

# The Canadians who are buying Dublin

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the Gasworks luxury apartments. Fianna Fáil finance spokesman Michael McGrath has criticised the large-scale sell-off of profit-generating Irish land to the Canadian 'tax-driven trust' - warning that we have no idea what the future holds for the homes now in the foreign company's hands.

He added: 'I would like to see real people buying them instead, like consumers buying from Nama. The whole lot were sold in one bundle instead of offering them to people who could live in them or rent them.'

And alarmingly, Capreit chief Thomas Schwartz said: 'Capreit's portfolio has consistently generated nearly full occupancies, steady increases in average monthly rents and reduced operating costs.'

Following the €211million purchase David Ehrlich, chief executive of Irish Residential Properties, which is known as I-RES, boasted: 'With the closing of this transaction, our property portfolio will grow to a total of 1,202 apartment suites, transforming I-RES into Ireland's largest non-governmental residential landlord.'

The company's accounts, just released, reveal that, separate from yesterday's deal, and their initial purchase of six Dublin city

## 'Properties in good letting areas'

apartment blocks for €50.1million last September, I-Res has spent an additional €46million on Irish properties.

Thus bringing their total spend to over €300million in less than a year, making the trust the largest landlord in the country after NAMA.

The €46million valued property has been re-valued at €53.75million already, implying an increase in value of nearly €8million.

And Mr Ehrlich also added that I-RES is looking at 'other opportunities' in the Irish market.

The properties covered by the deal include 235 apartments in Finglas, 224 units at Lansdowne Gate in Drimmagh, 217 flats in the Beacon South Quarter in Sandyford and 85 apartments at Baker's Yard in the city centre.

Capreit is one of Canada's largest residential landlords with almost 50,000 residential units.

Mr Ehrlich said: 'All of our properties acquired to date are located in Dublin, in good letting locations', adding that 'all these assets are recently constructed to a very high standard'.

The investments are known as Real Estate Investment Trusts (or REITs).

I-RES owns and manages property on behalf of shareholders. Since the first Irish REIT hit the market last year, it is estimated over €1billion has been raised to buy properties in Ireland, most of



Plush: One of the apartments in Beaconsfield



Snapped up: Lansdowne Gate in Drimmagh



New owners: Bakers Yard in Dublin city centre



NAMA deal: Charlestown apartments in Finglas



CEO of I-RES: David Ehrlich

which came from outside the country.

And in February this year, Michael Noonan said the increasing demand for property at the time meant the country's property market 'would be able to carry a big sale at this point'.

At the time, NAMA was concerned that a major sale of



Capreit CEO: Thomas Schwartz

residential property could destabilise the market, but it was felt that growing property prices and a demand for commercial property might help allay those fears.

A number of other large investment firms have also bought into the Irish property market in the last two years.

Among the largest is Kennedy

Wilson, a Californian investment firm which has spend billions of euro in property and property-related loans. It has snapped up those relating to the Shelbourne Hotel and Gasworks apartments.

Among the most controversial investors has been New York-based Blackstone which recently became embroiled in a battle with Cork developers Michael and John O'Flynn over efforts to take over their assets.

A property expert who worked closely with Capreit during its recent purchase said 'the sector will be professionalised, and there will be economies of scale instead of dealing with individual landlords. It will be good for tenants.'

'They will put in very clear management structures and there will be people on the ground too. Some of them will introduce swimming pools and party rooms and gyms, and a lot more facilities and it will be a higher quality. Also there'll be more of a commonality, you won't have different landlords charging different amounts.'

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## New ambulances needed, says FF

FIANNA Fáil is calling on the Government to upgrade ambulances after it emerged that one third of the Dublin Fire Brigade fleet was unavailable on Wednesday night as faulty vehicles had to be taken off the road.

Dublin Fire Brigade operates 12 emergency ambulances and has five reserve ambulances. However, all of the reserves were already in service as replacements were out of circulation with mechanical issues.

Fianna Fáil spokesperson for health Billy Kelleher said that the fleet needs to be updated with reliable vehicles.

Figures also showed that another 71 HSE emergency ambulances had clocked up more than 300,000km.

## Maureen to get honorary Oscar

MAUREEN O'Hara cried tears of joy when she was told she had won a lifetime achievement Oscar, it was revealed yesterday.

The Dubliner, pictured, who turned 94 this month, was called by the President of the Academy of Motion Picture Arts and Sciences two days ago to say she was finally to be honoured for her contribution to the silver screen. Yesterday her biographer Johnny Nicoletti said: 'She feels extremely honoured and she has a strong sense of gratitude because she knows this an award that has been decided by her peers and colleagues.'



## Plans for a Hitler crimes museum

PLANS to turn the building where Adolf Hitler was born into a museum about his crimes could be approved.

The private venture is backed by the Austrian interior ministry, keen to strip the former pub of its allure for right-wing extremists. Oscar-winning Jewish-born film producer Branko Lustig is supporting the project, pledging money from Hollywood figures.

Hitler was born in the house, in the Austrian town Braunau am Inn, on April 20, 1889, but his family moved a few years later. Since the Second World War, it has served as a bank, workshop, library, school and as a home for the disabled, but has been empty for the past three years.

## Michael D to be made Freeman

THE President is to become a Freeman of Limerick - the highest honour that can be bestowed by the local authority.

Limerick City and County Council unanimously agreed to award the Freedom of Limerick to Michael D Higgins, right, following a special meeting held today. It will be conferred on the Limerick native on September 29 at a public event in the Milk Market.

Cathaoirleach Kevin Sheahan said: 'We want to celebrate and recognise the President's unique contribution to Irish life.'



## Malaysia Airlines to cut 6,000 jobs

THE airline at the centre of two major disasters is to cut 6,000 jobs as part of a brand overhaul.

Struggling Malaysia Airlines - which had a plane disappear and another shot down in recent months - will reduce its 20,000 workforce by a third as it moves under the control of the Malaysian government.

It comes just days after the company said almost 200 cabin crew quit in recent weeks, with many citing family pressures and some claim they are too scared to fly. The airline is currently 69 per cent owned by Malaysia's state investment company, but there are plans to extend this to 100 per cent.

## Crushing penalties loom for unpaid second home tax

MORE than €8million of the controversial 'second home tax' was collected this week, despite outrage about how it was enforced.

The tax applies to those who own a home that is not their main residence. But some people living abroad claimed they did not realise they had to pay it because they did not have a second home in Ireland.

Tough penalties for those who have not paid the €200-a-year tax mean that those who failed to pay - but did so by yesterday - had to hand over €4,200 in fines and penalties. From Monday the sum goes up to a whopping €7,200.

Figures released by the Local Government

Management Agency (LGMA) to RTÉ yesterday showed the total collected so far this month to be €18million.

Since its introduction the new tax has added €434million to the State purse.

Earlier this week it said property owners who find it difficult to pay the levy, may be provided terms to assist with the payments.

However, the LGMA said that those who had difficulty paying should contact their local authority by yesterday.

Homeowners yet to pay the charge have been urged to liaise with their local councils, showing proof of hardship, or by getting in touch with the Non-Principal Private Resi-

dence bureau before tomorrow to avoid the additional charges. The €200 charge, introduced in 2009, applied to those who owned a property that was not their principal residence, with exemptions for mobile homes and those legally separated or divorced.

If payment is not made by tomorrow evening, or if terms have not been agreed by this time, an additional late payment fee of €120-a-year will be applied on September 1.

Reform Alliance TD Billy Timmins has called for an extension on the deadline for property owners unaware of the tax.

However, Environment Minister Alan Kelly's officials ruled out any such extension.