SUBJECT TO CONTRACT/ WITHOUT PREJUDICE / CONTRACT DENIED

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HEADS OF TERMS

Sale of land - For the Provision of Affordable Private Accommodation for Irish Speakers at Doirí Beaga (Gaoth Dobhair), Co. Dhún na nGall

Between **AN AFFORDABLE HOUSING AGENCY 'AHB'**

and

Údarás na Gaeltachta

Date XXXXXXXXX 2026

1. Parties and Status

These Heads of Terms ("HoTS") are entered into between:

- An Approved Housing Body with its registered office at XXXXXXXXXXXXXXX and **("defined for agreement as Affordable Housing Provider, AHB")**
- Údarás na Gaeltachta, the regional development authority for the Gaeltacht established under the Údarás na Gaeltachta Act 1979 (as amended), with its Headquarters at Na Forbacha, Co. na Gaillimhe ("Údarás"),

(together, the "Parties").

This HoTS records the principal commercial terms to be agreed in principle between the Parties. It is intended to reflect the genuine intent of both Parties but, save where expressly stated, is not legally binding and remains subject to contract, to the negotiation and execution of formal legal agreements (including a Planning Agreement, Letters of Consent and Sales Contract), and to any necessary internal approvals of each Party may require, including Board approval.

2. The Development

Údarás na Gaeltachta own a site of approximately 2 hectares (4.94 acres) at Ard na Gappary Road (L1373), Doirí Beaga, Gaoth Dobhair, within the Limistéar Pleanála Teanga of Gaoth Dobhair, Rann na Feirste, Anagaire agus Loch an Iúir, Co. Dhún na nGall (the "Site").

While Údarás na Gaeltachta holds the aforementioned site that may be suitable for residential development, it does not itself have the remit, the financing mechanisms or the technical and operational capability to act as a housing developer or provider, and must therefore partner with an economic operator that possesses the relevant housing-delivery capability in order to bring such lands into use for housing that supports the retention of Irish-speaking communities and promotes usage of pilot schemes to encourage longer term affordability.

Accordingly, Údarás na Gaeltachta is seeking to enter into a commercial agreement with an AHB that will satisfy the following criteria, as more particularly noted in the Prior Market Consultation of July 2026.

Údarás na Gaeltachta are seeking to sell land to an AHB who can provide affordable long-term residential accommodation for Irish Speakers for a scheme comprising (or similar to):

- Phase 1: Refurbishment and deep retrofit of 4 no. existing vacant 3-bedroom bungalows to provide 8 no. 2-bedroom dwellings for affordable rental, together with associated car parking and private open space;

- Phase 2: Construction of 6–12 no. new residential units for affordable purchase, together with associated car parking, private open space and compliance with all statutory design standards;
- Phase 3: Subject to the successful delivery and occupation of Phases 1 and 2, further residential development brought forward in a planned and integrated manner consistent with an approved site masterplan; and
- Provision of new vehicular and pedestrian access, public open space, landscaping, drainage infrastructure and associated ancillary works, together with infrastructure to allow future residential development.

3. Purpose of the Agreement

The Parties intend, through this arrangement, to provide a mechanism to enable long-term, affordable private rental and purchase accommodation within the Gaeltacht, specifically for Irish speakers. This shall also include pilot schemes, to be explored jointly with the relevant statutory authorities (including the Housing Agency and Donegal County Council), to test and inform delivery models for affordable rental and purchase accommodation, site sales, or community housing models appropriate to the Gaeltacht context.

For avoidance of doubt, the delivery model noted above should include Cost Rental and/or First Home Affordable home purchase schemes, star, Croí Conaithe, or any future Government schemes for the provision of affordable homes to rent or purchase (including Community Led Housing).

4. Development Commitment and Funding

Development Commitment	The AHB shall provide a development feasibility commitment to advance the Development, with a feasibility study to be submitted in September 2026, and thereafter enter into a Planning Permission Agreement. For avoidance of doubt, by signing this HoTs agreement, the parties are entering into this development feasibility commitment. This feasibility study should demonstrate how the AHB will seek to accommodate the scheme of arrangement that Údarás intends to deliver. Financial Accounts of the AHB should be provided prior to signing the HoTs.
Údarás Equity Funding to enable planning permission	Údarás shall fund €150,000 (one hundred thousand euro) to the AHB to enable the obtaining of planning permission, together with the initial site outlay. This payment method shall be as follows; €60,000 – Design Team outlay, Planning Permission, Q4 2026/Q1 2027 €20,000 – Site Investigations, Q4 2026 Total Initial Planning Permission Application Expenditure: €80,000 Monthly head office overhead of €70,000 should be distributed by increments of €10,000 per calendar month for a period of 7 months to enable planning permission, commercial agreements and sales contracts be entered into. The site fine for the initial outlay shall be divided by the number of residential units granted planning permission. Given that this is a pilot scheme tailored to the needs of delivering affordable housing within the Gaeltacht, specifically for Irish speakers, which serves the greater good, a nil site fine shall be imposed, subject to a letter of release, upon the

	completion of a private affordable dwelling, with the triggering event being BCAR certification. Failure to deliver private affordable accommodation will trigger a lien/ burden on title to the value noted above.
Planning Target	Planning permission is targeted for approval by December 2026. If no decision is made by then, the application shall, by that date, be lodged, subject to agreement by the parties, but no later than 31 January 2027, and shall remain within the statutory planning system, awaiting a decision by Q1 2027.
Letter of Consent (Planning)	For the purpose of obtaining planning permission, Údarás, as landowner, shall provide a letter of consent to the AHB to enable the planning application to be lodged. This letter is to be provided within 5 working days upon request.
Planning Agreement	For the purpose of this process, the parties will enter into a 'planning permission agreement' to enable the overall commercial agreement. This planning agreement should allow a licence agreement for an AHB to carry out only investigative work on the site/land. A schedule of photographic condition should accompany this agreement.

5. Delivery Mobilisation and Milestones

Q4 2026	Prepare a feasibility study and pre-planning consultation.
Q1 2027	Prepare the planning submission and submit to Donegal County Council.
Q2 2027	Grant of planning and tender process.
Q3 2027	Commence construction works in accordance with the plans as may emerge during the planning process.

6. Land Transfer

The grant of planning permission for the Development shall be the milestone triggering Údarás na Gaeltachta's obligation to sell the Site to the AHB, on the following terms:

- Title covenant: a covenant on title that the users and/or occupiers of the accommodation shall be Irish speakers, consistent with Údarás na Gaeltachta's statutory objectives for the Gaeltacht.
- The site sale must be completed within 2 months of obtaining a successful grant of planning.
- A photographic condition survey should accompany this contractual agreement.

Note: If letters of authorisation from Údarás na Gaeltachta are required to enable prior dialogue for finance and procurement, this request shall be facilitated within 5 working days.

7. The AHB's Role

As the long-term owner and landlord, the AHB will act as the client throughout the Development, entering into contractual agreements with the contractor, funders, and any prospective purchasers or tenants. It will assume responsibility for the design team's brief, including the future maintenance strategy, and will retain ongoing

liability for major external and structural maintenance obligations following the handover, thereby establishing its legal role and obligations in the project.

8. Cost and Risk Control

Development Risk for the purpose of enabling residential development with a grant of planning will be borne by the AHB.

9. Údarás na Gaeltachta

Following completion of the land transfer, a restriction on occupation for the land and the units to be delivered for Irish Speakers only shall remain for the purpose of this agreement only. Further restrictions may apply via a planning permission.

Where any consent is required from Údarás (including for financing, statutory or other purposes), Údarás shall provide a letter of consent, provided it is given no less than 30 working days' notice of the requirement for such consent.

10. Governance and Steering Group

The Parties shall establish a Project Steering Group to oversee delivery of the Development, without prejudice to each Party's own governance and approval requirements (including Board approval where applicable).

11. Next Steps

- Negotiation and execution of a Planning Development Agreement setting out delivery milestones (including planning, foundations/BCAR registration and sales contracts);
- Negotiation and execution of an Agreement for reflecting the terms above;
- Each Party to bear its own costs incurred in relation to this HoTS and the negotiation of the formal agreements referred to above;
- The Parties shall keep the terms of these HoTS and related discussions confidential, save as required by law or by each Party's respective statutory or governance obligations.
- Subject to review by Legal teams (to be nominated)
- Subject to Board Approval

Signed:

For and on behalf of xxxxxxxxxxxxxxxxxxxx	**For and on behalf of Údarás na Gaeltachta**
Name: _____	Name: _____
Signature: _____	Signature: _____
Date: _____	Date: _____

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