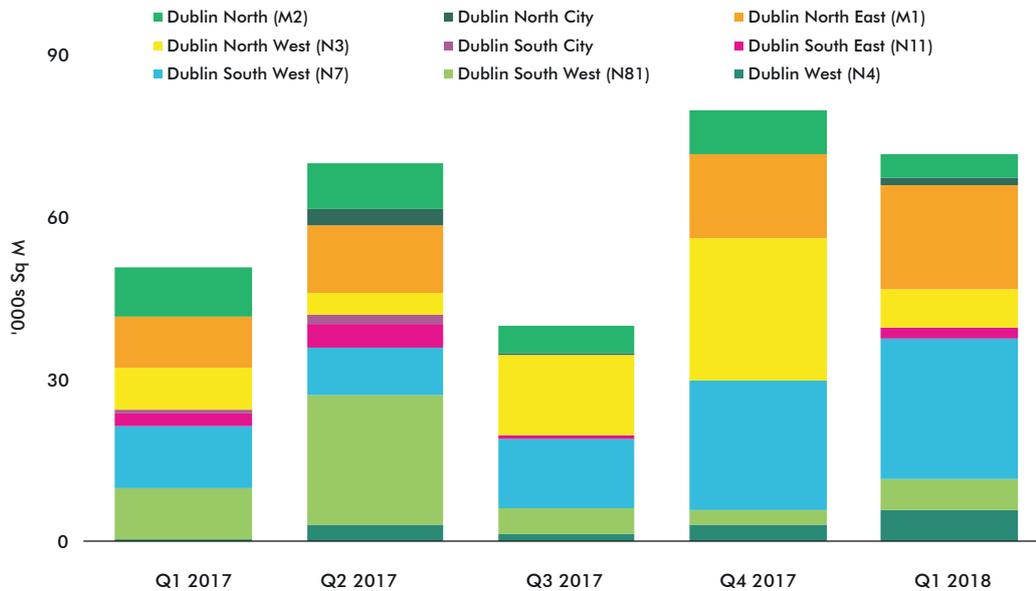


Dublin Industrial & Logistics MarketView, Q1 2018

Good Start to the Year in the Industrial and Logistics Sector

- ▼ Take-Up
- ▼ Demand
- ▲ Prime Rents
- ▼ Investment
- ▶ Yields

Figure 1: Dublin Quarterly Industrial Take-Up Q1 2017 - Q1 2018



Source: CBRE, Q1 2018

- Take-up in the Dublin industrial & logistics sector reached 71,595m² in Q1 2018, up 41% compared to the volume of take-up recorded in this sector in the same quarter last year
- Lettings of industrial buildings accounted for 58% of industrial take-up in Dublin in the quarter
- In total, there were 56 industrial transactions signed in Dublin in Q1 2018 of which 35 comprised lettings and 21 comprised sales
- Transactional activity in the industrial sector during Q1 2018 was primarily focused on the Dublin South West (N7) corridor which accounted for 36% of Q1 take-up
- Prime industrial rents in the capital rose in Q1 and stand at €102.20 per square metre at the end of Q1
- 37% of transactions in Q1 2018 were between 1,858m² and 4,645m² (20,000 - 50,000 sq. ft.)
- There was demand for more than 56,500m² prevailing at the end of Q1
- Industrial properties accounted for only 1% of total investment spend in Q1 2018
- Prime industrial yields remain stable at 5.5% at the end of Q1

OVERVIEW

71,595m² of take-up was recorded in the Dublin industrial & logistics market during the first quarter of 2018. Although this is down slightly on the volume of take-up recorded last quarter, it is up 41% on the volume of activity achieved in the same quarter last year. There were 56 individual industrial transactions signed in Dublin in Q1 2018.

58% of the total volume of industrial take-up recorded in Dublin in Q1 2018 comprised lettings (35 transactions) with 21 of the 60 transactions signed in the period comprising sales.

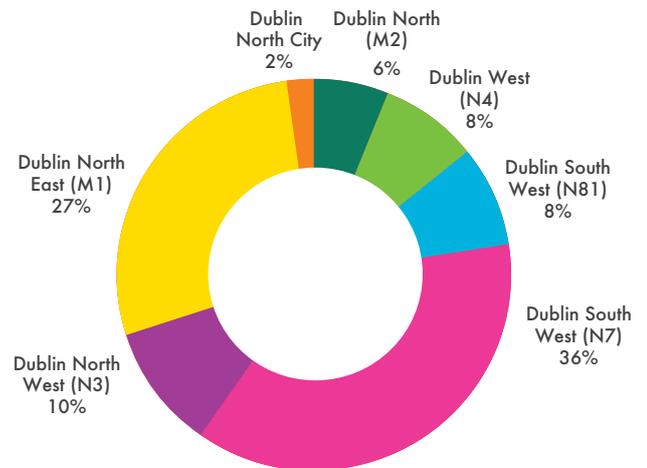
Prime industrial rents rose quarter-on-quarter and now stand at €102.20 per square metre (€9.50 per sq. ft.).

Transactional activity in the industrial sector during Q1 2018 was primarily focused on the Dublin South West (N7) corridor, which accounted for 36% of all sales and lettings completed in Dublin in the three-month period. A further 27% of the industrial accommodation that either let or sold in Dublin during Q1 was located along the Dublin North East (M1) corridor while a further 10% was located along the Dublin North West (N3) corridor.

The largest majority (37%) of transactional activity in the three-month period comprised transactions of between 1,858m² and 4,645m² (20,000 – 50,000 sq. ft.) with a further 24% extending to between 929m² and 1,858m² (10,000 – 20,000 sq. ft.). 8% of industrial take-up in the capital in Q1 comprised transactions of between 4,645m² and 9,290m² (50,000 – 100,000 sq. ft.) in size. 13% of Q1 take-up in the Dublin industrial market extended to more than 9,290m² (100,000 sq. ft.) in size.

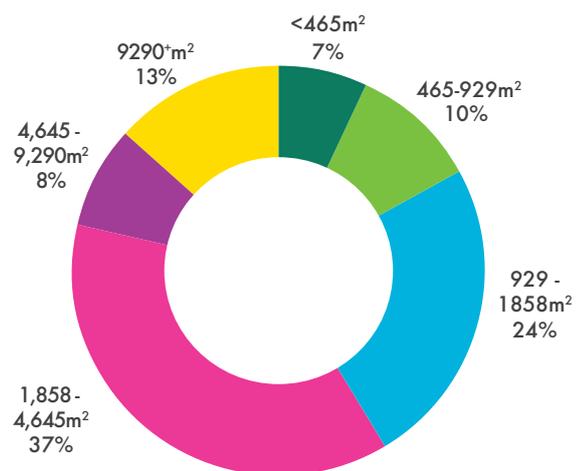
The overall volume of demand in this sector fell quarter-on-quarter. There was more than 56,500m² of demand for industrial accommodation prevailing at the end of Q1 2018.

Figure 2: Dublin Industrial Take-Up Q1 2018 by Location



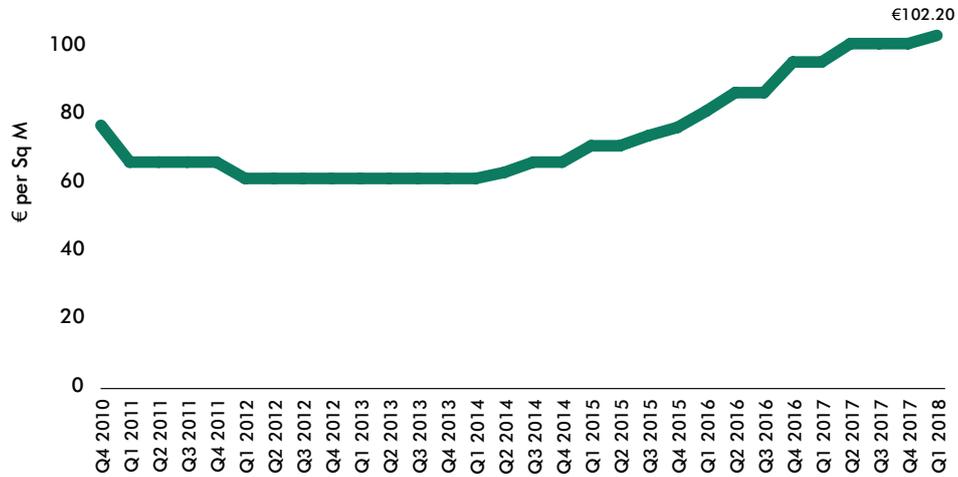
Source: CBRE, Q1 2018

Figure 3: Dublin Industrial Take-Up Q1 2018 By Size



Source: CBRE, Q1 2018

Figure 4: Prime Dublin Industrial Rents Q4 2010 – Q1 2018



Source: CBRE, Q1 2018

Appetite for good industrial investment opportunities remains strong, buoyed to some extent by rental growth expectations in this sector with a further 7% uplift in prime rents anticipated in 2018. However, supply remains constrained, particularly for larger lot sizes. Of the almost €930 million invested in Irish income-producing assets with a value of more

than €1 million in Ireland during Q1 2018, only 1% comprised industrial investments specifically.

According to our research, prime industrial yields in the capital are stable at approximately 5.5% at the end of Q1 2018.

Figure 5: Major Industrial Transactions Q1 2018

| Property | District | Size M ² | Type |
|---|------------------------|---------------------|---------|
| Clonsbaugh Business & Technology Park, Oscar Traynor Road, Dublin 17 | Dublin North East (M1) | 9,433 | Sale |
| Unit K, Furry Park Industrial Estate, Swords Road, Santry, Dublin 9 | Dublin North East (M1) | 6,080 | Letting |
| Unit 38, Fonthill Business Park, Fonthill Road, Clondalkin, Dublin 22 | Dublin West (N4) | 4,230 | Letting |
| Unit 526, Greenogue Business Park, College Road, Rathcoole, Dublin 22 | Dublin South West (N7) | 3,927 | Sale |
| Ballymount Cross Ind Estate, Ballymount Road Lower, Ballymount, Dublin 12 | Dublin South West (N7) | 3,884 | Letting |

Source: CBRE, Q1 2018

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