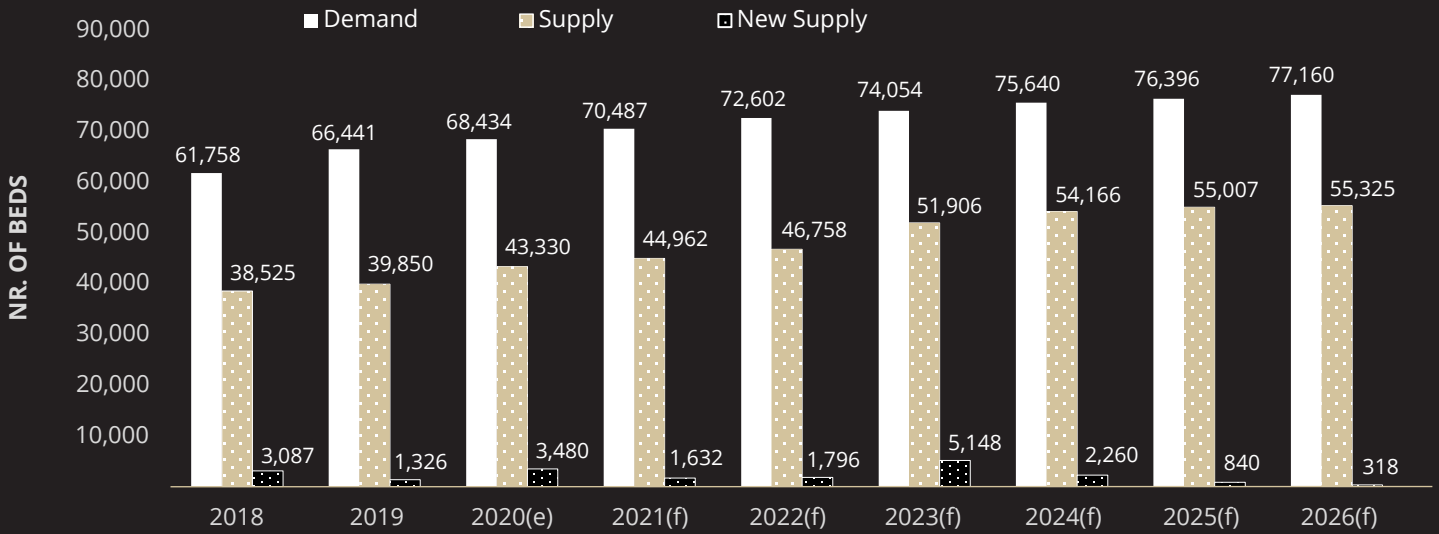


STUDENT ACCOMMODATION INFOCARD

JANUARY 2021

SUPPLY & DEMAND



The Higher Education Authority (HEA) estimates that 75,640 student beds will be required by 2024. There will be c.55,000 units (+/- 5%) completed by 2026.

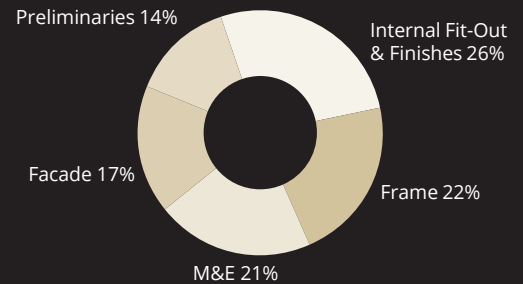
The market is currently delivering 1,500-3,500 units p.a.

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

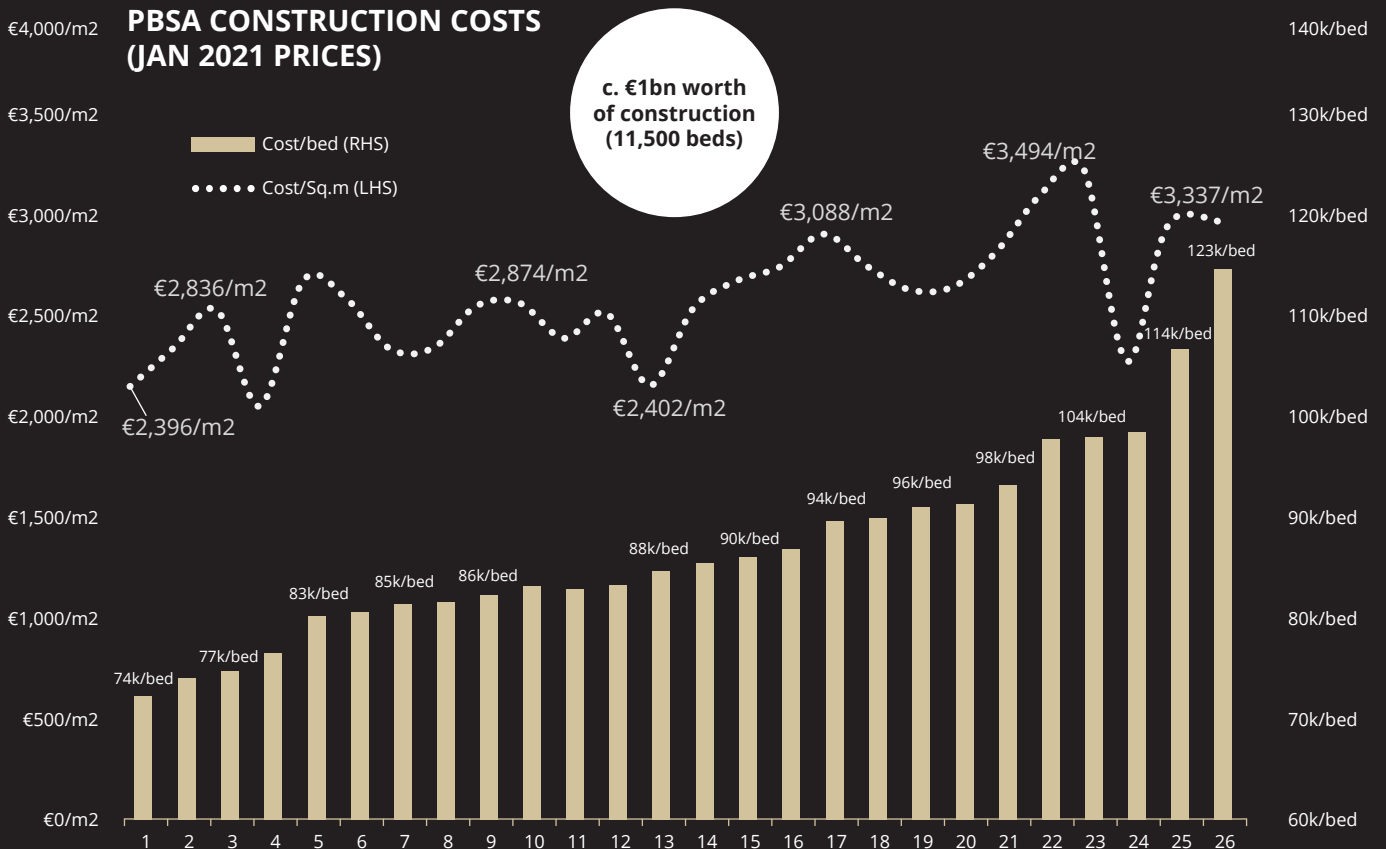
KEY POINTS

- Over 11,500 Nr. beds in Database
- Average cost per bed of €92k
- Construction costs increasing
- Scheme efficiency critical to achieve viability

BUILDING COST BREAKDOWN



PBSA CONSTRUCTION COSTS (JAN 2021 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 2021 | 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 | Abnormal Ground Conditions | Basements | Covid-19 | Brexit

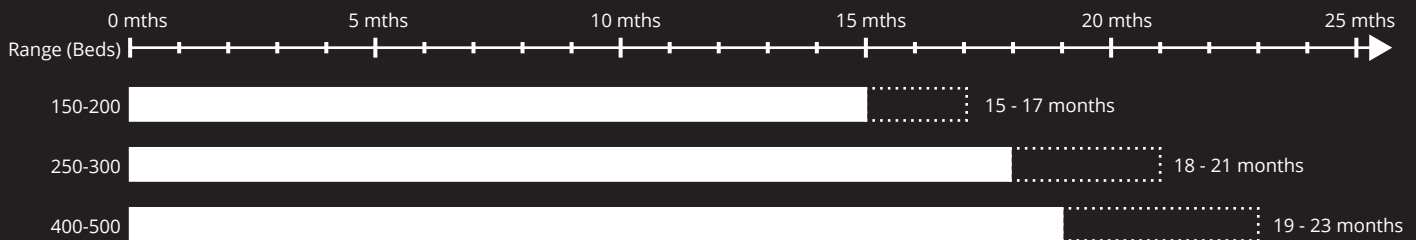
DESIGN GUIDELINES	
Single Study Bedroom	≥ 8 sq.m
Single Study Bedroom with En-suite	≥ 12 sq.m
Twin Study Bedroom	≥ 15 sq.m
Twin Study Bedroom with En-suite	≥ 18 sq.m
Single DAC Bedroom with En-suite	≥ 15 sq.m
Single/Twin Studio with Kitchenette/En-suite	≥ 25 sq.m - ≤ 35sq.m
Shared kitchen/ living/ dining 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%.



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

A major Irish University added over 600 additional beds by retrofitting existing campus accommodation bedrooms turning them from single rooms into twin rooms to help address supply challenges and also provide an affordable cost option.



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 spaces
- Students in shared kitchen, dining and bedroom facilities develop closer friendships.
- Improved pastoral care.



COVID-19

A Dublin University postponed the construction of a new 1,200 bed on-campus complex due to Covid-19.

Student.com reported that booking volumes decreased for the 20/21 academic year but Ireland (- 11%) fared better compared to the UK (-29%), Spain (-20%), Germany (-75%) and the USA (-75%)

Growing trend of groups wanting to switch to single rooms rather than shared rooms in Europe.



CHALLENGES

Continued lack of supply of suitable sites in Dublin and Galway.

Oversupply of units in some parts of Dublin. Significant number of projects in Cork pipeline.

Combination of site costs, increased construction costs and occupancy levels for some completed schemes are affecting scheme viability.

Non-EU CAO applicants increased by **4% in 2020.**

79% of students living in privately operated PBSA's in Dublin are International Students. **43%** are from outside the EU.

2020 CAO applications increased from students in **NI (+4%)** but decreased from the **UK (-7%)**



BREXIT

Existing fee arrangements have been maintained between Ireland and the UK for 2020/2021 (UK students in Ireland pay €3,000 and Irish students in UK will pay the same fees before Brexit)

Opportunity for Ireland to benefit from UK withdrawal from Erasmus+ programme. (c. 32,000 Erasmus+ students study in UK annually). Although the UK government have announced an alternative - The Turing scheme, it could take years to develop.

The Irish government has announced it will fund the Erasmus+ scheme for Northern Ireland students.



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