

DUBLIN OFFICE MARKET

Q4 2017



OVERVIEW

The Dublin office leasing market returned to record highs in 2017. Take up activity was on par with the pre-crisis peak of 2007, reaching 287,250 sq m in the twelve-month period.

Activity in the Central Business District (CBD) represented half of overall take up in Dublin. At 144,550 sq m, the CBD also saw its best performance in a decade. The CBD was notably boosted by newly delivered stock to the market, resulting in a 16% year on year increase in Grade A take up activity.

2017 saw a number of very large lettings take place, with demand during the year driven by large occupiers in the IT/telecommunications sector. The growing demand for co-working/serviced office accommodation was also a key feature of the market during the year.

Overall, supply levels have begun to creep back up over the past twelve months, due to both the release of refurbishments to the market, and new stock being made available. Net of signed and reserved space, the vacancy rate stood at 8.7%, up from 8.1% in 2016.

It was a particularly important year for development activity, with approximately 181,300 sq m of new accommodation delivered to the market, the highest since peak years. A further 204,000 sq m of space is

287,250 sq m

A TOTAL OF 287,250 SQ M OF OFFICE SPACE WAS TAKEN UP IN DUBLIN IN 2017.



50%

DUBLIN'S CBD MARKET ACCOUNTED FOR 50% OF TOTAL TAKE UP IN THE YEAR.



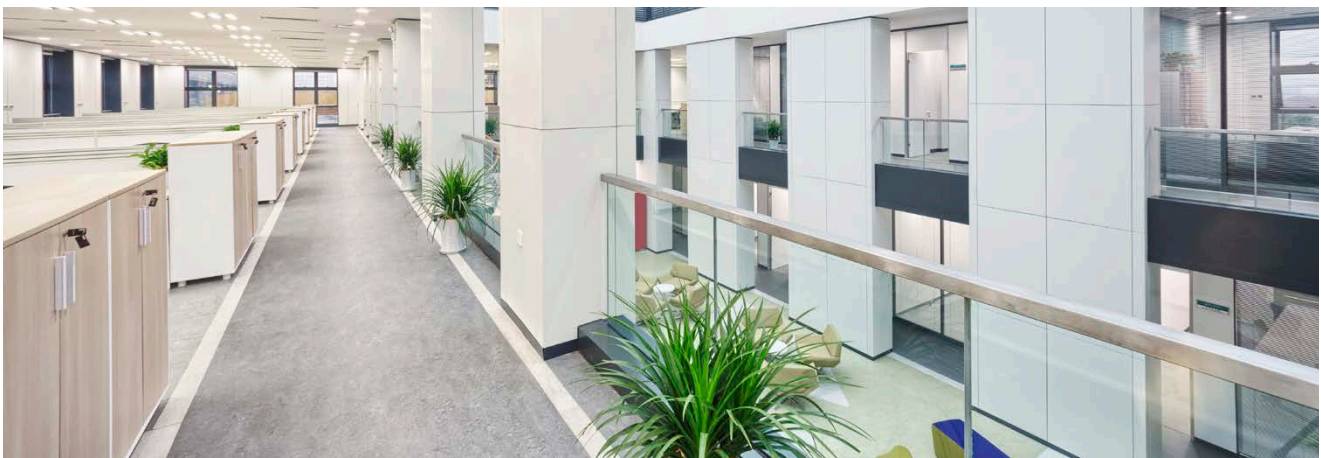
8.7%

THE NET VACANCY RATE IN DUBLIN STOOD AT 8.7% AT THE END OF Q4 2017.



due to be delivered throughout 2018. With 37% of this already pre-committed, leasing activity for the year ahead looks promising.

Slight upward pressure in rental value growth is expected in 2018, with rents achieving €646 per sq m. In tandem with the controlled delivery of stock to meet demand, headline rents will remain at this level in the short-term.



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