€7m Donnybrook block likely to be refurbished

Jefferson House has been rented since it was built to Smurfit Kappa.

Space sub-let in the building is bringing in more than €500,000 a year.

The five-storey over basement building extends to 1,800sq m (19,374 sq ft) and has 21 car-parking spaces. It has been rented since it was built to Smurfit Services Ltd, now trading as Smurfit Kappa, under a lease which is due to expire in May 2017.

The company has sub-let most of the space to third-party occupiers on short-term tenancy agreements and pays an annual rent of €552,356.

Mr Duffy says he expects "considerable interest" in the building from investors wanting to cash in on the redevelopment opportunities at a time when rents are steadily rising due to shortage of well-located space.

He estimates that rents in Jefferson House should increase to at least €376 per sq m (€35 per sq ft) once the building has been upgraded, pushing the overall rental income up to at least €720,000 per annum. New owners should have little difficulty in getting planning approval to convert the two penthouse apartments into office use.

The residential units have always been much sought after because of their location and uninterrupted views of much of the south inner city and the Dublin mountains in the distance.