

# IRONBORN REAL ESTATE LIMITED

An Bord Pleanála,  
64 Marlborough Street,  
Dublin 2.

12<sup>th</sup> August 2022

## Subject to Agreement / Without Prejudice

**RE: COMPLIANCE WITH S.96 (PART V) PLANNING AND DEVELOPMENT ACT, 2000 AS AMENDED (“THE ACT”) AND THE STATUTORY REGULATIONS MADE THEREUNDER. PLANNING APPLICATION BY IRONBORN REAL ESTATE LIMITED FOR 438NO. BUILD-TO-RENT RESIDENTIAL UNITS, A CHILDCARE FACILITY & ALL ASSOCIATED AND ANCILLARY SITE DEVELOPMENT WORKS AT SECTOR 3, AIKENS VILLAGE, STEPSIDE CO. DUBLIN.**

Dear Sir / Madam,

We, Ironborn Real Estate Limited, Rocktwist House, Block 1, Western Business Park, Shannon, Co. Clare to write to the Board regarding the above.

We refer to the above mentioned proposed planning application which is a build-to-rent scheme and set out herewith details of the proposal to satisfy and comply with the requirements of s. 96 (Part V) of the Act, as amended. We have also had regard to Circular Letter 28/2021 arising from the Affordable Housing Act 2021.

Please note that the contents of this letter is purely indicative and is intended to provide a reasonable estimate of the costs and values of the units based on construction costs and values prevailing at the time of the application. Please also note that the information set out herewith is purely for the purposes of facilitating the making of a valid planning application and will ultimately be subject to possible amendment and formal agreement with Dún Laoghaire-Rathdown County Council prior to submission of the Commencement Notice in relation to the development of the site on foot of a Condition of Permission. The financial data contained herein is provided to the level of detail commensurate with this stage of the Part V process having regard to Circular Letter 10/2015 and should be read as being indicative as a result.

We note under the recent Amendment to the Act and its accompanying Regulations that the ultimate agreement with regard to Part V is dependent a) upon receipt of a final grant of permission and b) upon a site value at the time the Permission is granted; neither of which can be available at this time.

### **Preferred Option to Comply with Part V**

We confirm that the Applicant purchased the application site within the period 1 September 2015 and 31 July 2021. This Application is one that will be determined by An Bord Pleanála, in the period before 31 July 2026. As a result of the above, in line with Section 96(3)(j) of the Planning & Development Act 2000, as amended, the appropriate Part V requirement is 10%.

It is also acknowledged that the default Part V compliance is 10% of the application site. In this case the proposal is to grant a lease of 10% of the total apartment units to the Local Authority, or persons nominated by the Local Authority, by way of a Long Term Lease on the site subject to the application.

### **Estimated Cost to the Local Authority**

The overall estimated cost to the Local Authority at this time is based on a 25-year lease subject to an estimated monthly rent of €85,255 for 43 no. fully furnished units completed to the required performance specification and standards.

### **Identification of Units**

In the context of the development is a mixed-use scheme with 438no. Build-to-Rent units as proposed in this planning application it is therefore proposed to provide up to 43 no. units on site in total to comply with Part V of the Act. It is proposed to provide following mix of units: -

Unit	Size	No.
1 bed apt	53 – 59 sq.m.	18
2 bed apt	82 – 91.5 sq.m	25

See attached Site Location Plan and Proposed Part V Units layouts contained in the Architect Design Statement.

### **Methodology of Calculation of Costs**

We confirm that the methodology for estimating the costs set out above follows that set out in Table 2 of Circular Letter 10/2015. The breakdown of costs are set out below: -

#### ***Option 4 – Lease:***

Estimated cost: The estimated total amount to be discounted from the combined monthly lease rent for the unit(s) proposed.

#### Calculations/

Methodology: The estimated market rent, the discount proposed to reflect the responsibilities taken on by the planning authority under the lease and the Part V discount proposed should be set out. The Part V discount proposed should be such that the arrangement is no less beneficial to the planning authority than if the Part V requirement were fulfilled by means of the transfer of land under paragraph 3(a) of section 96 of the Act This means that the value of the discount to the planning authority must be no less than the “net monetary value” of the land in question, that is, the market value of the land to be transferred on the day that planning permission is granted, less the existing use value of the land on that date.

Unit	Size	No.	Discount to Market Rent to cover responsibilities taken on by Local Authority	Est'd Market Rent Per Month	Market Rent Monthly Discounted	Rent Yearly discounted per Unit	Total Rent per Annum
1 bed	53 – 59 m2	18	85%	€2,100	€1,785	€21,420	€385,560
2 bed	82 – 91.5 m2	25	85%	€2,500	€2,125	€25,500	€637,500

**Estimated Discounted Rent payable by the Local Authority – €1,023,060 (€85,255 per month).**

The monthly reduction through rent free period to cover Net Monetary Value is to be progressed on receipt of planning permission on completion of both Existing Use Valuations and Development Valuations.

Finally, we would wish to emphasise that the above information is being provided on a wholly without prejudice basis in order to comply with the Planning & Development Regulations in force at this time. The final details of any agreement with the Council regarding compliance with Part V, including agreements on costs will not be arrived at until after planning permission has been secured, current site value and construction costs are known as is provided for under the Planning & Development Act 2000, as amended.

We trust the above is in order.

Yours faithfully,

*Ironborn Real Estate Limited*

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