

Principal Planning Officer
Planning Department
County Hall
Marine Road
Dún Laoghaire
Co. Dublin
A96 K6C9

Friday, 25 November 2022

[By Courier]

Dear Sir/Madam,

RE: PART V SUBMISSION IN RELATION TO PROPOSED LARGE-SCALE RESIDENTIAL DEVELOPMENT AT DALGUISE HOUSE, MONKSTOWN, A94 D7D1 - DLR Ref. PAC/LRD2/006/22

The proposed development is subject to the requirements of the Part V of the Planning and Development Act 2000 (as amended). The Applicant proposes to provide Part V units in accordance with Section 96(3)(iva):

“the grant to the planning authority, or persons nominated by the authority in accordance with this Part, of a lease under the Housing Acts 1966 to 2014 of houses on the land which is subject to the application for permission, or on any other land within the functional area of the planning authority, of such number and description as may be specified in the agreement”.

TOWN PLANNING CONSULTANTS



The Applicant has provided information identifying the proposed Part V units, and related figures.

Please find enclosed:

1. Legal Opinion in respect of Part V, prepared by McCann Fitzgerald, dated 14th November 2022;
2. Part V Calculations prepared by Hooke & McDonald, dated 27th September 2022;
3. Reddy A+U Schedule of Units;
4. Reddy A+U Drawings:
 - Proposed GA Plans – Block A (MKS-RAU-A-ZZ-DR-AR-100);
 - Proposed GA Plans – Block B (MKS-RAU-B-ZZ-DR-AR-100);
 - Proposed GA Plans – Block C (MKS-RAU-C-ZZ-DR-AR-100).

We trust the above is in order, if you have any queries, please do not hesitate to contact the undersigned.

Yours faithfully

Tom Phillips
Managing Director
Tom Phillips + Associates

Encl.

GEDV Monkstown Owner Limited - Planning Application Dalguise House - Part V

1. Executive Summary

- 1.1 You intend to submit an application for planning for a Large-scale Residential Development (LRD) at Dalguise House, Monkstown. You have asked us to confirm the requirements in respect of compliance with section 96 of the Planning and Development Act 2000, as amended (the “**2000 Act**”) and the Planning and Development Regulations 2001, as amended (the “**Regulations**”) in the submission of an application for planning. These requirements are generally referred to as “Part V” requirements, in reference to Part V of the 2000 Act, which houses section 96. Specifically, you have asked us to confirm whether a letter of confirmation from the local authority (Dun Laoghaire-Rathdown County Council (“**DLRCC**”)) in respect of your Part V proposal is required to be submitted with your application for planning.
- 1.2 Working backwards, the answer to the latter question is no – there is no legislative requirement that obliges you to submit a validation or confirmatory letter from DLRCC in respect of your Part V proposals as part of your application for planning. Pursuant to the requirements of the 2000 Act and the Regulations, as part of your planning application you are only required to specify the manner in which you propose to comply with Part V.

2. Section 96 of the 2000 Act

- 2.1 Part V of the 2000 Act requires social and affordable housing to be provided as part of the planning process. Section 96 obliges a developer to make provision for social and affordable housing as part of any application for development that includes four houses or more. It is enforced by requiring a planning authority, or the Board on appeal, as part of any grant of permission, to condition the applicant to enter into an agreement under Section 96 with the planning authority, prior to the lodgment of any commencement notice.
- 2.2 You are submitting an LRD application to construct 491 residential units and therefore Section 96 applies to your proposed development. What is required as part of your LRD application to comply with Section 96?
- 2.3 Section 96(4) requires you, as part of your planning application, to specify the manner in which you propose to comply with a Part V condition imposed in any grant of permission. Section 96(4) requires a planning authority, when granting permission, to have regard to any such Part V proposals specified as part of the planning application.
- 2.4 After you have specified your proposals to comply with Part V as part of your application, how is Part V compliance imposed? As mentioned above, the local authority and/ or the Board is required under 96(2) to impose a condition as part of any grant of permission requiring you, prior to lodging a commencement notice in respect of the development, to enter into an agreement under section 96 with the local authority. The parameters of that agreement and the Part V provision more generally are specified in section 96.
- 2.5 What if you cannot reach agreement with the planning authority in relation to your Part V proposal? There are two issues provided for:
- (a) Section 96(5) provides for any dispute in relation to the agreement other than a dispute as to value, to be referred to the Board by you or the planning authority for determination; and/ or
 - (b) Sections 96 (7) and (8) provide for any dispute in relation to value to be referred to the property arbitrator for determination.

2.6 To be very clear, sections 96(5), 96(7) and 96(8) apply post the grant of a planning consent. They do not kick in until after a valid planning consent has been granted.

3. **Do the Regulations specify an additional burden when applying for planning?**

3.1 No, the Regulations specify the same requirement as section 96(4), but with additional detail. Article 22(2)(e) requires an application for planning, to which section 96 applies, to include details on how an applicant proposes to comply with a condition imposed under section 96(2). Article 22(2)(e)(i) and (ii) require the applicant to provide specific details of the proposal submitted, including details of the land/ parts of the land proposed, details of the calculations and methodology for calculating values of land, site costs and construction costs etc.

3.2 Schedule 3, Form No. 19 of the Regulations is the application form relevant for LRD applications. There is nothing additional to that specified in article 22 as regards Part V compliance required in Form No. 19. DLRCC has produced a draft application form for LRD that mirrors the requirements of Form No. 19 from the Regulations. In respect of compliance with section 96 of the 2000 Act, the DLRCC form asks the applicant to provide:

“(i) Details of such part or parts of the land which is subject to the application for permission or is or are specified by the Part V agreement, or houses situated on such aforementioned land or elsewhere in the Planning Authority’s functional area proposed to be transferred to the Planning Authority, or details of houses situated on such aforementioned land or elsewhere in the Planning Authority’s functional area proposed to be leased to the Planning Authority or details of any combinations of the foregoing, and

(ii) Details of the calculations and methodology for calculating values of land, site costs, normal construction and development costs and profit on those costs and other related costs such as an appropriate share of any common development works as required to comply with the provisions of Part V of the Act.”

4. **Planning Authority Confirmatory Letter**

4.1 You explained that DLRCC advised that they customarily provide a letter to accompany the Part V proposals with any planning application, confirming their satisfaction with the applicant’s proposed compliance with Part V. You have explained that DLRCC has, to date, stated that it is not satisfied to provide such a letter in respect of your Part V proposals. You have expressed concern that such a letter could be viewed by DLRCC as a requirement of the planning application, such that your planning application could not be validated without being accompanied by such a letter.

4.2 There is no legal basis for a planning application to be invalidated because it is not accompanied by such a letter and, in fact, to do so would be contrary to the requirements of the 2000 Act and the Regulations. We have outlined above the legislative requirements in relation to evidencing compliance with Part V as part of a planning application. That compliance requires you to provide, as part of your planning application, details on how you propose to comply with section 96. The 2000 Act specifically provides a mechanism as to how disputes or a failure to reach agreement in respect of Part V proposals are to be dealt with. The dispute resolution mechanism applies post the grant of consent and not before. Any issue or dispute as to your proposed compliance with Part V should be properly dealt with post any grant of planning permission.

14 November 2022

McCann FitzGerald LLP

GEDV Monkstown Owner Limited,
C/O Greystar Ireland,
Quayside Quarter,
North Dock,
Dublin 1

27th September 2022

FAO: Mr Ward Frisby, Development Director

**Re: Estimated Rental Values for the 488 No. Build-to-Rent Units of the
Proposed Development at Dalguise House, Monkstown Road, Monkstown, Co. Dublin**

Dear Sirs,

Further to your request, we now write to provide you with our guidance and advice regarding the average Estimated Rental Value's (ERV's) for the 488 no. Build-to-Rent (BTR) units, comprising studios, one, two, and three-bedroom residential units at the proposed new high quality development at Dalguise House, Monkstown Road, Monkstown, Co. Dublin, as at the date of this letter.

We understand that this letter is required as part of discussions for Part V of the Planning and Development Act 2000 (as amended).



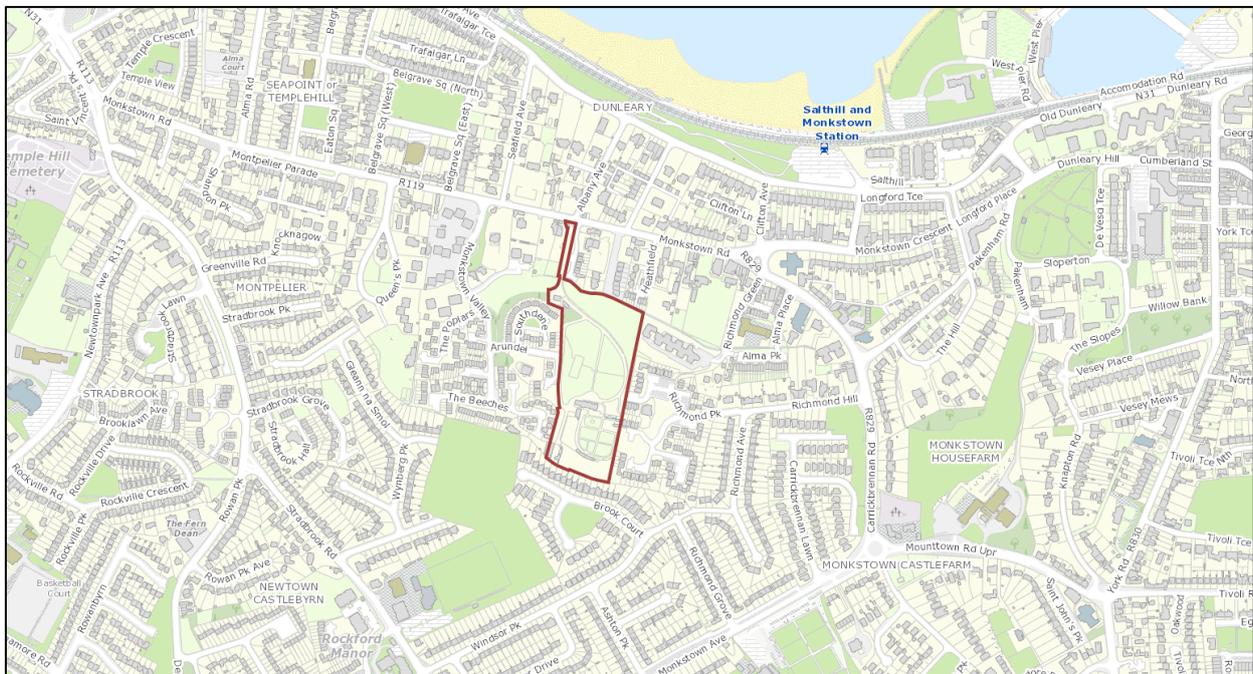
CGI of Proposed Dalguise House Development

DIRECTORS Ken MacDonald (FSCSI FRICS MIPAV MFIABCI M.INST.D), David Lawlor (FSCSI FRICS MIPAV), David Cantwell (FSCSI FRICS MIPAV), Renagh MacDonald (FSCSI FRICS), Donald MacDonald (BA FCA MSC. MIPAV), Enda Moore (MSCSI MRICS), Des Donnelly (ASSOC. SCSi ASSOC. RICS MIPAV), Gavin Hanlon (MSCSI MRICS)

Location

Dalguse House is located in the highly sought-after and prestigious residential suburb of Monkstown in South Dublin. The site is in a prominent position located approximately 100 metres south of Monkstown Road. The site is minutes’ walk from Monkstown Village, approximately 1.5 km west of Dun Laoghaire and Dun Laoghaire Dart station, c. 1.7m east of Blackrock Village and c. 400m southwest of Salthill/ Monkstown Dart Station connecting to Dublin’s Silicon Docks is less than 20 minutes.

Monkstown is one of the most sought-after residential suburbs of south county Dublin with a wealth of amenities, with multiple schools, sports clubs (CBC Monkstown, Monkstown Park Junior School, St Oliver Plunkett School, Monkstown Tennis Club, Monkstown Swimming Pool & Leisure Centre), seaside walks, premium shops, restaurants and cafes within walking distance to include Avoca Food Market, FXB and Bresson restaurant.



Location Map with site outlined in red

The Property

The proposed scheme will comprise a total 491 no. residential units, of which 488 no. units comprise BTR units, in a beautiful and mature landscaped setting on a total site area of approximately 3.58 hectares (8.84 acres). Of the 488 no. BTR units that form the subject of this letter, the majority of the units comprising 481 no. new purpose built apartments will be laid out over 11 blocks (A – J) of between 3 and 8 storeys, while the remaining 7 no. units will be located in the Coach House, Brick Gate Lodge, and Dalguise House.

The scheme will include approximately 1,230 sq m of extensive best in class internal residents amenity space including; a concierge reception; residents gym and yoga room; residents lounges; co-working lounges; residents clubhouse rooms; music room; library; pavilion; and a café. There will also be a Creche of approximately 540 sq m, 224 no. car parking spaces and 1,071 no. bicycle spaces.



Site Plan for Proposed Development



CGI of Proposed Dalguise House Development



CGI of Proposed Dalguise House Development



CGI of Proposed Dalguise House Development



CGI of Proposed Dalguise House Development



CGI of Proposed Dalguise House Development



Dublin Rental Market Commentary

Like many urban areas across Ireland, Dublin is experiencing a significant shortage of housing compared to the level of demand. The shortage of accommodation is more pronounced in Dublin than most locations, where demographic and economic pressures are pushing demand for rental housing.

The Covid-19 pandemic interrupted the demand in the rental market in Dublin from March 2020 through to August 2021. Since August 2021 there has been a very large increase in demand for rental accommodation across all parts of Dublin and its surrounding counties. This has resulted in serious issues as the number of parties in the rental market versus the amount of available vacant properties is at record lows.

Ireland's population is increasing and many of the economic indicators and trends are very positive. Numerous multi-nationals in Dublin are expanding and multiple other industries are also. These factors are supporting demand for rental accommodation in and around Dublin locations and an increasing portion of Ireland's population are renting.

As a result of all of the factors in the letting market, including those referred to above, rents are continuing to rise. According to the most recent rental report by Daft.ie, rents in the capital rose by 12.7% in the year to June 2022, matching earlier peaks in inflation in 2007 and 2016. Dublin market rents have now recorded six consecutive quarterly increases, with an increase of 3.2% in the second quarter of 2022.

New accommodation is replacing older accommodation in the market and this is more expensive to build with higher standards of accommodation which can only be delivered and rented at higher rents than older stock. As a result, rents in the market are going to continue to rise on an aggregate basis.

Comment on Local Rental Market Characteristics

Dublin continues to experience impressive employment growth and inward migration from different parts of the country and from other parts of the EU and elsewhere. Dublin City is the largest employment zone in Ireland and where most of the public transport converges, as a result of the radial nature of the infrastructural transportation network. The city is a dynamic and outward looking metropolitan area, with an attractive coastal locations that is home to the European headquarters of many of the world's leading companies including Google, Facebook, Twitter, LinkedIn, Tik Tok and J.P. Morgan to name just a few. The cities success in attracting international companies is a reflection of the wider success the city has had in positioning itself as a leading global business, financial and technological hub within the EU and globally and the quality of life it offers it's inhabitants.

Monkstown, Dun Laoghaire, Blackrock and Dalkey addresses in south County Dublin are regarded as prime areas for apartment rentals in Ireland and the location secures some of the highest rents coupled with addresses of Dublin 2 and Dublin 4. A large proportion of renters in these areas work in the technology sector, and this is likely to increase over the next year with the expanding companies such as Amazon, Tik Tok and Salesforce and more established occupiers that continue to expand on sectors that were largely unaffected by Covid-19 in terms of business activity and incomes. According to an article in Silicon Republic online news magazine, 'tech roles' experienced some of the most significant salary increases in 2021. Monkstown is also located c. 5km south of Sandycove Business District which has over 1,000 companies employing 25,000 employees.

The employees that work in the technology and finance sectors have some of the highest incomes in the country and are typically comfortable renting apartments at the upper end of the market, where premium rents are achieved.

The attractiveness of Dalguise House development is that it benefits from being easily accessible to the seaside and public transport connecting to Dublin City Centre in less than 25 minutes by the DART. Monkstown is one of the



most mature and sought after neighbourhoods in Dublin and it has all of the social and recreational infrastructure you would expect of such a location with an array of shops, restaurants, bars, schools, healthcare facilities and sports grounds and clubs.

Pricing Analysis

The residential investment sector has continued to grow as an asset class, supported mainly by a rising population, and expanding economy, significant employment, strong FDI and a shortage of supply. Globally there is strong demand for Build to Rent product and Ireland is now one of the most active and attractive locations for this. In comparison to other major European cities, Dublin has a comparatively low percentage of residential rental stock, approximately 26% compared with a European average of 69.8%.

Renting is now viewed as a long-term tenure choice for a large portion of the Irish population. Renters come from a wide cross-section of the market including single people and couples, families, downsizers, retirees, incoming workers, students and those relying on the State for accommodation.

There will be continuing strong demand from domestic and international investors for large scale Residential / Build to Rent opportunities.

Demand for good quality investment stock is strong due to positive market fundamentals, favourable demographics, rental growth prospects, strong investment demand and shortage of investment product, all of which is anticipated to continue in Dublin for the foreseeable future.

Greystar is a developer with an exceptional international track record for high quality developments. Greystar provides desirable living environments with an emphasis on residential amenities, innovative services and top-quality customer service to enhance living experiences enabling their developments achieve premium rents.

We believe Dalguise House is one of the most sought after residential locations in Dublin and there is pent up demand for apartments in this area. The scheme has been designed to ensure the maximum quantity of units will benefit from sea view and the development benefits from an excellent range of amenities and facilities close by, and is a very accessible location to the city centre.

Hooke & MacDonald consider that the premium quality of the proposed development will be in high demand for the rental market. It will deliver high quality specifications, in a very sought after and accessible location with excellent residential amenities in the vicinity. These factors will assist in attracting good tenants at first letting and into the future.

Currently there are 3 properties available to rent in Monkstown as at 27th September 2022. For the last 12 months there has been between 2 and 6 available properties in the area. Undersupply is even more acute in Monkstown than other Dublin towns/suburbs.

We would consider the average Estimated Rental Values for the 488 no. studio, one, two and three-bedroom residential BTR units of the proposed new development at Dalguise House, Monkstown Road, Monkstown, Co. Dublin, as at the date of this letter, to be as follows:

Unit Type	No. of Units	Typical Unit Size – Sq M	Average ERV PCM	Average ERV PA
Studio	2	39 sq m	€2,000	€24,000
One Bedroom	288	45 to 47 sq m	€2,500	€30,000
Two Bedroom (3P)	32	63 sq m	€2,850	€34,200
Two Bedroom (4P)	153	73 sq m	€3,000	€36,000
Three Bedroom	13	92 sq m	€4,000	€48,000
Total	488			

The above assessment relates to private residential accommodation only and does not provide for the inclusion of 20% social housing as required under the relevant legislation. Our pricing is based on the assumption that tenant amenities and facilities are included and the proposed residential units are completed to a high standard of specification.

In accordance with our standard practice, we state that our estimated rental values for the proposed accommodation, which are provided for discussion purposes only at this time, are based; on very brief details provided; current market conditions; current Irish legislation; the proposed accommodation being completed to a high standard of design / finish and; on the assumption that show units will be completed prior to the start of any marketing campaign.

This document is provided in the course of providing estate agency services and is not intended for loan security purposes. Consequently, in accordance with PS1, paragraph 5.4, of the RICS Valuation Global Standards, we have not been required to provide a formal Valuation Report for the intended purpose of this document as stated herein. In the event that we are required to undertake a formal Valuation Report, we reserve the right to alter the stated figures herein.

At the time of reporting, it should be noted that there are significant risks that have emerged to the global economy arising from increasing inflation, recent interest rate rises and global supply chain shortages caused by the ongoing war in the Ukraine. Consequently, at the date of this advice, Hooke & MacDonald consider that we can attach less weight to previous market evidence for comparison purposes, to inform opinions of rents, yields and likely sales prices. As a result, less certainty – and a higher degree of caution – should be attached to our estimated indicative pricing than would normally be the case. In light of the increased market uncertainty, we recommend that you keep the estimated pricing of this property under frequent review.

Finally, in accordance with our standard practice we must state that the estimated rental values stated herein are provided merely as an estimation for the sole use of the party to whom it is addressed. In accordance with our standard practice we state that our current estimated rental values provide no guarantee of future rental values which may increase or decrease.

Yours faithfully,



Hooke & MacDonald
Chartered Surveyors & Property Consultants

BLOCK A



Residential										
Level	Units					Sqm				
	Studio	1-Bed	2-Bed (3p)	2-Bed (4p)	Total	creche	Balconies	Dual Asp.	NIFA	GIFA
Typical Unit Size		45sqm	63sqm	73sqm						
Purbeck					0	258.3				292.3
Lower					0	281.4				314.8
Garden - Part V		4			4			3		291
L01 - Part V		3		1	4		1	3		291
L02		3		1	4		3	3		291
L03		3		1	4		3	3		291
L04		2		1	3		3	2		244
RL										
Total	0	15	0	4	19	539.7	10	14		2015.1
	0.0%	78.9%	0.0%	21.1%			53%	74%		

** Part V	
Garden	4
L01	1
Total Part V	5
	364

BLOCK B

Residential										
Level	Units					Sqm				
	Studio	1-Bed	2-Bed (3p)	2-Bed (4p)	3Bed	Total	Creche	Balconies	Dual Asp.	GIFA
Typical Unit Size		45sqm	63sqm	73sqm						
Purbeck						0				80
Lower		2	1	1		4			2	365
Garden		7		1		8		4	6	566
L02		6	1	1		8		2	6	566
L03		6	1	1		8		6	6	566
L04		6	1	1		8		2	6	566
L05		6	1	1		8		6	6	566
L06			1	3		4			4	420
						0				
Total	0	33	6	9	0	48	0	20	36	3695
	0.0%	68.8%	12.5%	18.8%					75%	

48

BLOCK C

Residential										
Level	Units					Sqm				
	Studio	1-Bed	2-Bed (3p)	2-Bed (4p)	3Bed	Total	Creche	Balconies	Dual Asp.	GIFA
Typical Unit Size		45sqm	63sqm	73sqm						
Purbeck						0				80
Lower		2	1	1		4			2	365
Garden		7		1		8		4	6	566
L02		6	1	1		8		2	6	566
L03		6	1	1		8		6	6	566
L04		6	1	1		8		2	6	566
L05		6	1	1		8		6	6	566
L06			1	3		4			4	420
						0				
Total	0	33	6	9	0	48	0	20	36	3695
	0.0%	68.8%	12.5%	18.8%					75%	
TOTAL PART V		70	12	19		101				7754.00
		69%	12%	19%						

20% PART V GFA (Required)	7561
currently allocated	7754.00