

A man and a woman are in a modern kitchen, preparing food. The man is on the left, wearing a grey t-shirt, and is chopping tomatoes on a wooden cutting board. The woman is on the right, wearing a white long-sleeved shirt, and is peeling an onion. On the counter, there are several tomatoes, a red bell pepper, and two glasses of beer. Above the counter, there is a white shelf with more glasses. The background shows a kitchen sink and some kitchenware.

# Palmerstown, Dublin 20

Build to Rent Market Justification Report  
April 20

**liv**consult

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# Report Objective

The objective of this report is to explore and provide justification for a Build to Rent development at Kennelsfort Road, Palmerstown, Dublin 20. The site is strategically located adjacent to the Chapelizod Bypass which is a major arterial route linking Dublin City Centre with the M4 Motorway and the M50. A Build to Rent development in this location proposed by Mc Grath Group will meet the increasing demand for high quality rental accommodation with a focus on community in the Dublin Suburbs.

This report sets out in detail the locational data for the area including demographics and population growth, together with reflections on the merits of the local area of Palmerstown/ Dublin 20 and the surrounding areas of Chapelizod, Ballyfermot and Lucan. This report also provides an overview of the surrounding rental context, which includes looking at both existing rented accommodation as well as the existing professionally managed residential stock in the local area.

LIV Consult is advising on the development of over 35,000 BTR and Shared Living homes across the UK and Ireland and this report includes reflections on the wider residential market.

# Background

The proposal is for the demolition of all existing structures on site and the construction of 250 no. Build to Rent residential apartments. The development will comprise of 5 no. apartment blocks providing 134 x 1 beds and 116 x 2 beds. The scheme provides blocks laid out over 3 – 8 storeys, with high levels of amenity space, open space and landscaping. Generous amenity space will be provided on site including a roof terrace, gym, private meeting space, co-working space, residents lounge, cinema room and games room. In addition, the scheme will feature a café unit along the front façade, designed to encourage interaction among the local Palmerstown community.

## **Client: McGrath Group**

McGrath Group intend on developing and operating a Build to Rent Development which will provide rental accommodation for those living and/or working in Dublin City Centre and the surrounding suburbs such as Chapelizod, Lucan and Ballyfermot. The purpose of this report is to demonstrate to South Dublin County Council that there is demand for Build to Rent accommodation in the local area.

In response to market challenges set out through this report, the Department of Housing, Planning and Local Government published in March 2018, 'Design Standards for New Apartments – Guidelines for Planning Authorities'. In these guidelines it is stated that Build to Rent developments “can provide a viable long term housing solution to households where home-ownership may not be a priority, such people starting out on their careers and who frequently move between countries in the pursuance of career and skills development in the modern knowledge-based economy. “

This report explores the market and demographic drivers in support of purpose-built rental product. The basis underpinning the Build to Rent concept is that the facility will be professionally managed, residents will pay a monthly rent and that there will be access to communal amenities and facilities.

During the design process, the project team have taken cognizance of South Dublin County Council's advice and have completed various amendments to the proposed development. Aligned with this, McGrath Group has approached LIV Consult for its expert input into the design finalisation to enhance resident experience and to demonstrate that the Build to Rent development has the appropriate market demand. LIV Consult has provided good practice advice into the scheme design to ensure that the resident experience is at the forefront of the development and that it delivers for the on-site team.

The amenity offer has been carefully curated to ensure it is appropriately scaled for the location and the target market. Please refer to the McGrath Group drawings for a detailed description.



# Executive Summary

The Palmerstown development will be proposed to South Dublin County Council in an application to provide 250 apartments and a range of on-site communal amenities including a gym, café, outdoor landscaped areas, a roof terrace and bookable space.

The scheme will be one of the few of its kind proposed in West Dublin, in an area with a large presence of older housing stock. While still a relatively new concept in Dublin, Government backing for Build to Rent has been obtained for the likes of Vesta Living, which demonstrates that the suburbs can support this type of development. Underpinning this backing is the existing target demographic profile that already resides in West Dublin.

## Within a 1-mile radius of Palmerstown:



**32% of residents are between the ages of 25 to 44**



**66% of residents are Economically Active**



**10% of households are privately rented**



**48% of residents use Public and Green methods of daily transport - 52%**

Source: CSO (2016)

# 1. Introduction to Build to Rent

## 1.1 Sustainable Urban Housing: Design Standards for New Apartments (2018)

The ‘Sustainable Urban Housing: Design Standards for New Apartments (2018)’ confirm that *“a new format of residential accommodation has the potential to emerge as a distinct segment within the overall urban accommodation sector”*.

This has been government policy since the publication of the ‘Rebuilding Ireland, An Action Plan for Housing and Homelessness’ in 2016, which sought to provide for a more vibrant and responsive private rented sector. Providing for a more vibrant and responsive private rented sector, which includes build-to-rent, is in accordance with the following core objective of the Rebuilding Ireland document:

*“Maturing the rental sector so that tenants see it as one that offers security, quality and choice of tenure in the right locations and providers see it as one they can invest in with certainty”*.

Rebuilding Ireland is highly supportive of the build-to-rent tenure format and acknowledges that at the time of the document being prepared (2016), the housing stock in Ireland was not built with the needs of long-term renters in mind and as such there was a need for the construction of purpose-built accommodation for the long-term rental market with appropriate on-site amenities.

Section 5 of the Sustainable Urban Housing: Design Standards for New Apartments (2018) specifically support and address build-to-rent developments. It defines BTR’s as:

*“Purpose-built residential accommodation and associated amenities built specifically for long-term rental that is managed and serviced in an institutional manner by an institutional landlord.”*

These guidelines generally view BTR’s as developments that are designed and constructed specifically for the needs of the rental sector. The guidelines acknowledge that BTR developments have the potential to accelerate housing construction, which makes a significant contribution to the required increase in housing supply nationally, which has still to reach the targets set by Rebuilding Ireland and increased urban housing provision that is envisaged within the National Planning Framework.

## 1.2 Private Rental Demand

The Build to Rent model provides benefits to the wider housing market as it can bring more housing units to market quicker and at a greater scale than that of the traditional build to sell model. The BTR model responds to increased demand for secure and longer-term rental properties among the 25-44 age cohorts. There is also a greater market demand for higher density apartment living in comparison to other parts of the country and BTR developments are perfectly suited to meet this demand.

Ireland's rental market is undergoing a period of intense pressure as increasing urbanisation and shifting demographics continually underpin record levels of demand. These factors, in addition to undersupply in Dublin has driven a 4.1% increase in rents across the country over the past year. In Dublin, average rents have risen by 101% since bottoming out in 2011. According to the Daft Q4 2019 Rental Report, the average rent per month in West County Dublin was €1,827 which increased 3.8% over the past year. By comparison, the average Dublin City Centre rent was €2,090 per month, which is an increase of 3% over the past year. (Note: The average rents are reflective of all unit types i.e. Studios, one-beds, two-beds etc.).

To service this level of rental demand, the market has seen a distinct growth in the Build to Rent sector. Build to Rent schemes are generally of a high-quality design and with ready access to amenities such as a resident's lounge, gym, entertainment spaces and possibly cinema as well as being located close to public transport links. Amenities are generally provided within the overall development with common space provided to facilitate socialising and foster community. Professional on-site management is on hand to take care of maintenance and provide customer service for residents within the development. Residents within Build to Rent schemes are willing to pay a premium for the additional benefits that living in a high-quality purpose-built scheme tailored to their needs offers over traditional rental accommodation.

Although Ireland has traditionally been associated with high levels of homeownership, this has been changing over recent decades. Within Dublin, the rate of growth in apartment living is higher than any other type of housing nationally and witnessed an increase of almost 89% from the 2002 census figures. This indicates that the Dublin apartment market is more buoyant than the remainder of the country with a significant shortfall of supply that fails to meet demand. According to the 2016 census, 29% of citizens are now renting their accommodation, with higher rates observed in the principal cities (36% in Dublin for instance). Over 497,000 households in Ireland are now renting, rebalancing the proportion of households who are owner-occupied vs. renting, from almost an 80:20 split to a 70:30 split (between 2006 and 2016). (Source Housing Conference 2019).



## 1.3 Housing Strategy

The Sustainable Urban Housing: Design Standards for New Apartments (2018) acknowledges the vital role Build to Rent plays in offering a flexible and secure rental proposition that aligns with the constantly evolving modern work environment. Renting is now seen as a valued choice of tenure which comes as a reaction to a financially challenged housing market that has forced people to rethink our traditional conceptions of household formation and housing demand. Recognising the increasing difficulty for first time buyers to gain a foothold on the housing ladder and the changing attitude towards the prospect of homeownership, Build to Rent is now seen as a viable long-term alternative for young professionals and families who benefit from the stability of a bespoke rental offer that can also accommodate the potentially transient nature of a modern career pathway.

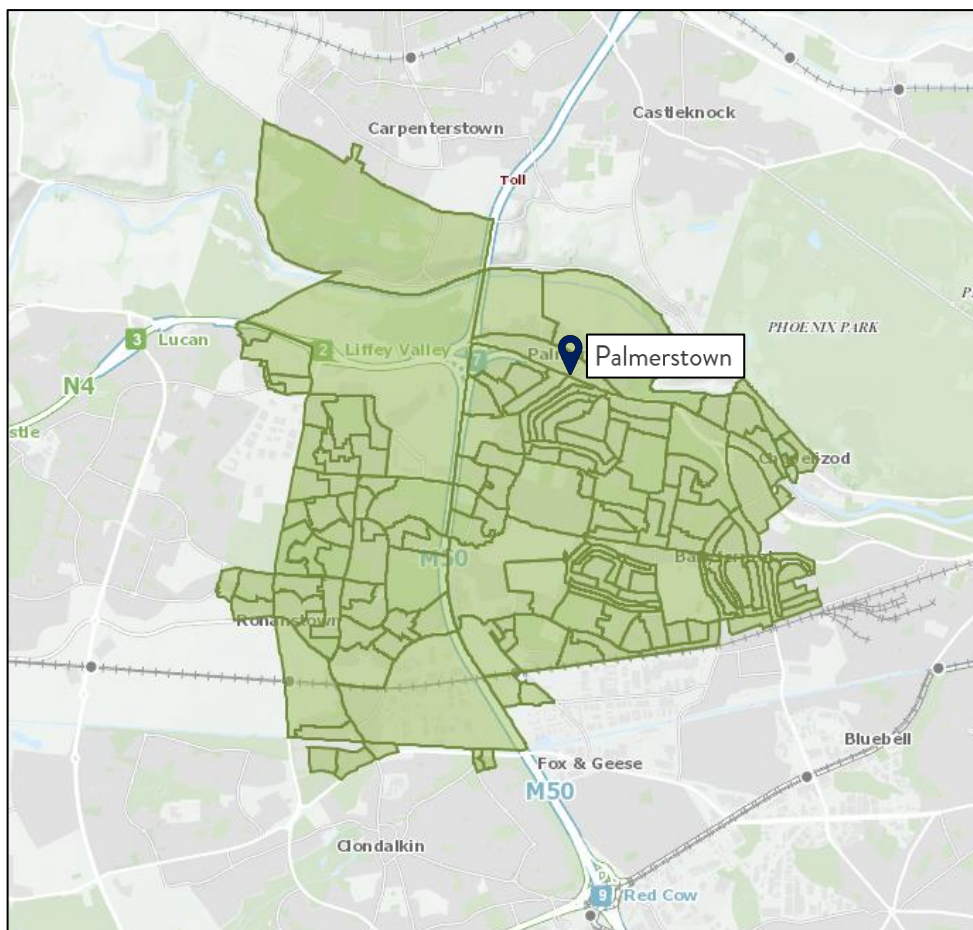
Focusing on delivering a holistic resident experience ensures that the provision of onsite amenity is designed to meet the practical needs of the resident and serves to build a cohesive sense of community by encouraging residents to interact and share these spaces with one another. Ultimately, the successful implementation of an onsite amenity strategy will lead to a thriving BTR community and result in long term resident retention. For this reason, Build to Rent appeals to a broad demographic ranging from graduates, young professionals, couples and both young and established families. While these group are relatively diverse with each presenting different expectations and requirements from a rental offer, they all share a similar minimal requirement for private space and desire for social interaction with like-minded people – the BTR proposition is ideally positioned to address this need.

The proposed application provides for 250 No. purpose-built rental units within the proposed development, which would further assist SDCC in achieving its housing targets and therefore align with the objectives of the SDCC Interim Housing Strategy 2016 – 2022.

## 2. Target Market and Demographics

The demand for rental accommodation across Ireland, particularly in its urban centres, continues to increase exponentially. At the epicentre of this national trend is Dublin, where over the past year the number of rented dwellings increased by 13,800, which is significant considering how Ireland as a whole increased by 14,900 (AIB 2019). Moreover, with little over 1,760 properties marketed in the city in October 2019 from a base of 114,462 PRS properties, this signifies a vacancy rate of just 1.3% (CSO, 2016). Dublin's rapidly increasing population and sluggish stream of supply have seen rents consistency rise across the city (a 4.1% rise across the country in 2019 (Daft.ie)) as well as an increasing demand for high quality rental accommodation. Palmerstown represents a welcome opportunity to introduce a Build to Rent proposition to meet the demand for supply.

An important consideration to justify a Build to Rent development is evidence of key demographic profiles within proximity of the scheme. The following analysis provides a summary of the local demographic profile (around 1-mile radius) surrounding Palmerstown, as well as the areas of Chapelizod and Ballyfermot as illustrated in the map area below.



Source: CSO (2016)

A young, economically active population is a promising context for the delivery of a Built to Rent scheme. In particular, having a sizeable youthful cohort aged between **20 and 34** in the local area is especially positive. Within a 1-mile radius of Palmerstown there is a population of 62,314 of whom 67% are economically active, with a further 7% of residents identified as students. Moreover, approximately 32% of all residents are aged between **25-44** which is the target age for BTR development. Therefore, the demographic composition of Palmerstown indicates that there is a suitable mix of economically active residents within the ideal age range in the immediate local area.

### Age and Tenure:

As mentioned, we have found that around **32%** of residents currently living in the local area are aged between **25 to 44**. This would indicate a sizable pool of young professional workers. In addition, **14%** of the total residents are in the **15-24-year old** bracket, which would highlight a strong level of students and graduates. The table below provides a breakdown of the number of residents in the area, per age grouping:

Population by Age Grouping:		% of Population
0 - 14	10,275	20%
15 - 24	7,233	14%
25 - 44	16,411	32%
45 - 64	12,121	23%
65 +	5,873	11%
<b>Total</b>	<b>51,913</b>	<b>100%</b>

**Source:** Dublin Census 2016- accessed via AIRO Map

Evidence from the Irish Central Statistics Office for 2016 indicates that across Dublin as a whole, the primary occupier of **privately rented households** is between the ages of **25 to 34 years olds** (48% of households in Dublin), followed by the **35 to 39-year olds** at 17% of households. Therefore, at a more local scale, we can expect many of the existing young residents in the area surrounding Palmerstown to be residing within existing private rented accommodation. Around **16%** of all tenure types in Palmerstown are identified as Private Rented, approximately 2,605 households.

 **53%**  
**of people aged over 15  
in Dublin are Single**  
CSO (2016)

As an emerging rental proposition, BTR has been found to not only appeal to Young Sharers but also to **Young Professional Singles, Couples and Young Families**. Given the current state of the housing market limiting the prospects for first time buyers to gain a footing on the housing ladder, BTR is seen as a viable long-term housing solution. There is also a considerable opportunity to attract graduates and making the transition from living in their family home or university accommodation to their first rental property. Over half of the

demographic within both Dublin City and the wider County fit this categorisation.





As highlighted in the previous section, the last Dublin Census highlighted a consistent upward trend of private renters within the country's housing tenure since 2011, combined with a decline in home ownership over the same period. The below table outlines the Households by Tenure within a mile radius of Palmerstown, as defined in the graphic on page 10.

Households by Tenure:	
Private Rented	2,605
Social Rented	3,607
Owner Occupied with mortgage	5,134
Owner Occupied without mortgage	4,994

**Source:** Dublin Census 2016- accessed via AIRO Map

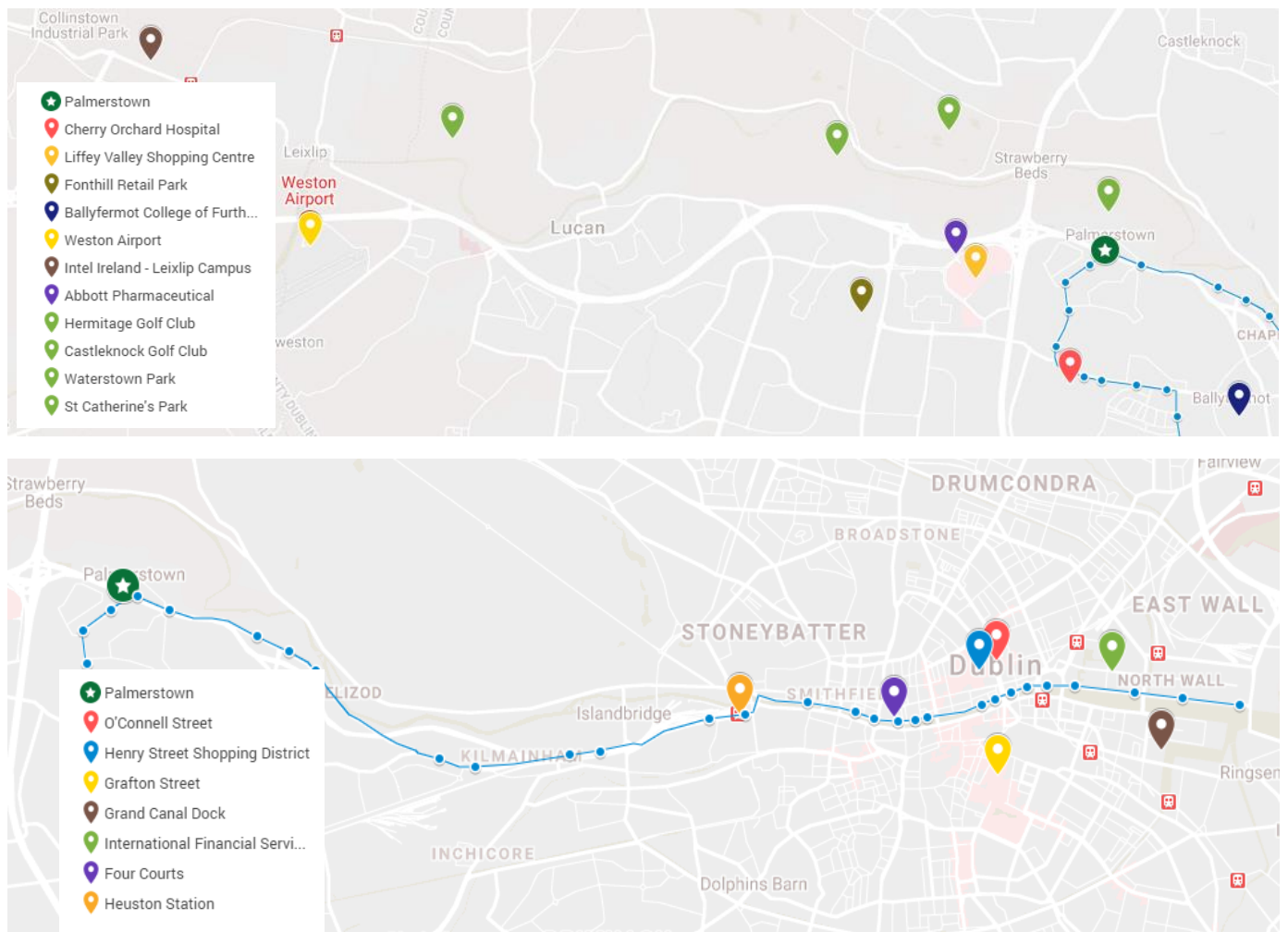
The mix of homeowners to renters in Palmerstown is one that we would expect given the more suburban of the local area and the lack of purpose build rental stock compared to the City Centre. As presented above, around **16% of households** in this area are privately rented. The site's local attributes in terms of employment opportunities, transport accessibility and demographic composition suggest that this figure reflects the lack of suitable rental stock entering the market and that a purpose-built BTR offer would be align well with the local context/

Based on the information above, we have identified four Target Market profiles that represent the type of renter that we would expect a BTR scheme in Dublin to attract.

Graduate	Young Professional	Young service workers	Established Professionals
			
Aged 20 to 24	Aged 25 to 35	Aged 18 to 35	Aged 36 to 45
Singles working locally in white-collar employment	Singles working locally in white-collar employment	Singles working locally within the service industry including local retail, leisure and hospitality jobs.	Single, established professionals working locally
University leavers working within their first and second jobs	Employees range from associate to managerial level	Workforce educated to secondary school level. Types of employment include retail assistants, waiting staff, administrative assistants	Residents working at managerial level across a range of employment areas.

### 3. Micro Location

In our justification analysis for the site's location, consideration is given to its proximity to Dublin City Centre (specifically, O'Connell St. and Grafton St.) but also major local employment, retail and leisure hubs. As highlighted in the map below, the scheme is located along Lucan Core Bus Corridors (CBC), one of the 16 proposed throughout Dublin that will provide direct access to major employment, retail and education institutions across the city. The maps below represent amenities and employment zones to the East and West:



Source: Google Maps

Maximum 45 minutes public transport door-to-door:

- Grand Canal Dock
- International Financial Services Centre
- Heuston South Quarter
- O'Connell Street/ Grafton Street
- The Four Courts
- Intel – Leixlip Campus

Maximum 20 minutes' drive:

- Liffey Valley Shopping Centre
- Fonthill Retail Park
- Four Courts
- Heuston South Quarter
- Intel Ireland – Leixlip Campus
- Cherry Orchard Hospital
- Phoenix Park



## 3.1 Description of Site and Proposed Development

### Local Context

The Build to Rent development will be located on the western side of Kennelsfort Road, north of the Chapelized by-pass. The image below outlines the site boundaries:



The local context mainly consists of low-rise residential with some local commercial and retail uses. In terms of local retail convenience, surrounding retailers include Aldi, Skin1 Pharmacy, Ulster Bank, Palmerstown House Pub, Boylesports and a range of takeaways and local businesses. We can expect that the delivery of integrated café onsite will enhance the local retail context in terms of convenience for residents. The Palmerstown development aims to provide a sense of inclusion for the local community through the availability of the café but also the use of bookable space for community events and gatherings.

In terms of available green space, Palmerstown will benefit from its proximity to Waterstown Park, which has a 5km track used for walking, jogging and cycling as well as exercise equipment. Tranquil walks can be enjoyed alongside the Liffey and the 19th-century millrace in the park. The park is split into eight distinct areas including woodland, wet grassland and mature hedgerows. Furthermore, residents will be within 3km of the Phoenix Park, Dublin's most abundant green space and the largest capital city park in Europe at 1,752 acres. Popular among both Dubliners and tourists alike, Phoenix Park boasts immense natural beauty and has a wide range of uses from high-profile concerts to sports events, the Visitors Centre and Dublin Zoo.

The development itself will include outdoor courtyards and a roof terrace, a children's playground, all with functional landscaping and planting.

## 3.2 Transport

Outlined in the **Design Standards for New Apartments (2018) Specific Planning Policy Requirement 9**, a default policy of minimal car parking spaces is a condition that applies specifically to Build to Rent accommodation. Therefore, an important area of justification for the BTR proposition in Palmerstown is its walking proximity to major transport networks, which will be summarised in this section.

Within the subject area analysed in the target market and demographics section, **47%** of people currently living in the area surrounding Palmerstown regularly use public transport services (trams, buses, trains) and green methods of transport such as walking and cycling. The fact that fewer than 50% of local residents use public or green modes of transport on a regular basis is indicative of the area's lack of connectivity to major public transport links such as the LUAS line. Due to the prominence of the Chapelizod Bypass through Palmerstown it is clearly more convenient for local residents to rely upon their car rather than the bus service. However, given that the site is located along the Lucan Core Bus Corridor and is less than 100m from Lucan Road bus stop, there is reason to assume that residents will take advantage of this major transport connection as opposed to personal car usage.

To explore this further, we have provided a breakdown of all public transport methods that serve the site.

### Bus

As this site is located along a main transport corridor to the city centre, it is served by a high number of bus routes including 25 (a,b,d,x) 26, 51d, 66 (a,b,e,x), 67 (x), 76a and 845. These routes are accessible via the bus stop located along Lucan Road, less than a minute's walk from the site.

### LUAS & Train

The Lucan Core Bus Corridor is the most convenient public transport connection for journeys into the city centre. The closest Luas and Rail Network can be accessed at Heuston, which is a 12-minute bus journey or 16-minute cycle from the site. From here, residents will have access to major public transport routes that connect to Dublin's major employment zones including the IFSC and the Docklands. Having both bus and rail transport links within such close proximity to the site provides ample justification for the provision of 125 car parking spaces and 276 bicycle spaces on site.

### Cycle Infrastructure

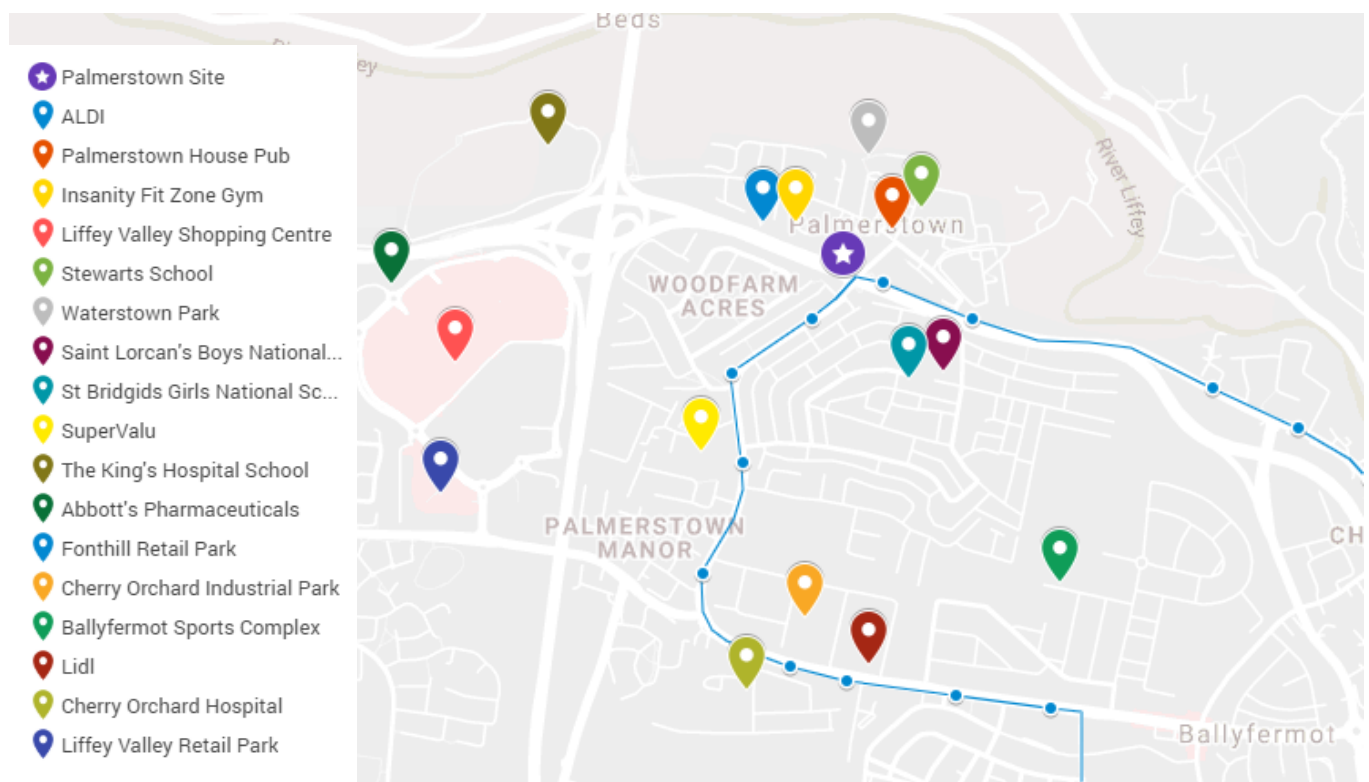
Cycle storage is provided on site with space for **276 bicycles**. The proposed level of cycle storage aligns with the walkable/cycle-friendly local environment in which residents will be able to cycle to major retail, leisure and employment destinations in under 15 minutes (Liffey Valley Shopping Centre, Cherry Orchard Industrial Estate and Fonthill Retail Park, for example). Currently, around **24%** of residents use 'Green' modes of

transport which includes cycling, walking, electric trains and buses (CSO, 2016). Moreover, the volume of cycle storage aligns with the targets set by the Dublin Cycling Campaign Strategy 2017-2020 and the National Cycle Policy Framework which set out plans to see a minimum of 10% of transport funding in Dublin to be allocated to cycling and have more than 10% of trips in Ireland to be made by bike by 2020.

Considering the somewhat limited amount of access that Palmerstown has to public transport infrastructure it is understandable that there is a relatively high usage of cars for personal transport. However, the proposed site is strategically positioned along the Lucan Core Bus Corridor which will put residents within a short walking distance of Palmerstown's main transport link to Dublin City Centre. This level of connectivity is appropriate for Build to Rent accommodation in Dublin which presents reduced parking and will aid the convenience of renting within this location for an upwardly mobile target demographic.

### 3.3 Local Employers, Retail and Leisure

An important consideration to highlight is the sites' proximity to local amenities such as retail and leisure, in addition to prominent employers and companies in Dublin City Centre. Given the connectivity of the site with the availability of public transport and cycling, we have looked amenities and employment around the local area and surrounding towns. The map below highlights some key areas:



Source: Google MyMaps (2020)

Below we have highlighted the main employers and amenities for each area highlighted on the map, along with the minimum journey time it would take for residents at Palmerstown to reach each area.

Employer	Type	Journey Time
Liffey Valley Shopping Centre & Retail Parks	Employer/ Amenity	5 min drive/ 9 min cycle
Cherry Orchard Hospital	Employer	4 min drive/ 13 min bus/ 7 min cycle
Fonthill Retail Park	Employer/Amenity	5 min drive / 13 min cycle
Cherry Orchard Industrial Park	Employer	5 min drive / 15 min bus / 6 min cycle
Park West Business Campus	Employer	5 min drive / 13 min cycle
HSE & Tusla – Heuston South Quarter	Employer	12 min drive/ 19 min cycle/ 17 min bus
Intel - Leixlip	Employer	17 min drive/ 36 min bus
Abbott Pharmaceutical	Employer	4 min drive/ 11 min bus/ 9 min cycle
The Hermitage Medical Clinic	Employer/ Amenity	4 min drive / 21 min bus / 13 min cycle
Ballyfermot College of Further Education	Employer/ Third Level Education	15 min bus / 10 min cycle
City of Dublin Education and Training Board	Employer	5 min drive / 13min bus / 8 min cycle
Guinness Brewery	Employer	12 min drive/ 25 min bus/ 22 min cycle
St James Hospital	Employer/ Amenity	10 min drive/ 26 min bus/ 20 min cycle
Wheatfield Prison	Employer	6 min drive/ 10 min cycle / 21 min bus
Four Courts	Employer	11 min drive / 22 min bus / 24 min cycle
Blanchardstown Shopping Centre	Employer/ Leisure	8 min drive / 25 min bus
Docklands – PWC, Central Bank, Facebook, Grant Thornton, Google	Range of International Employers	30-35 min cycle/ 40 – 45 min bus + Luas

The above companies and industries include a wide range of employment opportunities from graduate/entry level to managerial roles, within some of Dublin's largest employers and retailers. Given that the target market for Palmerstown is young professionals and service workers and graduates, we expect the residents to look at the above locations for employment.

### 3.4 Education

It is important to consider the proximity of educational institutions as these are major source of employment and graduate activity. According to CSO (2016) data for the area surrounding Palmerstown, **67%** of existing residents are economically active, **7%** are students and the remaining **21%** are not working for reasons such as retirement, inability to work, unemployed or are full-time carers for family.

Within the local area there is an ample selection of educational facilities including primary, secondary and further education institutions.

Local schools in and around Palmerstown:

- St Lorcan's Boys National School
- St Brigid's Girls National School
- The King's Hospital School
- Saint Bernadette's Junior National School
- Stewarts School
- St Laurence's National School
- St Patrick National School
- Palmerstown Community School

#### Ballyfermot College of Further Education

The proposed site is within a 15-minute bus journey or a 10-minute cycle to Ballyfermot College of Further Education, the largest further education institution in the area. BCFE is a college of further and higher education providing vocational courses across Business, the Arts and Digital Media. The college is open to students from the age of 17 and upwards and offers a curriculum consisting of 39 courses across 9 departments.

#### Intel Ireland – Leixlip Campus

The Irish headquarters for the multinational technology company Intel is in Leixlip, County Kildare which is less than a 25-minute bus journey and a 15-minute car journey away from the site. The Leixlip Campus is at the heart of Intel's operations in Ireland and at the forefront of its graduate programme.

The campus has received more than €13.8bn in investment since opening in 1989, making it one of the most advanced technology manufacturing facilities in Europe. In total, the campus spans as much as 360-acres and employs around 4,500 workers. In 2019 it was reported that An Bord Pleanála had granted planning permission for a €3.63bn expansion of its current premises which will create a further 1,600 jobs (irishtimes.com, 2019).



## TU Dublin (Technological University Dublin) Grangegorman

The Palmerstown site is less than a 30-minute bus journey and a 25-minute cycle to the TU Dublin Grangegorman campus. TU Dublin offers technology-driven vocational courses in the Arts, Business, Sciences and Engineering. The Grangegorman campus is undergoing significant infrastructural development and is expected to attract 10,000 students in 2020. Once the campus is complete, it will be able to accommodate 20,000 students and 2,500 staff. Completion is expected in the next decade (Irish Times, 2018).



## 4. Amenity Provision

Within the proposed scheme, there will provide a high level of amenity space all concentrated in **Block A** at the front of the development (See Appendix A). This block will provide a gym, games room, meeting room, working space and bookable space which can be used for resident events, parties and community meetings. The ground floor of Block A will be the central hub of the development, with the reception area and management office/leasing suite. This is where existing and potential residents will congregate and meet with the community staff.

Along Kennelsfort Road there will be a café with an outdoor seated decking area. The café will be a double height space and will be designed to encourage interaction with the local community, providing a much-needed social space.

Externally, the development will have a roof terrace on Block A at third floor level. The terrace will have extensive planting and landscaping with some covered areas. The roof terrace will be designed to offer passive and active functions and will be flexible for various uses.

Concentrating the amenity offering in Block A will create a central hub with facilities available at all levels, from basement to the third-floor roof terrace. LIV Consult have seen many examples of this concentration strategy in Build to Rent developments, through consultancy projects but also third-party management. Some examples of this design precedent is set out below:

### The Green at Kilnwood Vale, Crawley, UK

A development owned by M&G Real Estate in their Residential Fund, comprises 227 units and features a standalone amenity and management hub (photo)



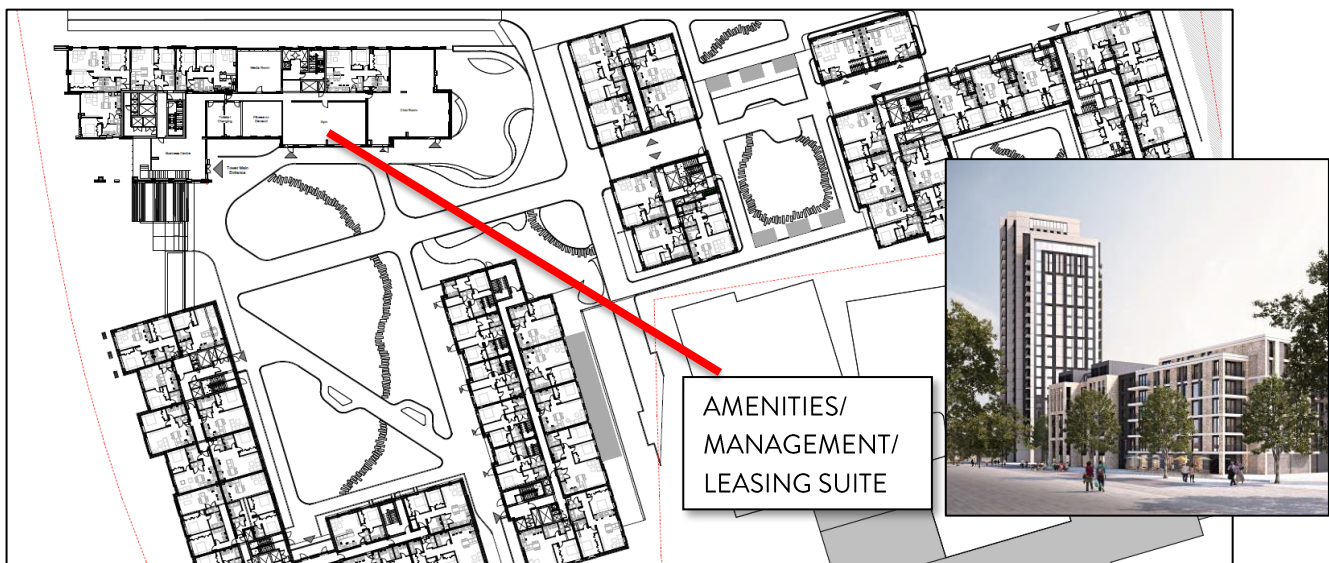
## The Grange, Stillorgan

A development proposed by Kennedy Wilson in their Residential Fund which will deliver over 500 units when complete (some of the site is already in operation). All amenity is located in Block H.



## Cortland Cassiobury, Watford

A development under construction by Cortland in NW London (Watford). This scheme will deliver over 350 units when complete has all amenity located in one of the buildings (the tallest tower):

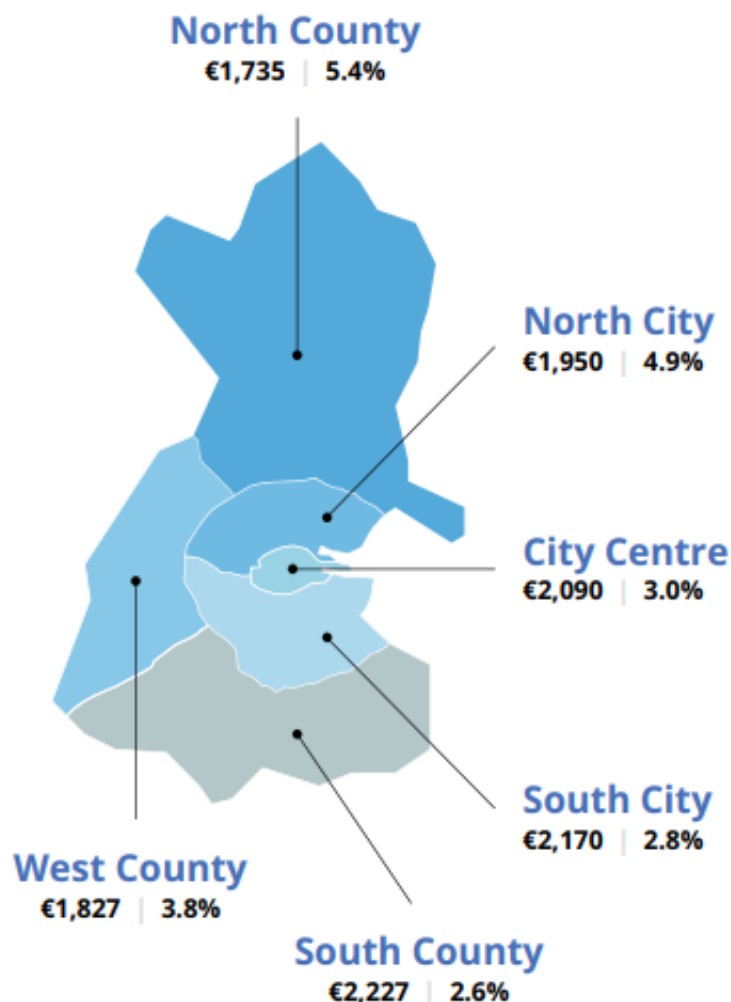


# 5. Rental Market and Comparable Schemes

## 5.1 General Rent Commentary

Ireland's rental market is undergoing a period of intense pressure as increasing urbanisation and shifting demographics continually prop up record levels of demand. The Daft.ie Q4 2019 report on national rent data indicates that current rents across Dublin now stand at €2,090. In Dublin, rents have risen 101% since the trough in mid-2011. However, the rate of increase within the city looks to be softening to a more sustainable rate of 4% higher than the previous year.

There is a clear divide in Dublin, with average rents in the City Centre, South City, South County continually exceeding those in the North and West County (Palmerstown's location).



Source: Daft.ie (2019)



## 5.2 Build to Rent Comparisons

### One Three North, Clongriffin, Dublin 13

Looking at the Dublin Suburbs, in North Dublin, one purpose-built Build to Rent community currently exists in Clongriffin. One Three North which operates under the ‘Vesta Living’ brand and comprises 529 apartments in total.

The high-quality apartments are fully furnished with resident access to a **gym, yoga studio, cinema, hot desk access and all of the apartments are pet friendly**. The scheme was launched to the market in Q1 2020 and secured 117 tenants prior to opening the doors, thus highlighting the demand for BTR suburban accommodation.

Quoting Rents are as follows:

- One-bedroom apartments from €1,550 per month
- Two-bedroom apartments from €1,990 per month
- Three-bedroom apartments from €2,499 per month



Source: Vestaliving.ie



## Mount Argus, Harold's Cross, Dublin 6

Closer to Dublin City Centre but still in the suburbs is Mount Argus, Harold's Cross. The development is due for completion in Q2 2020 and units are available on a pre-let basis. The development comprises of 179 units in total.

The Harold's Cross scheme will include a **concierge, resident's lounge, business centre, meeting room and gym, along with a 201-space basement car park.**

Quoting Rents are as follows:

- 1-bedroom apartments from €2,000 per month
- 2-bedroom apartments from €2,400 per month
- 3-bedroom apartments from €3,000 per month



**Source:** [Mountargusdublin.com](http://Mountargusdublin.com)

## Palmerstown Proposed Facilities

The Palmerstown development will provide for a 250-unit development, arranged over 5 blocks. The buildings will be situated within a landscaped surround with space for social interaction and leisure. The street level cafe will be the focal point of the development aimed to serve the local community as well as the residents. Other features in the development will include:



- Café – accessible to the wider public and community
- Gym
- Cinema
- Games Room
- Bookable Space
- Meeting Room
- 125 car parking spaces, including 5 no. disabled spaces, 26 electric charging points and 2 Car Club spaces
- 276 bicycle spaces
- Ground level outdoor terraces designed for social interaction and workspace
- Children's playground
- Roof terrace

Overall, the development will have a high level of amenity compared to comparable BTR developments. The focus and concentration on amenity will provide a superior experience for residents.



## 5.3 Private Rental Comparisons

An important factor to consider when justifying a Build to Rent proposition is the embedded PRS market and what is currently available to renters in the local area. The following table provides a summary of comparable schemes in the districts of Dublin 20 and West Dublin with an indication of monthly rent, occupancy and on-site services available.

Image	Scheme	No. Units	Rents	Details
	Clancy Quay, Dublin 8	586	1 bed- €1,600 – €1,750 2 bed - €1,900 – €2,100	Amenities include resident only gym, cinema room, business centre, games room, community playground, bookable kitchen, on site concierge, resident lounge
	Heuston South Quarter, Dublin 8	345	2 bed- €1,825 3 bed - €1,900-€2,200	Rent-to-buy scheme part of a mixed-use development. 80,000 sqft commercial space and 2,400 employees.
	The Island, Chapelizod, Dublin 20	-	1 bed - €1,460 (average) 2 bed - €1,700 (average)	Large build to sell scheme in the centre of Chapelizod Village. No resident amenity.
	**St Edmunds, Lucan, Co. Dublin	160	2 bed - €1,750 - €1,900	BTR development arranged over 3 blocks located 2.6km west of Palmerstown.

\*Average rents derived from the most recent available listings provided by a range of local sources and do not represent a whole-scheme average.

### \*\*St Edmunds Lucan, Co. Dublin

St Edmunds is located approximately 2.6km west of Palmerstown. Phase 3 of the development has just received planning permission for a further 252 BTR units (119 one-bed, 125 two-bed and 8 three-bed apartments). Onsite amenities will include integrated amenity (express supermarket/café), concierge, creche, gym, resident lounge and roof top garden.

## 6. Conclusion

The Palmerstown site provides a strategic location for the development of a Build to Rent scheme, providing high quality accommodation and amenities that will integrate well with the local geography and demographic. The proximity to a major transport corridor means that residents will have access to key employment zones across the City Centre. Furthermore, the range of local employment opportunities including major technology firms, healthcare, education and retail, make this a location suited to people in all sectors of society.

The justification for Build to Rent is clear given the continued decline in home ownership and the increase of rental tenures. The BTR proposition is primarily targeted at a younger demographic, particularly young and established professionals, young service workers and young couples. Moreover, given the local employment context there is also reason to assume that the proposed scheme will appeal to graduates. There is clearly an emphasis on young singles and couples who will be looking for a tailored service and amenity offer that the standard private rental offer fails to provide. It is therefore crucial to ensure that there is ample provision of attractive communal amenities such as a gym, residents lounge and working space which align with the lifestyle necessities of young renters. The proposed amenities will be designed to fulfil the expectations of discerning, modern renters and encourage interaction and community among residents.

# Caveats

## General

LIV Consult has utilised its knowledge of good practice within Build to Rent developments across the UK and Ireland to inform the view for the Palmerstown scheme.

## Demographic

Despite the infancy of the Build to Rent concept within the Ireland, LIV Consult has utilised its knowledge of the typical demographic spread for developments of this type in comparable locations. We have also reflected on the Census 2016 data available to us, alongside various other data sources mentioned through the report





# Appendix A – Proposed Amenities

## Palmerstown Block A Build to Rent - 250 Units, 787 m<sup>2</sup> BTR amenity space



Proposed Plaza.



Residential Services and Amenities	sqm.
Bookable Space	59
Manager Office	11
Reception/Parcel Deliveries	52
Cafe	133
Work Space/Resident Lounge	39
Meeting Room	38
Gym	96
Games Room + Cinema (Basement)	198
<b>Total Amenities</b>	<b>626</b>
Resident Terrace - Block A	161
<b>Total Amenities and Terraces</b>	<b>787</b>



IMAGE : Block A - Basement - Not to Scale



IMAGE : Block A - Ground Floor - Not to Scale



IMAGE : Block A - First Floor - Not to Scale



IMAGE : Block A - Second Floor - Not to Scale



IMAGE : Block A - Fourth Floor - Not to Scale

