

DUBLIN INDUSTRIAL MARKET

Q1 2017

OVERVIEW

- Transaction activity in the Dublin industrial market in quarter one of 2017 stood at 54,000 sq m, across 37 deals. This reflects a decrease of 13% on the same period in 2016 as occupier activity continues to be significantly hampered by the lack of available, good quality product.
- Investor activity in the sector in the opening quarter played an increasingly larger role, with approximately €34.1 million of capital inflow recorded in the Dublin market. The latest IPD/SCSI index results revealed total returns of 3.2% for the industrial sector, ahead of both the retail and office sectors.
- The South West region, which holds the largest percentage of available stock in Dublin, attracted the major share of occupier activity during the quarter. However, the North West, which is arguably most occupiers' preferable location, accounted for 23% of transactions.
- Leasehold transactions, led by logistics companies, accounted for 60% of take up in Q1. The average sized letting was 1,700 sq m, slightly above the overall average sized transaction for the quarter of 1,450 sq m.
- At the end of quarter one, availability stood at 631,450 sq m. Although a rise of 14% on the previous quarter, it is important to note that the increase was mainly driven by the release of three large units to the market, two of which are Grade C.

54,000 sq m

APPROXIMATELY 54,000 SQ M TRANSACTED IN THE DUBLIN INDUSTRIAL MARKET IN Q1 2017.

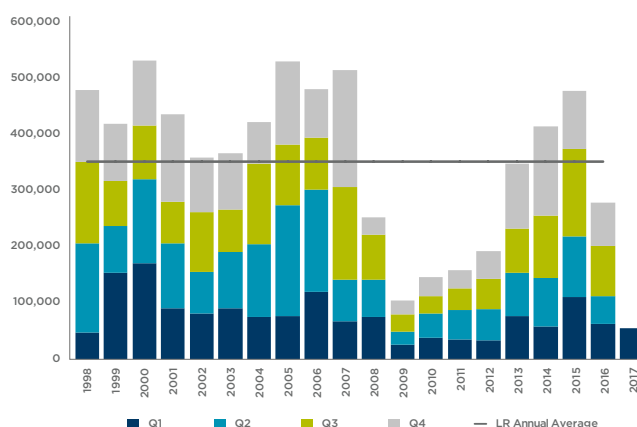


60%

LEASEHOLD TRANSACTIONS ACCOUNTED FOR 60% OF OCCUPIER ACTIVITY IN THE OPENING THREE MONTHS OF 2017.



Dublin Industrial Take Up (Sq M)



Source: Cushman & Wakefield Research

Dublin Industrial Market Indicators, Q1 2017

	Q1 2016	Q1 2017	Movement
Transaction Activity, Occupier Market	61,900 sq m	54,000 sq m	▼
Average Sized Deal	1,500 sq m	1,450 sq m	▼
Leasehold versus Freehold Transactions Ratio	61% / 39%	60% / 40%	=
Availability	599,750 sq m	631,450 sq m	▲
Vacancy Rate	14.8%	15.5%	▲
Under Construction	22,850 sq m	118,050 sq m	▲
Prime Rents	€81 per sq m	€81 per sq m	=
Prime Yields	5.75%	5.5%	▼
IPD Index - Total Return	5.5%	3.2%	▼

Source: Cushman & Wakefield Research

CONFIDENTIALITY CLAUSE

This information is to be regarded as confidential to the party to whom it is addressed and is intended for the use of that party only. Consequently and in accordance with current practice, no responsibility is accepted to any third party in respect of the whole or any part of its contents. Before any part of it is reproduced, or referred to, in any document, circular or statement, our written approval as to the form and context of such publication must be obtained.

Marian Finnegan
Chief Economist,
Director Research
+353 (0)1 237 6341
marian.finnegan@cushwake.ie