

Cookstown Castle, Tallaght, Dublin 24

Build to Rent Market Justification Report

Applicant: Joseph Costello, Absolute Limousines Ltd
and Boherkill Property Development Ltd.

liv consult

Contents

Report Objective	3
Background	4
Executive Summary	5
1. Introduction to Build to Rent	6
1.1 Sustainable Urban Housing: Design Standards for New Apartments (2018).....	6
1.2 Private Rental Demand	7
1.4 Household Size.....	8
2. Target Market and Demographics	10
3. Micro Location	14
3.1 Tallaght Town Centre Local Area Plan (LAP) 2020 – 2026	14
3.2 Description of Site and Proposed Development.....	17
3.3 Transport	18
3.4 Local Employers, Retail and Leisure.....	21
3.5 Education	24
4. Amenity Provision	25
5. Rental Market and Comparable Schemes	27
5.1 General Rent Commentary	27
5.2 Tallaght Private Rental Comparisons	28
6. Conclusion	30
Caveats	31



Report Objective

The objective of this report is to explore and provide justification for a Build to Rent development at Cookstown Castle, Tallaght, Dublin 24. The site is strategically located to the north of Cookstown Industrial Estate, within the Tallaght Local Area Plan 2020 - 2026, less than a 5-minute walk from Belgard Luas stop. A Build to Rent development in this location proposed by the Applicant Joseph Costello, Absolute Limousines Ltd and Boherkill Property Development Ltd., will meet the increasing demand for purpose built 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 and its development prospects over the medium and long term. Moreover, 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 wider area.

About LIV

LIV Group is headquartered in Leeds, UK and operates in the United Kingdom and Ireland.

LIV Group was established in 2008 to provide corporate Residential management services for the banking sector, specialising in Block Management, Facilities Management and Lettings. In 2014, LIV transitioned into the UK's Build-to-Rent (BTR) sector and has since been the first to introduce a dedicated operating model that defines every stage of a development from acquisition to operation. Together our people, skills and experience have helped us develop a market-leading advisory and management capability, which is increasingly recognised as delivering the best BTR-specific model for the UK private rented sector. In 2016, LIV Consult was created to provide bespoke and specialist consultancy advice to the BTR market in the UK and internationally and is currently advising on the development of more than 35,000 BTR homes in developments from high-rise apartment communities to suburban masterplans as well as some of the UK & Ireland's foremost BTR developments.

Today, LIV is based in 4 offices across Ireland and the UK, and working internationally within advisory, delivery and capital funding roles. Its market-leading operational model is informed by our wealth of experience in having managed over 12,000 properties in over 250 Residential sites throughout the UK. LIV has delivered operational management advice on nearly 3,000 BTR homes including both urban and suburban developments including some that we have overseen from the initial advisory stage through to their operational management. LIV occupies a unique position in having live operational schemes in both urban and suburban locations as case studies to inform our continually developing BTR approach to consultancy in the UK & Ireland.

Information available here: <https://www.liv-group.co.uk/>

Background

The proposal is for i) *Demolition of the existing industrial buildings; (ii) construction of a mixed-use development featuring: (a) 1104 no. 'build-to-rent' apartments in 4 no. blocks varying in height from four to eleven storeys; and (b) 4 no. commercial units at ground floor level of Blocks B and D, 1,500sqm of office space across first to sixth floor levels of Block D and a crèche, with associated outdoor play area, at ground floor level of Block C; (iii) road, junction and streetscape upgrade works along First Avenue, Cookstown Road and Old Belgard Road, including the installation a signalized junction at the intersection of First Avenue and Cookstown Road and Old Belgard Road and Cookstown Road; (iv) construction of 3 no. new roads and 1 no. pedestrian/cycle link to the Belgard Luas Stop; (v) construction of a public plaza in the south-western corner of the site; and (vi) associated site and infrastructural works are also proposed which include: foul and surface water drainage; attenuation tanks; lighting; landscaping; boundary fences; plant areas; ESB substations; internal hard landscaping, including footpaths and street furniture; and all associated site development works.*

The Applicant intends on creating a Build to Rent community which will provide rental homes for those living and/or working in the area or in surrounding employment hubs. To comply with Part V of the Planning and Development Act 2000, the scheme will provide for 10% of units to be allocated as social housing.

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 is it 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, the Applicant 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, development size and the target market. Please refer to the architectural drawings for a detailed description.

Executive Summary

Cookstown Castle will be proposed to South Dublin County Council in an application to provide 1,104 apartments and a range of on-site communal amenities including residents' lounges, gym facilities, co-working space, roof top lounges and terraces, outdoor landscaped areas, children's playground and private meeting/play space. In addition to these resident amenities provision will also be made for 4 no. commercial units and 1,500sqm of office space.

The scheme will be unique in terms of its proposed scale, which is significant when noting Tallaght's substantial pipeline of high-density residential developments. The comprehensive nature of the site in conjunction with its proximity to major transport connections and the thriving local development context will enable the site to attract a considerably wide demographic. While still a relatively new concept in Dublin, Government backing for Build to Rent has been obtained for many suburban developments. The government's confidence in introducing the BTR proposition to the suburbs is motivated by a push to mobilise the untapped potential of South Dublin's attractive socio-demographic profile.

Within a 1.5-mile radius of Tallaght:



84% of residents are Economically Active



34% of residents are between the ages of 25 to 44



48% of residents use Public and Green methods of transport daily



19% of households are privately rented

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 addresses 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 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, across all age groups but particularly among the 25-44 age cohorts. There is also a greater market demand for higher density apartment living in Dublin when compared 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. The latest Rental Report presented by Daft.ie (Q1 2020) reveals that the first quarter of the year saw rents in Dublin between 3-5% above the first quarter of 2019. The report also revealed that the average rent per month in South County Dublin was €2,249 which increased 2.7% over the past year. By comparison, the average Dublin City Centre rent was €2,111 per month, which is an increase of 3.1% 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 in Ireland 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 in 2006 to a 70:30 split in 2016 (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.

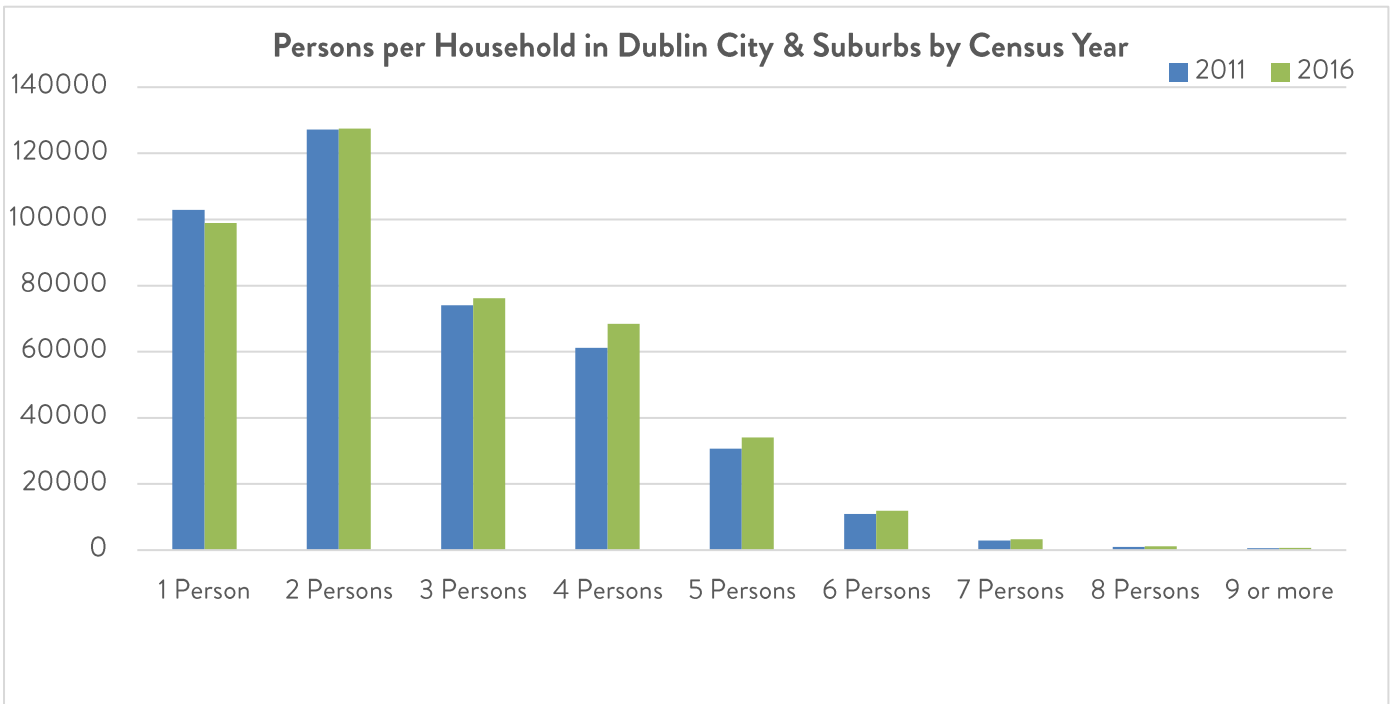
Focusing on delivering a holistic resident experience ensures that the provision of onsite amenity is designed to meet the practical needs of the resident and serves to build a cohesive sense of community by encouraging residents to interact and share these spaces with one another. Ultimately, the successful 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 groups 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 1,104 No. purpose-built rental units within the proposed development, which represents one of the largest and most comprehensive purpose build rental propositions in Tallaght's development pipeline.

1.4 Household Size

Across Europe, there is evidence of shifting trends towards housing compositions that favour smaller average household sizes. In Dublin City, the average household size has reduced from **2.67 in 1996 to 2.48 persons in 2016.**

Within Dublin City and its suburbs, **1 and 2-person households** account for over **53%** of all households when combined (CSO, 2016). Moreover, the CSO (2016) highlights that within Dublin City and its suburbs, **one-person households** accounted for the second largest proportion of all households after married couples with one child. The range of households by composition is illustrated in the graph below.

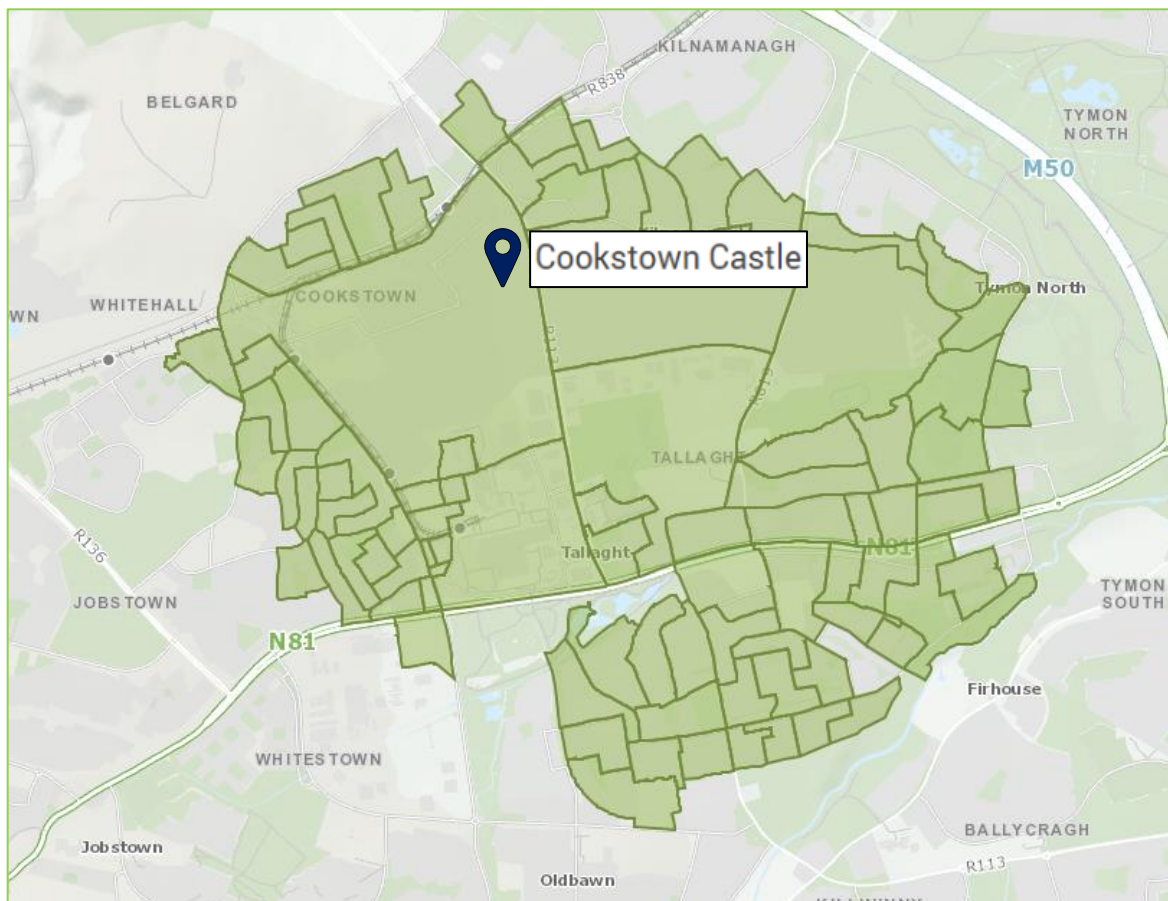


While the number of 3, 4 and 5-person households has seen a marked increase between 2011 and 2016 they still represent only a marginal proportion of total households, hence the provision of 45 units within the proposed scheme is sufficient to meet the current level of demand and any increases in future demand. Clearly, 1 and 2-person households continue to dominate Dublin’s housing composition and so the quantum of units in this development designed for smaller households is reflective of current market conditions and future population projections.

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 in 2019 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 2,982 properties marketed to rent in the city in June 2020 from a base of 114,462 rental properties, this means there is a vacancy rate of 2.6% (CSO, 2016). Dublin's rapidly increasing population and sluggish stream of supply have seen rents consistently 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. Tallaght 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 1.5-mile radius) surrounding Tallaght 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; having a sizeable youthful cohort aged between **20 and 34** in the local area is especially positive. Within a 1.5-mile radius of Tallaght there is a population of 25,923 of whom **84% are economically active**, with a further **7% of residents identified as students**. Moreover, approximately 34% of all residents are aged between 25-44 which is the target age for BTR development. Therefore, the demographic composition of Tallaght indicates that there is a suitable mix of economically active residents within the ideal age range in the immediate local area.

Housing Mix:

The proposed development will provide for 132x Studios, 475x 1 beds, 452x 2 beds and 45x 3 beds across 4 blocks. The mix of units is reflective of the increasing trend towards smaller households of 1-2 persons. Studios and One beds are suitable for 1-2 persons, whilst depending on the household composition, for example, Couples, Sharers or Families, the larger Two and Three-bedroom apartments are appropriately designed to cater for these demographics.



Age and Tenure:

As mentioned, **34%** 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, **11%** 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	4,930	19%
15 - 24	2,747	11%
25 - 44	8,950	34%
45 - 64	5,284	20%
65 +	4,012	16%
Total	25,923	100%

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, on a more local scale we can expect many of the existing young residents in Tallaght and the surrounding area to be residing within existing private rented accommodation. Around **19%** of all tenure types in Tallaght are identified as Private Rented,

approximately 2,353 households.

As an emerging rental proposition, BTR has been found to not only appeal to **Sharers** but also to **Young Families** and **Professional Singles and Couples**. 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. The suburban context of the subject development and targeted amenity provision of a playground/outdoor amenity space will be particularly attractive for Young Families looking to rent in the suburbs. There is also a considerable opportunity to attract graduates 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 1.5-mile radius of Tallaght, as defined in the graphic on page 10.

Households by Tenure:		% of Households	
Private Rented	2,353	19%	
Social Rented	1,161	9%	
Owner Occupied with mortgage	2,602	21%	
Owner Occupied without mortgage	6,187	51%	

Source: Dublin Census 2016- accessed via AIRO Map

The mix of homeowners to renters in Tallaght 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 **19% 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 Tallaght to attract. These are illustrated in the table overleaf.

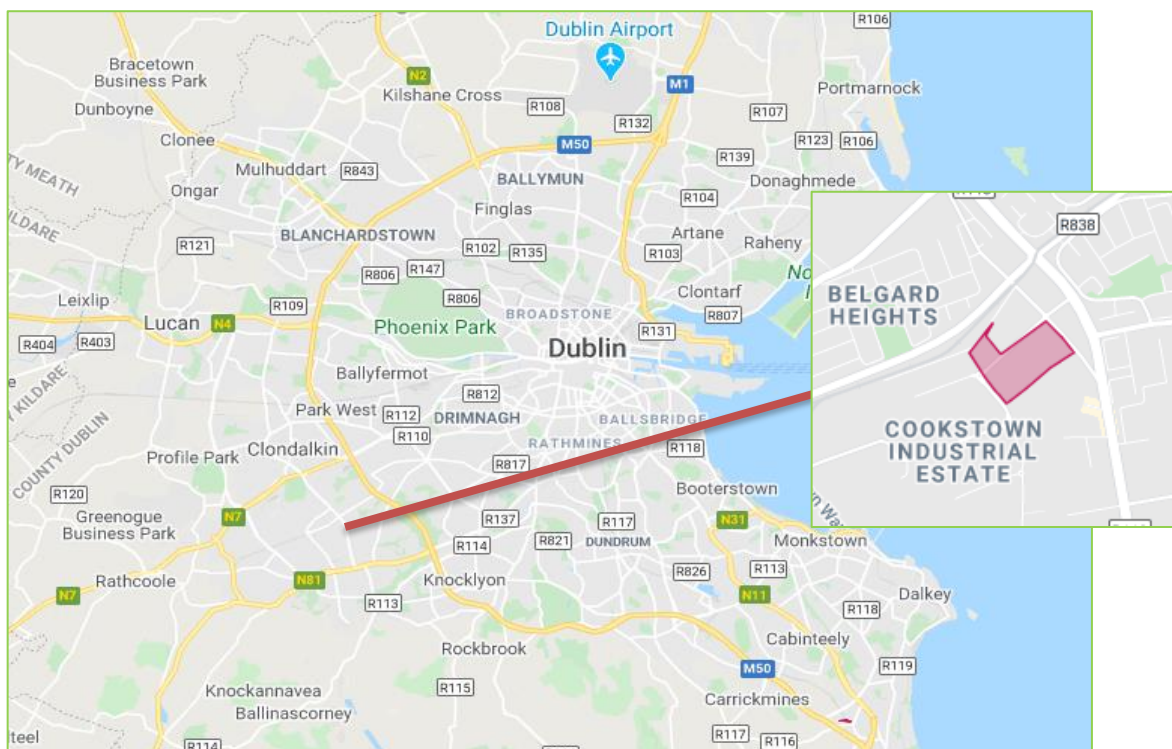
Graduate	Young Professional	Young Families	Key Workers	Established Professionals
 <p>Aged 20 to 24</p> <p>Singles working locally in white-collar employment</p> <p>University leavers working within their first and second jobs.</p>	 <p>Aged 25 to 35</p> <p>Singles or couples working locally in white-collar employment</p> <p>Employees range from associate to managerial level.</p>	 <p>Aged 36 to 44</p> <p>White and blue-collar employment</p> <p>Employees range from associate to managerial level.</p>	 <p>Aged 18 to 35</p> <p>Single / Couples</p> <p>Working locally within local education, health or various other public sector roles.</p>	 <p>Aged 36 to 55</p> <p>Established professionals working locally</p> <p>Professionals working at managerial level across a range of employment areas.</p>

3. Micro Location

In our justification analysis for the site’s location, consideration is given to its accessibility to Dublin City Centre but also local employment hubs such as City West Campus, Grange Castle, Broom Hill, Tallaght Business Park, Ballymount and Parkwest business park, most of which are accessible by Luas.

Location:

- 9km south-west of Dublin City Centre
- 3km south of Ballymount
- 3km east of Citywest Business Campus



Source: Google Maps (2020)

Maximum 50 minutes public transport door-to-door:

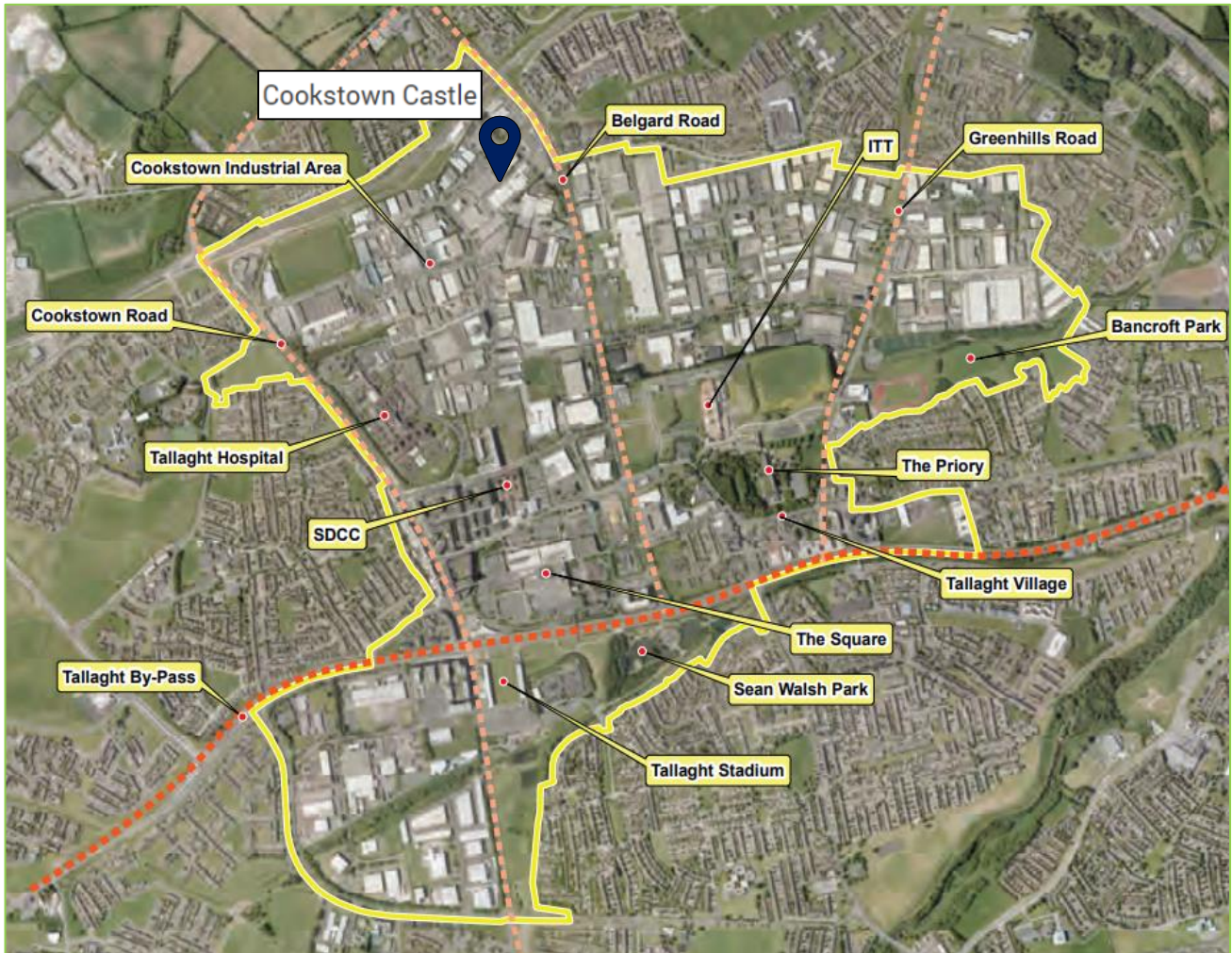
- Tallaght Business Park
- Broomhill Industrial Estate
- City West Business Park
- Park West Business Park
- Ballymount Industrial Estate
- Grange Castle Business Park
- Sandyford Business Park
- Dundrum Shopping Centre
- Dublin City Centre

Maximum 30 minutes’ drive:

- Dublin City Centre
- Grand Canal Dock
- Four Courts
- International Financial Services Centre
- Trinity College Dublin
- UCD

3.1 Tallaght Town Centre Local Area Plan (LAP) 2020 – 2026

Tallaght Town Centre’s LAP provides a strategic framework for further sustainable development to take place within the local area to further enhance employment opportunities and economic productivity.



Source: Tallaght Town Centre Local Area Plan (LAP) 2020 – 2026

The map boundary, highlighted above in yellow, represents the LAP lands which include Tallaght Town Centre and surrounding neighbourhoods being targeted for development. Cookstown Castle clearly sits within the defined boundary of the LAP and will not only benefit from these economic and environmental improvements but will also contribute significantly to the LAP’s aim to transform Tallaght into a thriving urban hub over the next 6 years.

Over the next 20 years, the LAP lands have the potential to accommodate a population of **38,000 people, in addition to a maximum of 12,800 new homes** within the lifetime that the plan is in place. A summary of the LAP’s proposals is provided overleaf.

Summary of the Tallaght LAP:

- Delivery of a mix of new employment spaces (570,000 – 917,00 m2 commercial)
- 4,700 – 12,800 additional jobs
- Development of Tallaght Stadium's Fourth Stand
- Enhancement and re-development of The Square Shopping Centre
- Provision of cycling and pedestrian infrastructure links
- Development of new transport interchange at The Square Shopping Centre
- Provision of new schools
- Improvements to the local street network including extensions to Airtown Road and Cookstown Road
- Enhancement of existing green spaces
- Creation of a network of public open spaces

(Source: Tallaght Town Centre Local Area Plan 2020-2026)

In the context of the Tallaght LAP, the proposed development at Cookstown Castle will contribute significantly to the overall number of new homes planned. The strategic location of this site, adjacent to the Belgard Road Luas stop will act as a pivotal location for development and will commence the transformation of the area.

3.2 Description of Site and Proposed Development

Local Context

Cookstown Castle is located along Belgard Road in Cookstown Industrial Estate and directly opposite Broomhill Industrial Estate. The scheme is less than a 5-minute walk from Belgard Luas station, 5 minutes from The Meath Foundation (Hospital) and a 10-minute walk to The Square Shopping Centre. The image below defines the proposed site boundary:



Tallaght is currently undergoing a transformation from a commercial district into a new urban quarter. Major developers including with Marlet, Greenleaf Group and Glenveagh are seizing the opportunity to replicate what is happening in other well-connected suburbs (eg. Sandyford) and are all planning to deliver their own BTR product within the next five years. In total there are **9 BTR schemes** at various stages of development in Tallaght which give a combined delivery capacity of almost **2,800 new homes**. Marlet have received approval to develop 438 residential units and 403 student beds; Greenleaf Homes have received approval to develop a

502-unit scheme with integrated retail and residential amenity, scheduled for delivery 2022-23; and Glenveagh have proposed 500 units at The Square which is currently under consultation.

The emerging local context mainly consists of low to mid-rise residential along with some local commercial and retail uses. Local amenities within walking distance include The Square Shopping Centre, ALDI and Leisureplex Tallaght.

The scheme aims to deliver a high standard of onsite resident amenities such as a 24-hour security, co-working space, gym, creche facilities, games room, a resident's lounge and roof gardens. A significant amount of outdoor amenity space will also be provided via landscaped courtyards and green walkways throughout. A central commercial plaza will be located along the south western boundary which will provide a focal point for the development, overlooking extensive open space.

3.3 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 Tallaght 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, **48%** of people currently living in the area surrounding Tallaght 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 low distribution of major transport links. While there is the presence of the LUAS line, it is prohibitively far from many households in the area and more convenient for residents to drive. Due to ease of access to the M50 motorway via the N7 or N81 it is clearly more convenient for residents to rely upon their car rather than the bus or Luas service. However, given that the site is located less than a 5-minute walk from the Belgard Luas stop it is reasonable to assume that residents will take advantage of this conveniently located 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.

Car

Tallaght's proximity to the N81 dual carriage way and the R838 allow residents to reach the M50 motorway in under 10 minutes; Dublin City Centre is therefore only a 30-minute car journey and Dublin Airport less than a 25-minute journey.

Major local employment hubs – Tallaght Business Park, Broomhill Business Park, Ballymount Industrial Estate, Citywest Business Campus and Park West - are less than a 10-minute drive from Cookstown Castle.

Bus

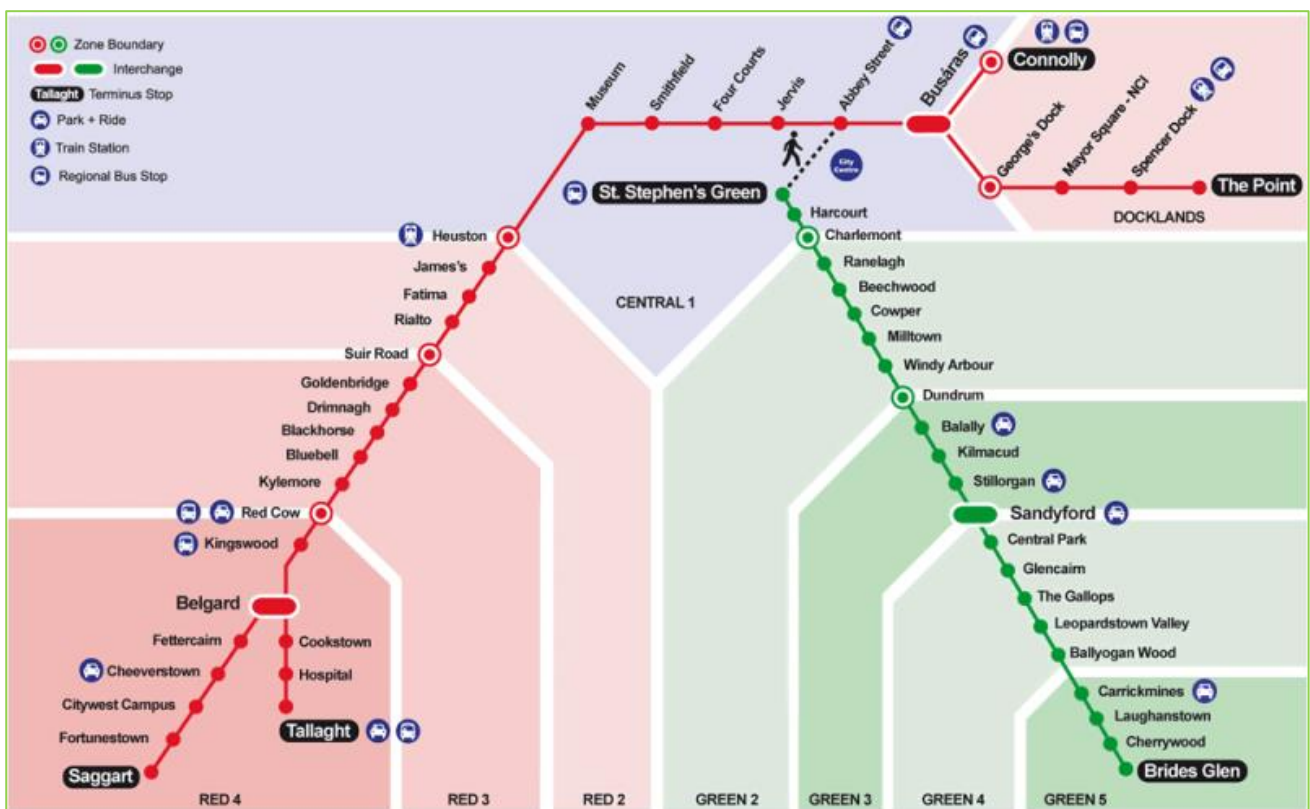
Several bus routes connect Tallaght to Dublin City Centre and surrounding towns, including routes 27, 175 and 77a which directly serve Tallaght Town Centre.

The journey from the Belgard Square North bus stop to the Citywest Business Campus takes approximately 21 minutes. From the same bus stop, one can reach Tallaght Business Park in around 12 minutes (via services 27, 54a, 77a, 175), Ballymount Industrial Estate (via service 27) in around 30 minutes and Park West Business Park (via services 27 connecting with the 151) in 45 minutes.

LUAS & Train

The Belgard LUAS stop is located a 5-minute walk from the proposed site and runs through to Dublin City Centre every 5 to 10 minutes during peak hours. The Red LUAS line provides a direct connection from Tallaght to the City Centre in approximately 40 minutes and to Dublin Docklands in approximately 47 minutes.

Major local employment hubs can be reached in under 30 minutes: Citywest Campus (8 minutes), Ballymount Industrial Estate, Park West via Kylemore stop (10 minutes) and Tallaght Business Park (26 minutes).



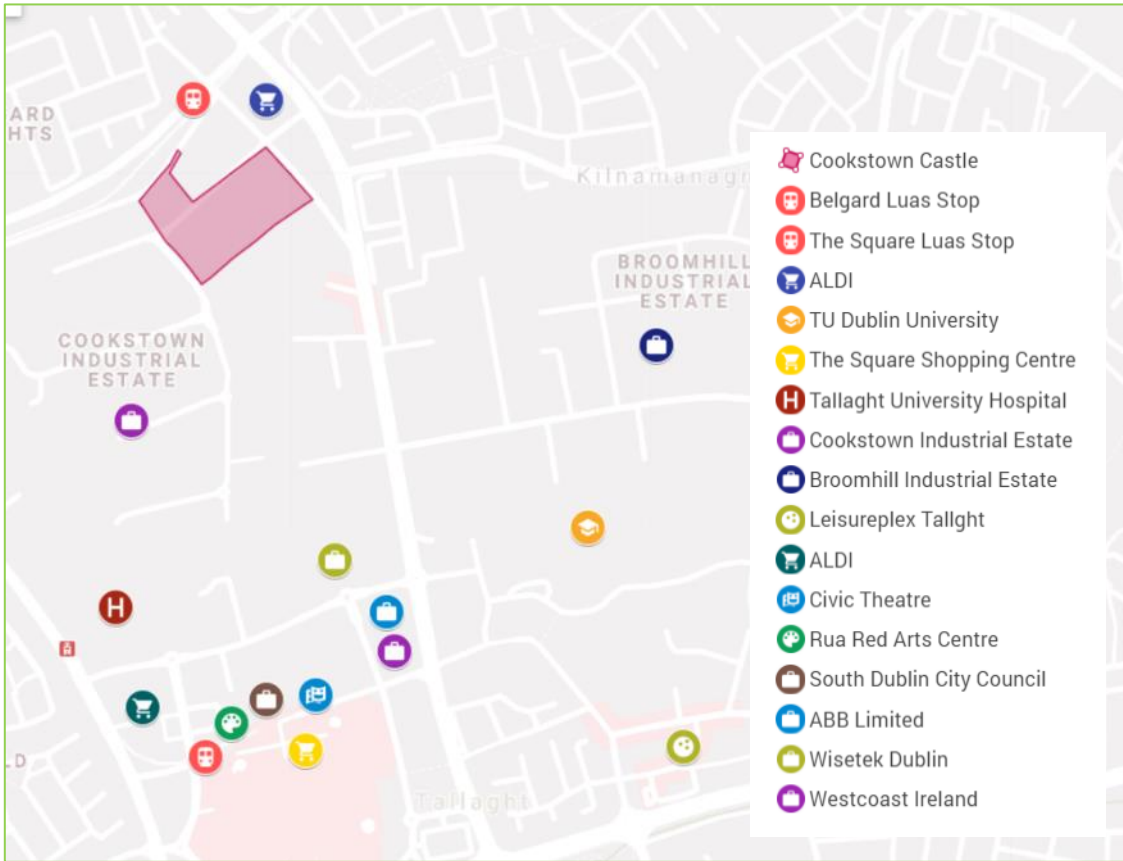
Cycle Infrastructure

Extensive provision is made within each block for cycle storage, with a total of 1,464 resident spaces, and a further 396 visitor spaces allocated. The quantum of proposed cycle storage will encourage residents to consider more sustainable means of local transport by utilising the dedicated cycle routes in and around Tallaght. There is a cycle route directly in front of the site stretching the full length of Belgard Road, allowing residents to safely cycle around the local area and access all of Tallaght's major amenities and employment zones (Tallaght Business Park, Cookstown Industrial Estate, Broomhill Industrial Estate, The Square, the Leisureplex and various Luas stops – Belgard, Hospital and The Square) within 10 minutes.

Currently, around **48%** of residents in Dublin 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.

3.4 Local Employers, Retail and Leisure

It is important to note highlight is the sites' proximity to local retail and leisure amenities as well as to prominent employers and companies in Tallaght. 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)

The amenities highlighted above that are within walking/cycling distance of the site include:

Amenity	Journey Time from Cookstown Castle
Broomhill Industrial Estate	10-minute walk / 4-minute cycle
ALDI	5-minute walk / 2-minute cycle
Belgard Luas Stop	
Tallaght University Hospital	5-minute walk / 2-minute cycle
TU Dublin (Tallaght Campus)	17-minute walk / 7-minute cycle
The Square Shopping Centre	10-minute walk / 4-minute cycle
Leisureplex	21-minute walk / 8-minute cycle
Tallaght Business Park	12-minute cycle

Belgard Luas stop (Red Line) will provide residents easy access to major employment hubs such as Park West, Ballymount Industrial Estate and, of course, Dublin City Centre. A summary of journey times to major employment zones via public transport is provided below:

Amenity	Journey Time from Cookstown Castle
Park West Business Park	10 minutes via Luas (Belgard)
Ballymount Industrial Estate Citywest Business Campus	22 minutes via Luas (Belgard)
Dublin City Centre	37 minutes via Luas (Belgard)
Grange Castle Business Park	48 minutes via Luas (Belgard) and 68 Bus service

The business parks and employment zones above are home to a wide variety of major employers including DPS Group Global, Nissan, Applegreen, Allianz, BT Ireland and Xilinx. Due to the scheme’s accessibility to major transport links and the strong local employment offer, we can expect that Tallaght will likely attract residents from surrounding communities.

Summarised below are some of the main employers and amenities in Tallaght, Citywest Business Campus and Park West. These companies represent some of Dublin's largest and most reputable employers and offer wide range of opportunities from graduate/entry level to managerial roles. Given that the target market for Built to Rent is young professionals, service workers and graduates, we expect that there will be a proportion of residents employed at the following locations.

Employers		
Company	Industry	Comments
Nissan Ireland, Park West	Motor/Transport	National HQ of the global car manufacturer based in Park West
Applegreen HQ, Park West	Energy	Irish energy company with national HQ based in Park West
LetsGetChecked, Park West	Health/Medical	250 staff
Workhuman, Park West	Professional Services	270+ staff
Allianz, Park West	Finance	Anchor occupier at Park West
Arkphire, Park West	IT	200 staff
BT Ireland, Citywest Business Campus	IT/Communications	800 staff
DPS Group Global	Project Management and Engineering Services	Global HQ based in Citywest
Adobe Software Ireland, Citywest Business Campus	IT	National HQ based in Citywest
Unilever Ireland, Citywest Business Campus	Consumer Goods	National HQ based in Citywest
Pfizer Healthcare, Citywest Business Campus	Health/Medical	Comprises one of Pfizer's six major operations in Ireland
Xilinx, Citywest Business Campus	Technology	Regional HQ based at Citywest with 450 staff
Bank of Ireland, Tallaght	Finance	500+ staff
Henkel Ireland	Chemical/Industrial	€18million European hub is based in Tallaght
The Meath Foundation	Health	3,000+ staff
TU Dublin, Tallaght	Education	380+ staff
Amenities		
The Square Shopping Centre		
Leisureplex, Tallaght		
The Meath Foundation		
Tymon Park		
Transport		
Luas: Red Line stops including Citywest Campus, Red Crow, Kylemore (Ballymount Industrial Estate), Heuston and Dublin Docklands		

3.5 Education

It is important to consider the proximity of educational institutions as these are major source of employment and graduate activity. Dublin presents the most opportunities for graduates in Ireland of which 42% of Honours bachelor's degree holders, 30% of Higher Diploma and 35% of Postgraduate Diploma graduates have found jobs in Dublin. These figures are based on an analysis of First Destination University Graduates across Ireland's main universities (Higher Education Authority, 2018). According to CSO (2016) data for the area surrounding Tallaght, 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.

There are several schools within reasonable proximity to Tallaght including primary, secondary and further education institutions. Further schools are proposed under the Tallaght LAP.

School	Journey Time
Solas Christ National School (primary)	19-minute walk
St Kilians Senior National School (primary)	13-minute walk
TU Dublin (Tallaght Campus)	18-minute walk
St Annes Primary School	15-minute walk
St Marks Senior School	
St Mary's National School	19-minute bus journey

TU Dublin is a new technology university which has been created through the merger of Dublin Institute of Technology (DIT), **IT Tallaght** and IT Blanchardstown. The central campus is located on a 70-acre site in Grangegorman, Dublin 7. The new university will welcome around 20,000 students and 2,000 staff and will sit amongst Dublin's similarly prestigious institutions including Dublin City University, Trinity College Dublin (TCD) and University College Dublin (Silicon Republic, 2018).

The Tallaght campus of TU Dublin currently has almost 4,000 undergraduates and over 60 postgraduates enrolled. The campus is a leader in research, and they have recently opened their new research Centre for Applied Science and Health. They received major funding from the Strategic Innovation Fund to develop the teaching and learning environment within the institute.

Within Project Ireland 2040 the government pledged to increase investment in Technology Institutions and galvanise practical technology-driven expertise across the regions, they aim to deliver 11 higher education facilities across the country with capacity for over 8,000 students. The first instalment of projects that will go out for tender consists of six schemes spread across Ireland, of which Tallaght and Blanchardstown will be the first two Dublin-based recipients of the investment pledge. This first bundle of projects will go out to tender immediately, with the second expected to go to tender in Q1 2021.

4. Amenity Provision

Tallaght Proposed Facilities



Cookstown Castle makes provision for a 1,104-unit development providing 132x Studios, 475x 1 beds, 454x 2 beds and 45x 3 beds. The scheme is laid out over 4 blocks (Blocks A, B, C and D), with unit numbers ranging from 152 – 350 per block. The proposed layout will allow for phasing throughout the development. The buildings will be situated within extensively landscaped surroundings with space for social interaction and leisure. Each block will be arranged with an enclosed private courtyard with green walkways connecting each block, creating a cohesive pedestrian journey across the development.

The majority of the onsite amenities for each block are located at the ground floor level with roof gardens and lounges at the 7th and 8th floors (Block A, B and C). A reception/concierge area will be located at the entrance of the development, just off Cookstown Road, which will be a focal point of the development designed to create a welcoming place for new and existing residents to congregate and meet with the community staff.

Resident facilities throughout the development will include:

- Resident's lounges
- Gyms
- Stand alone Lounge/ Clubhouse
- Creche and outdoor play area
- Co-working space and 1,500sqm of office space on the sixth floor of Block D

- Games and Multimedia Rooms
- Private bookable space suitable for meetings/ private parties/ community and group events
- Circa 351 car parking spaces, including 17 no. disabled spaces (Provision made for Electric car charging points and a car sharing club, e.g. Go Car)
- Secure bike storage with 1,464 resident spaces and 396 visitor spaces (1,860 total)
- Ground level outdoor terraces designed for social interaction and workspace
- Extensive landscaped areas including private courtyards and landscaped walkways between each block

Commercial amenities which will be available to the local community will include two units for a café/restaurant at the ground floor of Block B, and two units at the ground floor of Block D. The commercial units allocated for Block B will include an outdoor public plaza that will figure as part of an extensive landscaped area as a way to encourage social integration. In warmer summer months this area can be used for community events and gatherings.

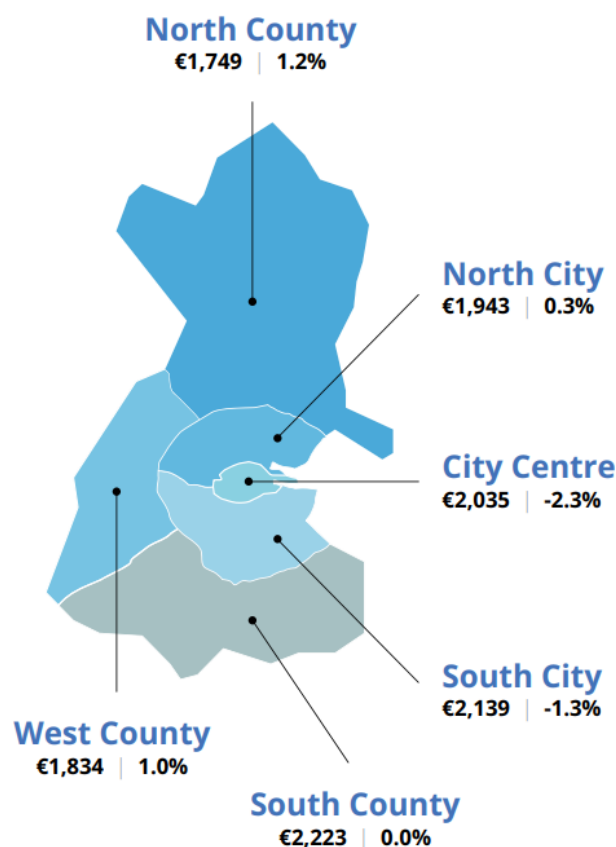
Overall, the development will have a high level of amenity which is not currently available in the local area. In total 2,741 sq. m 29,504 sq. ft of Resident amenity will be provided throughout the development. The focus on resident well-being, community creation and amenity provision, will provide a superior experience for residents and make this a standout rental community. The provision of commercial and retail space will provide amenities for people living locally and given the proximity to the Luas, it should activate this area.

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 Q3 2020 report on national rent data indicates that the average rent in Dublin City is €2,035 per month, whilst the South County is €2,223 per month. Since the rental trough in mid-2011, rents in Dublin have risen a staggering 101%. The Covid-19 pandemic saw rents fall 2.5% from March to April, however, prior to this, rents across Dublin in Q1 were between 3-5% higher than the same time last year.

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



Source: Daft.ie (2020)

5.2 Tallaght 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 the current rental market in Tallaght, which includes a sample of 225 apartments marketed from January to September 2020.

Unit Type	Average Rent	Min Rent	Lower Quartile	Upper Quartile	Max Rent	Sample
1 Bed	€ 1,396	€ 1,200	€ 1,250	€ 1,505	€ 1,750	44
2 Bed	€ 1,686	€ 1,400	€ 1,566	€ 1,800	€ 2,200	115
3 Bed	€ 2,012	€ 1,717	€ 1,860	€ 2,100	€ 2,500	66

To provide a more refined view of the above comps we have specifically reviewed institutionally owned PRS developments in Tallaght that can be considered as base comparables to the scheme under consideration.

Scheme Name	Tallaght Cross West	Priorsgate, Tallaght	The Laurels, Tallaght	Tallaght Cross East
Image				
Landlord	IRES	IRES	IRES	Comer Group
Total Units	460 (507 in total)	103	19	441
Breakdown	161 x one bed, 237 x two bed and 44 x three bed	Unknown	4 x one bed, 13 x two bed and 2 x three bed	Unknown
Advertised Rents	1 bed €1,230 - €1,680	1 bed €1,345 - €1,600	No units advertised to rent in past 6 months. Scheme current average of €1,333pcm	1 bed from €1,375
	2 bed €1,600 - €1,840	2 bed €1,760 - €1,875		2 bed from €1,600
Occupancy	99.80%	99%	100%	Unknown

Scheme Name	Abberley Square, Tallaght	Arena Centre, Tallaght	Tuansgate, Tallaght
Image			
Landlord	Seapoint Capital	Seapoint Capital	Build to Sell Scheme - Burlington Real Estate have a large portfolio
Total Units	59 (106 in total)	63 (230 in total)	Unknown
Breakdown	20 x one bed, 34 x two bed and 5 x three bed	20 x one bed, 35 x 2 bed and 8 x three bed	Unknown
Advertised Rents	-	-	1 bed €1,250 - €1,310
	2 bed €1,650 - €1,750 (2 bed duplex €1,900)	2 bed €1,500 - €1,924	2 bed €1,650 - €1,750
	3 bed €2,200	3 bed €2,100	-

Source: Daft.ie, IRES 2019 Annual Report and thecomergroup.com - June 2020

Tallaght Cross West and Priorsgate represent IRES's most recent activity in Tallaght. IRES received planning permission for the conversion of unused commercial space to 18 residential units at Cross West in March 2018. Construction began in 2019 and the units were completed in March 2020. In addition to this, IRES were also granted planning permission in 2020 for the conversion of unused commercial space into five residential units.

Within IRES REIT's prime suburban portfolio, occupancy rate ranges 99.5% to 100%, demonstrating a strong uptake for first-generation rental apartments outside Dublin City Centre, with some located in the Tallaght area. We can assume that the strong occupancy rates being demonstrated amongst the local PRS market, including those without any resident's amenity and built up to ten years ago, as a positive indicator for emerging purpose-built and customer-service focused BTR in this location.

6. Conclusion

The proposed BTR development at Cookstown Castle occupies a pragmatic and attractive location for a Build to Rent scheme, providing high quality accommodation and amenities that will enhance the residential appeal of the local geography. The site's walking proximity to the Luas means that residents have easy access to key employment zones across the surrounding suburbs and City Centre, in addition to the local offering. This includes some of Dublin's largest employment hubs with occupiers including major technology firms, healthcare companies, education institutions, hospitals and retail centres, which ultimately makes this a location that will attract a broad and diverse cross section of residents.

In addition to the immediate geographical benefits of the scheme, the continued decline in home ownership against the increase of rental tenures across Dublin provides further justification for introducing Build to Rent in an emerging urban hub such as Tallaght. The BTR proposition is primarily targeted at a younger/ mid age level demographic, particularly junior and established professionals, service workers, couples and small families. Moreover, given the local employment and education context there is also reason to assume that the proposed scheme will appeal to graduates who want to stay in the area. The trend of smaller household sizes is supported by this development, with a high level of Studios, One and Two beds, whilst an appropriate number of larger three-bedroom units are also provided. The proposed unit mix ensure flexibility for residents, allowing them to evolve and move within the scheme should their requirements change. This mix supports long term rental and professionally managed developments with a focus on resident wellbeing.

The proposed development has been designed with the resident in mind, with 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 resident's lounge and gym which align with the lifestyle necessities of modern renters. The proposed amenities will be designed to fulfil the expectations of discerning, modern renters and encourage interaction and community among residents and the wider community.

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 Cookstown Castle.

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.

