

White Heather, Dublin 8

U and I (White Heather) Ltd

Build to Rent Market Justification Report

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 White Heather, Dublin 8. The site is situated on the southern fringe of the Dublin 8 postcode district, located just off South Circular Road, fronting onto the Grand Canal. The development, which is being proposed by U and I (White Heather) Limited will meet the increasing demand for purpose built rental accommodation with a focus on community in this fringe city centre location.

This report offers an overview of the socio-demographic data relating to Dublin 8, together with reflections on the merits of the area as a development prospect 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.

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



Development Description

Permission is sought by U and I (White Heather) Limited for a Strategic Housing Development at the White Heather Industrial Estate, South Circular Road, Dolphin's Barn, Dublin 8 and No. 307/307a South Circular Road, Dublin 8 and an industrial building at 12a St James's Terrace. The 1.535ha site is bounded by the Grand Canal to the south; Our Lady of Dolours Church and residential dwellings on the South Circular Road to the north; Priestfield Cottages to the east; and residential dwellings at St James's Terrace to the west.

A new residential neighbourhood development of 335 no. units is proposed to make efficient use of this residentially zoned site, which benefits from high-quality amenity space along the Grand Canal and access to high-quality transport links. The site benefits from the opportunity to access the existing Dolphins Barn neighbourhood facilities, as well as enhancing the connectivity of the area for the Dublin 8 community as a whole. A core principle of the proposed residential scheme is to put residential amenity and recreation to the fore, opening up the site and the local area to the Grand Canal.

The proposed development is intended to provide for a vibrant and diverse community, while delivering a connected residential neighbourhood which knits in to both the established and the emerging residential developments in the area. High-quality landscaping and public realm, with a focus on the creation of distinctive character areas is proposed. A new street will run east-west across the north of the site and the creation of a new public space at the heart of the proposed scheme will connect to a publicly accessible linear park along the canal to the south. Permeability is a key feature of the proposed pedestrian realm, including a mix of dedicated and shared surface areas through the site with a c. 190 m continuous amenity strip along the Grand Canal Linear Park.

The entrance to the scheme will be from the existing junction at the South Circular Road, which will be reconfigured and upgraded. The existing access road at St James's Terrace will provide pedestrian access only to the development. Car parking is proposed at undercroft and at surface levels, with a number of dedicated car sharing spaces in convenient locations. Covered and secure bicycle storage facilities are located at undercroft and at surface level, adjacent to block entrances. A sustainable travel approach has been adopted, particularly with regards to access to Dublin City Centre, with the Luas (850m) and Dublin Bus stops adjacent to the development site. The City Centre area is also accessible by bicycle and walking, at approximately 10 and 30 minutes respectively.

The proposed residential mix includes a combination of studio units, 1-bedroom apartments, 2- bedroom apartments units within 7 no. blocks and a terrace of 3-bedroom townhouse units. A change of use of an existing residential building at 307/307a South Circular Road to be used as a shared workspace. The proposed Part V social housing requirement is provided at 10% in 2 no. discrete blocks within the proposed scheme. This high-quality Build to Rent scheme will also include 2 no. cafés and a 2-storey creche unit, while the residents will also have access to residential amenity areas at ground floor level and at fifth floor level with access to a roof terrace area overlooking the canal. A landscaped square will be accessible to the public, with private open space and

amenity areas for the residents also provided including children's play areas and roof level terraces. Building heights range from 2 no. to 10 no. storeys, with finger blocks arranged in a north-south direction and height tapering down from the centre of the site to the boundary.



Background

The applicant intends on developing and operating a Build to Rent Development that provides 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 under consideration will provide for 10% of units to be allocated as social housing.

The purpose of this report is to demonstrate that there is demand and requirement for Build to Rent accommodation in the area of Dublin 8. 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'. These guidelines state 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 underlying premise behind 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, LIV Consult have provided expert input into the design finalisation to enhance resident experience and to demonstrate that the Build to Rent development has the appropriate market demand.

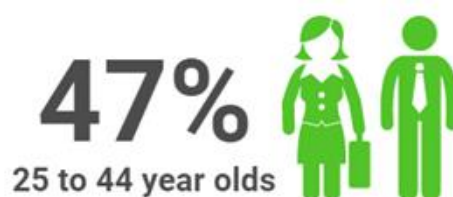
The amenity offer has been carefully curated to ensure it is appropriately scaled for the location, development size and the target market. Please refer to the O'Mahony Pike drawings for a detailed description.

Executive Summary



The Applicant is proposing a BTR Development of 335 units. Accompanying this will be a range of on-site amenities to serve the community and enhance the living experience for future residents. White Heather is conveniently located along the Grand Canal, within walking distance of central amenities and just 2.2km from the City Centre. The site and the wider Dublin 8 area benefits from excellent transport links including the Luas Red line and Dublin Bus.

Local Demographics:



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 was updated with the **Housing For All Plan in September 2021**. The plan acknowledges the lack of rental supply with the commitment to supplying up to 30,000 homes per year each year up to 2030. The plan emphasises the need for this delivery to be through a variety of channels, social, affordable and private.

The Housing For All Plan recognises that the housing stock in Ireland was not built with the needs of long-term renters in mind and highlights the need for the provision of accommodation for the long-term rental market with appropriate offering for a high quality of life. Furthermore, the policy sets out the aim to provide longer or indefinite tenancies to residents.

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 continues to be subject to intense pressure as increasing urbanisation and shifting demographics continually underpin record levels of demand. The Covid-19 pandemic initially disrupted the trend of quarter-on-quarter rent growth in Dublin however, the two quarters of 2021 saw a full recovery to pre-Covid conditions. Underlying demand for rental accommodation remains strong with the latest Rental Report by Daft.ie (Q4 2021) reveals that rents across the country increased 10.3% - the 37th consecutive quarter in which rents are higher than the previous year and the highest increase since 2018. In Dublin, rents have risen across all six main markets in Q4 (North, West and South Counties, and North City, City Centre and South City) which is the fourth time in a year that all markets have risen at once. Rents in suburban well-connected areas have seen the largest rise with the North, West and South County markets reporting increases between 7.9%-13.9%. The City markets have also seen robust increases in rents reporting 9.8% growth in the North and 7.2% in the City Centre. South City in which White Heather sits has been the third most resilient market in Dublin, with 8.3% growth on Q4 2020. What this shows is that demand continues to drive rents with a limited supply and availability since the return of renters to the Dublin markets post pandemic.

Supply has been reported as at an all-time low with Daft reporting a 73% decrease in the availability of homes for rent on the same date a year previous. Recording just 712 as listed for rent demonstrates the lowest stock figures ever recorded by Daft since the commencement of the data set in 2006. In response to the underlying market demand, the BTR sector has evolved and become a recognised form of housing. Build to Rent schemes are generally of a high-quality design and with ready access to amenities 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.

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.

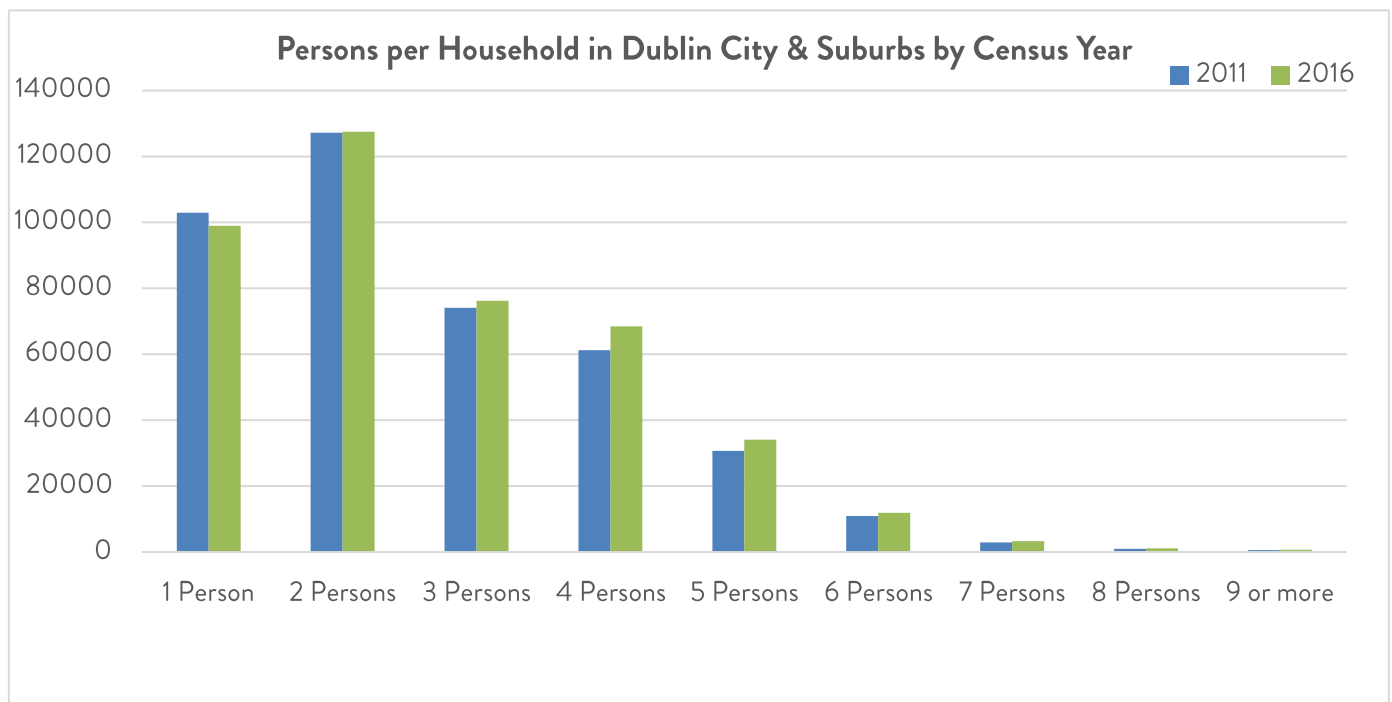
Focusing on delivering a holistic resident experience ensures that the provision of onsite amenity is designed to meet the practical needs of the resident and helps build a cohesive sense of community by encouraging residents to interact and share these spaces with one another. Ultimately, the successful 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 335 No. purpose-built rental units within the proposed development. This quantum of units sits comfortably alongside other schemes in Dublin 8's emerging BTR 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. The proposed unit mix in this development is designed for individuals, sharers, couples and families, with one bed being designed for 2 people and 2 beds being designed for up to 4. 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, is increasing exponentially. Dublin is at the epicentre of this national trend, 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). With 2,720 properties marketed to rent in County Dublin in January 2021 from a base of 114,462 rental properties, this suggests that there is a vacancy rate of 2% (CSO, 2016). Dublin has a rapidly increasing population where a limited number of rental homes were built between 2010 and 2020 (Daft, 2020). White Heather represents a welcome opportunity to introduce a Build to Rent proposition to meet the demand for supply within the Dublin City Centre boundary.

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 (approx. 1.5 miles from the city centre) surrounding White Heather as illustrated in the map area below.

Population: 41,915 (2016), which has increased by 11% since 2011.



Source: Census (2016) – AIRO Map

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 the subject location, **71% of residents are economically active**, with a further **9% of residents identified as students**.

Given the level of student accommodation locally, it can be expected that graduates will want to stay in the local area once commencing full-time employment.

Moreover, approximately **47%** of all residents are aged between **25-44** which is the target age for BTR development. Therefore, the demographic composition of White Heather's locale indicates that there is a suitable mix of economically active residents within the ideal age range in the immediate local area.

2.1 Age and Tenure

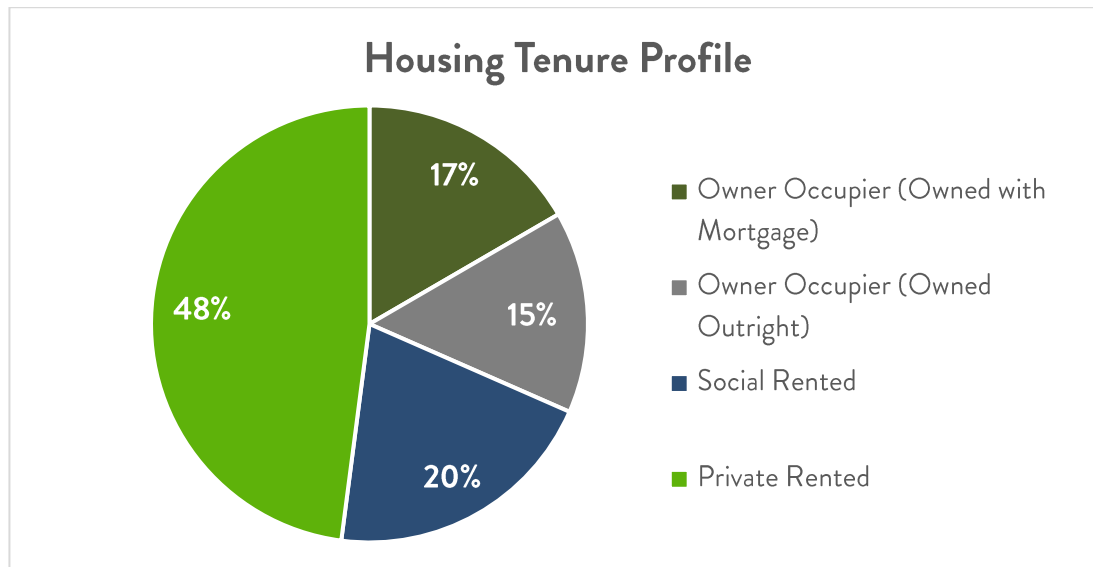
As mentioned, out of the total 41,915 residents in the subject area, **47%** of residents are aged between **25 to 44**. This would indicate a sizable pool of young workers. In addition, **13%** of the total residents are in the **15 to 24 year-old** bracket, which would highlight a strong level of students and graduates. The table below provides a breakdown of the proportion of residents in the area, per age grouping:

| Age | Proportion of Demographic |
|-------------|---------------------------|
| 0-14 | 12% |
| 15-24 | 13% |
| 25-44 | 47% |
| 45-64 | 18% |
| 64 and over | 9% |

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 the wider area to be residing within existing private rented accommodation.

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. Around **48%** of all households within the Dublin 8 area are privately rented.








Source: CSO (2016) – AIRO Map

2.2 Resident Profiles

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, BTR is now seen as a viable long-term housing solution. There is also a considerable opportunity to attract graduates transitioning from living within the purpose-built student accommodation existing within Dublin 8 and transitioning into their first rental property in a location they are already familiar with.

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.

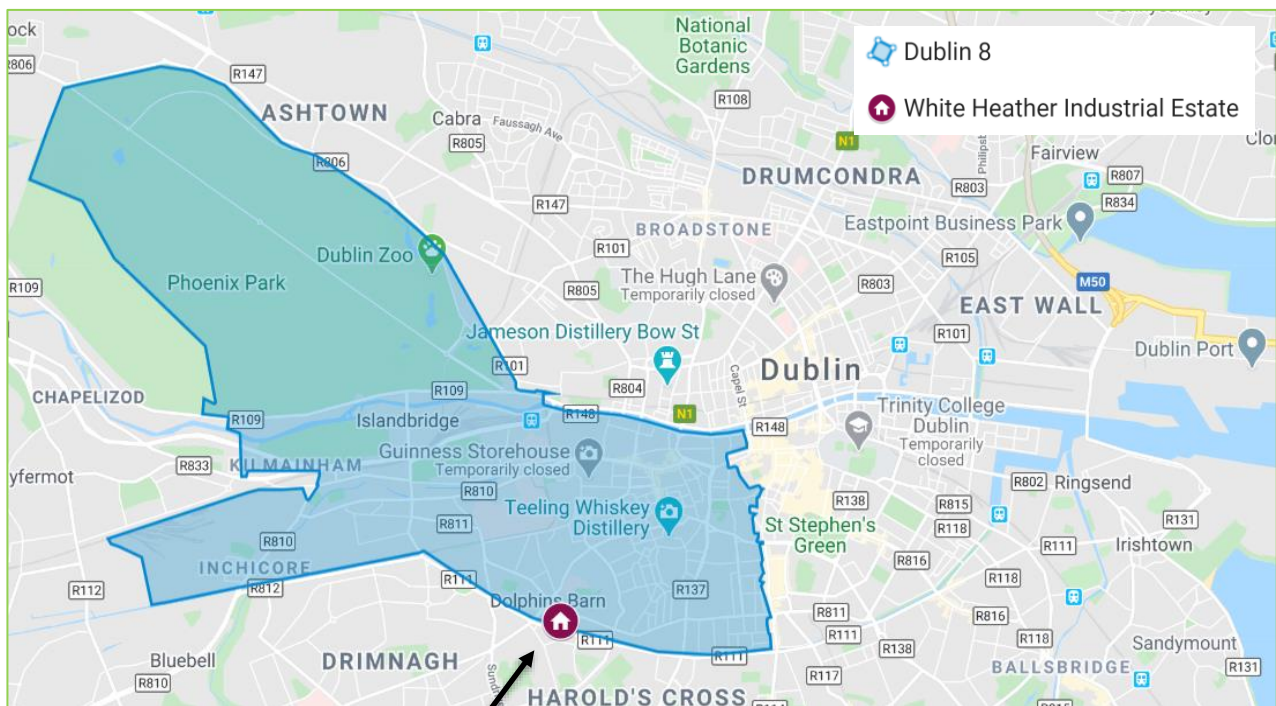
Based on the information above, we have identified five Target Market profiles that represent the type of renter that we would expect a BTR scheme in this location to attract. These are illustrated in the table below:

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

3. Micro Location

3.1 Dublin 8

Dublin 8 is a dynamic neighbourhood offering a unique combination of both Dublin's old and new. It is home to several inner-city suburbs and neighbourhoods, including Dolphin's Barn, Inchicore, Islandbridge, Kilmainham, Merchants Quay, Portobello and The Liberties. The area is home to some of Dublin's most famous sites and attractions, including the Guinness Storehouse and St. James Gate, the Phoenix Park, Christchurch Cathedral, Kilmainham Gaol and Vicar Street one of Dublin's most popular music venues. In addition, Dublin 8 hosts a selection of modern bars, old distilleries, restaurants, shops and cultural attractions, which together comprise a vibrant local context.

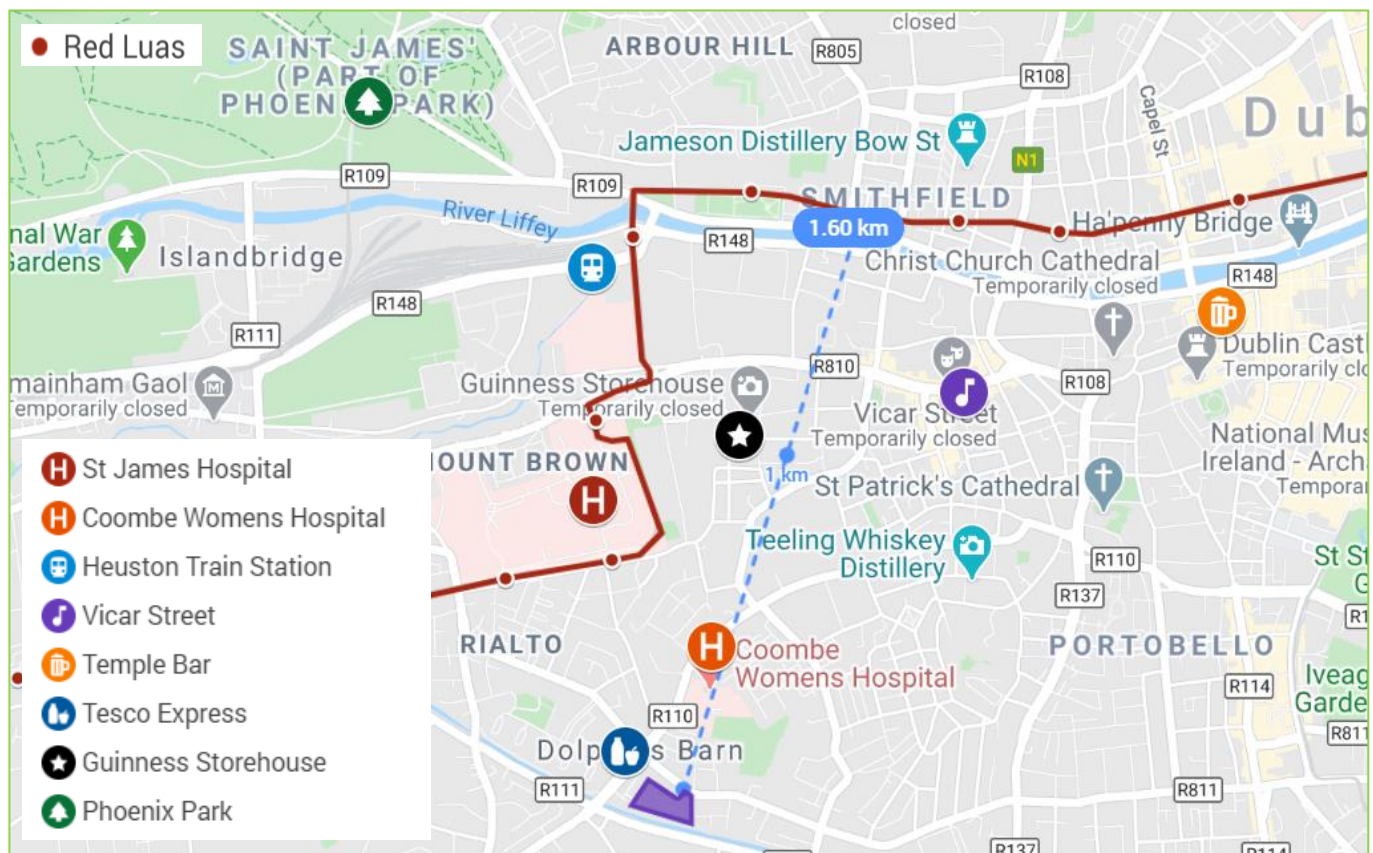


Site Map - **Source:** O'Mahony Pike Drawings
(2022)

3.2 White Heather - Description of Site and Proposed Development

White Heather is located on the southern fringe of Dublin 8 which is less than 2km South-West of Dublin City Centre. The site is conveniently located just off South Circular Road which is one of the main arterial routes in the south city. The site benefits from its canal side location, adjacent to the Dolphins Barn bridge connecting the City with suburban areas such as Drimnagh and Crumlin.

The proposed scheme is for the construction of 335 no. Build to Rent residential homes in addition to approximately 1001 sqm (10,775 sq. ft) of resident amenity which has been centralised in Block 3. An additional 165 sqm of community and residential amenity will be provided at 307a South Circular Road.



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 this location is its walkability to the city centre, as well as proximity to major transport networks, which will be summarised in this section. The proposed development will provide 106 car parking spaces.

Bus:

Within 5 minutes' walk of the site are several bus stops, mainly situated on South Circular Road which the scheme will have direct access to, in addition to stops at Dolphin's Barn (west of the site) and Donore Avenue (east of the site). From South Circular Road, the bus routes accessible from this location are: 68/68a and 122, and the 150 route is accessible from Donore Avenue. Multiple bus routes are accessible from Dolphin's Barn, including the **17, 17d, 27, 56a, 77a** and **151** services.

Road:

White Heather is easily accessible by road through its immediate proximity to South Circular Road that runs West from South of the City Centre which will provide good vehicular access to the future scheme.

LUAS:

The proposed White Heather scheme is only 10 minutes' walk' (850m) from two Red LUAS Line stops, including Rialto and Fatima. The Red LUAS line passes through multiple neighbourhoods and some of the city's main train stations and employment areas, such as the IFSC, Spencer Dock, Heuston South Quarter and the Four Courts. The Luas Cross City at Abbey Street will also provide access to employment hubs such as Sandyford, Leopardstown and Cherrywood.

- Rialto/Fatima to Heuston – 4 to 5 minutes
- Rialto/Fatima to Spencer Dock – 22 to 23 minutes
- Rialto/Fatima to Tallaght – 31 to 32 minutes

Cycle Infrastructure

Extensive provision is made for secure onsite cycle storage, with a total of 556 bicycle spaces. The quantum of proposed cycle storage (1.3 spaces per unit) will encourage residents to consider more sustainable means of local transport by utilising the dedicated cycle routes in and around the local area. There is a cycle route directly opposite side of the canal on Parnell Road, which follows the canal and connects to cycle routes into Dublin City Centre.

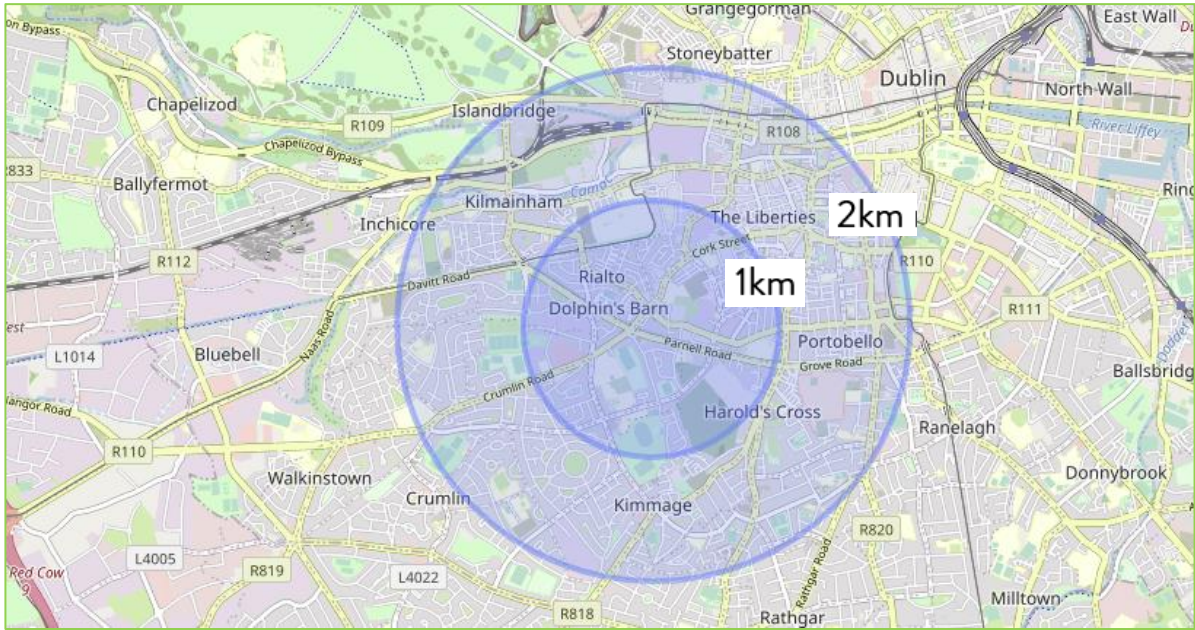
The volume of cycle storage also aligns with the targets set by the Dublin Cycling Campaign Strategy 2017-2020 and the National Cycle Policy Framework which set out plans to see a minimum of 10% of transport funding in Dublin to be allocated to cycling and have more than 10% of trips in Ireland to be made by bike by 2020.

In summary, White Heather benefits from a walkable location to Dublin City Centre, and one that is easily accessible via the local road, tram and cycle networks. This minimises the requirement for parking on site and ultimately encourages more sustainable methods of travelling to and from the community.



3.4 Local Employers, Retail and Leisure

The immediate area surrounding White Heather comprises mostly low-rise residential with some community amenities and services including schools and convenience stores nearby. The map below illustrates a 1km and 2km radius boundary around White Heather. We have captured some of the key employers and amenities located within each boundary with the journey time for future residents to reach these areas on foot.



| Distance | Walk Time | Amenities/Employers | |
|----------|----------------------|---------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|
| 0-1km | 10 to 20-minute walk | The Coombe Hospital St James Hospital Griffith College Kilmainham Gaol | Teelings Whiskey Distillery Harolds Cross Hospice Cathal Brugha Barracks |
| 1-2km | 20 to 30-minute walk | Guinness Brewery Dublin Castle Heuston Station Heuston South Quarter (Office Park) The Law Society of Ireland | Christchurch Cathedral The Four Courts Vicar Street Music Venue The Digital Hub |

The site is located within walking distance of several large-scale employers including two hospitals. Less than five minutes' walk away is the Coombe Women & Infants University Hospital. Extending the walking time to around 20 minutes is Saint James' Hospital, a large teaching hospital in Dublin linked to Trinity College and employs over 3,800 staff (HSE.ie). Dublin's new Children's hospital will be located at St James' and is currently under construction. The proximity of these two hospitals demonstrates a strong local employment base.

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 White Heather indicates that **9%** of existing residents are students.

Situated in close proximity to White Heather is Griffith College. Griffith College is one of the two largest independent higher education institutions in Ireland, with a student population of around 7,000 with 1,400 overseas students from over 77 countries. The 7-acre campus on South Circular Road is home to Ireland's largest law school, incorporating the Undergraduate, Postgraduate and Professional Law Schools. Other full and part-time degree and higher education qualifications include Accountancy, Business, Computing Science, Journalism, Media, TV Production, Film Production, Design, Fashion, Music and Drama.

Given the level of education facilities and student accommodation existing locally, graduates may wish to continue living in this central location of Dublin as an area that they are already familiar upon starting their careers in the city.

4. Amenity Provision

White Heather Proposed Amenities



Precedent Images

White Heather will provide 335 residential units across seven blocks. The majority of on-site amenities are located at the ground floor and fifth floor and have been centralised into Block 3, where the external café (ground floor) and roof terrace (fifth floor) will enjoy south-facing views onto the canal.

The main residential entrance into the reception/concierge area will be located at the north of Block 3 off the access road and will sit alongside the on-site concierge and management suite. The contiguous nature of this amenity offer will make the resident amenity experience much more convenient and will increase the likelihood of resident interaction.

Having a centralised amenity hub at the entrance of the scheme will serve to create a lively and welcoming space for residents upon arrival, as well as provide a core community hub where all residents can interact and meet with the onsite team.

The additional amenity space at the fifth floor will provide a rooftop retreat in the form of a spacious resident's lounge, private dining suite and open rooftop garden with canal views. This space will serve as the more relaxing, sociable counterpart to the functional co-working, concierge, and gym facilities at the ground floor. It is also key to highlight that the amenity spaces will be flexible use to encourage both day and night-time usage (eg. the lounge can be used as additional workspace by day and for socialising in the evenings). The location and the flexible

use of these spaces will encourage residents to regularly use these facilities and interact with fellow residents and the concierge team, ultimately making the scheme a livelier and more attractive place to live. Having these two amenity spaces located in a single Block is a pragmatic decision that will assist in the overall management of the development by allowing the onsite team to oversee the use of each area.

The primary function of the onsite amenities is to encourage residents to interact and engage with one another, which is important for creating a cohesive community and encouraging residents to stay on a long-term basis. The proposed amenity spaces will be designed to enable community events such as resident meetings, book clubs, cooking classes, fitness classes and private events, all of which will be arranged by the Resident Services Manager and will be available for residents to book through a bespoke residents app.

A total of 1001 sqm of amenity equates to approximately 2.98sqm of amenity per apartment, which has been summarised below.

| Amenity Space | Floor |
|--------------------------|-------|
| Concierge/Management | G |
| Business/Meeting Hub | G |
| Gym/Yoga Studio | G |
| Events Space | G |
| Canal Café | G |
| Dining/Kitchen | 5 |
| Cinema/Media Room | 5 |
| Coffee Dock/Bar | 5 |
| Residents Lounge/Library | 5 |
| Rooftop Terrace | 5 |

Source: O'Mahony Pike Floorplans (2021)

In addition to the above, 307a South Circular Road will provide an additional 165 sqm of community and residential amenity.

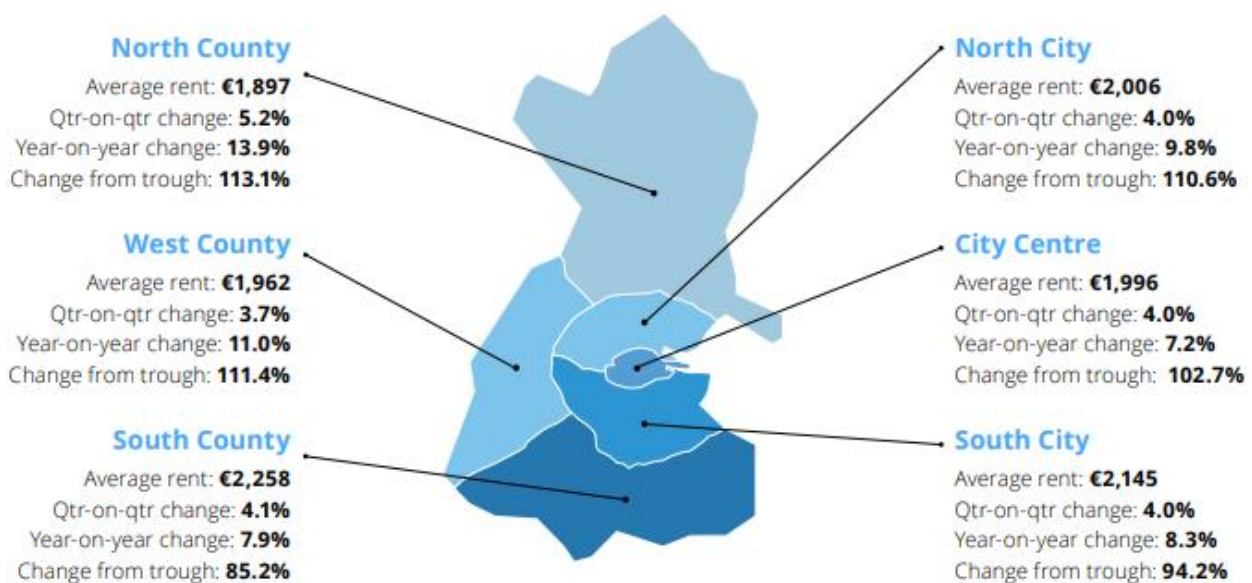
The level of amenity that is being proposed for the scheme is significantly above what is currently available in the local area and is much higher than the provision which LIV would typically see at 2.3-2.5 sqm per unit. Delivering amenities that foster resident well-being and sustainable communities that have a positive impact on the local neighbourhood are key to White Heather becoming an exemplary rental community.

5. Rental Market and Comparable Schemes

5.1 General Rent Commentary

The latest Daft.ie Rental Report (Q4 2021) indicates that current rents across Dublin City now stand at €1,996, an increase of 4% on the previous quarter. All six markets in Dublin have experienced increases across the quarter ranging from 3.7%-5.2%. Rents grew substantially compared to last year (2020) across the whole of Dublin with all six markets growing between 7.2% -13.9%. The rise in rental levels is a result of low stock levels. Daft.ie reports that stock was down 73%, with only 712 homes available for rent in Dublin as of the 1st February 2021 compared to the same time in 2020 and highlights this as the lowest recorded level of stock since the commencement of the daft data set in 2006.

There still exists a clear divide in Dublin, with average rents in the South City and South County continually exceeding those in the North and West County. Currently there are just 53 properties advertised to rent on Daft.ie in Dublin 8.



Source: Daft.ie (Q4 2021)

5.2 Dublin 8 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, with data provided by Daft.ie, provides a summary of the current rental market in Dublin 8, which includes a sample of 824 apartments and town houses marketed over the period of June '21 – Feb '22.

| Unit Type | Average Rent | Min Rent | Lower Quartile | Median Rent | Upper Quartile | Max Rent | Sample |
|-----------|--------------|----------|----------------|-------------|----------------|----------|--------|
| Studio | €1,242 | €850 | €1,157 | €1,239 | €1,400 | €1,650 | 66 |
| 1 bed | €1,474 | €850 | €1,350 | €1,497 | €1,600 | €2,100 | 332 |
| 2 bed | €1,895 | €900 | €1,750 | €1,875 | €2,000 | €3,500 | 370 |
| 3 bed | €2,372 | €1,400 | €2,148 | €2,400 | €2,600 | €3,600 | 57 |

To provide a more refined view of the comps we have specifically reviewed institutionally owned PRS developments in Dublin 8 that can be considered as base comparables to the scheme under consideration.

| Scheme | Herberton, Dublin 8 | Hanbury Mews, D8 | Clancy Quay, D8 | Heuston South Quarter, D8 |
|-----------|------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Image |  |  |  |  |
| Owner | Private - Sold 2020 | Private - Sold 2017 | Kennedy Wilson | Henderson Park |
| Units | 102 | 25 | c.865 units | 266 |
| 1 Bed | €1,700 | €1,750 | €2,050 | €1,743-€1,850 |
| 2 Bed | €2,200 | €2,100 - €2,200 | €2,400 | €2,260 |
| 3 Bed | | | 3 bed- (Fully let) | €2,750 |
| Amenities | Spa and Gym facilities in the wider development | Lower quality development in an inferior location | Concierge, underground parking, gym, cinema room, business centre, private dining room, games room and resident lounge. Phase 1 fully let, KW now leasing phase 2. | Older development. Units being refurbished on a phased basis currently with market rents being achieved. The wider development provides for a gym, dentist, GoCar (car sharing scheme), dry cleaners, pharmacy, and café. |

Source: Daft.ie, Operator websites

The above schemes represent some of the most comparable communities existing in the Dublin 8 and surrounding areas. Clancy Quay is located in Islandbridge and is a significant rental community of 865 homes, comprising both apartments and town houses. HSQ forms part of a wider urban campus which accompanies

multiple buildings for both retail and commercial uses. This includes an Anytime Fitness, GoCar service, dry cleaners, café and pharmacy.

| Mount Argus, Harolds Cross, Dublin 6 | Cathedral Court | Beechwood Court |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|
|  |  |  |
| Patrizia (acquired in 2019 for €93m. 3.8% NIY) | So Living | IRES |
| 166 | | 101 |
| 1 Bed - from €2,150 (all currently let) | 1 Bed- €2,350-€2,450 | 1 Bed- €1,600 |
| 2 Bed - €2,573 | 2 Bed- €2,750 | 2 Bed- |
| 3 Bed - €3,000 | | |
| Launched in March 2020. On site amenities including a resident's lounge, cinema, gym and children's playroom. Strong take up for the one beds. Further from city centre than White Heather. | BTR scheme comprising of a gym, residents lounge, community events, co-working space and a games room. | Acquired in 2019 after being built in 2006. Each apartment features a patio/balcony, but no amenity offering at this development. |

Source: Daft.ie, Operator websites

Mount Argus is outside of the Dublin 8 postcode in the area of Harold's Cross, Dublin 6, which is only around 1km south of White Heather.

6. Conclusion

The proposed BTR scheme at White Heather benefits from a central canal-side location in Dublin, which is conveniently placed just off South Circular Road and in a short walk from a host of local amenities, employment and the City Centre.

The scheme consists of balanced unit mix, offering high quality rental homes with community focused onsite amenities that will prompt the transformation of the area from industrial to residential use. The scheme is ideally positioned to attract a wide range of prospective residents ranging from single occupants to families from across Dublin as well as the within the immediate locality.

With two Luas stops on the Red Line (Rialto and Fatima) within a 10-minute walk, residents will have one of Dublin's key transport networks at their disposal, granting them access to key employment zones across the surrounding suburbs and City Centre. This includes some of Dublin's largest employment hubs in the city centre such as the North Docks that include major technology firms, healthcare companies, financial intuitions, education institutions and retail centres.

In addition, the scheme's location on the southern fringe of the City Centre means that several large-scale employers and employment zones are within walking distance, particularly accessibly via the Grand Canal walking/cycle routes into the City. Not only does this demonstrate a low reliance on car use for this location, but also promotes more sustainable methods of travel such as walking, cycling and use of public transport.

The wider socio-economic context in which this scheme is being proposed is characterised by a continued decline in home ownership and an increase of rental tenures across Dublin. This is an established regional and national trend that provides a strong justification for the Build to Rent proposition in Dublin. Within Dublin 8, almost half of existing households are privately rented. Across Dublin, this trend is being seen mainly among younger residents who are keen to have the flexibility of a rental tenure or perhaps, due to financial constraints, are unable to enter the housing market. The BTR proposition is primarily targeted at mid-level and established professionals, service workers, couples and young families. The Dublin 8 area in particular has a high proportion (47%) of people aged between the ages of 25 and 44, who fit the target occupier for BTR in this location.

The trend of smaller household sizes is supported by this development, with one-bedroom apartments contributing the largest proportion of households in the mix. The proposed unit mix ensures that there is sufficient flexibility for residents, allowing them to evolve and move within the scheme should their requirements change. It also supports the notion of long-term renting, as opposed to short-term 'transitory' renting and professionally managed developments with a focus on resident wellbeing. The provision of three bedroom houses, provides high quality accommodation for families.

The proposed scheme has taken a holistic approach to the resident experience, with a bespoke service and amenity offer that the standard private rental offer fails to provide. At the heart of the BTR ethos is the attention to resident care and satisfaction, hence why White Heather will make ample provision for attractive communal amenities such as a resident's lounge and gym, as well as co-working space, bookable meetings rooms. These have become practical lifestyle necessities for modern renters and will offer tangible benefits to residents living experience. The proposed amenities have been 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 BTR developments across the UK and Ireland to inform the view for the proposed BTR scheme at White Heather, Dublin 8.

Demographics

Despite the infancy of the BTR 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.