

YoY Chg 12-Mo. Outlook

3.5%
Vacancy Rate ▼ ▲

9,800 Sq M
Take Up ▲ ▼

€90
Prime Rent, PSM ▲ ▲

ECONOMIC INDICATORS Q2 2020*

YoY Chg 12-Mo. Forecast

1.8M
Ireland Employment* ▼ ▲

23.1%
Ireland Unemployment Rate* ▲ ▼

-6.1%
Ireland GDP Growth ▼ ▲

Source: CSO
*COVID-19 Adjusted Measure

Occupier Activity

Following an incredibly strong opening half to the year, take up in the Cork industrial market reached 54,750 sq m in the nine months to the end of September 2020. The industrial market has fared well throughout the COVID-19 pandemic, with occupiers looking to expand their operations on both short- and long-term bases. The Cork industrial market looks poised to have its strongest year of take up since 2005. Take up in the year to date has been concentrated in the North East, in line with trends in availability. There have been a number of large occupations in the year, with 4 deals over 5,000 sq m in size.

Availability

There continues to be an acute shortage of available space in the market. Availability in the Cork industrial market stood at 43,650 sq m at the end of September, with a vacancy rate of just 3.5%, suggesting a significant pinch point in the market. Of the available space in the Cork market, just 23% is of Grade A quality, with Grade B and Grade C spaces accounting for 40% and 37% respectively. In addition, occupiers who require large floorplates are restricted in their choices, with just two industrial space in excess of 5,000 sq m available in the Cork market.

Development Activity

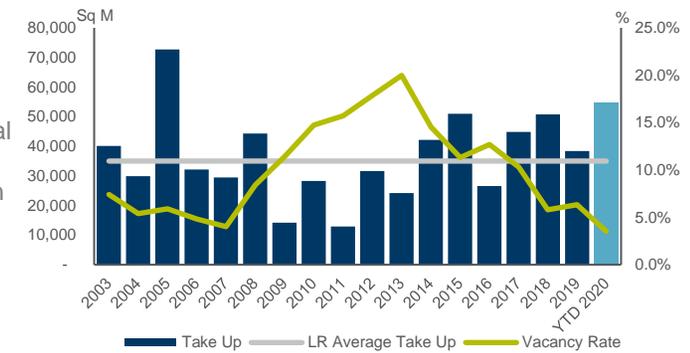
In the third quarter of 2020, construction completed on a Grade A industrial space of approximately 5,550 sq m at Blarney Business Park. This provided a small lift in the amount of Grade A space available in the Cork industrial market. At the end of September, approximately 6,100 sq m of industrial space was under construction in the Cork industrial market, all of which is accounted for through a Design & Build project for EZ Living, meaning there will be no impact on availability in the Cork market when construction completes. Therefore, vacancy rates are anticipated to remain exceptionally low.

Market Commentary

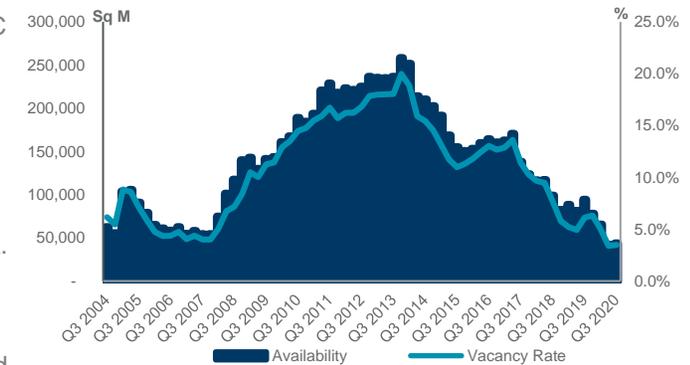
“The industrial sector has continued to perform well, with multiple large occupier requirements for the Cork market, partly due to the increase in e-commerce activity. Demand for prime well-located industrial accommodation remains strong but transactional activity is being hampered by the lack of availability of high-quality Grade A stock. However, there are a number of substantial developments in the planning pipeline.”

Peter O’Flynn, Managing Director, Cushman & Wakefield Cork

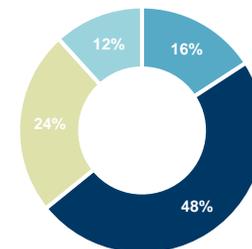
Take Up (Sq M), YTD 2020



Availability (Sq M) and Vacancy Rate (%), Q3 2004 – Q3 2020



Availability by Region (%)



• City Centre • North East • North West • South West

CORK MARKET

Industrial Q3 2020



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