



Aerial shot of the Irish Glass Bottle site in Dublin 4, for which Nama has been guiding more than €125 million



The 6.5-acre Legionnaires of Christ site in Sandyford, Co Dublin sold for €23 million earlier this year (the parcel of land between the roundabout and the car park)

Covid-19 hobbles development land market's momentum

A new report by CBRE says that 21 development land transactions worth about €100 million were traded in the first quarter of this year



Donal Buckley

The strong momentum seen in the development land market during the first quarter of this year has slowed down considerably as a result of the Covid-19 crisis. According to a report by CBRE, about 21 development land transactions worth about €100 million were traded during the quarter. Meanwhile, agent Lisney said that the greater Dublin area accounted for 14 deals worth a combined €80 million. Peter Garrigan of CBRE had expected an active year before Covid-19 struck. He said lots that were sale agreed and had contracts exchanged were progressing, but it remained to be seen about those sale agreements where contracts did not exchange. He also reported that buyers with equity who are not dependent on debt are willing to buy opportunistically. However, a number of those sites that were on the market have been with-

drawn and are likely to be relaunched later in the year. "There's pent-up demand for well-positioned product," Garrigan said. Cathal Daughton of Lisney has a similar outlook. "We expect activity to intensify towards the end of 2020 and into 2021. It is likely that there will be some strain on finance for site purchases, particularly those going through the planning system. Opportunities will arise in the coming months for well-positioned, cash-funded purchasers in the market," he said. Among the sites with the bid dates pushed out until later this year are the former Aungier Street campus on 2.5 acres in Dublin city centre, which is currently being marketed by CBRE, guiding €110 million. Meanwhile, among the sites that sold so far this year is the 6.5-acre Legionnaires of Christ site in Sandyford, Co Dublin. Agent TWM had been guiding €20 million, but the Irish Times reported that



A 29.4-acre site at Brennanstown Road in Dublin 18 was sale agreed this year



A 4.4-acre former industrial site at Jamestown Road in Finglas was also sold

it sold for €23 million, or €3.5 million per acre. **Changing planning permission** Nearby, in Sandyford Industrial Estate, developer Marlet purchased the 1.8-acre former Avid Technology site and the Irish Times reported that the price was €17 million. This is the third time that this property has been sold since 2015, when U+I bought it for €6.5 million. Two years

later, in 2017, U+I sold it for €10.3 million to Swedish company Prime Living, which secured planning permission for 820 student bed spaces. One industry observer said they felt that Marlet may seek to change the planning permission to apartments. Also this year, a 3.2-acre site with planning permission for 46 dwellings in Blackrock in south Co Dublin was sold by Savills for €7.135 million, which was about €1.1 million more than the guide price. Located on Newtownpark Avenue, the price equates to an average of €155,100 per unit. Its current planning permission allows for 30 apartments ranging in size from one to three-beds and 16 houses including three, four and five-bedroom types. Also on the southside a 0.67-acre site on Silchester Park, Glengearry with planning permission for 10 units was purchased by a domestic builder for almost €2.8 million, or €280,000 a unit site. On the northside, a 4.4-acre former industrial site at Jamestown Road in Finglas was sold through Lisney and JLL, who had guided over €3 million. It is zoned Z6 enterprise and employment and had potential for residential development subject to rezoning and planning permission. Among the sites that went sale agreed this year was a 29.4-acre site at Brennanstown in Dublin 18. CBRE had been guiding more than €35 million for the lands most of which are situated within the Cherrywood Strategic Development Zone (SDZ) and close to Cabinteely and Foxrock. A small portion is zoned for

town centre use under the SDZ. Also sale agreed is a 6.36-acre site on Oscar Traynor Road in Coolock, which has been used as a pitch and putt course for Cadbury staff. Lisney had been quoting €3.5 million for the site which is zoned Z6, indicating that it is suitable for a wide range of commercial and residential uses. **Cautious market** But the big development land story this year will be the sale of the Irish Glass Bottle site in Dublin 4, for which Nama has been guiding more than €125 million. Des Lennon of JLL said: "The development land market in Dublin was somewhat cautious generally for most of the first quarter of 2020 with the majority of activity in small infill sites, but has been on pause since mid-March and is likely to remain in that mode for a while, as both buyers and sellers assess the timing of the return to economic activity." But demand is not confined to residential development sites. It is also seen for industrial and hotel sites. In March, Dublin City Council rezoned 16 industrial sites around the city to make them available for housing development. While it is still early days on de-tenanting, Daughton points out that this will see industrial and logistical occupiers seeking alternative locations. In turn, this will boost demand for industrial properties further out from the city centre. Such extra demand will come at a time after the sector has already seen increased demand for storage from on-line and e-commerce operators, as well as data centres. Consequently, the sector recently passed out both retail and offices as the one most favoured by investors. CBRE also reported stronger demand for hotel development projects than standing stock. "This demonstrates the resilient nature of the hotel sector, as well as investor and hotelier confidence of a return to strong trading conditions in due course," said CBRE director Marie Hunt.

CIS CONSTRUCTION INFORMATION SERVICES Round-up

A summary of the biggest building projects and deals going on around the country

SHD plan for 467 homes in Celbridge

Crodaun Development Company has submitted a strategic planning application to An Bord Pleanála for a development consisting of 467 residential units, including 216 apartments, 199 houses and 52 duplexes. Ancillary facilities include a childcare centre of 776 square metres, a 320 square metre gym, a 123 square metre café and a retail unit of 119 square metres. The €102 million scheme will be located west of Maynooth Road and north of Kilwoghan Stream at Crodaun in Celbridge, Co Kildare. An Bord Pleanála is expected to make a decision on the application by August.

Plans in for 250 BTR units in Palmerstown

Randelswood Holdings has submitted to An Bord Pleanála for permission for a strategic housing development at lands at Palmerstown Retail Park on Kennelsfort Road Lower in Palmerstown in west Dublin. The scheme will comprise the demolition of all existing structures on site and the construction of a residential development of 250 "build to rent" apartments. These include 134 one-beds and 116 two-beds located in five blocks with a café and ancillary residential amenity facilities. A decision is expected to be made by August 2020 on the €55 million development.



Crodaun hopes to build 467 residential units in Celbridge, Co Kildare



Glencave aims to build 449 residential units in Moneygurney, Co Cork

Hospital extension planned for Co Laois

A planning application has been submitted by the Health Service Executive for a new build, 50-bed unit for the replacement of existing beds including support services, associated site works, reconfiguration/upgrade landscaping works and associated minor works. The €11.5 million hospital extension is at St Vincent's Hospital, Ballycullenbeg, Mountmellick, Co Laois.

Tenders sought for €36m Hawkins House revamp

Tenders for a demolition contractor are expected to be returned this month on the €36 million Hawkins House redevelopment on Hawkins Street

in Dublin 2. Demolition works are expected to begin shortly after the contract is awarded. The development will lead to a commercial office building ranging in height from six to ten storeys. The total gross floor area above ground of this will be 18,861 square metres. The ground floor includes one café/restaurant/retail unit of 300 square metres and another of 540 square metres.

€25m Sutton Fields housing scheme sought for D18

A strategic housing development application has been submitted to An Bord Pleanála for a residential development at Sutton Fields on the Ballybetagh Road in Kiltarnan, Dublin 18. The scheme comprises 85 houses, 31 apartments and a 31-space childcare



Plan for 250 BTR apartments on Kennelsfort Rd in Palmerstown, Dublin



The proposed Sutton Fields housing scheme in Kiltarnan, Dublin 18

€15.7m Galway SHD given green light

Trean Meadow has been granted a strategic housing development application by An Bord Pleanála for a housing development at Ballybane More Road in Ballybrit, Doughiska in Co Galway. The €15.7 million residential development comprises 102 units made up of a mixture of houses and apartments.

Glenveagh Homes has submitted a strategic housing development application to An Bord Pleanála for the construction of 449 residential units in Douglas in Co Cork. They incorporate 315 two, three and four-bed detached, semi-detached and terraced/townhouses; 46 one, two and three-bed duplex-apartments; 88 one and two-bed apartments in three blocks of three to five-storeys each; and a creche facility. The €74 million development is located at Maryborough Ridge in Moneygurney and is expected to be decided by July.

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"The costings on these projects are indicative and are based on a price per square metre for shell and core only."

Construction Information Services (CIS) Ireland supplies real-time information on construction projects from early planning to on-site stages.

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Consultant QRE appoints two new names to its senior team

BY TINA-MARIE O'NEILL

Following a recent management buyout last week, commercial property consultant QRE Real Estate Advisers announced two new partner appointments to its senior management team. Paul McElearney and Bryan Garry will join Conor Whelan, QRE's managing partner, and Eunan O'Carroll, the agency's commercial partner, in a four-person management team to ensure the continued growth of the business in Ireland. McElearney has more than 38 years of experience as a property professional in Ireland and was head of the property valuation team at IBRC's Nama unit. He was also property manager in the asset management team at Bank of Ireland. He is a Fellow of the Society of Chartered Surveyors Ireland (FSCSI) and Fellow of the Royal Institution of Chartered Surveyors (RICS). He has a Diploma in Arbitration Law (UCD) and was elected as a Fellow of the Chartered Institute of Arbitrators and is a member of the Presidents Panel in the SCSL. Garry has more than 11 years of experience in commercial property, and is a recognised expert in the Irish investment market. He previously worked with Savills and Allsop in Dublin, before taking up the position in QRE and being promoted to head of investment in the company in 2019. He is a member of the Society of Chartered Surveyors in Ireland (MSCSI) and a member of the Royal



Paul McElearney: former head of IBRC's Nama team



Bryan Garry: has previously worked with Savills and Allsop

Institute of Chartered Surveyors (RICS). Whelan said: "We are delighted that Paul and Bryan have accepted new roles in our business. While we are in challenging times, both Paul and Bryan have been crucial in the development of our company over the last five years and we are pleased to be in a position to offer them equity roles in the business. We look forward to an exciting future together." QRE (qre.ie) is a full-service commercial real estate advisory practice established in 2015. The company specialises and advises in asset management and value enhancement. It has four business lines: investment, agency, advisory and valuation.