

LIMERICK INDUSTRIAL MARKET

Q1 2020



Occupier Activity

The opening quarter of 2020 was particularly strong for the Limerick industrial market, with take up totaling an impressive 22,250 sq m across thirteen deals. This brings take up in the twelve months to the end of March to 39,450 sq m.

The largest deal in the quarter was the occupation of approximately 6,700 sq m on Atlas Avenue on the Dock Road by Panda Recycling. The first three months of the year saw seven deals in excess of 1,000 sq m transact, increasing the average size deal to 1,700 sq m.

Occupiers were largely focused on the South East region which accounts for 52% of take up in the first quarter of 2020. This is followed by the South West, which accounts for 31% and the North West and Shannon Free Zone account for 12% and 5% respectively.

Availability

In line with the strong level of take up in the opening quarter of the year, availability in the Limerick industrial market fell to 91,750 sq m. The corresponding vacancy rate declined to 10.3%.

The Limerick industrial market is experiencing a shortage of high-quality industrial units, with Grade A floorplates accounting for just 20% of availability. Grade B & Grade C spaces accounting for 40% each.

Development Activity

As of the end of March, approximately 44,750 sq m of industrial space was under construction in Limerick. The vast majority of this is on a Design & Build basis, 69%, however speculative development is continuing in the Shannon Free Zone on 13,750 sq m of space, none of which is signed or reserved.

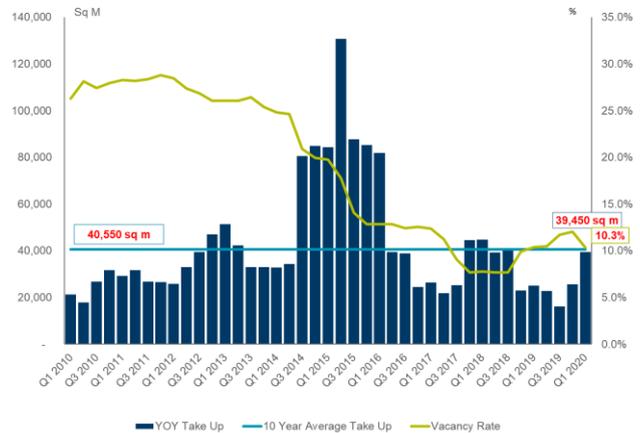
In addition to the space under construction, the opening months of 2020 saw the completion of a Design & Build unit of approximately 1,200 sq m at Annacotty Business Park, which was subsequently occupied by Serosop Ltd.

Market Commentary

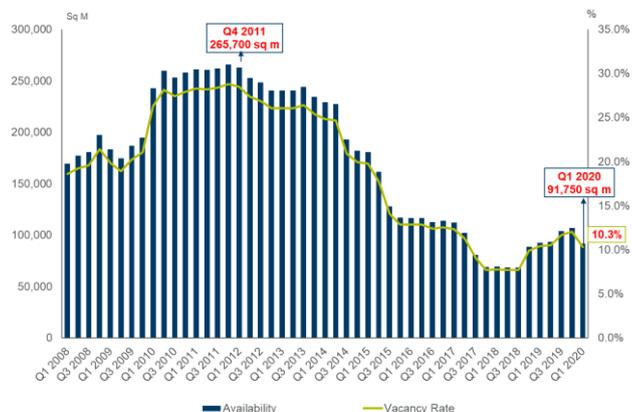
“The strong take up has resulted in the lowest vacancy rate for several years and the lack of supply will put upward pressure on rental levels in 2020.”

John Buckley, Director, Cushman & Wakefield Limerick

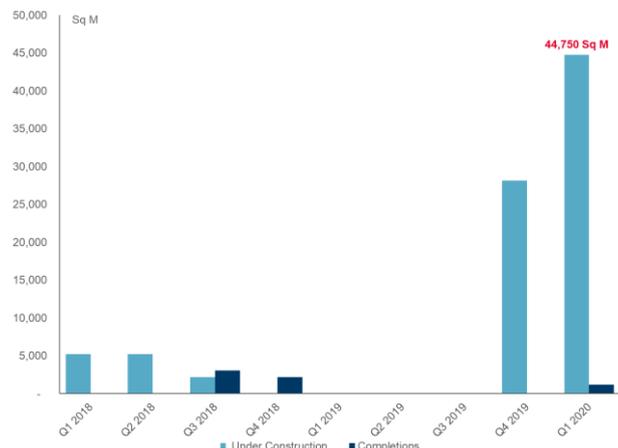
Year on Year Take Up (Sq M) & Vacancy Rate (%)



Availability (Sq M) & Vacancy Rate (%)



Under Construction (Sq M) & Completions (Sq M)





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