward order book

Net Debt Bridge

	Jun-20	Dec-19	Movement
	€m	€m	
Net Debt	(186.8)	(91.2)	(95.6)
Key Movements			
Purchase of shares			(23.8)
Increase in land held for development*			(3.6)
Increase in construction work in progress*			(56.8)

* Net of land and WIP release on sold units

Commentary

- WIP investment on significant closed and forward sales pipeline.
- Only c. 20% of this has closed and forward sales pipeline closed at half year
- Main investment in starter home segment and PRS

WIP investment underpins management's confidence and ambitions for the future growth of the business

Cash Flow Statement for the Six Month Period Ended 30 June 2020 (Unaudited)

	June 2020 Unaudited €m	June 2019 Unaudited €m
EBITDA	4.9	28.1
Increase in inventories	(60.1)	(3.4)
Other working capital movements	(11.6)	20.1
Net cash (used in) / from operating activities	(66.8)	44.7
Purchases of PP&E and intangibles	(0.1)	(0.7)
Net cash from investing activities	(0.1)	(0.7)
Purchase of own shares	(23.8)	-
Proceeds from borrowings, net of debt issue costs	194.0	45.0
Dividend paid to non-controlling shareholder	-	(0.4)
Payment of lease liabilities	(0.2)	(0.2)
Interest and other finance costs paid	(4.4)	(4.5)
Net cash from financing activities	165.7	40.0
Net increase in cash and cash equivalents	98.8	84.0
Cash and cash equivalents at the beginning of the period	56.8	62.2
Cash and cash equivalents at the end of the period	155.6	146.2

Commentary

- EBITDA of €4.9m (H1 2019: €28.1m)
- Net cash used in operating activities €66.8m, including €56.8m investment in WIP (H1 2019: €44.7m from operating activities)
- €60.1m increase in inventories will service the business well into H2 2020 and 2021 contracted forward sale pipeline delivery. Total spend on construction work in progress €105.0m (H1 2019: €147.7m) reflective of two-month site closures
- Cash and cash equivalents of €155.6m at 30 June 2020 (H1 2019: €146.2m)

2020 Guidance

Unit Completions

Modestly in excess of 700 unit completions

Gross Margin

c. 16.3%

Operating Profit

c. €20m

Shareholder Returns

Recognising the importance, revisit decision next year



Wildflower meadow, Mariavilla, Maynooth

03

Our Sustainability Agenda

Our Sustainability Agenda – Across Our Entire Business

We have now transitioned from CSR and developed an ESG framework for our business to define our Sustainability Agenda

Our next step is to complete materiality assessments to form the basis for the future measurement of our Sustainability Agenda. This will be aligned to the UN Sustainable Development Goals and will reflect areas where Cairn can make a real difference



Environmental

- Biodiversity policy
- Low Carbon pledge
- Energy efficiency

Social

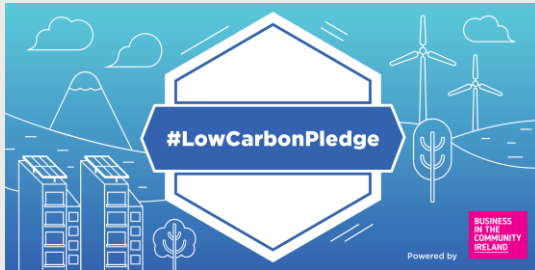
- Placemaking and healthy communities
- Employee health and wellbeing initiatives
- Workplace diversity and inclusion
- Subcontractor and supplier engagement

Governance

- Transparency and accurate financial reporting
- Robust policies
- First year CDP reporting

Cairn is fully committed to introducing standards to measure our environmental and societal impact

H1 2020 Highlights



Low Carbon Pledge

Compiled and submitted our benchmark reporting including all Scope 1 and 2 direct emissions and direct aspects of Scope 3 emissions

This is the baseline for our Low Carbon Pledge – to reduce our gas emission intensity by 50% by 2030

Innovation Agenda

We continue to explore and adapt innovative building methods and techniques to increase our sustainability



London Stock Exchange Green Economy Mark

We were honoured to receive the London Stock Exchange Green Economy mark in recognition of our commitment to reducing our emissions and our impact on the environment

Employee & Subcontractor Engagement

Second employee engagement survey in June 2020 saw our employee satisfaction score more than double

Strong subcontractor engagement survey with an NPS of 56



Biodiversity

Continued commitment to biodiversity across new developments with native Hedgerow and wildflower meadow planting on all new developments. Pilot programme in Parkside to phase out Glyphosate and design a herbicide free landscape maintenance plan

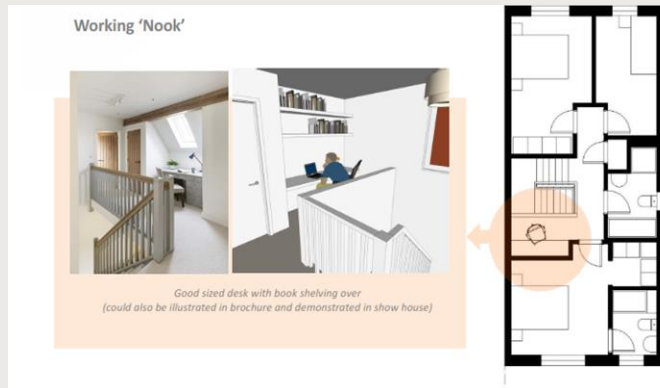
CDP 2020

Participated in the Climate Disclosure Project 2020 on climate change and the environment

Product Innovation and Supply Chain

The home as a place to live and work

Our approach to customer-focused product innovation is now more important than ever as many people will view the family home as a place to both live and work in close proximity to recreational and other amenity facilities and this is informing our approach to design



Garden office pod at Gandon Park

Innovation agenda driven across business

We continue to explore more innovate and efficient ways to deliver our product offering and leverage our scale across our supply chain:

- **Design** – structural provisions for attic conversions, allowance for future proofing for garden office pods and internal layouts to facilitate home offices
- **Operations** – improving the efficiency of subcontractor sequencing to enhance productivity and better onsite logistical management (hoists and crawler platforms, more flexible scaffold and access systems)
- **Construction** - continued use of modern methods of construction to improve efficiency of delivery through OSM (timber frame, pods, metsec framing and prefab balconies) and simplified design and construction techniques (flat concrete frame and precast rising elements)
- **Supply chain** - engagement initiative with our supply chain to improve our resilience and product evolution and innovation – structured enterprise level SRM, pulse surveys, category knowledge management, early collaboration on design and delivery
- **Customers** – consistently taking customer centric design to our products to ensure the latest innovations



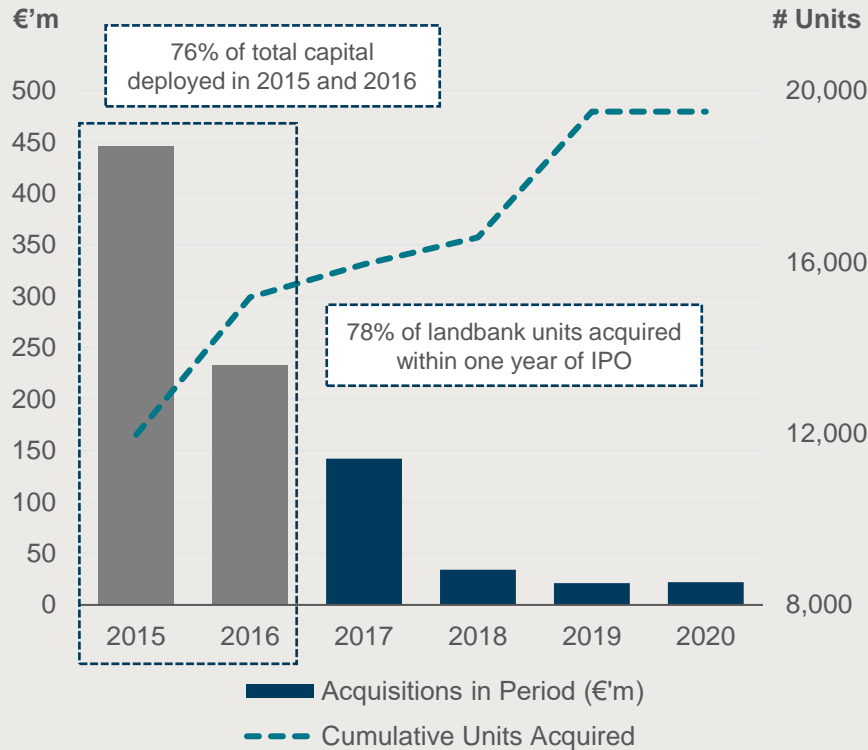
Elsmore, Naas

04

Landbank & Market

Future Profitable Growth Underpinned By Low Cost Landbank

Low historic cost c. 17,000 unit landbank

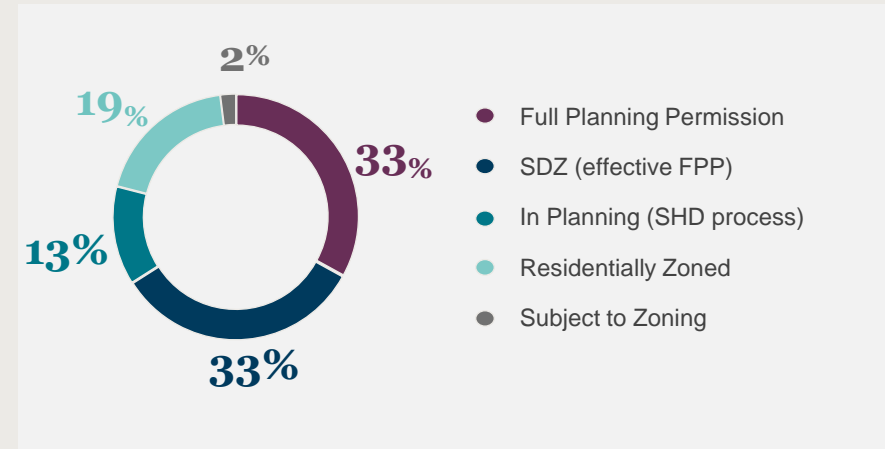


€32,000
Average housing site cost

€60,000
Average apartment unit cost

Enhanced by planning track record

- 8,134 new homes granted planning permission since IPO, including 2,449 new homes in the last 12 months
- Continue to be leading proponent of SHD fast track planning process:
 - 13 successful grants of planning totalling 4,430 new homes
 - 7 applications at various stages of the process (c. 2,600 new homes)
- c. 3,500 planning gains delivered or expected to be delivered across landbank



Land Acquisitions – All Adjoining Existing Sites

Clonburris SDZ, Dublin

- Acquired existing site 177 acres / 3,000 unit site in 2016. Bought adjoining 97 acres / 2,000 unit site from O'Callaghan Properties and NAMA in early 2020. Represents 55% of overall Clonburris SDZ which was granted full planning permission earlier this year
- South Dublin County Council are the other main landowner (31%).
- Clonburris is a new town, on a mainland train line which will be electrified under DART+, 13km from Dublin City Centre
- Commencing construction in 2021 in a location where we will deliver competitively priced, affordable new homes



Parkside, Malahide Road

- First joint venture partnership with NAMA concluded in 2018. Second joint venture with NAMA on land adjoining our successful Parkside development announced in 2019
- Phase 1 of this planned 650 unit second scheme commenced construction in May 2020 with a successful initial sales launch in July
- This year we bought out NAMA's 25% interest in the joint venture
- Cairn to date has built and closed over 450 units in its successful Parkside development



Land Acquisition – Creating Shareholder Value

Esmonde Motors site - value creation opportunity

- Continuing with our strategy of acquiring land adjoining existing sites, we intend to purchase the Esmonde Motors site which adjoins our existing Blakes site in Stillorgan, Co. Dublin for €14 million
- Stillorgan is an established and sought-after south Dublin residential suburb with excellent public transport links and in close proximity to areas of high employment
- Currently seeking planning permission through the SHD process for 464 apartments and ancillary commercial and amenity space on the combined 3.3 acre site
- Acquisition will create incremental shareholder value as a result of synergies from the development and sale of the combined asset



Characteristics of Housing and Apartments

Key Metrics and Characteristics *



Housing

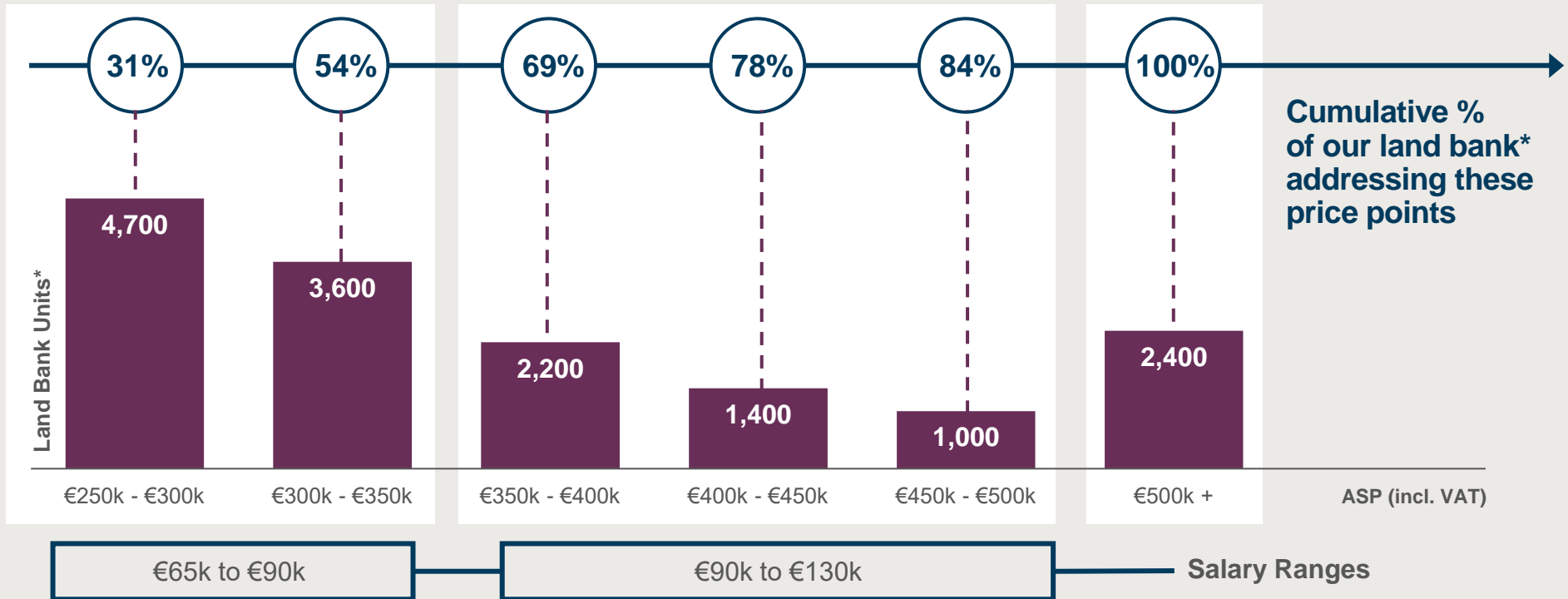


Apartments **

Total Land Bank

Capital Allocation	55%	45%	100%
Total Units	11,900	5,100	17,000
Average Site Cost per Unit	€32k	€60k	€41k
Average Selling Price (estimated) (ex. VAT) (no HPI)	€299k	€489k	€353k
Net Development Value ("NDV") (no HPI)	€3.5bn	€2.5bn	€6.0bn
Land (at historical cost) as a % of NDV	10.7%	12.3%	11.6%
Average Site Size (units)	550	310	
Typical Purchaser Income	c. €85k+ (single or joint)	€150k +	
Purchaser Profile	Mortgage Backed (incl. Help to Buy), Local Authorities, Investors, Multifamily PRS Investors	Mortgage Backed, Cash Purchasers, Institutional / Multifamily PRS Investors	

Our Land Bank and Addressable Market



Up to **54%** of our buyers have most or all of deposit covered by Help to Buy.
84% can benefit from this rebate scheme

New Government now focused on supporting the **341,000** married couples and **199,000** individuals earning between **€40,000** and **€65,000**

Market Backdrop: Cairn Uniquely Positioned To Respond

Impact of Covid-19 on GDA housing supply

Unit Completions



Affordable Housing

Largest cohort whose housing needs not met

Commitment to a state-backed affordable home purchase scheme

Target for delivery of affordable homes

Government development capability will take time to scale up

Government Policy

Budget 2021

Enhanced Help to Buy

Potential for shared equity scheme

Multifamily PRS

Growing population, stable rents and continuing undersupply of apartments

Strong occupancy rates and prime yields (on a comparable basis)

Significant opportunities across entire landbank

Most active housebuilder in PRS in last three years and strong counterparty for future opportunities



Mariavilla, Maynooth

05 Outlook

Outlook

Broader industry supply challenges in 2020 and 2021

Investing in active and new site commencements which will deliver growth into 2021 and beyond

Robust demand from first time buyers for fewer competitively priced new homes

Modestly in excess of c. 700 closed sales expected in 2020, gross margin of c. 16.3% and operating profit of c. €20m

Strong liquidity position, agile business model, mature operating platform, established subcontractor relationships and a growing and talented team

A future of significant cash generation and profitability, and a clear focus on a sustainable, long-term business

A future of significant cash generation and profitability



Oak Park, Naas

06

Appendices

Our Vision, Mission and Values

Our vision

Be the most trusted and safest homebuilder in Ireland

Our mission

Building in great locations to create places and homes where people love to live

Our values



Agile & Innovative



Honest & Straight Talking



Collaborative



Commercially minded



Committed & Engaged

Strategic pillars:

People

Attract and retain the best people and external resources



Homes

Design and build high quality, sustainable and market appropriate homes



Customers

Deliver the best customer experience and gain their trust



Places

Create places for communities to prosper



Operational excellence

Create a commercial and profitable operating platform to turn land into great places to live



Macroeconomic Drivers for Cairn

Population

+1.1% (+ 56,000)
in the year to April
2020
3x EU Average



Supply

20.3k new homes
in the year to H1 2020 –
14k expected in 2020 with
c. 6k available for owner-
occupiers
GDA annual demand –
c. 20k

**Annual Housing
Demand**
CBI Estimate
34,000

Unemployment

Peaked at 28.8% in April
Declined to 15.4% in
August (incl. 10.2% Covid
adjustment)

Exchequer Returns

Total tax revenue -2.3%
for the eight months to
August 2020

Programme for Government

Affordability “at the heart
of the housing system”
Pledge to progress a
State-backed affordable
home purchase scheme to
promote home ownership
Affordable rental
Help to Buy expanded



Owning versus Renting

56% more expensive to
rent than own a 3-bed
home in Dublin

Competitive Mortgage Market

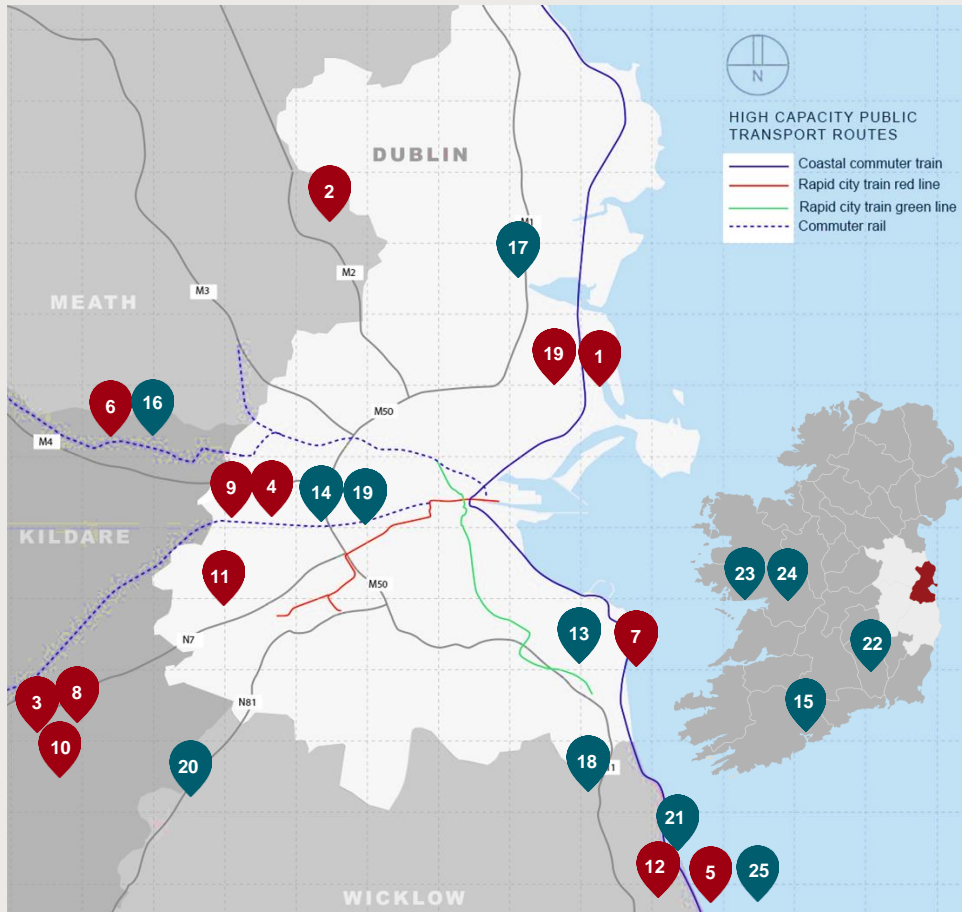
Competition
intensifying on headline
mortgage rates
3 new entrants in the
residential mortgage
market since early 2019

Dublin Rents and House Prices

Rents 39% higher
than previous peak
(Daft.ie)
House prices 22.7% below
previous peak

Well Located Housing Sites

12,000 new homes all on multi-modal transport links in areas of proven demand



Active

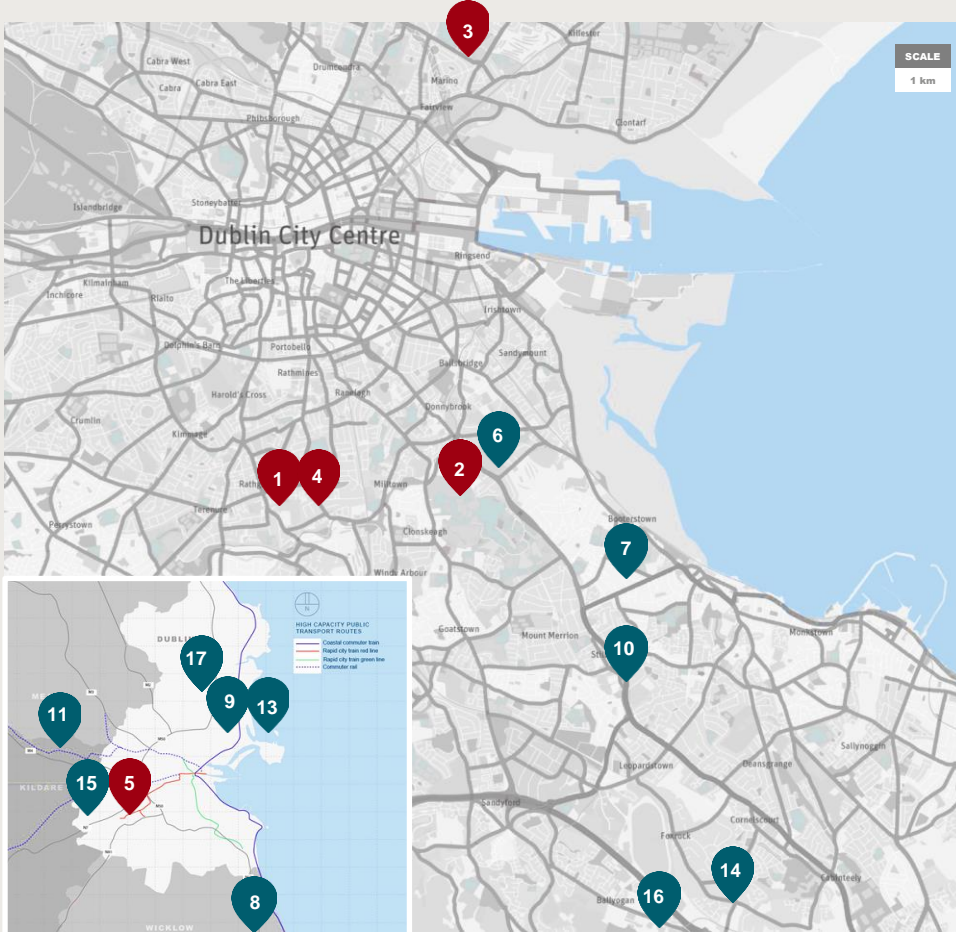
		Units
1	Parkside, Malahide Road	491
2	Churchfields, Ashbourne, Co. Meath	397
3	Elsmore, Naas, Co. Kildare	189
4	Shackleton Park, Lucan	792
5	Glenheron, Greystones, Co. Wicklow	242
6	Mariavilla, Maynooth, Co. Kildare	730
7	Albany, Killiney	20
8	Oak Park, Naas, Co. Kildare	248
9	Gandon Park, Lucan	237
10	Whitethorn, Naas	314
11	Graydon, Newcastle	670
12	Farrankelly, Delgany	426

Future

13	Cherrywood, South Co. Dublin
14	Clonburris, Dublin 22
15	Douglas, Cork
16	Dunboyne Road, Maynooth
17	Holybanks, Swords, Co. Dublin
18	Enniskerry, Co. Wicklow
19	Clonburris (NAMA / O'Callaghan Lands)
20	Blessington, Co. Wicklow
21	Coolagad, Greystones, Co. Wicklow
22	Callan Road, Kilkenny
23	Rahoon, Galway
24	Ballymoneen Road, Galway
25	Hawkins Wood, Greystones

Prime Apartment Sites

5,000 homes in established city centre, suburban, and commuter belt locations



Active		PRS Opportunity	Units
1	Marianella, Rathgar, Dublin 6W		209
2	Donnybrook Gardens, Dublin 4		85
3	Griffith Wood, Griffith Avenue, Dublin 9	✓	385
4	Rostrevor Place, Marianella, Rathgar, Dublin 6W	✓	107
5	The Quarter at Citywest, Dublin 24	✓	316

Future		PRS Opportunity
6	Montrose, Dublin 4	
7	Cross Avenue, Blackrock, Co. Dublin	
8	Glenheron, Greystones, Co. Wicklow	✓
9	Parkside, Malahide Road (NAMA JV)	✓
10	Stillorgan, Co. Dublin	✓
11	Mariavilla, Maynooth, Co. Kildare	✓
12	Swords, Co. Dublin	✓
13	Parkside, Malahide Road	✓
14	Barrington Tower, Carrickmines, Dublin 18	✓
15	Citywest, Dublin 24	✓
16	Glenamuck Road, Carrickmines, Dublin 17	✓
17	Holybanks, Swords, Co. Dublin	✓

Owning versus Renting

Cairn 3 Bed Starter Home Private Sales in 2020

€372,000

Average selling price
(including VAT) in 2020 on
36 three bed new home
completions across our
three starter home
developments in Dublin:

Shackleton Park (Lucan)
Gandon Park (Lucan)
Edenbrook (Dublin 24)

FTB Monthly Mortgage Cost

Purchase price	€372,000
Mortgage - 90% LTV	€334,800
Mortgage interest rate	2.30%
Monthly Mortgage Repayment (30 year C&I)	€1,288

Monthly Rental Cost

Daft.ie Market Rents

Three bed house
monthly rent:

Lucan	€2,200
Dublin 24	€1,830

Average €2,015

€727

 per month

Cheaper to own than rent a Cairn
starter home in Dublin

56%

 per month

More expensive to rent than own a Cairn
starter home in Dublin

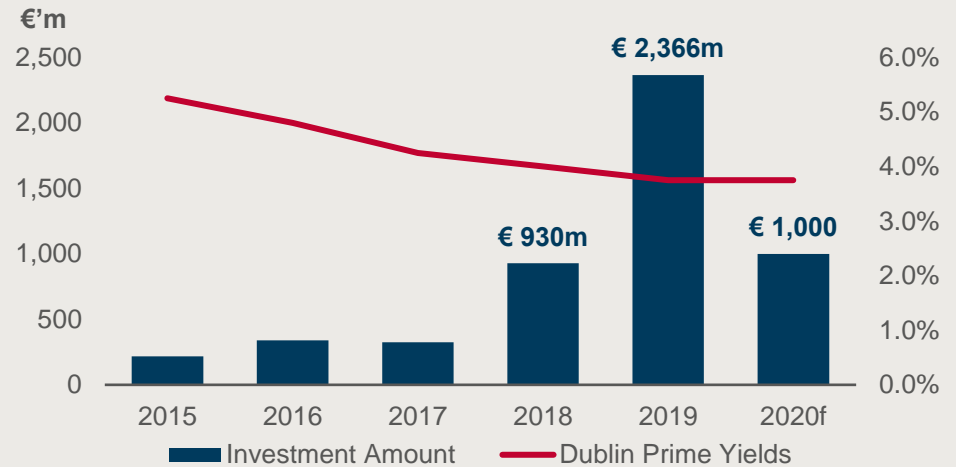
58%

Of all houses rented in Ireland are
by people aged < 39

The Irish Multifamily PRS Market – Rebounding After Lockdown

Resilient PRS Market: Strong Demand for 2020 and Beyond

- Following a record year for PRS investment in 2019, H1 2020 transactions were impacted by lockdown (€163m)
- Activity has rebounded in H2 with three large transactions announced to date totalling €380m
- We estimate a c. €1bn market in 2020
- Fundamentals remain strong: rents +1.2% yoy in July (+0.2% in Dublin), inward migration +29k year to April
- PRS occupancy rates (99% in June) and rent collections (99% in June) are resilient.
- Prime residential yields steady at 3.75%.



Cairn – Proven PRS Track Record

€345m

PRS sales delivered

Ongoing engagement on other developments

10

Apartment sites suitable for PRS

c. 4,000

Units at an average site cost of **€31k**

3

Active developments delivering contracted PRS new homes on a phased basis throughout 2020

5

PRS sales across five separate developments – city centre, suburban and commuter belt demonstrating attractiveness of Cairn landbank

Construction Site Remobilisation

Capacity on Sites improved since June 2020



- Given the nature of our active sites, all trades from ground works to finishing trades have returned to work
- Gradual reintroduction of trades in May on a phased basis, with emphasis on health and safety training
- Site capacity levels have increased significantly since June
- Site teams, subcontractors and supply chain collaborating and working together in our new working environments

97%

Fixed construction costs
on active construction
sites in 2020

78%

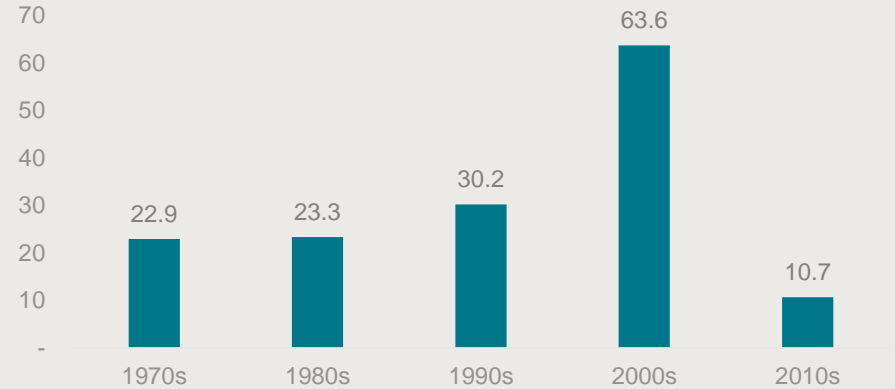
Fixed construction costs
on active construction
sites in 2021

Supply Response Remains Muted

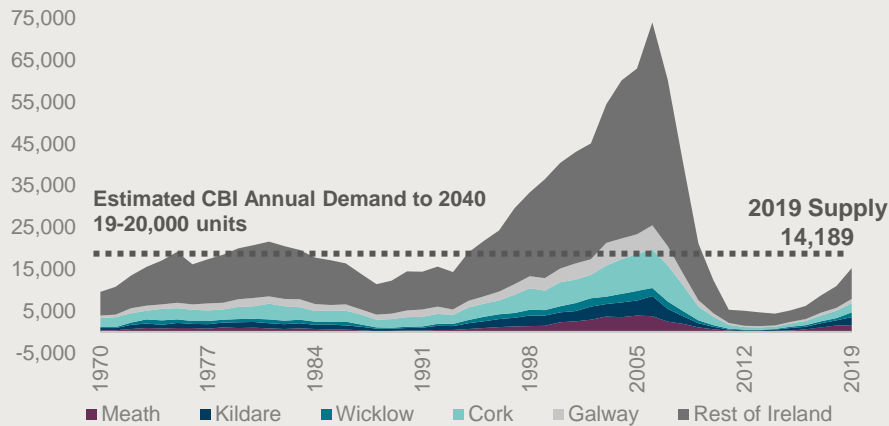
Supply to be restricted in 2020

- 2019 Supply: 21,133 completions. Rolling 12-month completions to H1 2020: 20,309
- Annual demand 35,000: Dublin 15,000 and Rest of Ireland 20,000
- Forecast 2020 completions: c. 14,000: Dublin 4,600 and Rest of Ireland 9,400.
- 8,440 (40%) of 2019 completions for the private owner occupier market after one-off (i.e. self-build), Part V, local authority purchases and PRS purchasers were accounted for
- On a pro-rata basis, 2020 Dublin supply is estimated to be c. 1,840 new homes for the private market
- For the Rest of Ireland, c. 3,760 new homes will be brought to the private market in 2020

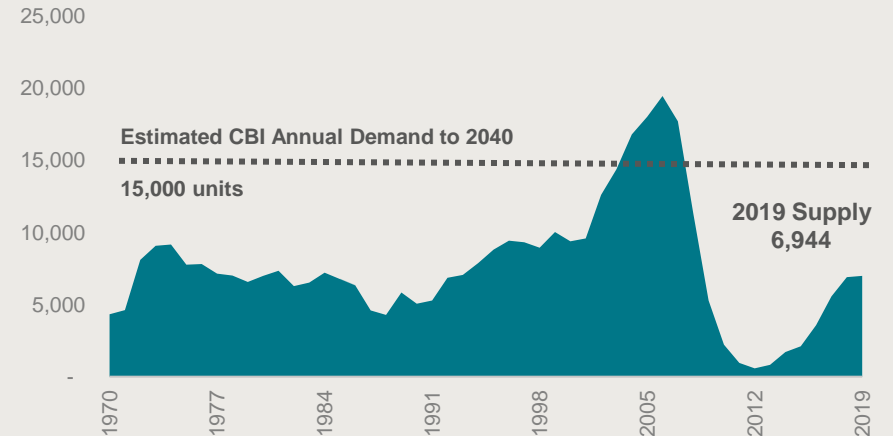
Average annual completions (thousands)



Rest of Ireland



Dublin

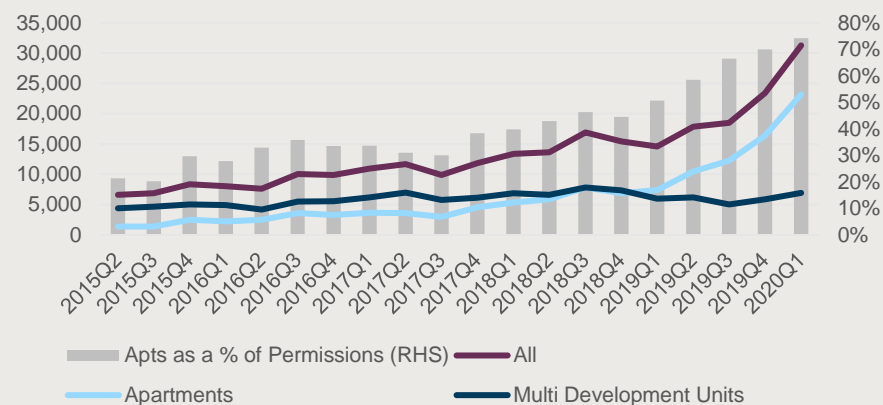


Housing Undersupply to Continue

Few new homes available to owner occupiers

- Market dynamics are reducing the number of new homes available to the owner occupier market, and in particular first-time buyers
- Supply will be further restricted in the coming year as commencements post-lockdown are likely to fall
- Commencements for multi-unit schemes in the total Greater Dublin Area are down 46% yoy over the period May to July (most recent data available)
- Planning grants favour apartments: apartments now comprise 74% of all GDA planning grants
- The lead time to construct new apartments is approx. 2 years – substantially longer than the typical programme for housing
- Chronic under-supply of homes in the GDA set to continue

GDA (incl Dublin) Planning Grants – 12m rolling



Only half of new homes come to private market

	2019		H1 2020	
	Units	%	Units	%
CSO New Home Completions	21,133	100%	8,258	100%
Less: One-Off New Homes	(5,068)	24%	(1,966)	24%
New Homes - Multi Unit Developments	16,065	76%	6,292	76%
Part V Social Housing	(1,326)	6%	(629)	8%
Local Authority / AHB Purchases (Addnl Social Housing)	(3,390)	16%	(1,328)	16%
Less: Acquired by Institutions / PRS	(2,909)	14%	(1,000)	12%
New Homes Available to Owner Occupiers	8,440	40%	3,335	40%

Post-lockdown commencements significantly down on 2019

May- July Housing Commencements

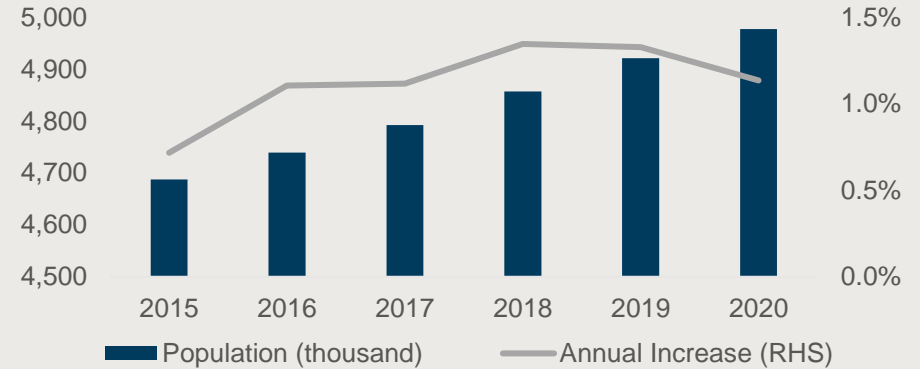
		2019	2020	YoY % Change
Ireland	All	5,908	3,681	-37.7%
	One-off	1,475	1,161	-21.3%
	Multi-unit schemes	4,433	2,520	-43.2%
Dublin	All	1,825	1,270	-30.4%
	One-off	91	75	-17.6%
	Multi-unit schemes	1,734	1,195	-31.1%
GDA ex Dublin	All	1,448	570	-60.6%
	One-off	234	165	-29.5%
	Multi-unit schemes	1,214	405	-66.6%

Demographics Support Demand

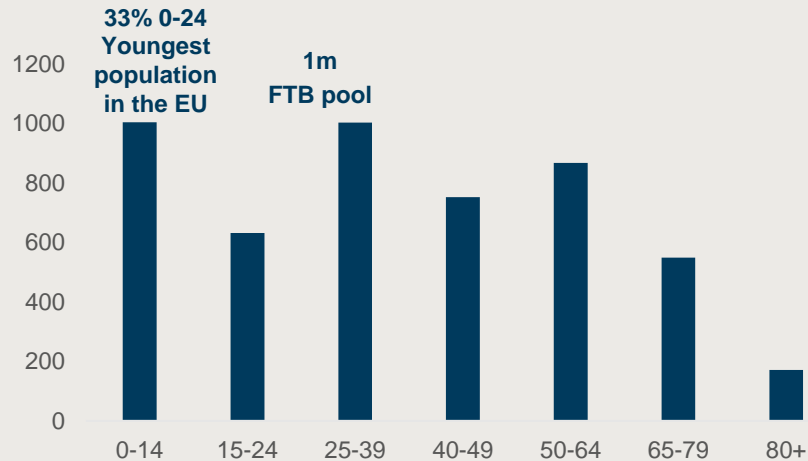
Strong population growth

- Highest birth rate in Europe (12.1 births for every 1,000 of population) with population growth at 3x EU average
- High household formation sizes (2.6 compared to 2.3 EU average)
- Net inward migration of 29k in the year to April 2020
- Population will reach 5m in 2020 (4.98m in April 2020)
- Population forecast to grow to c.5.6m by 2040
- Population of Dublin and the GDA is currently 2.15m and forecast to grow to 2.58m by 2040

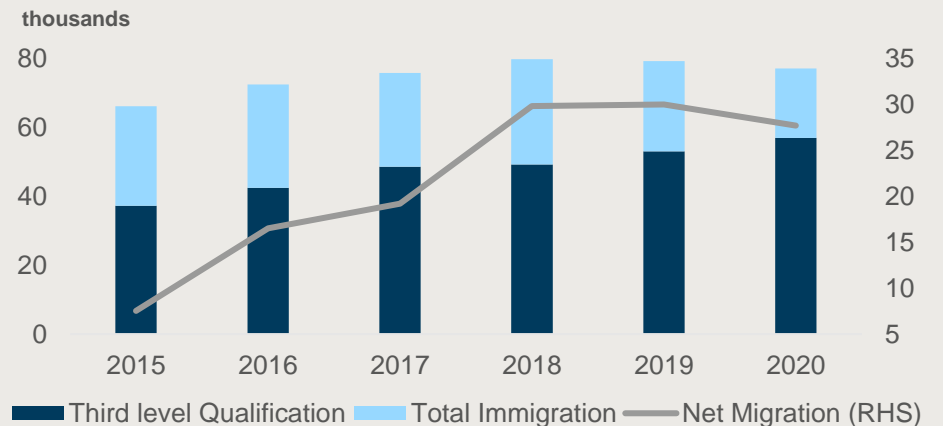
Average 1.1% annual population growth since 2015



Irish population by age category



64% of all immigrants have a third level qualification since 2015

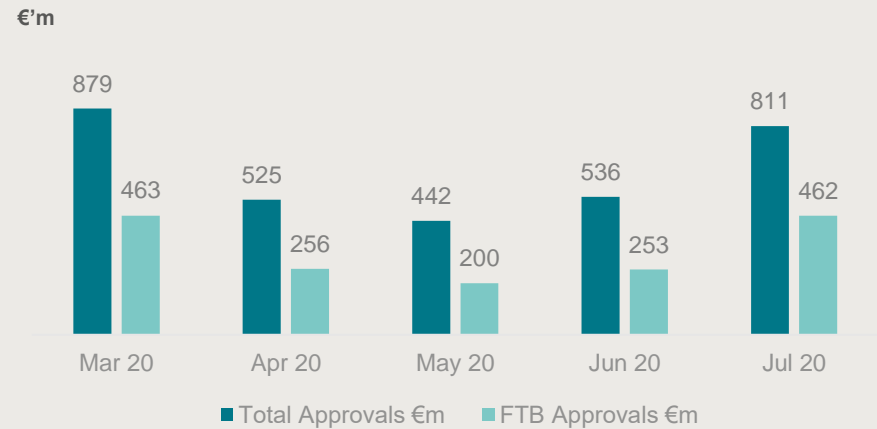


Mortgage Market Conditions

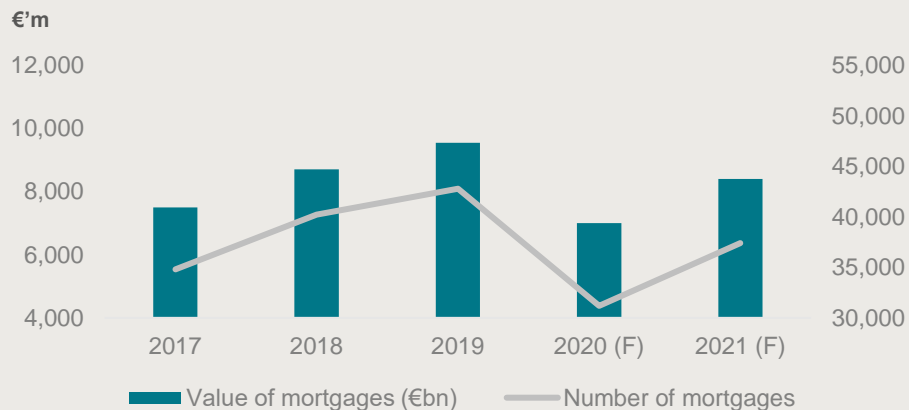
Key facts

- 10,000+ mortgages approved for FTBs in 2020 to date
- Mortgage drawdowns for FTBs for new homes: 2,469 in H1'20 compared to 2,811 in H1'20
- 1,883 FTB mortgages approved in July (78% increase on June and 97% of the March total 1,946)
- Competition amongst mortgage providers is targeted at fixed rate customers – fixed rates as low as 2.2% available compared to EU average 1.42% in June 2020
- 2020: Average New Homes FTB mortgage €266,000 (2019: €262,000)

Approvals recovering from COVID shock



Size of mortgage market



New entrants to a more competitive market

Avantcard



Credit Union

FINANCE
IRELAND

DILOSK

Cairn Brands

FTB, Trade Up



Oak Park



Churchfields



Edenbrook



Gandon Park



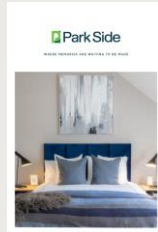
Elsmore



Graydon



Shackleton



Parkside

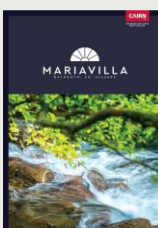


Whitethorn

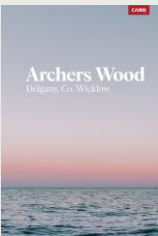
Trade Up/Down



Glenheron



Mariavilla

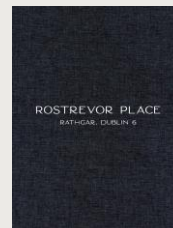


Archers Wood

Prime



Marianella



Rostrevor Place



Donnybrook Gardens



Griffith Wood



Albany

PRS



Hanover Quay



Mariavilla



The Quarter

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