

	YoY Chg	12-Mo. Outlook
8.7% Vacancy Rate	▲	▲
1,750 Sq M Take Up	▼	▲
€355 Prime Rents, PSM	▲	▬

ECONOMIC INDICATORS Q1 2020

	YoY Chg	12-Mo. Forecast
2.07M Ireland Employment*	▼	▲
15.5% Ireland Unemployment Rate*	▲	▼
1.2% Ireland GDP Growth	▲	▼

Source: CSO
*COVID-19 Adjusted Measure

Occupier Activity

The first six months of 2020 saw occupier activity in the Cork office market total 5,150 sq m, across 12 deals. Unsurprisingly, given the pause placed by COVID-19 on commercial property markets, this is significantly below the long run average H1 take up of 13,100 sq m. Occupier activity in the opening half of the year was focused on the city centre, which absorbed 65% of take up. An occupation of note in the quarter, was the take up of approximately 1,300 sq m by internal communications company Poppulo, at Cork Airport Business Park.

Availability

At the end of June, availability in the Cork office market stood at 53,650 sq m, down 3% from the quarter previous. Correspondingly, the vacancy rate fell marginally to 8.7%. When signed and reserved space is considered, the net vacancy rate stands at 6.1%, with several tenants due to take up space that has been pre-let or reserved in the coming quarters. Grade A availability stood at 38,850 sq m at the end of June, with 24% of this reported as signed or reserved.

Development Activity

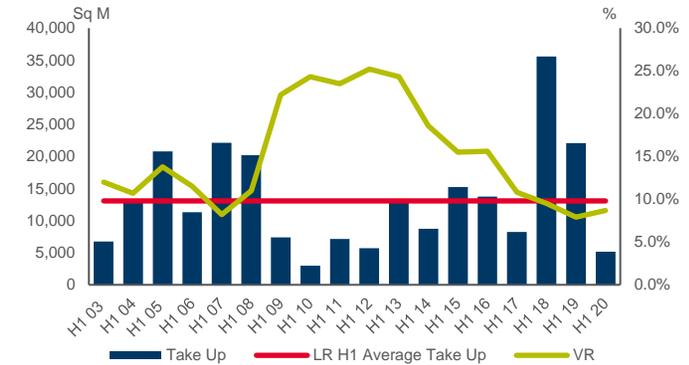
As of the end of June, 38,500 sq m was under construction in Cork city centre, across the Penrose Dock, Horgan's Quay and Counting House developments. The restrictions on construction activity during the COVID-19 lockdown have had an impact on construction dates, however, these developments are all due for completion in the latter six months 2020. Positively, 58% of the space under construction was signed or reserved at the end of June.

Market Commentary

"As anticipated, the take-up of space was down significantly due to site closures resulting in delayed fit-out completions, however, we expect take up to correct in Q3 & Q4 2020 as contracted tenant fit-outs complete. While COVID-19 has had a major impact on new enquiries in the first half of 2020, we anticipate a recovery in enquiries when international travel restrictions are relaxed and more companies return to the office."

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

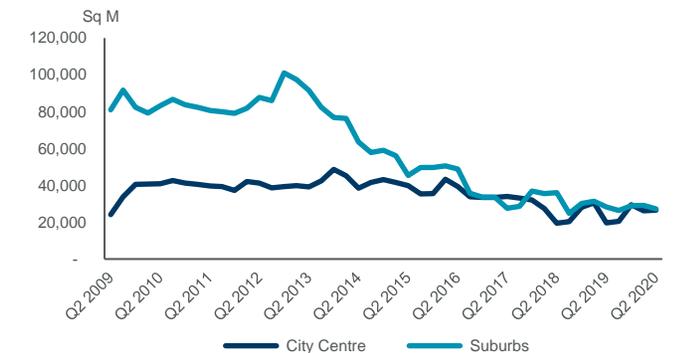
Take Up (Sq M) and Vacancy Rate (%), H1 2020



Availability (Sq M) and Vacancy Rate (%)



Availability by Region (Sq M)



CORK MARKET

Office Q2 2020



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