

**AKC-Work Complete –The Elysian****Developed by the O'Flynn Group**

Ireland's tallest building was officially opened on 17th September 2008. Designed by Wilson Architecture with Engineering by Arup and construction by PJ Hegarty. The 17 storey tower is 73 m high and is topped with an 8m spire. The total floor area is approximately 65,000m² and contains 211 luxury apartments, 3,600m² of retail space, 2,000m² of office space. The complex also includes a crèche, gymnasium and reception areas. There are 550 parking spaces being provided including a double basement. The very impressive landscaped garden courtyard is almost one acre in area and was designed by Martin Hallinan.

**Budget 2009 and Property.**

- Stamp duty on commercial property: the top rate reduced from 9% to 6% with effect from 15th October 2008.
- Capital Gains Tax increased from 20% to 22% with effect from midnight on 14th October 2008.
- Vat rate of 21% increased to 21.5% with effect from 1st December 2008
- LA charge of €200 per unit payable by the owners of private rented accommodation, holiday homes etc. The Levy will be introduced in 2009.
- Levy of €200 on car parking facilities provided to employees by their employers in the main urban centres.
- Mortgage Interest Relief for 1st time buyers: 25% of mortgage interest in years 1 & 2 and 22.5% in years 3,4,5.
- Mortgage Interest Relief for non 1st time buyers: reduced from 20% to 15% from 1st Jan 2009.
- Seveso-listed industrial facilities: A new ring-fenced tax incentive scheme will be introduced to facilitate the removal and relocation of Seveso-listed industrial facilities which hinder the residential and commercial regeneration of Docklands in urban brownfield areas.

Affordable Homes and Budget 2009.

Under the current affordable housing scheme, when a purchaser buys an affordable home from a LA they usually get it for less than the market rate. If the home-owner sells the property within 20 years, they are subject to a "claw back" and the LA must be paid a % of the sale price. However, if the purchaser chooses to stay in his or her home longer than 20 years there is no "claw back", and the LA is owed nothing.

Under measures introduced in Budget 2009 under the 'Government Equity Scheme', which will begin on January 1st, the Government will take "equity" in each affordable home and this "equity" be registered as a permanent charge against the property, as a set percentage of the prevailing market value. It will remain as a charge on the property until it is fully repaid. The equity loan will be recoverable on sale of the property. It will be based on the market value of the property when the property is sold, not when it was purchased.

It remains to be seen what approach will be taken if, as reported recently in the Irish Times, the market value is less than the agreed affordable value.

Draft Agreement on wages

Private Sector Wage Increases ¹	Public Sector Wage Increases
3.5% from 1 st Oct. 2008	3.5% from 1 st Sept 2009
2.5% from 1 st April 2009	2.5% from 1 st June 2010

¹ It should be noted that at the time of going to print that the terms of the draft Agreement have yet to be considered by the relevant councils and executives of the social partners with a view to ratification. (see also our story in the news section of our website dated 25th Sept 08)

GCCC Contracts

It has come to our attention that a number of large capital projects under the new GCCC Contracts are being tendered with the Bill of Quantities not forming part of the contract (Schedule K clause 17). This despite the fact that these projects have bills of quantities prepared, as part of the tender documents, by eminent QS firms. As a result and because of the Risks contractors now have to bear, these projects are being measured again by each tendering contractor thus adding hugely to the tendering costs.

Planning rules seek to end building on flood plains

New draft planning guidelines on flooding have been jointly published for public consultation by Minister for the Environment John Gormley and Minister of State for the Office of Public Works Dr Martin Mansergh.

"Building on a flood plain is something we want to see ending," Mr. Gormley told reporters at Leinster House yesterday.

The draft guidelines also draw attention to the increasingly frequent trend of paving over entire residential garden areas to provide off-street car parking and the flood implications of this. The guidelines contain a commitment by the Department of the Environment to review the exempted development regulations to ensure that only paving complying with sustainable drainage principles will be exempted under the exempted development provisions of the planning Acts.

The draft guidelines are available to view and download from the department's website: <http://www.environ.ie/en/PublicationsDocuments/FileDownload,18428,en.pdf>

The closing date for receipt of comments and submissions is 4pm on Friday, November 14th, 2008.

In Brief**China to build 50,000 skyscrapers within 20 years**

China will build up to 50,000 skyscrapers in the next 20 years, according to one of the world's largest mining companies. Rio Tinto, the Mexican mining giant, has based its forecast of a continuing rise in demand for steel and materials partly on a predicted building boom in China, with the equivalent of 10 New Yorks to be built before 2025.

The group cited research by analyst McKinsey & Co which concluded that China would have 221 cities with more than 1m inhabitants by 2025, with between 20,000 and 50,000 new skyscrapers. There are at present only 35 cities of that size in the whole of Europe.

Source: Building 27th August 2008

Planning application made to demolish St Paul's

An aid agency has applied for planning permission to demolish St Paul's Cathedral in protest at a British firm's mining plans at a sacred mountain in India. ActionAid aims to show that opencast mining on Niyamgiri mountain in Orissa would be equivalent to demolishing St Paul's, as the mountain is sacred to the 8,000-strong Kondh tribe. Source: Building 1st August 2008

**Not our Ger – honestly.****Builder fined for botched loft conversion**

A Birmingham builder has been fined £1,865 after a botched loft conversion left a homeowner facing a £4,500 repair bill and serious structural damage to the house. Gerald Collins, who traded from Boldmere Road as UP-A LOFT, was convicted by Sutton magistrates' court after pleading guilty to three charges of contravening Building Regulations under the Building Act 1984.



**SCS Construction Cost Index** (Source: Society of Chartered Surveyors)

Base Year 1985 = 100

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Yearly % Jan to Jan.
2000	185.0	185.5	186.2	186.4	187.0	187.1	187.4	187.5	188.2	210.4	210.4	210.5	14.05%
2001	211.0	211.8	213.2	215.8	215.8	215.8	220.0	227.1	227.2	232.2	232.2	232.1	10.19%
2002	232.5	232.6	231.5	231.5	231.6	231.7	237.6	237.7	237.7	237.7	237.7	237.8	2.32%
2003	237.9	238.0	238.0	242.2	242.2	242.2	242.5	242.5	242.5	242.5	242.5	242.5	3.49%
2004	246.2	247.8	249.5	251.4	252.7	253.0	255.0	255.6	255.9	258.6	259.2	259.8	5.61%
2005	260.0	260.1	260.2	262.4	262.7	262.8	263.6	264.0	264.6	268.7	268.6	268.7	3.50%
2006	269.1	269.8	270.6	275.9	276.3	276.9	277.3	277.3	278.5	282.5	282.9	283.3	5.66%
2007	284.4	284.4	284.7	286.8	287.4	288.0	291.3	292.1	292.3	292.4	292.8	293.3	4.43%
2008	297.0	298.2	298.7	300.2	301.3	302.0	303.0	303.6					

DOE House Building Cost Index (Source: Department of the Environment)

Base Year 1991 = 100

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Yearly % Jan to Jan.
2000	135.8	136.1	136.4	136.5	136.8	136.9	137.2	137.2	137.7	153.8	153.8	153.9	13.62%
2001	154.3	154.7	155.6	157.4	157.6	157.7	161.1	165.9	166.0	169.3	169.4	169.3	10.11%
2002	169.9	170.0	169.5	169.5	169.5	167.7	173.8	173.9	173.9	173.9	174.0	174.1	2.53%
2003	174.2	174.5	174.5	177.3	177.3	177.4	177.1	177.2	177.2	177.2	177.2	177.2	2.76%
2004	179.6	179.7	179.9	179.9	180.0	180.2	182.1	182.2	182.2	183.9	184.2	184.2	2.84%
2005	184.7	184.8	184.9	186.5	186.6	186.6	186.7	186.9	186.9	189.5	189.4	189.7	2.82%
2006	189.9	190.1	190.6	194.0	194.2	194.3	194.4	194.5	194.6	197.7	198.0	198.1	4.69%
2007	198.8	198.8	199.4	200.0	200.1	200.3	203.7	203.6	203.7	203.8	203.8	204.2	4.33%
2008	207.4	208.2	208.6	208.9	209.4	209.9	210.4	210.4					

CSO Wholesale Price Index for Construction Wages & Materials (WPCM4040)

(Source: Central Statistics Office)

This index has been rebased to the year 2000, historical index figures are available on our website www.akc.ie

Base Year 2000 = 100

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Yearly % Jan to Jan
2003	121.5	121.7	121.9	123.8	123.8	123.7	123.7	123.9	123.9	124.3	124.5	124.6	3.62%
2004	125.9	127.1	128.6	130.1	131.0	131.3	132.9	133.4	133.9	135.2	135.7	136.3	8.18%
2005	136.2	136.0	135.9	137.1	137.4	137.5	137.7	137.8	138.0	140.1	140.6	140.8	3.82%
2006	141.4	142.5	143.4	146.6	147.7	147.6	147.9	148.6	148.9	151.0	151.3	151.4	7.14%
2007	151.5	151.6	152.3	153.3	153.4	153.7	155.5	155.4	155.6	155.6	155.7	156.0	
2008	157.6	158.5	159.0	159.3	159.9	160.5	161.0	161.0					

CSO Consumer Price Index (CPAM 063) (Source: Central Statistics Office)

Base Year 1996 = 100

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Yearly % Jan to Jan
2001	112.5	113.5	114.4	115.4	116.1	116.7	116.4	116.8	117.3	117.7	117.6	118.2	4.89%
2002	118.0	118.8	119.9	120.9	121.5	121.7	121.3	122.0	122.6	123.2	123.3	124.1	4.75%
2003	123.6	124.8	125.8	126.1	126.0	126.0	125.1	125.9	126.1	126.0	126.0	126.5	1.86%
2004	125.9	126.9	127.4	127.9	128.1	128.8	128.5	129.2	129.3	129.4	129.7	129.8	2.22%
2005	128.7	129.8	130.1	130.7	131.2	131.6	131.6	132.1	133.2	133.3	133.1	133.0	3.03%
2006	132.6	134.0	134.6	135.7	136.3	136.6	137.1	138.1	138.5	138.5	139.0	139.5	5.05%
2007	139.3	140.5	141.5	142.6	143.1	143.5	143.9	144.5	145.0	145.2	145.9	146.1	4.31%
2008	145.3	147.2	148.6	148.8	149.8	150.6	150.2	150.9	151.2				

Permanent TSB National House Price Index (Source: Permanent TSB)

Base Year 2003 = 100

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Yearly % Jan to Jan
1999	54.7	55.6	56.3	57.1	57.8	58.6	59.8	60.7	61.5	62.3	63.4	64.3	19.56%
2000	65.4	66.1	67.4	68.5	69.8	71.1	72.4	73.9	74.2	75.0	76.4	78.0	20.64%
2001	78.9	79.2	80.2	81.2	81.6	81.8	82.6	83.4	83.2	82.5	82.1	81.5	2.41%
2002	80.8	81.3	82.8	85.2	85.6	86.0	86.4	87.5	88.7	90.0	91.2	92.3	15.10%
2003	93.0	93.8	94.8	96.0	97.7	98.7	99.8	100.6	101.1	102.4	103.6	105.0	13.33%
2004	105.4	106.3	107.1	108.4	108.9	109.9	110.9	112.1	113.2	113.5	113.8	114.0	8.54%
2005	114.4	114.7	115.1	115.5	116.1	116.8	117.8	119.0	120.2	121.7	123.1	124.6	10.23%
2006	126.1	127.4	129.0	130.8	132.9	134.5	136.0	137.3	138.2	139.0	139.2	139.3	10.63%
2007	139.5	139.5	138.6	137.5	136.4	135.7	135.1	134.7	134.3	132.5	131.0	129.1	-8.1%
2008	128.2	127.2	126.3	124.9	123.4	122.6	122.4	121.3					

National Rental Index (Source: Daft Report)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2004	81.1	80.4	80.2	80.5	80.8	81.2	82.1	83.0	83.5	83.4	82.7	82.4
2005	82.8	82.7	83.6	83.4	83.9	83.8	84.5	85.0	84.9	86.0	86.8	87.9
2006	87.0	86.7	86.7	87.8	88.9	90.5	91.6	93.6	94.4	96.1	96.3	96.7
2007	96.6	97.0	98.9	96.0	100.0	105.8	99.8	100.8	102.2	102.5	101.8	98.6
2008	101.7	100.9	100.1	99.6	98.6	97.7	96.6					

SCS Tender Index

(Source: Society of Chartered Surveyors)

	Jan - July	July - Dec
2002	133.9	130.1
2003	127.2	129.3
2004	135.3	139.4
2005	142.6	144.7
2006	146.7	151.7
2007	152.0	145.2
2008	140.7	

Note

Due to space constraints only the most recent years of the above indices have been shown here. The full listing of the above and other indices are available on our website at www.akc.ie