

# Global property investment firm buys most of 170-home estate in Kildare

## Round Hill Capital to put 135 houses at Mullen Park in Maynooth on rental market after deal believed to be worth €54 million

BY MICHAEL BRENNAN

A global property investment firm with a €1 billion war chest has pushed out first-time buyers by purchasing most of a 170-home estate in the commuter belt.

The developers of the Mullen Park estate in Maynooth in Co Kildare had been marketing new homes on the estate to private buyers since last year, with around 35 sold so far.

But a real estate investment trust called Round Hill Capital has now agreed to buy up to 135 three and four-bed homes on the estate so that they can be put on the rental market. The homes were on sale for around €400,000, meaning that the value of the deal could be around €54 million.

Catherine Murphy, the Social Democrats co-leader, said it was another sign of the growing influence of the real estate investment funds in the property market.

"It's going to have a big impact on first-time buyers. I've been contacted by several people who are very upset. It's a sign of things to come," she said.

Round Hill Capital opened an Irish office in Dublin in 2019. On its website, it declares that it has over €1 billion of capital and is going to deploy in Ireland on new build-to-rent developments and student accommodation.

Murphy said that REITs had significant tax advantages over private home buyers, with a tax rate of 25 per cent on their dividends to investors.

"Another aspect is that there will be no local property tax, as is the case for all new houses constructed since 2013," she said.

Round Hill Capital was involved in a €123 million

purchase of 297 apartments in Northwood in north Dublin last November with another investment firm.

Last week, the company announced that it had bought 112 family homes to rent in Bay Meadows in Hollystown in Dublin 15 in partnership with another firm, SFO Capital Partners. Michael Bickford, Round Hill Capital's founder, hailed how resilient the Irish rental market had been during the Covid-19 pandemic.

He said the Bay Meadows purchase was "further evidence of the strong appeal of the Irish build-to-rent sector for institutional capital, attracted by its resilient, long-term yields", in a statement on his company's website.

The news of the sale of the Mullen Park estate to Round Hill Capital was confirmed by Sherry FitzGerald, the estate agents who were dealing with prospective buyers on behalf of the developer.

In an email, it said: "We have been advised by the developer, Kelston Properties, that phases 2, 3 & 4 have been acquired by a real estate investment firm, Round Hill Capital, who will offer the houses to the rental market. Unfortunately, we will have

no further houses for sale in Mullen Park."

The sale has also come as a disappointment to Tuath, the affordable housing body, which was working with Kildare County Council on plans to buy most of the houses in the estate.

It was set to get state funding to buy 142 of the 170 homes there, according to the most recent social housing report from the Department of Housing. A Tuath spokeswoman confirmed it had engaged in negotiations to acquire new homes at Mullen Park, Maynooth. "Unfortunately, the association was ultimately unsuccessful in reaching an agreement with the developer," she said.

These homes would have been rented to people on Kildare County Council's social housing list. Aidan Farrelly, a Social Democrats councillor, said he is going to question council officials about the collapse of the negotiations at the Maynooth-Clane municipal district meeting on Friday.

Ivan Gaine, the managing director of Sherry FitzGerald New Homes, which was operating the now cancelled sales process, said the firm had huge empathy for all of those seeking to purchase a new home at the current time.

"The lockdown has had a big impact on current supply across all areas of housing need, be that home purchase, rental, social housing or others. Demand is hugely outstripping supply," he said.

When contacted about the sale of Mullen Park homes, a spokeswoman for Round Hill Capital said it does not comment on "market rumours or speculation" and would not be providing a comment "at this time".

**“It's going to have a big impact on first-time buyers. It's a sign of things to come”**



Dalton Philips, chief executive of the Dublin Airport Authority: 'We can't lose the competitive position that we have' Fergal Phillips

# Airport boss says state must act to mitigate damage dealt by Covid

PETER O'DWYER

Ireland's current curtailment of international travel is rapidly squandering decades of advancement in Irish aviation and risks creating significant economic damage, the head of the country's two largest airports has warned.

Dalton Philips, the chief executive at DAA, said "substantive engagement" from government on the industry's plan for restarting air travel and an exit strategy from the system of mandatory hotel quarantine (MHQ) were urgently required.

"We can't lose the competitive position that we have... there needs to be an exit strategy. We could have variants of concern for years and we're at odds with the rest of Europe. We punch above our weight on a lot of things in Ireland and one of them is aviation. We're rapidly losing what took 30 or 40 years to build up and the ramifications of that will be significant for our economy. We're not saying health shouldn't take primacy, we're just saying let's have the debate," Philips said.

DAA last Thursday announced full-year results for 2020 which showed it made €284 million loss as a result of the pandemic while passenger numbers to Cork and Dublin airports fell by 78

per cent from 35.5 million the previous year to 7.9 million.

Turnover declined by 69 per cent from €935 million in 2019 to €291 million last year.

Passenger numbers for the first three months of 2021, during which the government's MHQ system was introduced, were down a further 92 per cent on last year.

While it was "almost impossible" to forecast passenger numbers for 2021, Philips said as few passengers could pass through the state's two largest airports this year as last.

"Last year, we did eight million and this year we could easily do eight million again," he said.

Key construction projects including the North Runway at Dublin Airport and new security screening systems for aircraft hold baggage at Dublin and Cork airports

proceeded last year despite the impact of the pandemic but DAA is consulting with airlines and the Commission for Aviation Regulation on the scale of future works.

Prior to the pandemic, DAA had a €2 billion programme of capital works planned between 2020 and 2024.

None of the projects have been abandoned yet, but DAA will not complete its review for between a year and 18 months.

DAA cut its workforce in Ireland and overseas by 2,000 employees last year and introduced pay cuts of between 20 per cent and 45 per cent across the organisation as part of a major cost-cutting programme which cut 42 per cent of its cost base compared with the previous year. All but about 200 employees have had their pay restored.

Asked how many of the

2,000 jobs could be restored when international travel resumes, Philips indicated that it was unlikely a substantial number of new hires would be made over the coming years.

"Certainly, with the headcount we've got at the moment we could accommodate any sort of recovery for the next couple of years," he said.

DAA raised €500 million through a bond issue in October 2020 and is satisfied it is adequately funded.

Discussing the plan by aviation stakeholders recently submitted to government for the resumption of air travel, Philips said: "There has been engagement with government but I would say there needs to be substantive engagement because we're an absolute outlier with the rest of the EU; nobody has the criteria [for flying] in place

that we do."

Ireland could not take airlines and the connectivity they provided the country for granted and the longer there was a lack of clarity on the government's plans for the sector the more likely it was that airlines would move their operations to other countries, he said.

Taoiseach Micheál Martin has said Ireland will sign up to the EU Digital Green Certificate which will provide proof that a person has been vaccinated against Covid-19, received a negative test result or recovered from the illness, in order to facilitate travel within the bloc. Work on its implementation is ongoing.

"We're going to need every minister with an up-to-date passport on a plane with us, with Tourism Ireland and the IDA back out and trying to win business," Philips said.

# Beer could soon be twice as expensive as it is in North

## Coalition to introduce minimum unit pricing within weeks, but drinks industry says law should apply on an all-island basis

BY AARON ROGAN

Beer could be twice as expensive in the South compared with Northern Ireland under the government's plans to introduce minimum unit pricing (MUP) within weeks.

The public health initiative is designed to lower alcohol consumption by banning offers on cheap drinks and setting a minimum price of 10 cent per gram of alcohol.

The government had committed to delaying the changes until a similar law was passed in Northern Ireland, but has since decided to move ahead after Robin Swann, the DUP Health Minister in Northern Ireland, signalled that it will not be introduced there until 2023.

Figures shared by Drink Ireland, the lobby group, with Frank Feighan, the junior minister for public health, last week showed that the cost of some products will be twice as much in the Republic, raising concerns that shoppers will cross the border to buy cheaper alcohol and groceries.

Based on prices in Asda in Enniskillen over the bank holiday weekend, the figures show that an 18-pack of Magners Cider which costs €12.61 when the currency is converted, would cost €28.16

under MUP in Ireland – a 123 per cent difference. A pack of 18 Carlsberg was €11.49 in Asda this weekend but would cost €23.78 under MUP – a 107 per cent difference.

A litre bottle of Famous Grouse Scotch whiskey available for €18.37 in Asda Enniskillen would cost €31.60 under MUP, a 72 per cent difference. Litre bottles of Smirnoff vodka and Bombay London gin available for €18.39 in Asda would cost €29.63 under MUP, a 61 per cent difference.

A ten-pack of Guinness cans which cost €11.49 in Asda this weekend would be at least €14.25 under MUP, a 24 per cent difference.

Patricia Callan, director of Drinks Ireland, said that it supported the measure to reduce alcohol misuse but that it was imperative the law was introduced on an all-island basis.

"The massive price differential that would result from a unilateral move on MUP would drive many price-sensitive households, who have already been hard hit by the pandemic, to shop across the border.

"It would also place massive pressures on border businesses, and lead to an increase in illicit alcohol smuggling at

the border, all at a vulnerable time for our economy," Callan said.

"Beyond alignment with Northern Ireland, the introduction of MUP is logistically very challenging for retailers and drinks manufacturers, so it's important that a transition period of at least one year is provided to implement the measure, in line with other measures in the Public Health

(Alcohol) Act 2018," she said.

"In the context of this debate, it's also important to highlight that alcohol consumption in Ireland declined last year by 6.6 per cent to its lowest level in 30 years.

"This fall, while accelerated by Covid-19 and the closure of the hospitality sector, is also in line with the fact that alcohol consumption generally is declining in Ireland. The average consumption in 2020 was 29.8 per cent lower than the peak of 2001."

An Ibec report from two years ago estimated that a unilateral MUP move would increase the existing price differential on alcohol between the Republic of Ireland and Northern Ireland from 27 per cent to 38 per cent, resulting in a direct loss to the Irish exchequer of €94 million.

Alcohol Action Ireland, a public health campaign group, said that "the greater public good far outweighs the continued protection of private commercial interest."

"MUP will save lives, reduce harm and release scarce public resources devoted to managing chronic alcohol related harm.

"Alcohol-related inpatient healthcare accounts for 11 per cent, or €1.8 billion, of all public healthcare expenditure. While at a wider societal level it demands approximately €3.6 billion of health, criminal justice, education and social protection public expenditure," a statement from the group said.

### The numbers

**10c**  
Proposed minimum price per gram of alcohol

**€18.39**  
Advertised price of one litre of mid-market vodka or gin in an Enniskillen supermarket this weekend

**€29.63**  
Price for the same products in the Republic after minimum unit pricing

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