

# CORK MARKET



Office Q1 2022

<b>13.9%</b> Vacancy Rate	▲	▼
<b>19,485 Sq M</b> Take Up, YoY	▼	▲
<b>€340</b> Prime Rents, PSM	▼	▲

**ECONOMIC INDICATORS Q4 2021**

<b>2.4M</b> Ireland Employment*	▲	▲
<b>7.4%</b> Ireland Unemployment Rate*	▼	▼
<b>+13.5%</b> Ireland 2021 Annual GDP Growth	▲	▼

Source: CSO  
\*COVID-19 Adjusted Measure

**Occupier Activity**

Occupier trends in the Cork office market have largely followed that of other markets, with take up in 2021 falling, as the impact of COVID-19 played on the market. In total, take up reached just 11,000 sq m, it's lowest level over the past decade. However, 2022 has begun stronger, as take up reached 8,800 sq m in the opening quarter. Similarly, outside of take up, activity on new space in the city, led to further space being reserved at Penrose Dock, Navigation Square on Albert Quay.

New space has been a driver of take up over the past twelve months, with occupiers such as Remitly and Morgan McKinley, both occupying space at Penrose Two, Penrose Dock in Q1 2022. However, the opening quarter also saw occupations of note in the suburbs. For example, Stryker took 2,000 sq m at 8 Cork Business & Technology Park adjacent to their existing facility and Skyworks with 1,075 sq m at Block C City Gate Park. Interestingly both the Remitly and Skyworks deals are examples of subleases within the market.

**Availability & Development Activity**

Availability levels have increased in the Cork office market over the past twelve months, as new space completed construction, while some sublease space also come to the market. Despite the improvement in take up in Q1 2022, availability has remained largely unchanged since year end. As of March 2022, a total of 91,500 sq m was available. This equates to a vacancy rate of 13.9%. Excluding signed and reserved space, net availability sits lower at 10.7%. Sublease space accounts for almost 8% of availability at present, a decline on previous quarters, however our market intelligence indicates this may increase once again during the year.

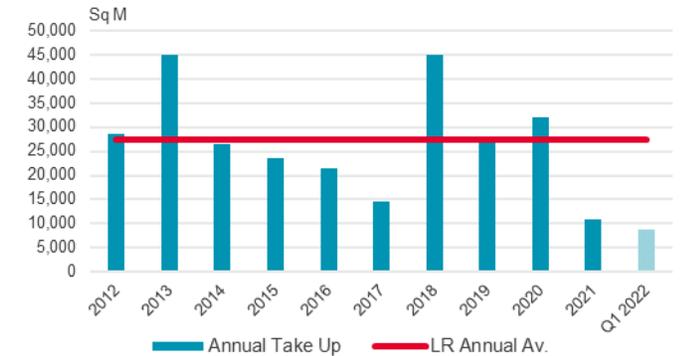
Moving to development activity, construction is underway on two units as of the end of Q1. Plaza Two, City Gate Plaza has 4,000 sq m due to complete this year, the entire of which is pre-let. In the city centre, No.2 Horgan's Quay is on site with 11,900 sq m due to complete in 2023. Lastly, not included in these figures is The Prism Building, where site preparation is underway however construction is yet to commence.

**Outlook & Market Commentary**

***"The Cork Office market was much improved in the first half of Q1 2022 with a number of enquiries leading to additional space being reserved primarily in the city centre adding to the 8,800 sq m taken up during the quarter. The latter half of Q1 saw enquiries holding, albeit for small to medium lot sizes, as well as several serviced office enquiries for primarily new entrants to the Cork market."***

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

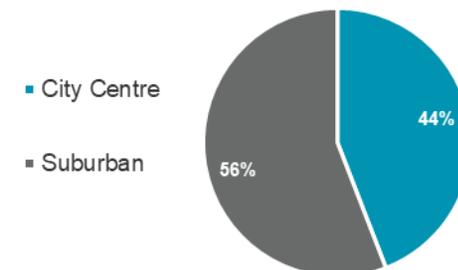
**Take Up (Sq M), 2012 – 2022 Q1**



**Availability (Sq M) and Vacancy Rate (%), Q1 2012 – Q1 2022**

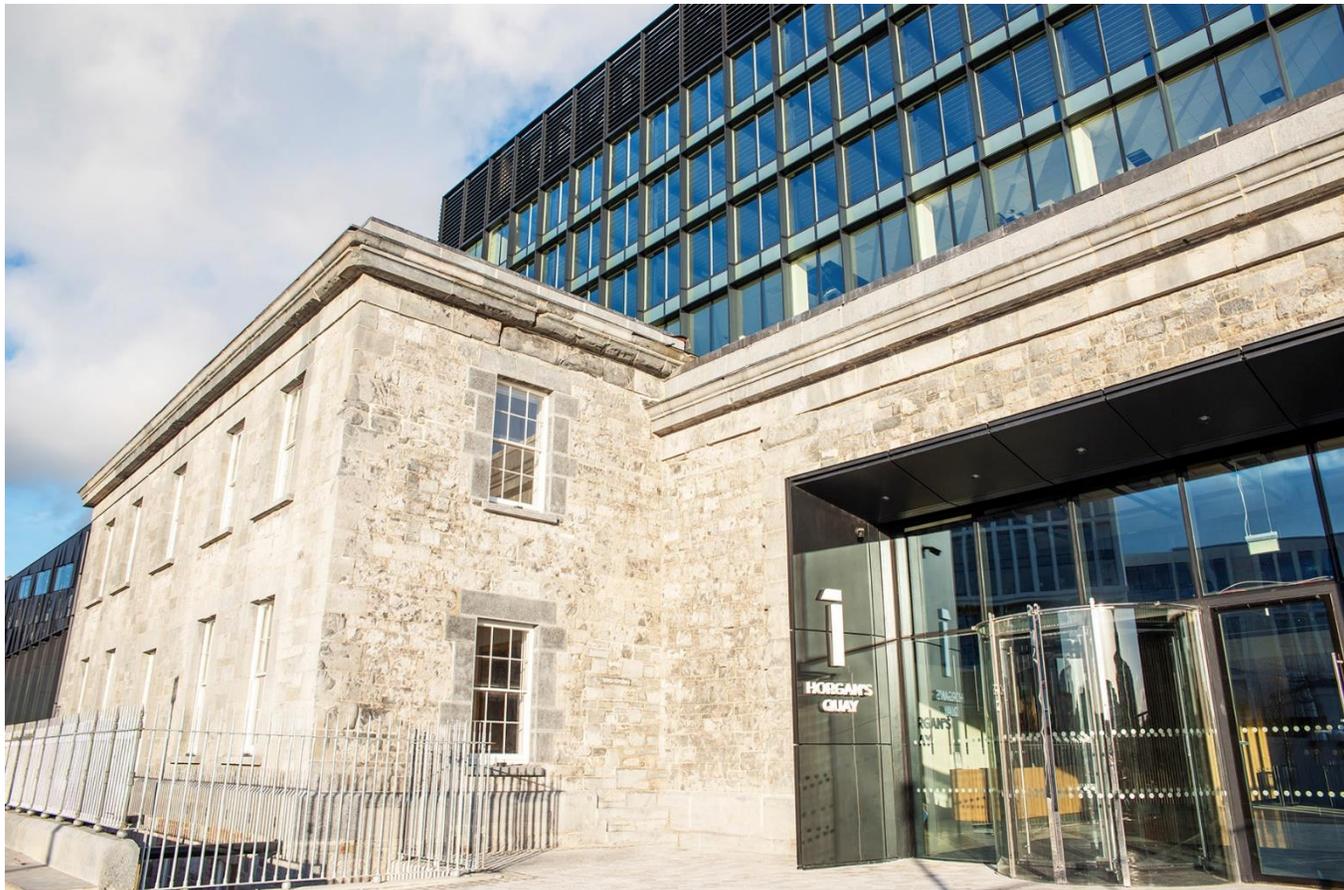


**Availability by Location (Sq M), Q1 2022**



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Office Q1 2022



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