

## IRELAND

## Investment Market Q4 2022

€4.47bn

Turnover Recorded, 2022

YOY %  
Change

156

Assets Sold, 2022



€28.7m

Average Deal Size, 2022



## IRISH INVESTMENT MARKET RECORDS JUST UNDER €4.5BN OF TRANSACTIONS FOR 2022:

**In the final quarter of 2022 just over €0.75bn of assets were traded across 30 deals.** Although Q4 was slightly more subdued than the opening nine months, investment activity for the year now stands at **€4.47bn** excluding the acquisition of Hibernia Reit by Brookfield. This level of turnover represents an above trend capital investment, approximately 13% higher than the average over the past ten years of €3.95bn.

**Residential assets continue the recent trend of attracting high levels of investor capital** with €401m worth of assets closing in the fourth quarter. This brings total investment activity in the year for residential assets to €1.76bn, which continues to account for the majority share of investor interest at 37% for 2022. The largest deal of the quarter was a confidential off-market residential portfolio which transacted for €135m.

**Retail assets recorded a notable uplift in activity during the quarter**, with 11 assets trading hands for a combined value of approximately €158m. A notable transaction in the quarter was the acquisition of the landmark Victoria's Secret store on Grafton Street from iPUT for €28m by a private investor. Total retail transactions now stand at 8.3% of investment turnover for the year, up from 2020 and 2021 shares of 4.8% and 6.1%, respectively.

**Office investment activity in quarter four totalled €61.8m across 5 deals, bringing total activity for 2022 to €605m.** The largest office deal of the quarter was the sale of St. Stephen's Green House in Dublin 2, a multi-let building purchased by French investment management company Novaxia for €45m. Annual investment activity for this sector stands notably lower than previous years at 14% of overall investment, and significantly below the 10-year average of €1.27bn.

**Industrial and logistics investment activity totalled €458m for 2022**, down from the record levels of transaction activity achieved in 2021 but still the second highest annual level of turnover in the last decade, and well above the 10-year average of €271m. The sector now accounts for approximately 10% of overall investment turnover, signifying the robust trading in this sector over the past 24 months.

Despite a difficult economic environment for investors to navigate, healthy levels of activity have been recorded in the Irish investment market in 2022. The duration and extent of the current monetary tightening cycle will largely influence investor appetite and decisions in the near term; however, the Irish Investment market continues to remain a much sought after destination for global investors.

*'The investment market is undergoing a repricing exercise with a discord between sellers and buyers. 2023 is set to be a year of two halves, with the first half being subdued and the expectation being that the second half will see meaningful activity as pricing discovery finally reaches its level'* **Kevin Donohue, Director, Head of Capital Markets at Cushman and Wakefield**

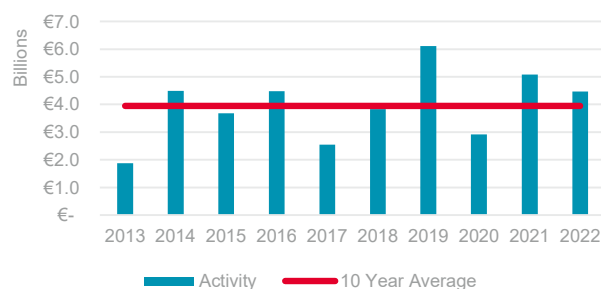
## Annual % Change

Department of Finance  
(Budget 2023, September '22)

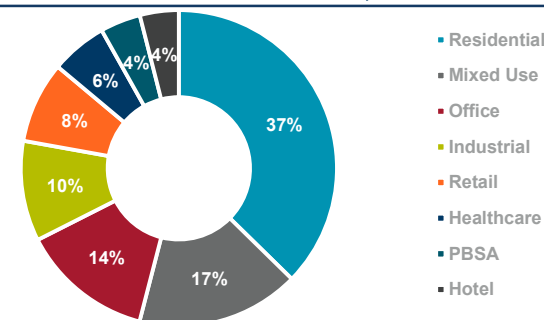
	2022F	2023F	2024F
GDP	10.0	4.7	3.3
Personal Consumption	5.5	1.8	4.6
Modified Domestic Demand	7.7	1.2	3.3
Unemployment Rate	5.2	5.1	5.0
HICP	8.5	7.1	2.4

Source: Budget 2023, Department of Finance Forecasts

## TOTAL CAPITAL INFLOW, 2013 - 2022



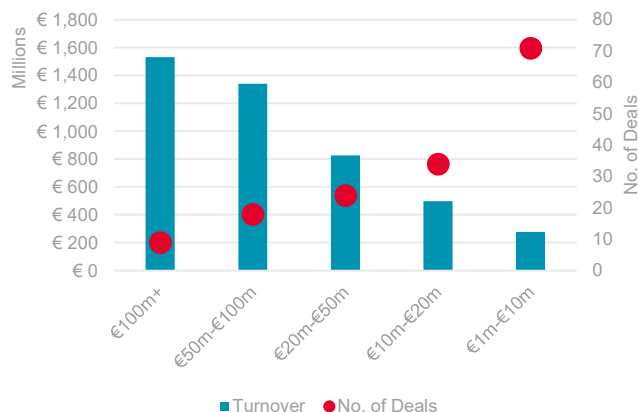
## SECTOR BREAKDOWN BY TURNOVER, 2022



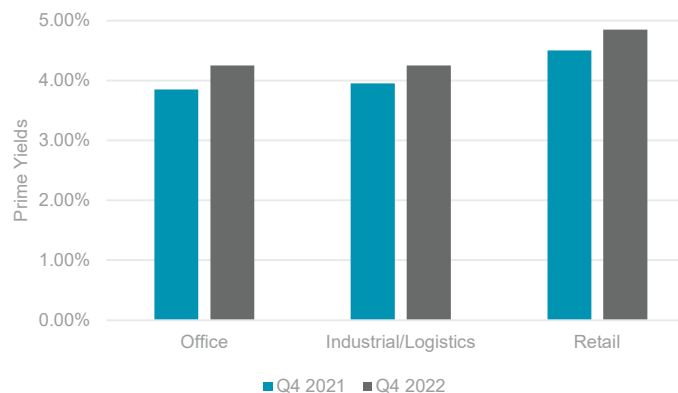
## TOP TRANSACTIONS, 2022

ASSET	PRICE (APPROX.€)	SECTOR	PURCHASER
Salesforce HQ, Dublin 1	€500m	Mixed Use	Blackstone
Project Sapphire, Dublin	€161m	Healthcare	Aedifica
Project Ruby, Dublin & Galway	€145m	PBSA	Ares Capital
Off Market Portfolio, Greater Dublin Area	€135m	Residential	Confidential
Distribution Centre, Newbridge, Kildare	€128.7m	Industrial	Union Investment
Brickfield Square, Dublin 12	€123.5m	Residential	Greystar

## TURNOVER BY LOT SIZE, VALUE v VOLUME, 2022



## PRIME YIELDS DUBLIN, Q4 2022 v Q4 2021



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