

# IRISH INDUSTRIAL MARKET

Q3 2016



## OVERVIEW

The following report provides a detailed overview of the Irish regional industrial markets; Dublin, Cork, Limerick and Galway. This market analysis discusses occupational activity, supply levels, vacancy rates and rental performance in each location.

- Following a subdued opening half to the year, occupier activity varied in the third quarter across the core regional centres of Dublin, Cork, Limerick and Galway. Approximately 239,500 sq m transacted across the four markets in total over the first nine months of 2016, a decrease of 61% on the comparable period in 2015.
- Dublin continued to carry the lion's share of activity, with 201,900 sq m occupied year to date. However, 2016 has seen the Dublin market struggle with supply-side problems, resulting in a 46% decrease in activity from the comparable period in 2015.
- Outside Dublin, the Cork market recorded the strongest performance in the third quarter. Activity was moderate in Limerick, while the Galway market saw just one deal take place.
- Supply constraints continue to echo as a key theme in all four markets. The availability of large Grade A units has become particularly limited in each market, with potential occupiers facing difficulties locating good quality modern space. For example, in the Dublin market, there is just one Grade A unit larger than 10,000 sq m available.
- Despite Grade A supply constraints, the four regional centres have had varying performances in terms of vacancy rates. Compared to quarter three 2015, Dublin and Limerick's vacancy rates have declined, while Cork and Galway have recorded a marginal uplift.

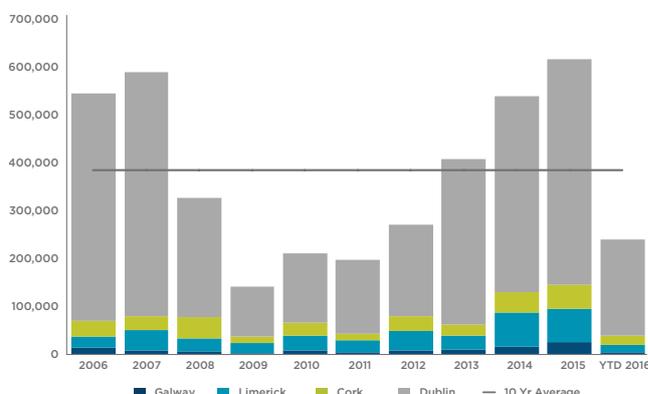
# 239,500 sq m

ACROSS THE FOUR REGIONAL CENTRES, APPROXIMATELY 239,500 SQ M HAS TRANSACTED YEAR TO DATE.



- Development activity remains polarised; 121,150 sq m was under construction at the end of quarter three in the Dublin market, while no construction broke ground in any of the other regional centres. Design and builds are the main focus of development in Dublin, with just one speculative build under construction.
- Following upward pressure at the start of the year, the third quarter saw prime headline rents remain stable in all regional centres.

Irish Industrial Take Up, (Sq M)



Source: Cushman & Wakefield Research

## Irish Industrial Market - Key Figures Q3 2016

	Dublin	Galway	Cork	Limerick
Market Stock	4,064,600 sq m	480,500 sq m	1,040,250 sq m	913,350 sq m
Take Up YTD 2016	201,900 sq m	2,650 sq m	17,900 sq m	17,050 sq m
Availability	550,950 sq m	50,050 sq m	170,050 sq m	170,050 sq m
Vacancy Rate	13.6%	10.4%	13.2%	18.5%
Under Construction	121,150 sq m	0 sq m	650 sq m	0 sq m
Pre-let/Pre-sold/D&B	97%	0%	100%	0%

Source: Cushman & Wakefield Research

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