AIB and Bank of Ireland to Invest €70 million in Avenue Homebuilder Capital Solutions Fund

28th August 2026

- AIB and Bank of Ireland will each invest €35 million in equity to the Homebuilder Fund
- The Fund, managed by Avenue Capital, was seeded by ISIF with €150 million last year
- This second close lifts total commitments to more than €220 million, and provides potential for land acquisition with capacity to deliver in excess of 12,000 units subject to planning.
- Separately, the Fund has agreed an investment of €100 million in Castlethorn, the Irish residential property developer

Avenue Capital Group today announced that AIB and Bank of Ireland will invest €70 million in the Avenue Homebuilder Capital Solutions Fund, increasing the Fund's committed equity to more than €220 million.

The Fund, which was launched in December 2025 with €150 million in seed funding from the Ireland Strategic Investment Fund (ISIF), provides equity capital to medium and large Irish homebuilding companies, and helps them to scale up and increase their housing output. The total commitment of €220 million will support homebuilders with land acquisitions that have the capacity to deliver in excess of 12,000 units nationwide subject to planning. The Fund was designed and is managed by experienced investment professionals of Avenue Capital Group, a global investment firm.

The new funding further underscores the commitment of Ireland's two largest banks to the national effort to increase housing output.

Separately, Avenue Capital today announced a new investment of up to €100 million by the Fund in a joint venture with Castlethorn, the Irish residential property developer. The Fund's investment will support Castlethorn with a residential pipeline of more than 7,000 homes, subject to planning, phasing and market conditions.

Castlethorn has been active in the Irish residential market for more than 35 years. The company has built a strong track record in delivering high-quality homes and the infrastructure needed to support sustainable, well-planned communities. Its integrated approach spans land acquisition, planning, infrastructure delivery, construction and long-term stewardship.

This new investment in a joint venture with Castlethorn marks a new milestone for the Fund. Following its earlier investment in D/RES Properties, it is another example of how the Fund continues to invest with best-in-class homebuilders to help them scale housing delivery and address a national strategic priority for Ireland.

Padraig Moore, Co-Head of Avenue Europe Funds, said:
"The commitment by AIB and Bank of Ireland to Avenue's homebuilder fund is further strong indication of the growing national effort to ramp up the funding required to make real inroads into the country's housing needs. Avenue is delighted to partner with Bank of Ireland and AIB to provide much-needed equity capital to leading Irish homebuilders. Castlethorn is a prime example of the

high-quality homebuilders we are partnering with, bringing a proven track record, a highly experienced team and a clear focus on delivery."

Cathy Bryce, Managing Director of Capital Markets at AIB, said: "AIB is delighted to join forces with Avenue Capital Group on this initiative, which will support the construction of additional high quality A rated sustainable housing in Ireland. This equity funding will help to deliver much-needed new homes and wider benefits for the communities we serve right across the country. At AIB, we are very focused on playing our part to help finance the provision of housing and this is another example of that commitment."

John Feeney, Chief Executive of Bank of Ireland's Corporate and Commercial Banking division, said: "Bank of Ireland is already a major lender to the residential development sector, but we know that increasing housing supply requires a mix of funding solutions. Equity finance can help established Irish homebuilders scale up their operations, invest in growth and bring forward larger development pipelines. Our investment in the Avenue Homebuilder Capital Solutions Fund forms part of Bank of Ireland's €100 million commitment to equity finance for homebuilding and reflects our belief in the important role equity capital can play in supporting increased new housing delivery across Ireland."

Rebekah Brady, Interim Director of the Ireland Strategic Investment Fund, said: "Today's announcement further demonstrates the unique role that ISIF capital plays in catalysing third-party investment to support the construction of new homes in Ireland. Since ISIF's investment in the Avenue Homebuilders Capital Solutions Fund in December 2025, the Fund has continued to support Irish homebuilding firms to scale and increase their housing delivery.

ENDS

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