

YoY
Chg12-Mo.
Outlook**4.8%**

Vacancy Rate

**5,850 Sq M**

Take Up YTD

**€290**

Prime Rents (Standing Stock), PSM

**€375**

Prime Rents (New Build), PSM

**ECONOMIC INDICATORS
Q2 2021**YoY
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

Despite challenges presented to the Galway office market in 2021, such as the ongoing COVID-19 pandemic and limited supply, take up activity has improved. A total of 5,850 sq m was taken up in the nine months to September end. This reflects improved sentiment within the market, which was evident in space signed earlier in the year. The largest volume of space occupied in Q3 2021 was 1,150 sq m at Faustina, Tuam road, where Complete Laboratories Solutions occupied the ground floor. Other significant lettings in the year to date include 1,550 sq m at Block 6 Ballybrit Business Park in Q2, and 850 sq m at Block 1 Parkmore East Business Park.

Availability

Supply remains incredibly low in the Galway office market. At the end of September, availability stood at just 14,700 sq m, reflecting an annual decline of -3%. Correspondingly, the vacancy rate sat at 4.8%, suggesting a real pinch point in the market. Supply remains low as market churn was almost none existent in 2020, with the release of second-hand stock slowed to one of its lowest levels on record. A number of units have become available during 2021, however it has not had any significant bearings on overall vacancy levels. At the end of September, Grade A availability stood at 9,250 sq m, while the city centre accounted for 52% of space available.

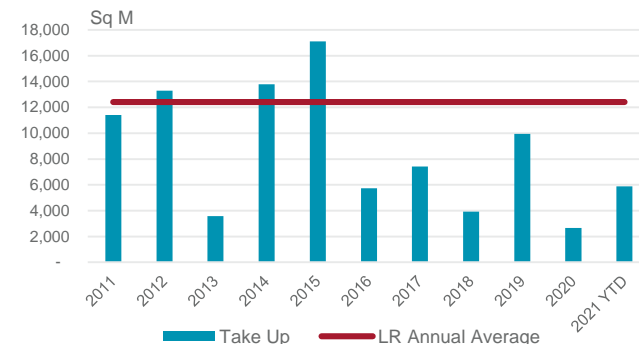
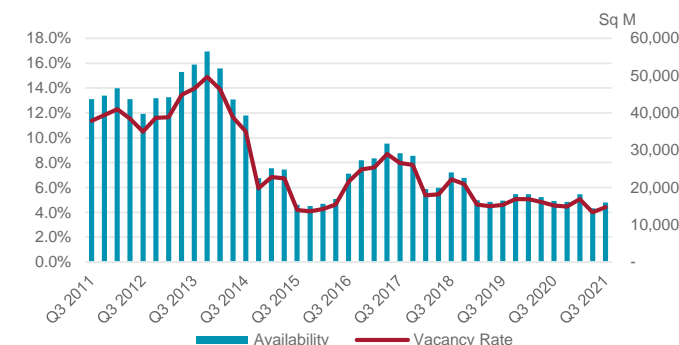
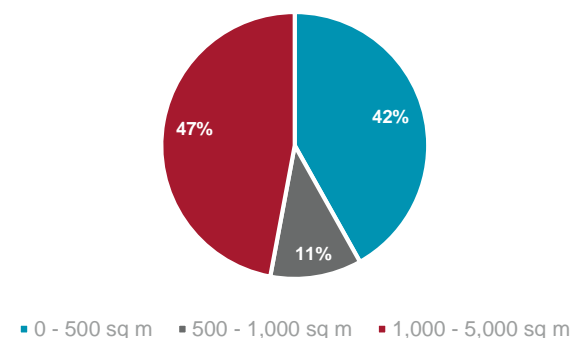
Development Activity

With availability lacking, development activity is providing much welcomed new stock to Galway. Construction continues on approximately 23,650 sq m of space across two schemes. Approximately 12,000 sq m of this is located at the Bonham Quay development, of which 6,850 sq m is pre-let to the expanding cloud technology group, Genesys and new entrant to the market, Diligent. The remaining 11,700 sq m is under construction at the Crown Square development. Space at Bonham Quay is due to complete construction in October 2021, while Crown Square is working towards completion at year end.

Market Commentary

The office market in Galway has seen a good recovery following the interruption of Covid-19. Companies that had office requirements pre-Covid are beginning to re-emerge, as employees begin to return to the office. The city centre remains the preferred location for a majority of new entrants while the suburban market is dominated by existing tenants looking to expand.

Séan Coyne, Divisional Director, Cushman & Wakefield

Take Up (Sq M), YTD 2021**Availability (Sq M) and Vacancy Rate (%), Q3 2011 – Q3 2021****Availability by Lot Size (Sq M), Q3 2021**

MARKETBEAT

GALWAY MARKET

Office Q1 2021



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