

PRESS STATEMENT – 5 January 2017

NAMA has today issued an end-year summary of progress made in 2016, and since its inception, on a number of its key objectives and targets. Highlights include the following:

- **€5.4 billion** in cash generated in 2016 (**€38.1 billion** total cash generated since 2010).
- **€5.1 billion** in loan and assets sales in 2016 (**€32.2 billion** total sales since 2010).
- **€5.5 billion** in Senior Bond redemptions in 2016.
- Cumulative **€27.6 billion** (or **91%** of all NAMA Senior Bonds) now redeemed. **€2.59 billion** (9%) of Senior Bonds remain outstanding at end-2016.
- Major progress made on sites within the Dublin Docklands SDZ area: of a total of **4m square feet** of commercial space which the sites will ultimately deliver, some 82% is under construction, has received planning permission or has been sold with the benefit of planning permission. NAMA through its receivers and investment partners retains an interest in sites capable of delivering **3.25m square feet**.
- In his Budget Statement of 2014, the Minister for Finance announced that NAMA planned to fund the delivery of 4,500 new homes between the beginning of 2014 and the end of 2016. This target has been exceeded – it is estimated that **4,700** units have been delivered by end-2016 through NAMA funding.
- In addition, almost **2,400** social housing units were provided by end-2016.
- Unfinished housing estates reduced from 332 at end-2010 to **25** at end-2016 and it is expected that these will be resolved during 2017.

Senior debt reduction

- During the course of 2016, NAMA redeemed **€5.5 billion** of senior debt. This brought to **€27.6 billion** the amount of senior bonds redeemed since 2010 (**91%** of the amount of senior debt originally issued) and leaves **€2.59 billion** outstanding at end-2016. The cumulative 80% (€24 billion) end-2016 senior debt redemption target which was set in 2014 has been exceeded by €3.6 billion.
- NAMA's strong financial position at 31 December 2016, including a closing cash position of €2.2 billion, means that it remains on course, subject to market conditions, to redeem all senior debt (€30.2 billion) by end-2017 and its subordinated debt (€1.6 billion) by 2020.
- By the time it completes its work, NAMA expects to deliver a surplus which is currently estimated to be of the order of **€2.3 billion**¹.

Cash generation

- NAMA continues to generate significant cash through disposal activity and non-disposal income. **€5.4 billion** in cash was generated in 2016, including €5.1 billion from the proceeds of asset and loan disposals.
- Total cash generated since inception in 2010 has reached **€38.1 billion**, with €32.2 billion arising from asset and loan sales and €5.9 billion from other income, mainly rental receipts from properties controlled by debtors and receivers.
- NAMA expects to generate a substantial profit in 2016.

Dublin Docklands SDZ

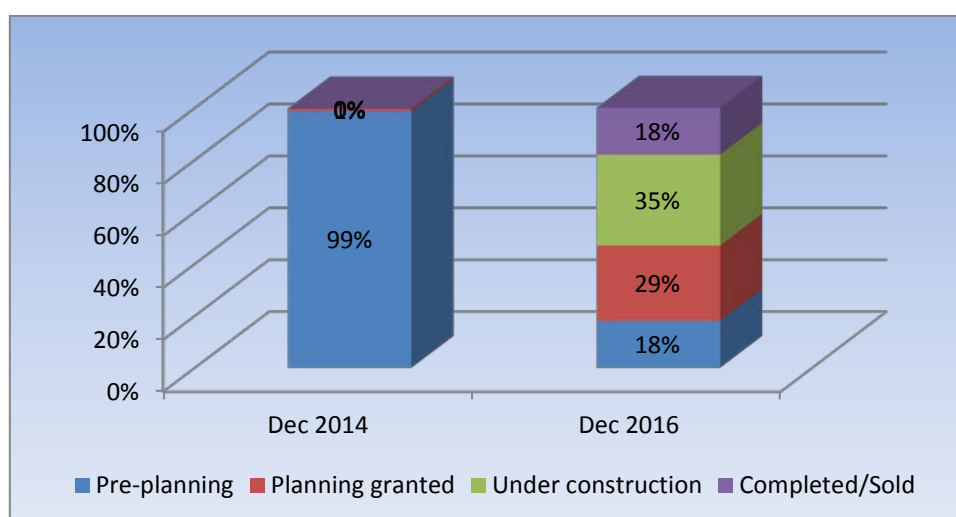
- The development of the Dublin Docklands SDZ is a major priority for NAMA which initially held an interest in 75% of the 22 hectares of developable land in the SDZ area.
- Sites remaining under the control of NAMA-appointed receivers and investment partners have the capacity to deliver **3.25m square feet of commercial space** and about **1,350 residential units**. Progress to date has been as follows:

¹ This estimate will be updated when NAMA finalises its 2016 accounts over the coming months

- Construction has started on five sites to deliver almost **1.4m** square feet of commercial (mainly Grade A office) accommodation and **231** residential units.
- Planning permission has been obtained for an additional **1.15m** square feet of commercial development space (mainly Grade A Offices) and **357** residential units across five sites.
- Pre-planning work is underway on the remaining sites to deliver an estimated **713,000** square feet of commercial space and some **778** residential units.
- Construction has completed on **47,500** square feet of office space and the completed development has been let and sold.
- Sites with planning permission for **651,000** square feet of commercial space and some **647** residential units have been sold.

Progress since end-2014 in relation to the Docklands SDZ sites is summarised below:

Status of Docklands commercial space (4m square feet) – end-2014 vs end-2016



Residential delivery

- In his Budget Statement of 2014, the Minister for Finance announced that NAMA planned to fund the delivery of 4,500 new homes, through its debtors and receivers, between the

beginning of 2014 and the end of 2016. This target has been exceeded – it is now estimated² that **4,700** units have been delivered by end-2016 through NAMA funding.

- In addition, construction has begun, or will begin in early 2017, on sites which will ultimately deliver another **2,148 units**.
- Another **7,300 units** have received planning permission.
- Planning applications have been lodged or will be lodged within 12 months for another **11,000 units**.
- NAMA's currently plans to fund the delivery of **20,000** units (October 2015 to end-2020), assuming commercial viability.

Unfinished housing estates

- In 2010, NAMA had exposure to 332 unfinished housing estates. By the end of 2016, that exposure had reduced to **25 estates** and it is expected that these will be resolved during 2017.

Social housing

- Since the start of 2012, NAMA has identified some **6,941** houses and apartments, controlled by its debtors and receivers, as potentially available for social housing.
- NAMA has no role in determining the suitability of properties for social housing purposes – that is a matter for the Housing Agency and for local authorities. They decide which of the units offered by NAMA should be purchased or leased for social housing. To date, **2,748** of the **6,941** units offered by NAMA have been confirmed as suitable by local authorities and by the Housing Agency.
- By end-2016, NAMA had delivered **2,378** houses and apartments for social housing.
- An additional **370** units are in the delivery pipeline.

² *Provisional estimate – final data not yet available*

- NAMA has invested more than **€205m** through its special vehicle, NARPS, to purchase houses and apartments from its debtors and receivers and to lease them directly to local authorities and approved housing bodies.
- NAMA provides whatever funding is required to make social housing units habitable and to ensure that they comply with current planning standards. NAMA has invested or committed over **€107m** to remediate and complete properties prior to their acquisition by NARPS for social housing. NAMA ensures that any structural defects are resolved before social housing units are delivered.
- By the time all properties are delivered under this initiative, NAMA will have spent more than **€300 million** in remediating and completing properties and in buying properties through NARPS.
- Throughout 2016, NAMA continued to work closely with the Department of Housing, Planning, Community and Local Government (DHPCLG) and the Housing Agency in seeking to match the residential stock held by its debtors and receivers with the requirements of local authorities for social housing.
- In cases where the Housing Agency or local authorities indicate that there is no demand for particular units, the properties concerned are then offered for sale or rent in the private market.
- In order to facilitate the availability of units for social housing, NAMA agreed a long-term leasing model with a standardised lease for approved housing bodies and local authorities.
- The **2,378** units which have been delivered to end-2016 relate to **167** individual projects spread over **19** counties and have involved transactions with **20** approved housing bodies and **9** local authorities. A breakdown of social housing delivery by local authority area is set out below:

Social Housing Delivery - by Local Authority Area			
	Completed	Contracted	Total
Carlow Co. Council	134	4	138
Clare Co. Council	32	23	55
Cork City Council	119	19	138
Cork Co. Council	197	110	307
Donegal Co. Council	5	0	5
Dublin City Council	384	1	385
Dún Laoghaire Rathdown Co. Council	104	150	254
Fingal Co. Council	101	15	116
Galway City Council	172	24	196
Galway Co. Council	24	8	32
Kerry Co. Council	42	3	45
Kildare Co. Council	114	58	172
Kilkenny Co. Council	55	1	56
Limerick City and County Council	16	0	16
Louth County Council	27	0	27
Meath Co. Council	38	0	38
Monaghan Co. Council	0	38	38
Offaly Co. Council	30	0	30
Sligo Co. Council	4	0	4
South Dublin Co. Council	141	5	146
Waterford Co. Council	51	0	51
Westmeath Co. Council	20	0	20
Wexford Co. Council	92	10	102
Wicklow Co. Council	7	0	7
Total	1,909	469	2,378