

The lifestyle trend to finding the house or apartment to better suit the way you live.



Rightsizing

Dublin, 2022

knightfrank.ie/research



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RIGHTSIZING

More than ever before, our aspirations for the way we live, work and relax are evolving as many seek a more simplified way of life. Ray Palmer-Smith analyses prime housing and apartment market trends in the Dublin Market.



Ray Palmer-Smith - Director, New Homes

The concept of 'rightsizing', 'rightsizers' and 'rightsize' has been trending in the global property industry for a number of years. It was initially developed to reflect the downsizing lifestyle trend towards luxury apartment living.

One of the key impacts of the COVID-19 shock to the market is that buyers across each sector of the market are applying these rightsizing criteria when making buying decisions, more than ever before.

The concept of rightsizing is more and more top of the list for buyers along with the long-established importance of location. As the market evolves in 2022, we expect that pricing will be

even more closely linked than before to the preferences of getting the sizing, amenities and services of new homes right.

The last year has seen both a growth in the number of people looking to downsize as well as a big increase in the number of Rightsizers. As the race for space continues across the entire residential market, increasing numbers of buyers are looking to still retain a substantial home in terms of square footage while at the same time reducing the maintenance required on their home and, in particular, the upkeep of their gardens.

Prime apartment developments are seeing penthouse and three bedroom apartment sales performing incredibly well. Modern

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Prime luxury residential property is the most desirable and most expensive property in a given location.
 ◆◆

gated developments with sizeable houses and townhouses with more modest, low maintenance gardens and terraces are increasingly sought after.

Buyers across the market from those seeking the lateral living offered by an apartment in the sky, with house-like proportions, to those looking for smaller properties suitable as a city pied-a-terre increasingly have a rightsize in mind.

In this report, we share our experience of what buyers want, what the key trends in the market are, the demand and supply dynamic and its impact on pricing.

Our clients, both developers and home buyers, are more and more interested in these evolving trends and how they will influence the product coming to the market and meet current and future buyer demand.

We hope you find this report of interest and feel free to reach out to the team at Knight Frank New Homes Consultancy for more information.

WHY RIGHTSIZE?

Whether our buyers are active retirees, professional couples, families with older children or international second home buyers, their experience rightsizing to a new home or apartment often shares a familiar narrative.

Clever Spaces

Generous living and some entertaining spaces despite a reduced floor plan. Multiple use rooms.

Enriched Wellbeing

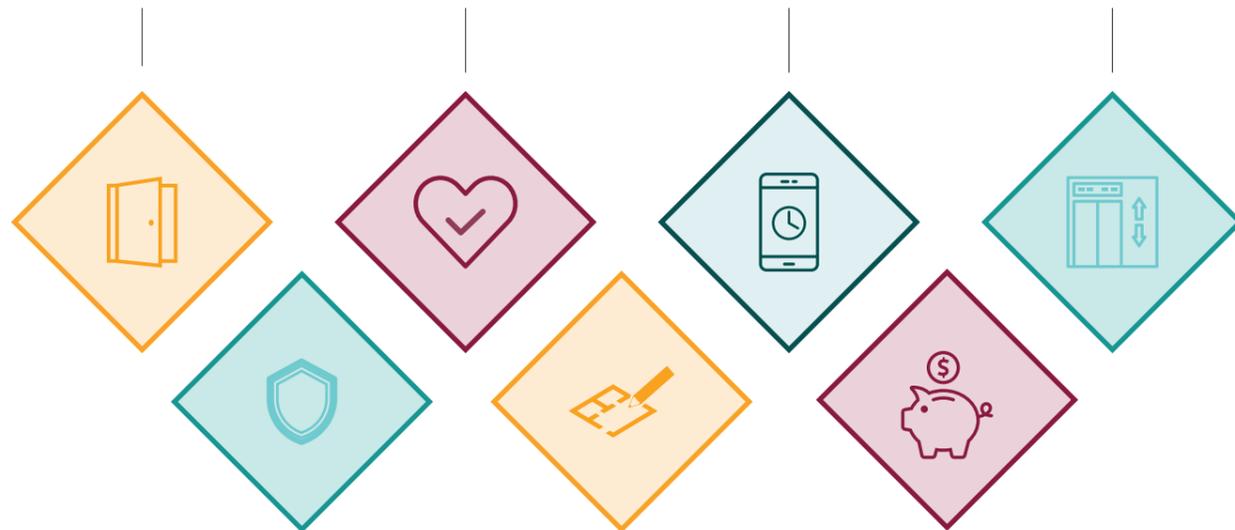
Whether integrated or nearby, wellness amenities are being attributed to a lifestyle preference amongst residents.

Smart Living

Beyond technology playing a role with creating solutions, time is respected with low maintenance living. Amenities replacing surplus space with experiences.

Lateral Agility

Reaping the benefits of single-level lateral or private lift accessible living, with increased walkability in and around the community.



Enhanced Protection

Less entry points enhances both privacy and security, with some buildings offering on-site security or concierge, providing seamless lock-up and go.

Sharp Design

New modern buildings increasingly allow for smart apartment design and the possibility of leaving an overall smaller environmental footprint.

Savvy Upkeep

Management fees outweigh the maintenance costs of a standalone home, with less chance of unexpected capital works.

WHAT BUYERS WANT

How are buyers' priorities, motivations and attitudes evolving?

TOP 5 THINGS THAT BUYERS WANT

1 Energy efficiency and sustainability are very high on the priority list which is a key driver of demand for new A rated apartments and houses with many moving from older, less efficient homes. Energy price increases in 2021 have further highlighted this as an issue for older homes, a trend which is set to intensify in 2022.

2 Easy maintenance is a big driving factor with buyers choosing to avoid the responsibility of ongoing repairs and particularly garden maintenance. This has become even more important over the last two years as supply chain issues and staff shortages have affected both the cost and ability of individual households to carry out home maintenance and renovations.

3 Accessibility both within the individual home and building but also the immediate surrounding areas are extremely important. Our data on buyers shows that a high percentage are looking to future proof with their next purchase, making sure that there are in some cases, lifts, level access to main bedrooms, maintenance free outside space as well as local shops, restaurants and coffee shops within walking distance to reduce their need for reliance on driving everywhere.

4 Security & Lock Up & Leave are additional factors for many purchasers who like to purchase in a gated development, some of which also have on site security or concierge services.

Many clients who are resizing include being able to travel for long periods of time and knowing that building management services are taking care of security and maintenance as a factor in their decision with the appeal of "lock up and leave".

5 The wow factor is a significant element in the decision on which home to buy – whether that is waking up to morning coffee with a sea view from your private terrace or cutting edge design and high specification finishes in a chef grade kitchen, each buyer has a different top priority. The common element generally includes something that they have always wanted to have that their previous homes have not offered.

Important Property features in the next home

- 1 A home office/study
- 2 More efficient outdoor space
- 3 High-speed broadband
- 4 Views of nature
- 5 Multiple use rooms
- 6 Wellness amenities
- 7 A home gym
- 8 Limited touchpoints
- 9 Sustainable design

Key Location features in the next home

- 1 Proximity to green space
- 2 Good air quality
- 3 Good views
- 4 Proximity to amenities
- 5 Walk to transport hub
- 6 Good schools
- 7 Walk to work
- 8 Close to the beach

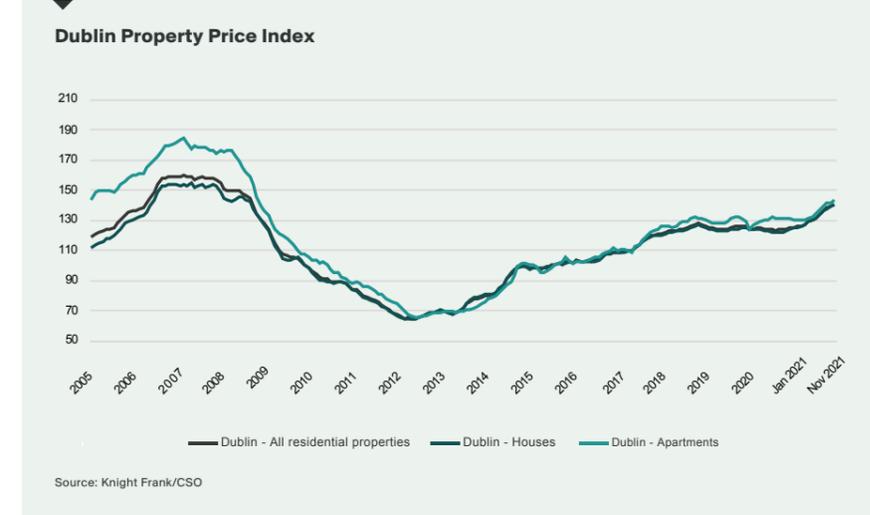
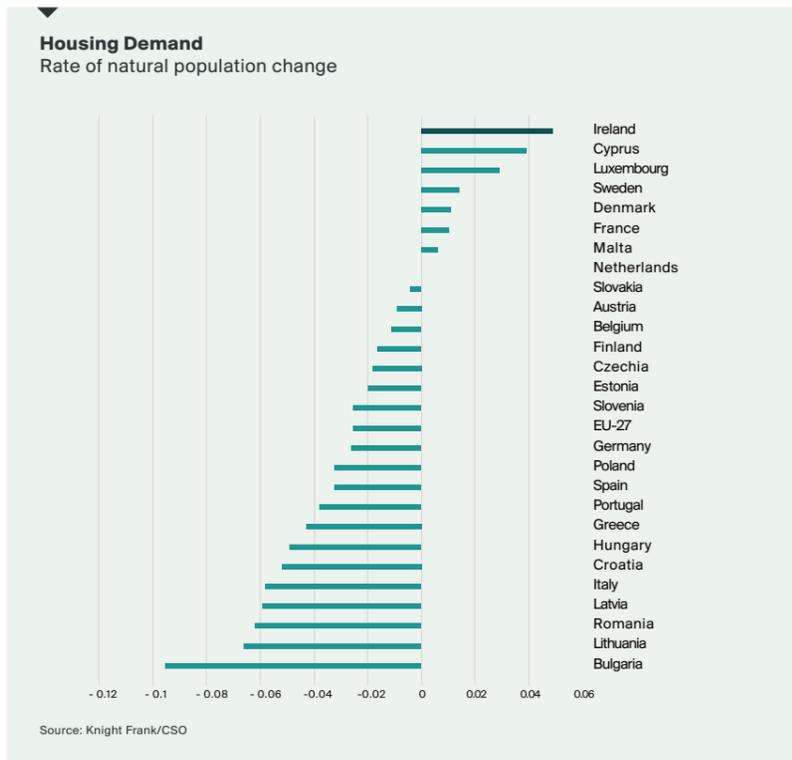
MARKET DYNAMICS

Demand, Supply and Pricing

Housing Demand

There has been a global increase in the demand for houses and apartments since the onset of the COVID-19 pandemic as a sense of home and wellness combined with an acceleration in hybrid and new ways of working and collaborating have increased the number of buyers active in the market, across all categories of product.

This has been particularly evident in the Dublin market. With economic growth under-pinned by high value adding employment and the natural increase in the Irish population, the highest in Europe, demand for homes has reached a new pressure point.



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Prices are expected to continue to increase across all sections of the market, with cash buyers and those with large properties to downsize from, expected to continue to absorb much of the stock coming to the market, particularly in the higher price categories.
 ◆◆

Prices

The inevitable result of these market dynamics has been upward pressure on prices. Demand from buyers ready to purchase either via cash or with lending in place is more than exceeding the supply

that is available, leaving a considerable gap for those saving or in the mortgage drawdown process.

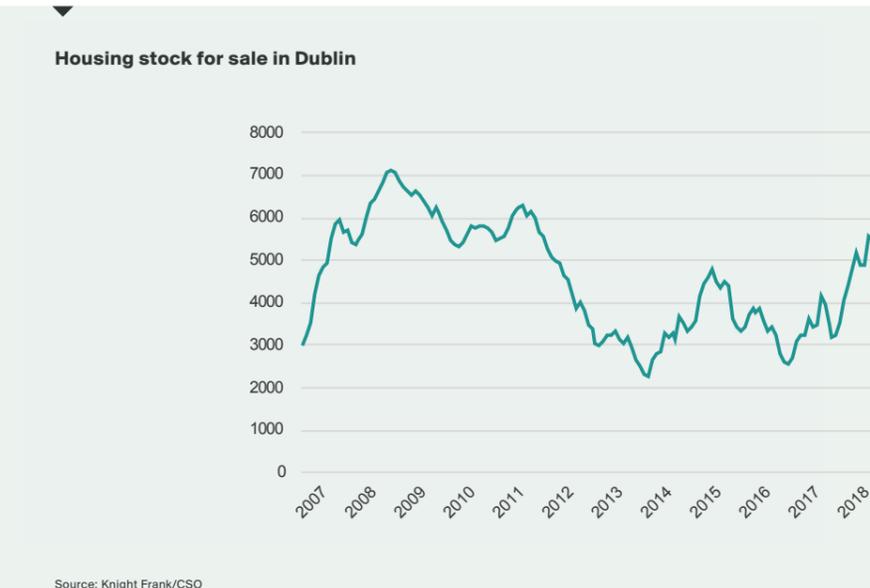
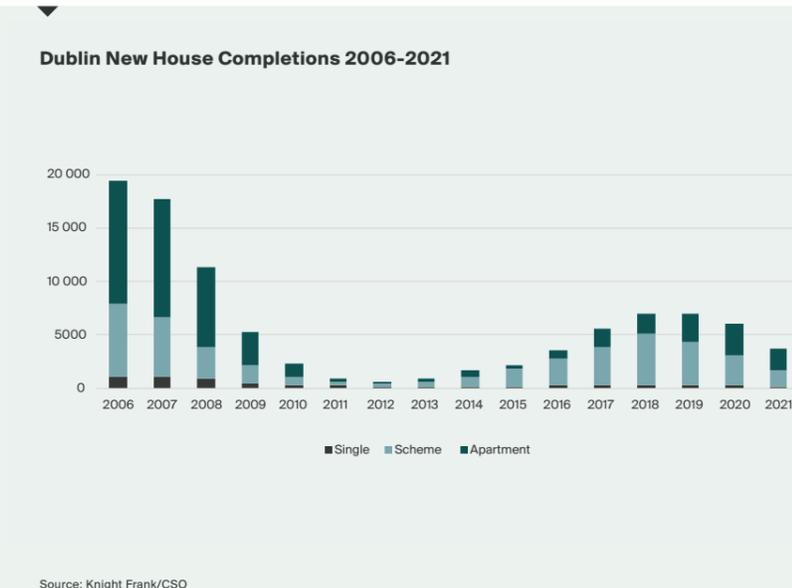
The prime end of the market is particularly constrained by the lack of

housing options for those looking to rightsize to new homes and this has resulted in a premium being achieved for new properties that meet the sizing and other criteria of the current discerning purchaser.

Supply

The supply of homes on an annual basis has been lagging behind for over a decade and coupled with the swell in demand has created a more acute problem for Dublin's housing market.

Housing stock for sale dropped significantly in 2020 and 2021 and given the limited number of options for potential buyers to move to, the level of stock available to buyers remains considerably below market demand.



KNIGHT FRANK SCHEMES

Whether it be a penthouse apartment with sea views or a five bedroom house with it's own gym and cinema room, we have a large selection of properties to suit your requirements.

Below is a small selection of homes we currently have available or coming soon, please do not hesitate to contact any of our New Homes team members to discuss these developments and more in further detail.



THE COLLECTION, 20 SHREWSBURY ROAD, BALLSBRIDGE, DUBLIN 4 LAUNCHING SPRING/SUMMER '22											
Style, history and modern elegance all come together in The Collection, a private development of seven substantial residences at 20 Shrewsbury Road. Nestled among the grand mansions and embassy residences synonymous with the area, these incredible properties bring a new level of elegance and architectural design to Dublin 4.	<table border="1"> <tr> <td>Developer</td> <td>Glenveagh Homes</td> </tr> <tr> <td>Total Number of Units</td> <td>7</td> </tr> <tr> <td>Type Available</td> <td>3, 4 & 5 bedroom houses with parking and private lifts</td> </tr> <tr> <td>Size</td> <td>325 sq.m/3498 sq.ft – 524 sq.m/5638 sq.ft + garages</td> </tr> <tr> <td colspan="2" style="text-align: right;">TBC - Launching Spring/Summer '22</td> </tr> </table>	Developer	Glenveagh Homes	Total Number of Units	7	Type Available	3, 4 & 5 bedroom houses with parking and private lifts	Size	325 sq.m/3498 sq.ft – 524 sq.m/5638 sq.ft + garages	TBC - Launching Spring/Summer '22	
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143 MERRION ROAD, DUBLIN 4 LAUNCHING SPRING/SUMMER '22											
Whether you are looking for a bright and spacious apartment with breath-taking sea views, a one of a kind penthouse or a one bedroom apartment in the heart of Dublin's most sought after location, 143 Merrion Road will offer all of this and more with 63 one, two and three bedroom apartments and penthouses on offer.	<table border="1"> <tr> <td>Developer</td> <td>Lioncor</td> </tr> <tr> <td>Total Number of Units</td> <td>63</td> </tr> <tr> <td>Type Available</td> <td>1, 2 & 3 bedroom apartments and penthouses</td> </tr> <tr> <td>Size</td> <td>Approx. 51 sq. m. / 549 sq. ft. – 126 sq. m./1,356 sq. ft.</td> </tr> <tr> <td colspan="2" style="text-align: right;">TBC - Launching Spring/Summer '22</td> </tr> </table>	Developer	Lioncor	Total Number of Units	63	Type Available	1, 2 & 3 bedroom apartments and penthouses	Size	Approx. 51 sq. m. / 549 sq. ft. – 126 sq. m./1,356 sq. ft.	TBC - Launching Spring/Summer '22	
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55 LAD LANE, DUBLIN 2 - SHOW APARTMENTS LAUNCHING SPRING 22											
55 Lad Lane comprises of 25 luxurious and spacious one, two and three bedroom apartments and penthouses in the heart of Dublin City Centre. Situated in Dublin's traditional Central Business District and easily accessible by excellent public transport modes.	<table border="1"> <tr> <td>Developer</td> <td>Oakmount</td> </tr> <tr> <td>Total Number of Units</td> <td>25</td> </tr> <tr> <td>Type Available</td> <td>2 & 3 bedroom apartments and penthouses</td> </tr> <tr> <td>Size</td> <td>7sq.m/506sq.ft - 126.5sq.m/1,362sq.ft</td> </tr> <tr> <td colspan="2" style="text-align: right;">From €880,000 for 2 beds From €1,200,000 for 3 beds</td> </tr> </table>	Developer	Oakmount	Total Number of Units	25	Type Available	2 & 3 bedroom apartments and penthouses	Size	7sq.m/506sq.ft - 126.5sq.m/1,362sq.ft	From €880,000 for 2 beds From €1,200,000 for 3 beds	
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THE PINNACLE, MOUNT MERRION - FIRST RELEASE AVAILABLE NOW											
An exclusive residential development of one, two and three bed luxurious apartments and penthouses. Located between Deerpark Road, North Avenue and Wilson Road in Mount Merrion, South Dublin. The apartments and penthouses will benefit from amazing sea views over Dublin Bay. The Pinnacle faces 32 acres of woodland at Deerpark and is within easy reach of some of Dublin's best schools and amenities.	<table border="1"> <tr> <td>Developer</td> <td>Oakmount</td> </tr> <tr> <td>Total Number of Units</td> <td>48</td> </tr> <tr> <td>Type Available</td> <td>1, 2 & 3 bedroom apartments and penthouses</td> </tr> <tr> <td>Size</td> <td>55sq.m/592sq.ft - 159sq.m/1,711sq.ft</td> </tr> <tr> <td colspan="2" style="text-align: right;">From €760,000 for 2 beds From €995,000 for 3 beds</td> </tr> </table>	Developer	Oakmount	Total Number of Units	48	Type Available	1, 2 & 3 bedroom apartments and penthouses	Size	55sq.m/592sq.ft - 159sq.m/1,711sq.ft	From €760,000 for 2 beds From €995,000 for 3 beds	
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MARIANELLA, RATHGAR, DUBLIN 6 - FINAL PENTHOUSES AVAILABLE NOW											
Marianella is a collection of spacious one, two and three bedroom apartments and three and five bedroom houses, offering a unique choice of lifestyle at the heart of Dublin's prestigious Rathgar. The final three bedroom penthouse apartments are available.	<table border="1"> <tr> <td>Developer</td> <td>Cairn Homes</td> </tr> <tr> <td>Total Number of Units</td> <td>Over 208</td> </tr> <tr> <td>Type Available</td> <td>3 bedroom penthouses apartments</td> </tr> <tr> <td>Size</td> <td>122sq.m/1,313sq.ft -139sq.m/1,496sq.ft</td> </tr> <tr> <td colspan="2" style="text-align: right;">From €950,000 - €1,200,000</td> </tr> </table>	Developer	Cairn Homes	Total Number of Units	Over 208	Type Available	3 bedroom penthouses apartments	Size	122sq.m/1,313sq.ft -139sq.m/1,496sq.ft	From €950,000 - €1,200,000	
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KEY TRENDS

*View from the Top
Car Space Premium*

1 View from the Top The rise of the Penthouse

While penthouse apartments may have begun as the domain of Gordon Gekko, Dublin's prime penthouse market buyers are very different today and we can see that no more-so than in developments like Marianella in Dublin 6, Lansdowne Place in Dublin 4 (which saw Ireland's highest recorded penthouse sale last year at over €1800 per sq ft) and most recently The Pinnacle in Mount Merrion where penthouse sales have again set a new record for area. While the wow factor, location and views are still high on the list of reasons to buy, purchasers are also prepared to pay a premium for the lateral space offered by these homes as their "house in the sky" which offers reduced maintenance, security & privacy and suits their needs long term, including into retirement.

Upon a recent initial limited off-plan release of apartments and penthouses at The Pinnacle by developers Oakmount, the very first sales agreed were right at the top of the building with the largest penthouses being snapped up straight away. We are also seeing this echoed in forthcoming projects which will be releasing later this year such as 143 Merrion Road in Dublin 4 by developers Lioncor, where we have a waiting list of penthouse buyers looking for top floor sea views and large terraces but don't want to compromise on the square footage of their living space.

2 Car Space Premiums

Offering parking spaces to purchase separately from the apartment units has been a feature of Dublin's city apartment market for the last number of decades. It is expected to become even more prevalent now, as planning, environmental and construction pressures mean numbers of spaces will be reduced going forward.

Buildings are beginning to accommodate car share vehicles so that residents do

not need to own a car to have use of one whenever they need (with the added benefit that buyers are not paying for either the car or the parking when they are not using it).

Less reliance on owning a car and particularly owning multiple cars, is a priority for lots of us as we aim to reduce our carbon footprint along with purchasing an A rated home.



143 Merrion Road, Dublin 4

FUTURE TRENDS

*Five key rightsizing trends buyers
should have on their radar.*

01. SUPPLY CHAIN REACTION

Bottlenecks in global supply chains for raw materials and delays to construction projects has had an impact on the construction sector in all major markets. Dublin has been no exception, with upward pressure on development costs. Buyers are concerned about the impact this global problem will have on prices at a time when the supply of housing is already lagging far behind demand levels.

Developments like The Collection on Shrewsbury Road will continue to be in high demand as they offer a turn-key alternative to the Ballsbridge second market and the growing challenges of renovating a large home.

02. PENT UP DEMAND FOR MORE LUXURY HOMES

After almost two years in and out of lockdowns, many buyers looking to downsize are showing a clear preference for lower maintenance, energy efficient homes with extra luxuries and services that were not necessarily on their list pre-Covid-19. These buyers have largely been unable to transact, creating a level of demand for more luxury homes. We expect these buyers to continue to drive demand for more luxury properties.

03. PLANNING AHEAD AND BUYING OFF-PLAN

The average buyer with Rightsizer is increasingly well-researched on the market and the area of particular interest to them, not just in terms of preferred location, but in relation to the amenities and services on offer and the pricing of competing schemes and most often the pricing of second hand homes in the area.

Those best prepared and who can plan ahead are best positioned to secure the property of their choice when they become available, with many prime buyers buying off-plan 12/18 months in advance to make sure they get the specific home they want.



04. EXPECT TO PAY FOR WHAT THEY WANT

There is increasing evidence that Rightsizers, particular at the upper end of the market, are prepared to pay a premium to get exactly what they want. They have often predetermined their "must haves" and will move quickly to secure the right property when they find it.

Buyers will pay a premium for expansive views, particularly sea, private lifts, landmark, park or mountain views as well as aspect from both internal rooms and outside spaces.

05. LOCATION LOCATION LOCATION

Location is key now more than ever as Covid-19 restrictions compounded our awareness of and need to have amenities, beaches and greenspace within easy reach. Particularly with retirees, far from retiring to a remote location, the emphasis is now very much on being in the heart of a neighbourhood with the ability to grab your morning coffee & head for a walk in the park or along the beach without getting in a car.

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