Irish Private Rented Sector

Amenities Benchmarking Report - Boston and Dublin

October 2021

BuildingLink Ireland + PRS Insights

Overview

Benchmarking the Boston and Dublin PRS Markets

With the rise of the Irish PRS sector, we at PRS Insights thought it would be helpful to compare and contrast the Dublin market with the more mature PRS (multi-family) market of Boston, Massachusetts, in the USA.

Boston and the US PRS (multi-family) market in general has been a clear Amenity War battleground where asset owners and managers are using common area built amenities to differentiate their offerings, gain and retain residents in a variety of demographic groups.

Our research has found that there are some clear similarities in the two markets both in terms of demographics and PRS amenities and some clear contrasts. We hope the report is of interest and perhaps even helps guides some of your future decision making.

This BuildingLink Ireland PRS Insights report is the second of a series that inform our readers on topics important to the management of PRS Assets, starting with the provision of residential amenities within the Irish PRS market.

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About Us

BuildingLink Ireland provides indispensable and secure solutions for the PRS, Co-living, Student Housing, Owner Management Company (OMC) and Social Housing sectors. Easy to use technology that enhances the resident experience, increases management efficiency, integrates all stakeholders and improves the bottom line.

"At BuildingLink Ireland, we believe that competitive amenities are a vital component to a prospective tenant's choice of home.

We work with owners and developers to think about how to leverage technology to maximise the value of built amenities and services to help create attractive cohesive communities."

Galen Bales
Managing Director, BuildingLink Ireland

Previous and Future reports

Emerging Amenities
in the Irish PRS Market

Amenities:
Future Trends

Population

Boston and Dublin have nearly identical average incomes, however, the population of Boston City is approximately 25% larger and on average 6 years younger.

Boston City

684,379
Population Total

4.87 million
Metro

€ 30,070
Average Income

32.2 years
Median Age

Dublin City

544,107
Population Total

1.43 million
Metro

€ 30,000
Average Income

38.2 years
Median Age

Source: United States Census Bureau, Ireland Central Statistics Office, CheckInPrice. Converted 22/09/2021. conversion rate; $1to € 0.85

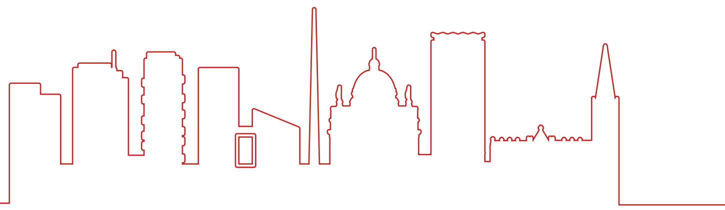
US Rental Prices

Boston is one of the most expensive US rental markets, only exceeded by San Francisco and New York City. One-Bedroom apartments in Dublin are the fourth most affordable when referring to the top 10 US metro markets.

Boston City is one of the most expensive US rental markets, only exceeded by San Francisco and New York City. These two more expensive cities in the US offer renters a one-bedroom apartment for € 2,866 and € 2,524 respectively, with New York City apartments costing 21% more than in Boston City.

Dublin City's one-bedroom private rented apartments are more than 19% cheaper than in Boston City but 14% more expensive than in Seattle.

San Francisco, CA	€ 2,866
New York, NY	€ 2,524
Boston City, MA	**€ 2,086**
San Jose, CA	€ 2,064
Oakland, CA	€ 2,005
Washington, DC	€ 1,894
Los Angeles, CA	€ 1,851
Dublin City, Ireland	**€ 1,750**
Seattle,WA	€ 1,535
San Diego, CA	€ 1,510
Miami, FL	€ 1,493



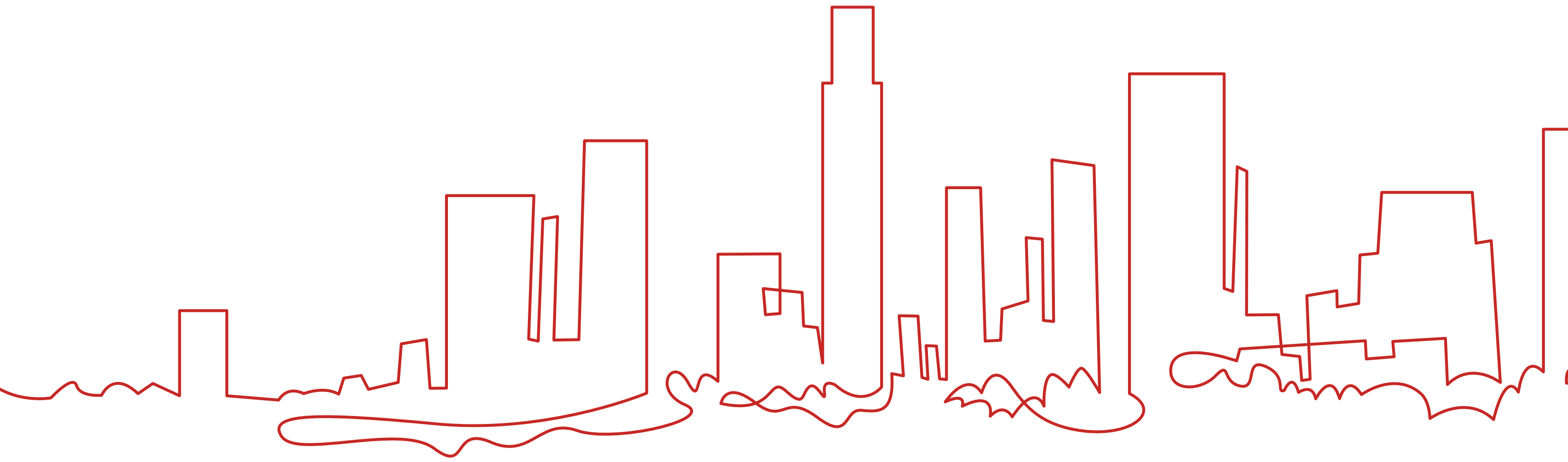
Source: Zumper National Rent Report, June 2020, Europa.eu. Conversion date: 26/09/2021.Conversion rate: $ 1 to € 0.85

Rental Prices

Amenities have propelled luxury apartment prices in Boston, but surprisingly Dublin 3-bedroom apartments are more expensive than Boston.

In the more mature multi-family market of Boston, asset owners and managers have used amenities to attract, retain and receive “premiums” over the base rent. We review some of the detailed research available on the achieved premiums for specific amenities and highlight the similarities and differences in residential amenity provision in the Dublin and Boston markets.

	Boston	Dublin	Dublin vs. Boston
One-Bedroom	€ 2,086	€ 1,750	19% less expensive
Two-Bedroom	€ 2,384	€ 2,150	10% less expensive
Three-Bedroom	€ 2,554	€ 2,800	10% more expensive



Source: BostonPads.com, Europa.eu

Apartment Size

Boston provides significantly more spacious one-bedroom rental apartments, while both 2-bedroom and 3-bedroom units are more closely aligned in size.

Boston one-bedrooms apartments have a multifamily apartment size guideline of 600 square feet in comparison to Dublin's private rented sector guideline of 484 square feet. The difference is a significant 116 square feet (24%) in these densely populated cities.

Two-bedroom apartments are more similar in size; in Dublin the guide is 785 square feet where Boston's is 750 square foot. For three-bedroom city apartments, both cities see a spacious offering for the price tag with 1,000 square feet in Boston and 968 square feet in Dublin, with a difference of only 32 square feet.

Average Square Footage:

	Boston	Dublin
One-Bedroom	600	484
Two-Bedroom	750	785
Three-Bedroom	1,000	968

Sources: opr.ie, mass.gov

Price Per Square Foot

The per square foot pricing varies between the two cities, requiring more detailed analysis.

According to average rental prices and square footage in Boston, the average price per square foot for a one-bedroom apartment is priced at € 3.47. Although Dublin's one-bedroom PRS apartments are smaller in size, the price per square foot is higher than Boston, with an average cost of € 3.61.

For two-bedroom apartments, Dublin is the less expensive city, offering apartments at €2.73 euros per square foot, whereas Boston charges renters €3.17 per square foot. For three-bedroom apartments, Boston is marginally more cost effective with a charge of € 2.55 per square foot. In contrast, Dublin charges € 2.89 per square foot even though apartment sizes are smaller than that of Boston.

Average Price Per Square Foot:

	Boston	Dublin
One-Bedroom	€ 3.47 / sqf	€ 3.61 / sqf
Two-Bedroom	€ 3.17 / sqf	€ 2.73 / sqf
Three-Bedroom	€ 2.55 / sqf	€ 2.89 / sqf

Source: BostonPads, Europa.eu, opr.ie, mass.gov

Boston Amenities

In Boston, resident apps and portals are seen as essential, even exceeding resident's interest in community Wi-Fi.

Fitness centres however have the highest levels of interest from residents at 85.7% and 67.3% respectively for Millennials and Boomers, Surpassing fitness classes by an average of 12.6%. With both fitness centres and outdoor recreational facilities having the highest interest amongst residents, these amenities are a competitive benchmark in Boston's multifamily market. They are a must-have if building managers intend to remain a priority in prospects' apartment choice.

Boston - Features and Amenities with Disparate Levels of Interest:

	Millennials	Boomers	Difference (percentage points)
Outdoor Recreational Facilities	71.9%	35.9%	35.9
Resident Portal - Reservations for Community Facilities	71.7%	50.8%	20.9
Community Wi-Fi	65.1%	44.5%	20.6
Fitness Centre	85.7%	67.3%	18.4
Fitness Classes	63.4%	46.2%	17.3
Lounge Area/Party Room	59.7%	46%	13.7

Millennials - The demographic cohort born between the early 1980s and the early 2000s

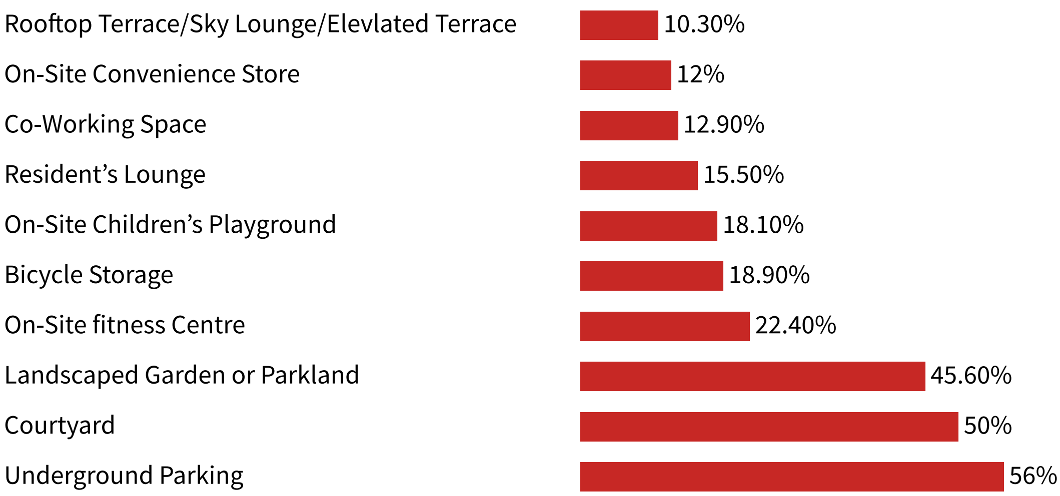
Boomers - The demographic cohort generally defined as born from 1946 to 1964.

Source: 2015 NMHC/Kingsley Resident Preferences Survey

Outdoor Amenities

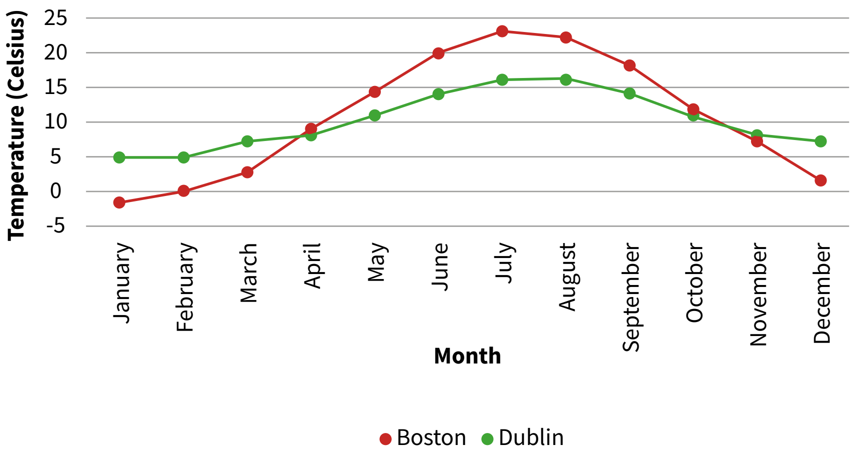
Although outdoor recreational facilities are highly successful in Boston, they rarely feature in Dublin's private rented sector, as was highlighted in our previous research report.

Top 10 Common Area Amenities



Overall, Boston experiences colder winters and warmer summers in comparison to Dublin.

Boston and Dublin Weather



Source: climatestotravel.com, holiday-weather.com

The New “Must-Haves”

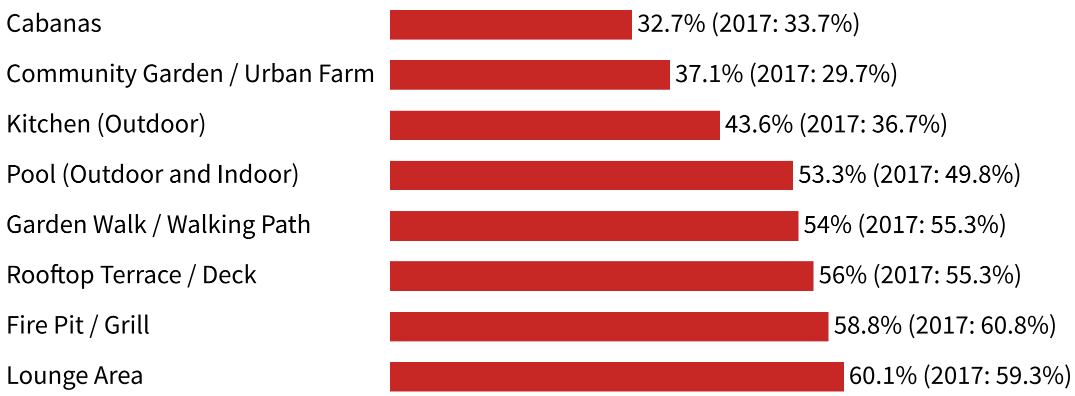
Rooftop decks and terraces, outdoor lounge areas have become the new “must-have” amenity in the Boston multi-family market.

In general, Boston outdoor residential amenities feature more highly than in the Dublin market. Boston developers have further increased outdoor residential amenities to include rooftop decks and terraces or outdoor lounge areas, with now over 56% of assets including these amenities. Also fire pits and outdoor grills, as well as garden walks and walking paths, are featuring in the majority of the new Boston multi-family developments.

Furthermore, over 50% of new luxury rental developments feature an outdoor and / or indoor swimming pool. Outdoor kitchens have also become very popular in Boston’s luxury apartment developments, with nearly 50% of new developments featuring them.

Community gardens and urban farms have also become increasingly favoured by property developers, with production increasing by 7.4% from 29.7% in 2017 to 37.1%in 2019.

Top 10 Common Area Amenities 2019



Source: Multifamily Design+Construction Amenities Report 2019

Price Premiums

With amenity offerings, Boston luxury apartments can command a "rent premium". Detailed research has placed values on the premium per amenity.

Residents pay an average cost of € 24.49 for community dog parks, which has the highest levels of interest from residents at 45%. Pet washing stations price at an average of € 22.64 has a 37% interest rating among renters.

Pet day-care services were priced as the highest add-on amenity at € 28.36 per month with a 33% interest level from residents. Boston luxury apartment with dog treats in their lobbies charge residents at € 18.48, with an interest rating of 29%.

Pet walking services are priced at the second highest at € 26.08, with residents in these luxury apartment residents having the least interest in this add-on.

Boston - Trending Pet Amenities and Estimated Monthly Cost

Amenity	Interest Level	Estimated Monthly Cost
Community Dog Park	45%	€ 24.49
Community Pet Washing Station	37%	€ 22.64
Pet Daycare Service	33%	€ 28.36
Dog Treats in Lobby	29%	€ 18.48
Pet Walking Service	27%	€ 26.08

Source: 2017 NMHC Survey. Conversion rate $1 to 0.85

Pet Amenities

Dog parks and washing stations are becoming increasingly popular with Boston's multifamily residents.

Renters with pets in the Boston luxury apartment market favour those with dog parks, reflected in that with usage increased from 64.8% in 2017 to 72.5% in 2019.

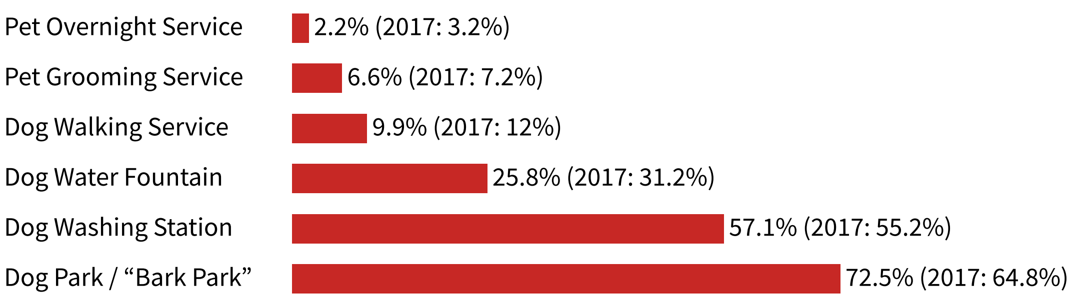
Dog washing stations were the second most popular pet amenity for pet owning residents, with increasing usage from 55.2% in 2017 to 57.1% in 2019.

The inclusion of dog water fountains has decreased in development, from 31.2% in 2017 to 25.8% in 2019.

The availability of dog walking services in Boston luxury apartments are less common in 2019 decreasing from 9.9% from 12% in 2017, while availability of pet grooming services have also decreased from 7.2% in 2017 to 6.6%in 2019.

Pet overnight services are the least popular pet amenity in Boston luxury apartments, declining from 3.2% in 2017 and to 2.2% in 2019.

Boston - Top Services for Pet Owners (%) 2019



Source: Multifamily Design+Construction, "Multifamily Amenities 2019 Report"

Amenity Review

Boston and Dublin both feature resident lounges, however we expect “Amenity Wars” to breakout in the Dublin PRS Market and further differentiate the offering of individual assets.

Concierge and fitness centres are most common in both markets, showing they are essential amenities. So, apartment building managers should consider investing in these with events and activities programmes with pro-active management, if they intend to remain competitive.

Furthermore, in Boston’s mature multifamily market, these amenities feature more heavily than in comparison to Dublin. Boston has double the penetration of roof terraces, which are now seen as the new must-have for luxury residential buildings in Boston.

In Dublin, time will tell if the popularity of roof terraces will rival Boston, however, the initial success of the first roof terraces in Ireland leads one to think that the Irish PRS market will follow Boston in the adoption of roof terraces as a popular built amenity.

Data for Boston collected from NAA - Adding Value in the Age of Amenity Wars.

Common PRS Amenities:

Amenity	Boston	Dublin
Resident’s Lounge	16%	15.5%
Concierge	22%	18.1%
Fitness Centre	25%	22.4%
Roof Terrace	20%	10.3%

Data for Boston collected from NAA - Adding Value in the Age of Amenity Wars.

BuildingLink Ireland + PRS Insights

BuildingLink Ireland

BuildingLink – The Global Leader in PRS Operating Platforms

The Private Rented Sector (PRS) is an increasingly important component of the Irish residential market. The overall success for landlords, managers and residents will be significantly impacted by the quality of their respective operating platforms.

BuildingLink Ireland provides the Internationally proven, locally implemented solutions to meet the needs of the most discerning landlords, managers and residents.

KEY CREDENTIALS

	IRELAND	GLOBALLY
Property Professionals using BuildingLink daily	**650+**	**100,000+**
Buildings	**90+**	**5,000+**
Residents	**20,000+**	**2 million+**

2020 IRELAND FACTS

215,000+
Resident App Logins

184,000+
Concierge Desk Transactions

11,256
Amenity Reservations

IRELAND IN FOCUS

10,000+
units in Ireland's 3 Largest Cities

3 of the 4
Tallest Buildings in Ireland – 85m, 79m and 71m

25%*
of the Irish New Build PRS Market

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