

CORK OFFICE MARKET

Q1 2020



Occupier Activity

The opening quarter of 2020 saw solid occupier activity in the Cork office market. Take up totaled 3,400 sq m across nine deals, bringing activity in the 12 months to the end of March to 24,900 sq m.

Occupiers remain focused on the city centre, accounting for 80% of take up, and Grade A space accounts for 75% of leasing activity.

The largest occupation in the quarter was by Clearstream who moved into their Grade A space of approximately 1,800 sq m at Block 1, Navigation Square on Albert Quay.

Availability

At the end of March, availability in the Cork office market stood at 55,100 sq m, down 5% on the end of 2019. Correspondingly, the vacancy rate fell to 8.9%.

When signed and reserved space is considered, the net vacancy rate stands at 4.7%, with several tenants due to take up space that has been pre-let or let agreed in the coming quarters.

Grade A availability stood at 40,550 sq m at the end of the opening quarter, with 31% of this reported as signed or reserved. In line with the positive level of take up, city centre availability has fallen to 26,100 sq m.

Development Activity

At the end of the opening quarter, 38,500 sq m was under construction in Cork city centre, across the Penrose Dock, Horgan's Quay and Counting House developments.

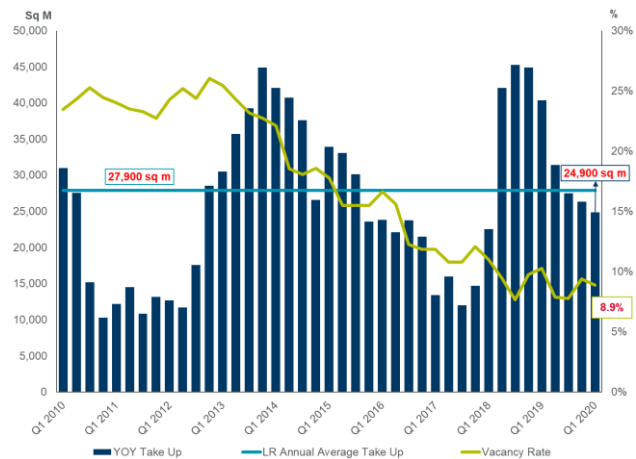
These developments are all due for completion in 2020 and upon completion, will contribute to city centre Grade A availability, where space has not been pre-let. At the end of March, 12% of the space under construction was reserved.

Market Commentary

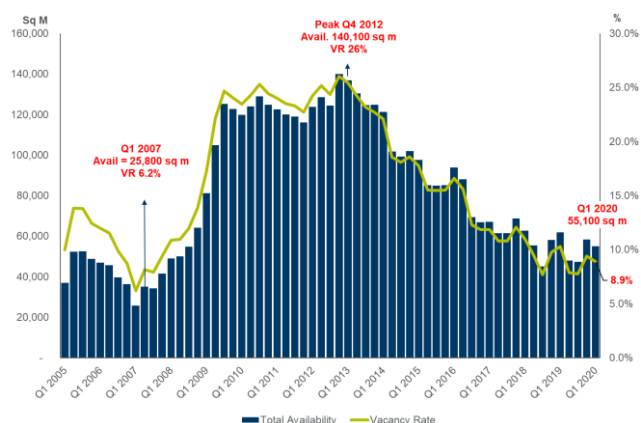
"The first half of Q1 2020 exhibited encouraging signs of a positive year in terms of office transactions and take-up, but the onset of COVID-19 has dampened expectations somewhat. Having said that, there has been little evidence of transactions that are in the pipeline being cancelled which is positive for the Cork office market"

Seán Healy, Director & Head of Offices, Cushman & Wakefield Cork

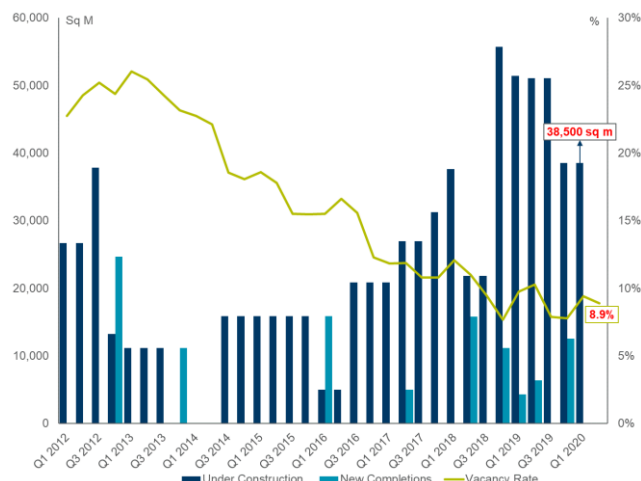
Year on Year Take Up (Sq M) & Vacancy Rate (%)



Availability (Sq M) & Vacancy Rate (%)



Under Construction (Sq M), New Completions (Sq M) & Vacancy Rate (%)





Kate English

Senior Economist
Researcher

+353 (0) 1 237 6383
research@cushwake.ie

Jane Dunne-Terry

Junior Economist
Researcher

+353 (0) 1 237 6462
research@cushwake.ie

Peter O’Flynn

Managing Director,
Cork

+353 (0) 21 464 8502
peter.oflynn@cushwake.ie

Sean Healy

Director, Head of Offices,
Cork

+353 (0) 21 464 8503
sean.healy@cushwake.ie

Siobhán Young

Surveyor,
Cork

+353 (0) 21 464 8524
siobhan.young@cushwake.ie

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