

	YoY Chg	12-Mo. Outlook
12.2% Vacancy Rate	▲	▲
7,450 Sq M Take Up	▲	▬
€345 Prime Rents, PSM	▲	▼

Occupier Activity

Following an expectedly quiet second quarter, activity in the Cork office market improved in quarter three. A total of 7,450 sq m was occupied in the three-month period, with key occupations including Sophos and Grant Thornton at the newly completed Penrose Dock development. Year-to-date take up now totals 12,600 sq m across 18 deals. This remains below the levels of take up witnessed at the same point in 2019, however this is unsurprising given the notable decline in quarter two, and the unfolding impact of the COVID-19 pandemic on commercial property markets.

Availability

At the end of September, availability in the Cork office market stood at 78,800 sq m, up significantly on the previous quarter. The increase in available space stems from both the release of approximately 11,050 sq m of second-hand stock back to the market, and the completion of new office space at Penrose Dock. Correspondingly, the vacancy rate rose to 12.2%. However, when signed and reserved space is considered, the net vacancy rate stands at 8.4%, with several tenants completing fit outs of pre-let or reserved space, which they are due to occupy in the coming quarters.

Development Activity

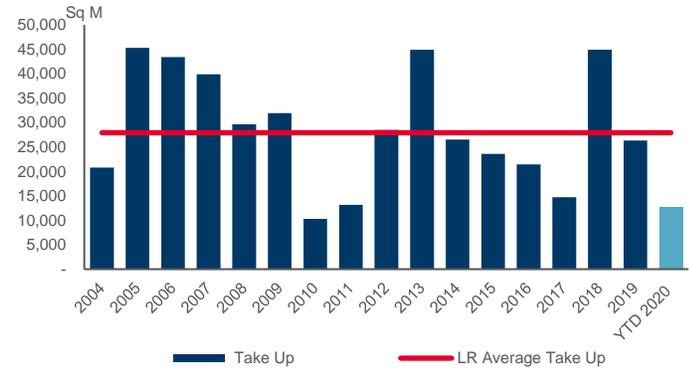
Quarter three marked the largest volume of new office space delivered to the Cork market in eight years. Approximately 23,900 sq metres of office space completed at Penrose Dock across two buildings. Some 3,400 sq m pre-reserved space was taken up in the quarter, while a further 12,650 sq m is signed or reserved. At the end of September, construction continued on a further 14,500 sq m of office space in Cork city centre, across the Horgan's Quay and Counting House developments.

Market Commentary

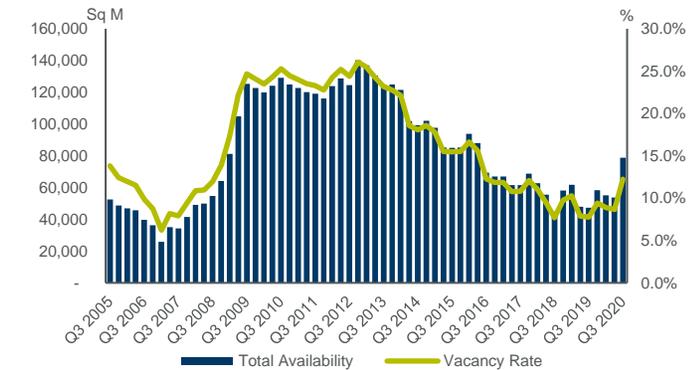
“Not surprisingly with the disruption caused by COVID-19 in the first half of the year, Q3 has accounted for over 50% of take up in the year to date. With a number of fit-outs on track for completion in Q4, a similar performance should result in total take up for the year in the region of 20,000 sq m. A trend to watch in the Cork office market in the coming months is the amount of space that is the amount of space that is coming available for sub-let.”

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

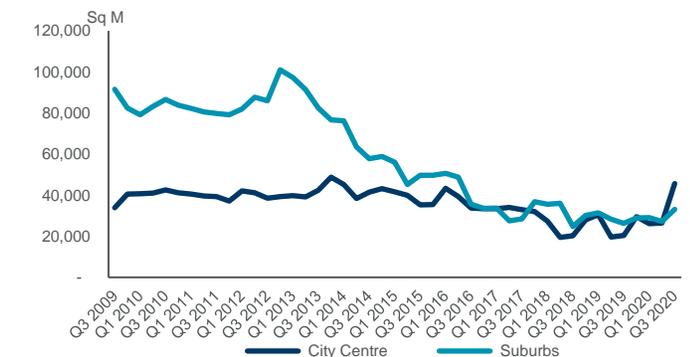
Take Up (Sq M), YTD 2020



Availability (Sq M) and Vacancy Rate (%)



Availability by Region (Sq M)



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

CORK MARKET

Office Q3 2020



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