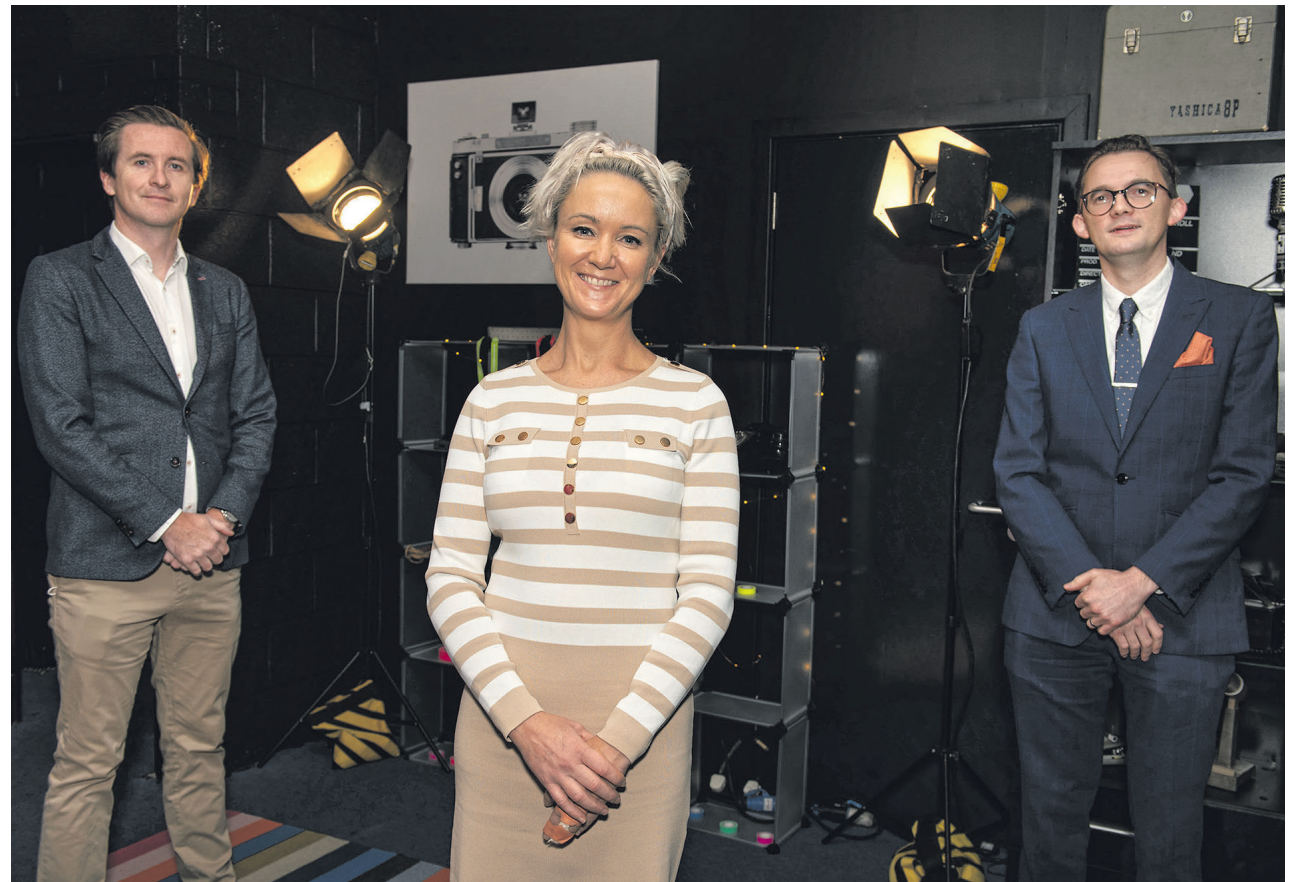


# The 8<sup>th</sup> National Business Post Property Summit



Deirdre Hayes, head of Irish commercial property, Irish Life Investment Managers; Patrick Hogan, director – head of residential capital markets at Cushman & Wakefield Ireland; Marie Hunt, research director, CBRE and Kenneth Rouse, managing director and head of Capital Markets, BNP Paribas Real Estate



Rick Larkin, executive director, Twinlite; Claire Solon, managing director, Greystar Ireland and John Dobbins, director, Shay Cleary, architect

## Eighth Property Summit looks to the future in a changing industry

‘A sector in flux’ was the theme of the event, which took place online on December 1, writes **Roisin Kiberd**

The eighth National Property Summit took place online on December 1, with the theme of ‘a sector in flux’, bringing together investors, developers, builders, finance providers and other property professionals to discuss the future of the sector.

The day began with a talk given by TJ Cronin, president of the Society of Chartered Surveyors, Ireland, who discussed consumer demands in Ireland’s housing market. Cronin said that long delays are taking place in the conveyancing of property, and that while Housing for All will be welcomed, a number of blockages in the system are preventing new homes from being built.

“It’s going to take a long time to address,” said Cronin, “and in the meantime, unfortunately, we’re looking at a supply-led increase in the prices of new homes.” Cronin was followed by a panel on “Surviving the spiralling construction cost increases”, with John Dobbins, director of Shay Cleary Architects, Claire Solon, managing director of Greystar Ireland, and Rick Larkin, executive director of Twinlite.

Larkin said that it is currently “almost impossible” to proceed with projects thanks to costs: “We hear a lot about material and labour cost increases that are coming, and unfortunately they’re severely undercutting what’s out there in the market. We’re seeing increases in material costs of 40 per cent, and labour cost increases of 30 per cent.”

Solon agreed, adding that “ultimately, development is like any business: the end result needs to be worth more than the value of all the costs that go into it... it’s very difficult to see how projects can be viable in this market”.

Dobbins, meanwhile, said that he believed the government could play a far larger role in providing housing: “We like to think we’re special in experiencing this kind of crisis, but if you look back, Ireland and in particular Dublin



Conor Daly, chief operating officer, Property Bridges; Sinead Byrne, chief operating officer, Initiative Ireland; Brian Moran, senior managing director, Hines Ireland and Pat O’Sullivan, head of real estate research, AIB

has a history of going through housing crises every couple of decades. In the past, government intervention created new forms of housing, and that is what needs to be done.”

### From talk to action

The programme moved on to a segment on sustainability in construction and “The shift from talk to action”. Eoin Leonard, chief executive and founder of i3PT, spoke on enabling Ireland to decarbonise the property sector.

Discussing EU taxonomy, the classification system for companies and investors to determine if economic activities are sustainable, Leonard said that renovation is going to become far more popular than demolishing and rebuilding properties. “Nobody will want to demolish buildings in the next decade or so,” he said. “We will get more efficient at maintaining our buildings, and climate risks will be factored into building at a much earlier stage.”

After a short break, a panel convened to discuss ways to combine environmental considerations and the need for housing, with Rami Nassar, head of sustainability for property and development services at JLL, Chris Collins, country president for Ireland at Schneider Electric, Phelim O’Neil, head of property at the Land Development Agency, and Krystyna Rawicz, managing director at KRA.

Rawicz said that 30 per cent of all emissions in Ireland are from built environment, with residential buildings playing a large role – retrofitting, then, can make help in meeting targets.

O’Neil outlined the challenges of ‘future-proofing’ construction and property development: “It’s grand for one or two projects to be exemplars, but we have to push those exemplars into the mainstream.”

Nassar said that we need

faster implementation of sustainability measures: “We need catalysts. The stick alone is not enough, and the carrot isn’t either. We need a combination of both.”

Collins highlighted the role of electrification: “In 2030, we won’t be selling fossil fuel cars in Ireland anymore. Is the home equipped for all these cars coming home each evening and plugging into the grid?”

Next, a case study on “A vision for climate-resilient, compact urban growth in Dublin” was presented by

Mick Mulhern, director of planning and transport at South Dublin County Council. He discussed the ‘City Edge’ project, aiming to develop roughly 700 hectares of land on the periphery of Dublin.

“While we know the land is under-utilised today, we can’t just wipe away what’s already there,” Mulhern said, listing objectives including creating liveable cities, providing new homes and transport-oriented development, and constructing an urban design framework that connects with its

surroundings.

A panel on “The evolving structure of the property finance market” included Brian Moran, senior managing director of Hines Ireland, Sinead Byrne, chief operating officer at Initiative Ireland, Pat O’Sullivan, head of real estate research at AIB, and Conor Daly, chief operating officer at Property Bridges.

O’Sullivan said AIB has become flexible in order to meet the needs of the market: “We serve the full spectrum; we wouldn’t be able to lend the volume of money that we lend

if we weren’t receptive to the market.”

Moran said that while plenty of capital is available around Europe at present, attracting it to Ireland is a challenge: “Without that scale of capital, eight or nine billion per year being imported into Ireland, we won’t meet targets.”

Byrne said that she’d like to see more speed in planning, while Daly added: “It’s a false economy not to renovate now. If you’re a homeowner, you’re going to have to face up to that sooner or later, or you’ll find it hard to get a mortgage, or to



Joining the summit virtually, Rami Nassar, head of sustainability, property and development services, JLL, with Jonathan Healy, broadcaster



Joining the summit virtually, Dawn Slevin, managing director, ELS Europe, member EU sustainable finance TEG and EFRAG task force on reporting of non-financial risks and opportunities

sell that property.”

### A revolution in shopping

Speaking on “The rise, fall and uncertainty of traditional property assets”, a panel included Patrick Hogan, director and head of residential capital markets at Cushman and Wakefield, Ireland, Deirdre Hayes, head of Irish commercial property at Irish Life Investment Managers, Kenneth Rouse, managing director and head of capital markets at BNP Paribas Real Estate, and Marie Hunt, research director at CBRE.

Hayes said that Covid-19 has been “transformational” for the sector: “We’ve seen that as things open up again, the sector has improved, and professional services and offices want to get back to normal. Some 63 per cent of managers want to get back to the office as well.”

Rouse said that in retail, there had been a surge back to spending in bricks-and-mortar shops after lockdown ended, and that while some brands, like Arcadia, went under during Covid, leaving gaps in high streets, “a revolution in shopping, where brands are adapting to a changing market” was now being witnessed. The final panel of the day asked: “Why is ESG vital to real estate?”, with a panel of Eoin Leonard, chief executive of i3PT, Sean MacHale, head of institutional strategy,

sustainability and growth at Bank of Ireland M&T, Ruairi Revell, ESG Manager for Real Assets at Abdrdn, and Dawn Slevin, managing director of ELS Europe and a member of the EU Sustainable Finance TEG and EFRAG task force on reporting of non-financial risks and opportunities.

Leonard said that interest in ESG is causing decision-makers in the sector, like asset managers, contractors and developers, to change their behaviour and factor in sustainability to a greater extent: “The key thing is that they have to change – there is no situation in which you can continue to operate the way we used to, and necessity is the mother of invention.”

Slevin said that the EU taxonomy will set out a classification system and technical screening criteria to cause no harm to other environmental measures, and to keep within environmental safeguards. “We want to leverage everyone’s ability to make decisions. It has to be everyone: the engineers, architects, supply companies, regulators – everyone is involved in this.”

Concluding with this look ahead to new technologies, standards and regulations, the eighth Property Summit explored the complexities, challenges and opportunities in Ireland’s current property sector, as it looks ahead to a post-Covid-19 sustainable future.



TJ Cronin, President, SCSi



Krystyna Rawicz, managing director, KRA



Mick Mulhern, director of planning and transport, South Dublin County Council



Ruairi Revell, ESG manager for real assets, Abdrdn



Sean MacHale, head of institutional strategy, sustainability & growth,



Patrick Kavanagh, building services engineering associate Dublin, BDP Building Design Partnership