

GSA: A decade of leading PBSA in Ireland.

An insight into the future of the sector.

Insights
from:

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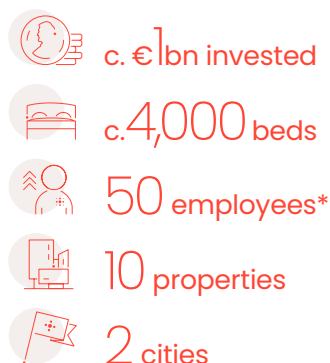
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As GSA marks ten years in the Irish market, we reflect on a decade of significant growth, investment, and operational experience in the Purpose-Built Student Accommodation (PBSA) sector.

Since entering the Irish market, GSA has become the largest operator and investor in PBSA, with c.4,000 beds across 10 properties in 2 cities. This milestone provides an opportunity to examine what has been achieved, the challenges faced, and the lessons learned in delivering market leading student accommodation in Ireland.

GSA in Ireland:



Opportunities, challenges and the role of PBSA in Ireland.

The past decade has seen substantial changes in Ireland's higher education and housing sectors. With over 260,000 students enrolled in third-level institutions and over 40,000 international students, Ireland's universities continue to thrive. However, this expansion has exacerbated the student accommodation crisis, as supply has failed to keep pace with demand.

- **For students, housing is more than just a place to sleep – it is an essential component of their academic experience and mental well-being.**

Yet, the chronic undersupply of student accommodation in Ireland has left many students struggling to find safe and suitable living arrangements, often forcing them into overcrowded or substandard housing.

Ireland's universities host over
260,000 domestic students and over
40,000 international students.**

*Including Yugo
**ICEF Monitor

Despite PBSA being a proven and sought-after solution, new developments have stalled due to viability constraints. Unlike other European countries where PBSA is encouraged as a way to meet student demand, Ireland's planning and investment landscape has created obstacles that has stymied the sector from growing sustainably.

Among the most challenging policy interventions affecting PBSA are:

- The extension of Rent Pressure Zone (RPZ) regulations to PBSA since 2019 as well as uncertainty created by the proposed changes expected in March 2026.
- Planning and zoning restrictions, which make it difficult to secure approvals for new PBSA projects or stimulate excess amenities and surplus space which drives up the cost for students.
- **PBSA is not only essential for students but also for the broader housing market. By providing dedicated student accommodation, PBSA helps free up traditional housing for families and young professionals, reducing competition and stabilising rental costs.**



However, without forward-looking policy intervention, Ireland risks deepening the student housing crisis, making higher education less accessible and weakening its ability to attract international talent.

As Ireland's largest PBSA investor and operator, GSA has witnessed these challenges firsthand and has adapted to the evolving policy, financial, and operational landscape.

57%
of students
research
accommodation
options before
finalising their
university choice.*

*Knight Frank

This report explores:

- 1 | The accommodation challenges students face and why PBSA is the preferred solution.
- 2 | The key barriers preventing PBSA growth, including planning restrictions, viability constraints, and regulatory uncertainty.
- 3 | The impact of RPZ regulations.
- 4 | Lessons learned from a decade of PBSA development and investment in Ireland.
- 5 | Policy recommendations to ensure a sustainable future for PBSA in Ireland.

Opportunities in the Irish PBSA sector.

The Irish PBSA sector presents several compelling opportunities that underscore its importance and potential for growth.

1. High occupancy rates.

GSA's portfolio consistently achieves occupancy rates close to 100%, reflecting the strong demand for quality student accommodation. This trend is not unique to GSA; across Europe, PBSA occupancy rates are high, ranging from 95% to 98%, indicating a robust market with reliable returns for investors.

2. Growing domestic and international student population.

Ireland's appeal as a destination for higher education continues to rise. The total number of students enrolled in higher education institutions has been increasing, driven by both domestic growth and a surge in international students. This demographic trend ensures sustained demand for student housing.

3. Positive student experiences.

Purpose-built accommodations are designed with students in mind, providing safe, inclusive, and supportive environments. This focus on student well-being leads to higher satisfaction rates, contributing to academic success and personal development.

4. High-quality properties with excellent amenities.

Modern PBSA developments offer state-of-the-art facilities that enhance the student experience. Amenities such as high-speed internet, study rooms, gyms, and social spaces cater to students' academic and personal needs, meaning that PBSA delivers better value over traditional housing options.

Students and their parents favour PBSA for the safety and security it provides and well-being support.

	HMO*	PBSA	DIGS	HALLS	HOSTEL
Average price per week in Ireland including utilities and service charge	€313	€289	€256	€220	€200
Utilities	-	✓	-	✓	-
WiFi	-	✓	-	✓	-
Gym	-	✓	-	-	-
Security	-	✓	-	-	-
Study spaces	-	✓	-	-	-
En-suite option	-	✓	-	✓	-
Well-being support	-	✓	-	-	-
Payment portal	-	✓	-	✓	-

5. Investment appeal.

The PBSA sector offers attractive and stable yields compared to other real estate asset classes. With high occupancy rates and steady future demand, PBSA continues to present a compelling case for investors seeking stable and profitable opportunities, despite some regulatory uncertainty.

Source for table data: GSA
*HMO: Homes of multiple occupancy



Challenges facing PBSA growth in Ireland.

Despite the clear benefits of PBSA, several regulatory and viability barriers are preventing the sector from growing at the necessary pace to meet demand.

Challenges of the Rent Pressure Zone (RPZ) regulations.

Since 2019, PBSA has been subject to Rent Pressure Zone (RPZ) regulations, which limit rent increases to 2% per year. While this policy was intended to protect tenants from rent inflation, it has had several unintended consequences for PBSA:

- **Operational costs rising faster than rent increases.**
Energy and wage costs typically rise faster than inflation and significantly above the rent cap. Operators have mitigated against this by structuring costs into a separate rent and service charge model.
- **Reduced incentives for new developments.**
The continuation of the RPZ cap has killed viability, dis-incentivised investment and stymied the delivery of new high quality, well managed accommodation at a time when underlying demand is growing.
- **Investment directed to other markets.**
Institutional investors are redirecting capital to other European markets — such as Spain, Germany, and

the UK — where there is greater viability for new developments. This reflects the lack of opportunity to invest in existing product in Ireland.

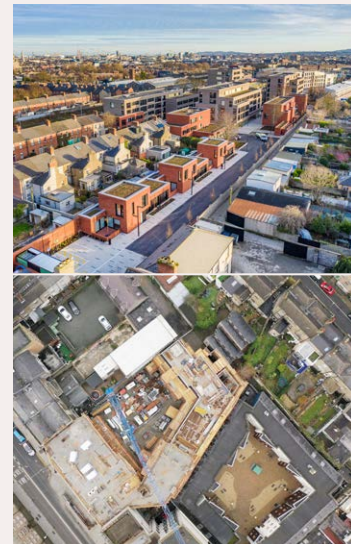
Planning and zoning restrictions.

The planning and zoning process in Ireland has slowed PBSA development, making it difficult to deliver new projects at the necessary pace.

- **Lengthy approval timelines.**
Securing planning permission for PBSA developments is a lengthy and complex process, often taking multiple years due to local opposition and bureaucratic delays.
- **Restrictive zoning laws.**
Many prime locations for PBSA are not zoned for student housing, limiting where new developments can be built.
- **Amenity space requirements.**
Ireland's PBSA regulations mandate larger bedroom sizes and more communal spaces than in the UK or Europe, increasing construction costs and making some projects financially unviable.

Rent Pressure Zone (RPZ) regulations, limit rent increases per year to

2%.



^ Assets nestled within residential areas in Dublin.
Top: Yugo Highfield Park.
Lower: Yugo Dominick Street, photo taken while under construction.

Opportunities for growth in the Irish PBSA sector.

While there are clear challenges, Ireland remains an attractive market for PBSA investment, provided the right policy environment is in place.



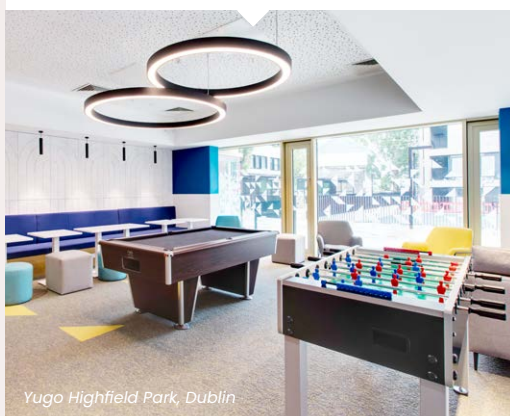
1 Occupancy rates remain exceptionally high.

GSA's portfolio operates at close to 100% occupancy, demonstrating sustained demand.



3 Premium-quality accommodation in demand.

Students increasingly seek well-managed, high-quality accommodation with modern amenities, giving PBSA a competitive edge over traditional rental options.

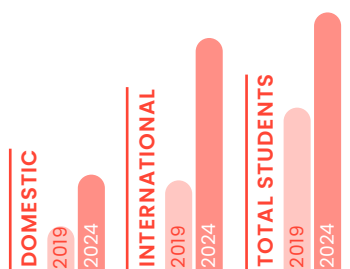


Yugo Highfield Park, Dublin



2 Growing student population.

Ireland's domestic and international student numbers continue to rise, ensuring a long-term market for PBSA.



4 Ireland's position as a global education hub.

With ongoing investments in research, tech, and higher education, Ireland remains a top choice for international students, further driving PBSA demand.

25% increase in students in Ireland over the last 5 years plus 50% increase in international students over the last 3 years.*

*Irish Higher Education Authority

Policy recommendations: a sustainable approach to PBSA growth.

Reflecting on ten years of investment and operations in the Irish market, it is clear that PBSA is essential to Ireland's higher education ecosystem.

- **Students need accommodation that is safe, affordable, and designed for their needs, and the PBSA sector plays an important role in reducing pressure on the private rental sector.**

However, regulatory stability is crucial for future investment and to deliver more PBSA product into the market. This isn't something that the government or universities can achieve alone. Public-private partnerships between universities and PBSA providers are key to expanding student housing supply efficiently.

To ensure the PBSA sector continues to grow and meet student demand, targeted policy reforms are urgently required. Specifically:

1. Realign PBSA from RPZ regulations.

- Recognise PBSA as a distinct asset class, separate from private rental housing, ensuring operators can increase rents in line with inflation and operating costs when a new tenancy begins. Rebookers, which account for 40% of our bookings each year, would still be subject to the rent cap.

- Introduce rental price benchmarking mechanisms to encourage reinvestment and improvement works.

2. Streamline the planning process and building regulations for PBSA.

- Create dedicated PBSA zoning categories to fast-track approvals.
- Reduce approval timelines to accelerate the delivery of new student housing.
- Reassess excessive amenity requirements and space standards, to better respond to student demands.

3. Encourage Public-Private Partnerships (PPPs) in student housing.

- Universities should collaborate with PBSA providers to develop new housing solutions.
- Government incentives should encourage private investment in student accommodation projects.



^ A variety of spaces for students to meet, collaborate and enhance their learning and life experience.
Top and middle: Yugo Highfield Park
Lower: Yugo New Mill

The path forward for PBSA in Ireland.



With the right policy framework in place, Ireland can unlock the full potential of PBSA, ensuring that students, parents, universities, and investors all benefit from a thriving, sustainable student accommodation sector.

However, at the moment, Ireland's student accommodation crisis is only set to deepen unless urgent policy action is taken.

By implementing proactive reforms, including reassessing lease caps, exempting PBSA from RPZ rules, streamlining planning approvals, and fostering PPPs, Ireland can ensure PBSA remains a cornerstone of its higher education infrastructure for decades to come.

At GSA, we look forward to working with all parties involved in the sector to deliver a better outlook for students and ensure that Ireland maintains its reputation as a world-leading higher education destination.

PBSA plays a critical role in reducing pressure on the wider rental market and ensuring students have access to high-quality, secure, and affordable housing.

Supply and investment will struggle without regulatory adjustment.



Next steps:

Learn about GSA in Ireland:

[WATCH THE CASE STUDY](#)

About GSA:

[GSAGROUP.COM](https://gsagroup.com)

GSA

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