

Apartments on former Dun Laoghaire golf course now owned by DLRCC.

The calculation set out below is based on the actual acquisition cost to the local Authority. It relates closely to the current cost of developing a similar scheme, and is therefore a valid example for similar sites in suburban Dublin, now owned by NAMA.

The interest rate of 4% is the current rate offered by the Housing Finance Agency.

Calculation based on sample of 80 units

18 – 3 Bed Units

46 – 2 Bed Units

16 – 1 Bed Units

Actual Acquisition Cost	€17,737,000
Average cost per dwelling	€221,700
Capital rent (viz) interest on capital at 4% - per dwelling -	€8,868 p.a.
Service charge per dwelling	€1,500 p.a.
Total payment per dwelling p.m.	€10,368 p.a. / €864
Average current market rent p.m.	€14,400 p.a. / €1,200

Payment required to purchase full equity share over 30 years

€14,802 p.a. - €1,233.50 p.m.

Local Authority Tenants

Average payment per tenant (rent and service charge) €4,095 p.a.

The level of subsidy required therefore is €10,368 p.a. - €4,095 p.a. = €6,273 p.a.