

YoY
Chg12-Mo.
Outlook
3.5%
Vacancy Rate

2,800 Sq M
Take Up YTD

€85
Prime Rent, PSM
ECONOMIC INDICATORS
Q2 2021YoY
Chg12-Mo.
Forecast
2.1M
Ireland
Employment*

16.2%
Ireland
Unemployment Rate*

6.3%
Ireland
GDP Growth


Source: CSO
*COVID-19 Adjusted Measure

Occupier Activity

The smallest of our three regional industrial markets, occupier activity in the Galway market is muted, as a lack of available industrial space continues to hamper take up. In the nine months to September end, take up totaled 2,800 sq m across just 5 deals. The third quarter of the year accounts for most of this activity, recording two deals with a combined total of 1,250 sq m of space occupied. The largest deal of the quarter and so far this year was 650 sq m occupied in Ballybane Industrial Estate, followed by 550 sq m in Millars Hall, Rahoon. Current occupier activity coupled with severe supply constraints, suggest that year-end take up will not achieve a level past its long run average of 11,800 sq m for a third year in a row.

Availability

Supply remains seriously constrained in the Galway industrial market. At the end of September, approximately 16,900 sq m of space was available to let, an annual decline of 34%. This level is just marginally above the lowest point in Cushman & Wakefield's detailed series; recorded in Q3 2004 where a mere 12,100 sq m was available. The corresponding vacancy rate sat at 3.5% as of Q3 2021, representing one of the lowest vacancy levels in the series, again only second to levels recorded in 2004. Driving this decline is the limited development activity, while also little market churn, i.e., secondhand space being released to the market.

At the end of September, the North-East region accounted for the vast majority of space available, 16,650 sq m, while Grade A space accounted for 69% of total availability, approximately 11,650 sq m. Of the 10 available units in the Galway industrial market, 9 of them are available to let, while 1 unit is available for sale. Large floorplates are in short supply, as of September end, there were no available units in excess of 5,000 sq m.

Development Activity

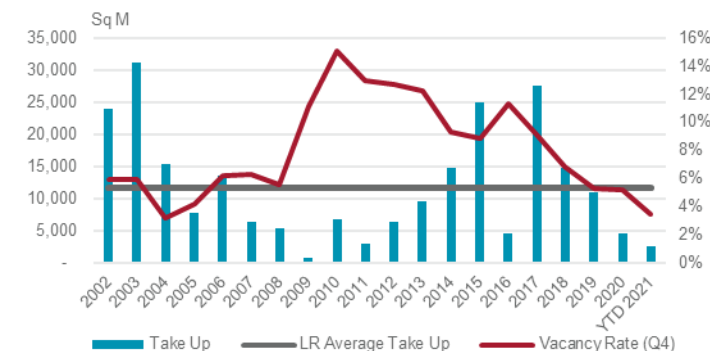
Q3 2021 marks the fifth quarter of no space under construction in the Galway industrial market. Market intelligence suggests that any further development in the Galway market will be on a Design and Build basis.

Market Commentary

"Market rents still have some way to go before speculative development becomes feasible in Galway, however this gap is narrowing, and the underlying market conditions remain positive"

Séan Coyne, Divisional Director, Cushman & Wakefield Galway

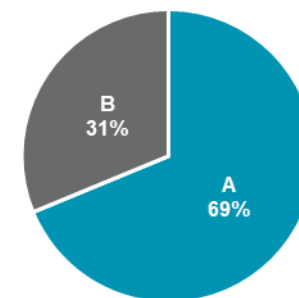
Take Up (Sq M), 2003 - YTD 2021



Availability (Sq M) and Vacancy Rate (%), Q4 2002 – Q3 2021



Availability by Grade (%), Q3 2021



GALWAY MARKET

Industrial Q3 2021

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