

CAPITAL FLOWS IN IRISH PROPERTY

2016 REVIEW



OVERVIEW

The following report analyses the flow of capital into the Irish property market during 2016. In its third edition, the report presents an in-depth analysis of the trends in both the residential and commercial markets, as well as a unique analysis of the county by county spread of capital across both residential and commercial property during the year.

As such, the report attempts to assess investment into the Irish property market in its entirety. Specifically, it also includes smaller-sized transactions, rather than solely analysing the high value end of the market.

While every effort has been made to ensure that the data presented in this report is accurate, it must be noted that all totals are, by their nature, estimates, given the limited sources of recorded material in relation to property transactions.

- An estimated total of €17.7 billion was invested in the Irish property market in 2016, across the residential and commercial property sectors.
- Capital inflows increased by 12% on 2015, when €15.8 billion transacted. The increase in investment was primarily led by the commercial sector, which recorded a 19% uplift year on year, achieving €6.1 billion.
- However, despite this marked uplift, the residential sector continues to record the strongest capital flow, with approximately €11.6 billion invested nationwide during the year, representing 66% of the total spend.

€17.7 billion

A TOTAL OF €17.7 BILLION TRANSACTED IN THE IRISH PROPERTY MARKET IN 2016.



12%

CAPITAL FLOWS INCREASED 12% YEAR ON YEAR IN 2016.



- Dublin dominated activity once again across all sectors. Approximately €10.9 billion was invested in the Dublin market during the calendar year of 2016, increasing its share of total investment to 61%.
- The second most attractive location for investment was Cork, with just under €1.2 billion of capital invested in the Cork property market in 2016. Notably, Cork saw its total investment decline by approximately €178 million, or 13% year on year.
- Commercial investment was led by strong performances in the retail, office and hotel sectors. Following three significant shopping centre transactions, investment in the retail sector reached €2.28 billion.
- Notably, 2016 was a record year for the hotel market, with over €720 million worth of hotels transacting, a 91% increase year on year.



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