

Quick Stats Q4

Change from previous quarter

Take-up	↑
Availability	→
Rents	↓
Investment	↑
Yields	→

Hot Topic

"A large letting at the end of Q4 2009 helped push Dublin's industrial take-up in 2009 to more than 133,000m², a healthy level considering the severe contraction in business activity seen since the onset of the recession."

OVERVIEW

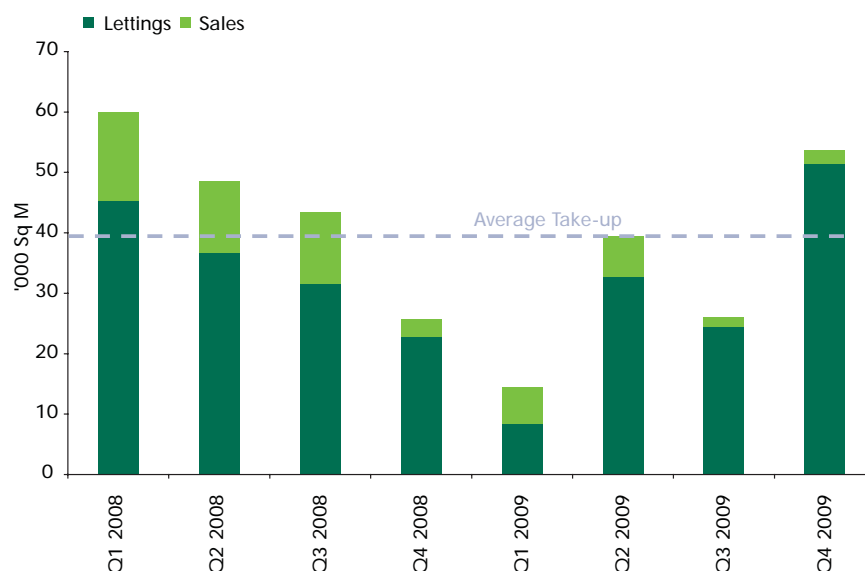
The Dublin industrial market ended 2009 on a positive note, with more than 53,000m² of industrial lettings and sales recorded in the capital in Q4, significantly above the average quarterly take-up (39,000m²) established over the past two years. Although this is more than double the take-up recorded in the previous quarter, there were only 30 transactions signed in Q4 compared to the 40 in Q3. Although 23,000m² of the Q4 take-up comprised a letting at Dublin Airport to Aer Lingus, it is significant to note that the Dublin industrial market was on track to record quarter-on-quarter growth – albeit modest growth – before the large letting was signed on Christmas Eve. This letting, the largest single letting of 2009, continued and strengthened the trend towards lettings over sales seen over the past several quarters. In Q4 2009 lettings accounted for 96% of total industrial take-up in Dublin. Almost half (14) of the transactions signed in the last three months of 2009 were smaller than 465m² in size; these 14 transactions accounted for only 7% of overall take-up, however. Only three lettings between 1,859m² and 4,645m² in size were signed in Q4, accounting for 9,916m² of take-up.

There have been concerns in recent months over a manifest shortage of high-quality industrial accommodation in Dublin's South West district along the N7 corridor. Take-up in Q4 seems to support the fact that although most occupiers prefer to locate along the N7, they have been forced to look at other locations, most notably to the north of the city. Stripping out the letting at Dublin Airport, 34% of take-up in Dublin occurred in Dublin North West (N3) in Q4, 24% of take-up occurred in the Dublin North (N2) district and a further 15% of take-up occurred in the Dublin North East (N1/M1) district. The N7 corridor accounted for 14% of take-up in Q4. Dublin North City was the only district to record no industrial take-up in Q4 2009.

For the year as a whole, 2009 turned out to be healthier than expected in terms of industrial take-up. Overall take-up in Dublin came to 133,589m², with the largest single portion (35%) of this take-up occurring in Dublin South West (N7). As mentioned above, the large letting at the end of 2009 at Dublin Airport helped the Dublin North East (N1/M1) district account for 28% of take-up in the year as a whole. A further 13% of take-up occurred in Dublin North West (N3) while the remaining sales and lettings were spread across the city's industrial corridors somewhat evenly.

Prime headline rents remain under pressure in Dublin, although the falls have not been as severe as those seen in other sectors of the property market. As of the end of Q4, prime headline industrial quoting rents were €92 per square metre. The first industrial investment sale of 2009 was signed in Q4, with two units of Clonshaugh Industrial Estate in North Dublin City selling for approximately €8 million at a yield of approximately 9.4%.

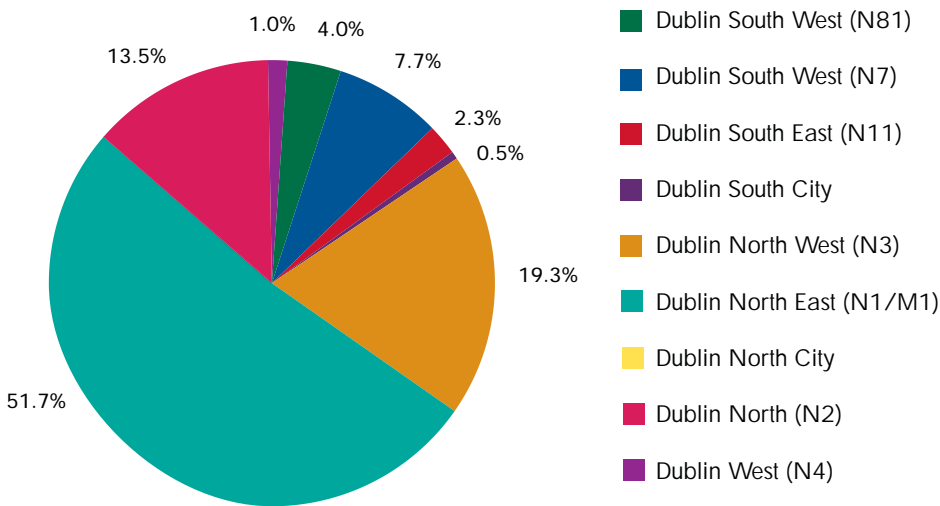
Dublin Quarterly Industrial Take-Up Q1 2008 – Q4 2009



Major Industrial Transactions Q4 2009

Property	District	Size	Type
Dublin Airport, Hangar 6	Dublin North East (N1/M1)	23,000	Letting
Northwest Business Park	Dublin North West (N3)	5,735	Letting
North Park	Dublin North (N2)	3,535	Letting
Dublin Airport Logistics Park	Dublin North East (N1/M1)	2,681	Letting
Jamestown Business Centre	Dublin North (N2)	1,600	Sale

Dublin Industrial Transactions By Location Q4 2009



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