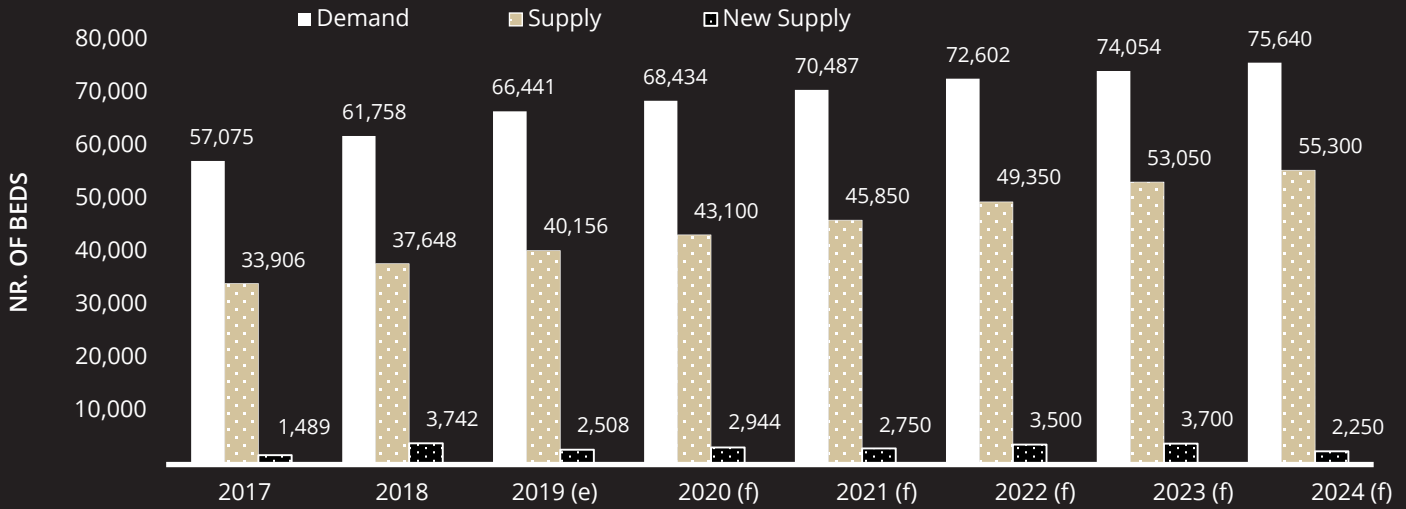


SUPPLY & DEMAND



The Higher Education Authority (HEA) estimates that 75,640 student beds will be required by 2024. It estimates that there will be c.55,000 units (+/- 5%) completed by 2024.

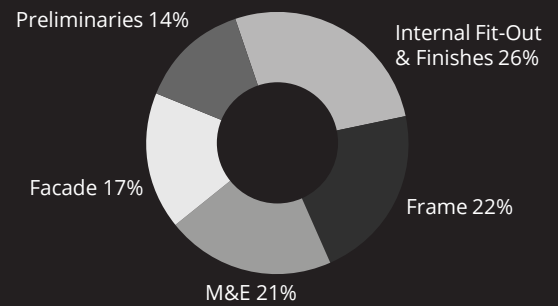
The market is currently delivering 2,500-3,500 units p.a.

Competition on site purchase costs fuelled by the lack of supply and competition from build to rent / co-living bidders continues to put pressure on scheme viability which is having an upward effect on rents.

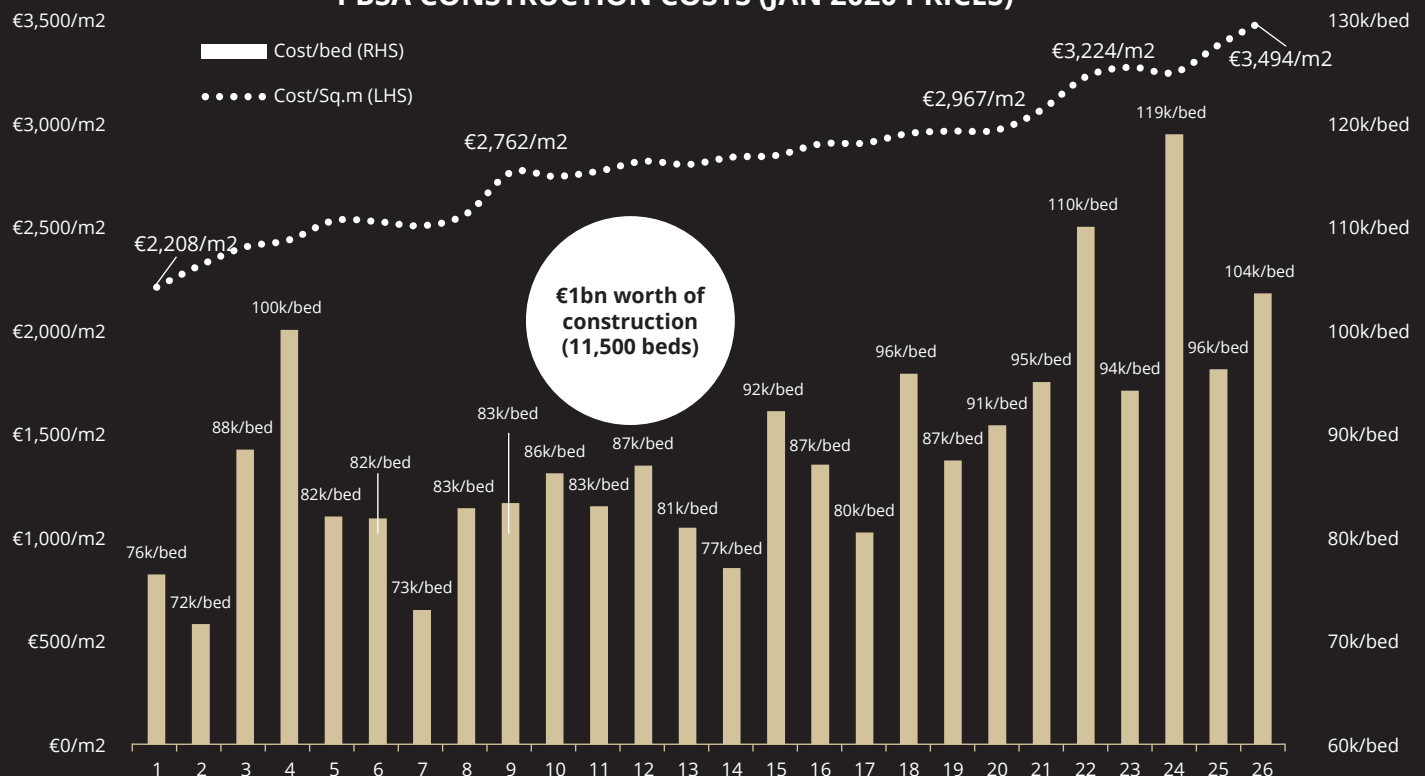
KEY POINTS

- Over 11,500 Nr. beds in Database
- Average cost per bed of €88,500
- Construction costs increasing, particularly M&E
- Scheme efficiency critical to achieve viability

BUILDING COST BREAKDOWN



PBSA CONSTRUCTION COSTS (JAN 2020 PRICES)



Professional advice should be sought for specific projects. These indicative building costs should NOT be used for fire insurance valuations or for residual valuations for funding purposes. Mitchell | McDermott provide specific detailed valuations for fire insurance or more specific reinstatement valuations as required. Costs are for construction only and exclude VAT | Tender Inflation from January 2020 | Site Acquisition | Planning and Statutory Fees | Development Contributions | Capital Contributions for Services connections | Bonds | Professional Fees | Sales and Letting Costs | Marketing | Legals | Valuers | Accountancy Costs | Finance Costs | District Heating | Show Units | Site Works | Sprinklers | Owner Insurances | Adjoining Neighbour Costs

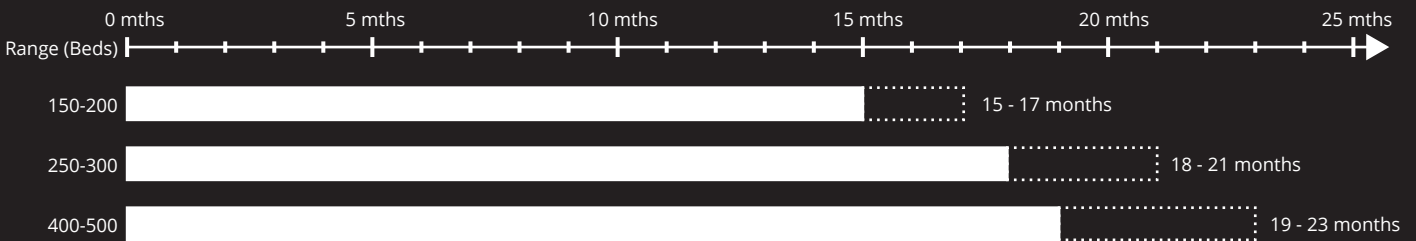
DESIGN GUIDELINES	
Single Study Bedroom	≥ 8 sq.m
Single Study Bedroom with En-suite	≥ 12 sq.m
Twin Study Bedroom	≥ 15 sq.m
Twin Study Bedroom with En-suite	≥ 18 sq.m
Single DAC Bedroom with En-suite	≥ 15 sq.m
Single/Twin Studio with Kitchenette/En-suite	≥ 25 sq.m - ≤ 35sq.m
Shared kitchen/ living/ dining rooms	≥ 4 sq.m/bed space
Cluster Minimum (3 Bed)	≥ 55 sq.m
Cluster Maximum (8 Bed)	≤ 160 sq.m
Communal Private Open Space	5 - 7 sq.m/bed space

Typical Layout for 3 bed cluster (Min. 55 sq.m GFA)



** The above are as per the DCC Development Plan 2016 -2022 and are used as a guide by a lot of local authorities.

PROGRAMME



WHAT'S NEW / TRENDING



Since 15th August 2019 PBSA's are now under the remit of the Residential Tenancies Board (RTB). All PBSA's must comply with the law governing rent reviews i.e. any tenancy in a Rent Pressure Zone must abide by the maximum annual rent increase of 4%.



More storage space required due to online shopping; introduction of:

- Amazon Hubs
- Parcel Motels
- DHL Hubs

CHALLENGES

- Lack of supply of suitable sites in Dublin.
- Oversupply of units in some parts of Dublin .
- Limited available sites in Galway.
- Significant number of projects in Cork pipeline.



More awareness of students Mental Health and Wellbeing.

- Improved design to encourage social interaction.
- Quiet Rooms and living areas.
- Healthy lifestyle i.e. gyms, break-out areas, external fitness equipment and bicycle space.s
- Students in shared kitchen, dining and bedroom facilities develop closer friendships.
- Improved pastoral care.



Appetite in the market for a 'budget' or 'value' product; i.e. shared bathroom and/or sharing double/triple.

Most expensive & cheapest bedrooms are normally rented first with mid-cost rooms the last to rent!

Gym & Study areas are more popular than the games areas....

WHAT INFLUENCES STUDENTS WHEN CHOOSING WHERE TO LIVE ?



Anthony McDermott
Director
086 303 2603

amcdermott@mitchellmcdermott.com



Michael Gallagher
Director
087 948 6339

mgallagher@mitchellmcdermott.com



Paul Mitchell
Director
086 834 5444

pmitchell@mitchellmcdermott.com