

Royal Liver in €80m prime property sale

CON POWER

ROYAL Liver Assurance is selling a clutch of prime Dublin properties in the biggest investment disposal for months.

The handful of well located properties are reckoned by market watchers to be worth around €80m. The decision to sell such a valuable portfolio at this juncture will provide arguably the most significant test for the market since the onset of the credit crunch.

The "blue chip" investments on offer include the landmark McDonalds building on Dublin's Grafton St; Café en Seine, Dawson St; the O2 building, Henry

St; Vodafone, Henry St; and a Vodafone industrial building in Clonsilla.

Prospective buyers have been circulated with details of the properties being disposed of by the assurance giant. DTZ Sherry FitzGerald has been retained to sell the properties.

Collapse

Despite the recent collapse of the investment market, sources believe the offer will elicit good interest given the prime nature of the properties on offer.

Royal Liver has long been one of the biggest institutional players on the Irish commercial property scene — regularly disposing of properties here to

rebalance its investment portfolio. The group sold four mainly retail investments off Grafton Street for around €25m just before the retail bubble burst, reflecting a 2pc yield.

All has changed utterly on the retail scene since then, however. Values have weakened dramatically and yields widened.

In addition to normal market forces, the newly formed Grafton Street Tenants Association has launched a campaign against the "upward-only" rent review process.

The McDonalds fast food outlet was in the news early last year when facing a staggered rent increase of 120pc from €520,000 to more than €1.1m.



THERE is room at the top — literally — at the IFSC where a stunning penthouse office suite has become available to let at a rent of €505 per sqm per annum. The 269sqm suite is on the fifth floor penthouse of 4 Custom House Plaza. The accommodation includes two boardrooms, a communications room and a filing/storage room. Agent is Jones Lang LaSalle. The space is available immediately on flexible lease terms and comes with car parking at €3,750 per space per annum. JLLS is also marketing a fully fitted second floor office (1,325sqm) in East Point Business Campus at the edge of Dublin's central business district at a rent of €747.50 per sqm per annum.

Trim tenant hunt

THE hunt has begun for an anchor tenant for a new retail park in Trim, Co Meath which has been given planning permission.

Poppintree Developments got the green light from Bord Pleanála for phase one of the 30 acre development off Dublin Road at Iffernock, Trim. The combined retail park and 100 light industrial/warehouse units will provide 34,904 sq m. of developed accommodation.

The Directors of Poppintree

Developments are Paul, Hazel, Patrick and Laura Elliott, who are involved with Elliott Construction, a separate company from P. Elliott.

"The start-up date will depend on the success of our marketing effort and while there are lots of shops in Navan, the people of Trim are not so well served. Our project will not start until an anchor tenant has been secured," said director Paul Elliott.

The An Bord Pleanála

approval comes at the end of a two year planning saga during which the proposal was originally refused by Meath County Council on infrastructural grounds and the planning appeal board's own inspector also recommended against it.

The board was, however, satisfied with subsequent assurances regarding public sewerage connections and other infrastructure issues by the local authority and planning consultants John Spain Associates.

Last orders at Harry St



WINE merchants Berry Brothers & Rudd Ireland is vacating its historic premises at 4 Harry Street (left) in Dublin city centre next September.

The three-storey over basement 283sqm corner building just off Grafton St was the original Weights & Measures building of Dublin Corporation. It has been completely restored/renovated by the wine merchants over the past ten years.

The property is now being available to rent on a new lease

through Knight Frank Dublin. Quoting €235,000 rent.

The letting agent is prepared to be flexible with regard to the lease terms. "However, the use and covenant of such a landmark building will be of paramount importance", comments Keiron Diamond, of KFD.

The wine merchants will thus terminate their direct Irish retail presence at the end of the summer, but will thereafter continue to service this market from the UK.

Top properties for sale in Dundalk

TWO choice properties are for sale in Dundalk, Co Louth — one retail, the other industrial.

A shop property at 84 Clanbrassil St, is on through Fee & Associates who are quoting a €1.150m guideline.

Let to Jack & Jones and Vera Moda on a 24x5 year lease, this is one of the highest profile retail investments to come on the market in the town.

"Investment properties with quality brand covenants rarely are sold off here and this property ticks all the right

boxes," says Raymond Fee.

Property Partners Laurence Gunne is, meantime, selling a 6,830sqm industrial premises on a 6.3 acre site at Finnabar Industrial Estate, Coes Road, by tender (closing July 17). The property is expected to fetch over €5m.

Adjacent to Dundalk's Institute of Technology, the manufacturing area is 4,527 sqm together with offices, canteen, loading bay and car parking. PJ Roddy at PPLG has all the details.

M&S sparks 100 new jobs at Showgrounds

THE new Marks & Spencer "anchor" store at the €25m Showgrounds shopping centre in Clonmel, Co Tipperary, opens tomorrow.

The 2,140sqm store will provide 100 of the 500 new jobs due to be created at Showgrounds.

The Greenband development will have a total of 27 retail units upon completion in September and a 0.25m catchment population.

The Showgrounds has been designed by Fewer Harrington & Partners who have also provided the design for a phased extension to Clancy Construction's Thurles Shopping Centre (also a €25m project).

The Thurles expansion features a 2,000sqm extension to the existing anchor unit plus additional smaller retail units, a medical centre, cinema and amulti-storey carpark.

Recession no match for Kildare tycoon

KILDARE-born Sean Conlon's US Real Estate Opportunities Fund is bucking the US property downturn by focussing on distressed real estate opportunities.

The €36m fund is on target to exceed its original 20pc plus investment return.

The Chicago-based property tycoon set up Conlon & Co (Ireland) with local entrepreneur James Carroll in 2007. Its property fund was launched the following year in partnership with Friends First

— just in time to capitalise on the downturn in US prices.

"The US is now very much a buyer's market and Conlon & Co intends to capitalise on this opportunity over the coming months and years," managing director Mr Carroll comments. Meantime, Conlon has now established a new residential brokerage firm based in Chicago.

This new business already has over 50 agents employed with over €140m worth of listings on its books.