MARKETBEAT

LIMERICK MARKET

Industrial Q3 2021

CUSHMAN & WAKEFIELD

	YoY Chg	12-Mo. Outlook
4.6% Vacancy Rate	▼	▲
25,000 Sq M Take Up YTD	▲	▬
€70 Prime Rent , PSM	▬	▲

ECONOMIC INDICATORS Q2 2021

	YoY Chg	12-Mo. Forecast
2.1M Ireland Employment*	▲	▲
16.2% Ireland Unemployment Rate*	▼	▼
6.3% Ireland GDP Growth	▲	▲

Source: CSO
**COVID-19 Adjusted Estimates*

Occupier Activity

Coming off the back of a record year in 2020, the Limerick Industrial market witnessed just shy of 25,000 sq m of space occupied across 15 units by the end of September 2021. However, it should be noted that approximately 17,750 sq m of this can be attributed towards the Edward Life Sciences unit in Catletroy, a design and build project which finished completion and was occupied in Q2 2021. The third quarter of the year accounts for just 1,300 sq m of space occupied over four units, the largest of these was 550 sq m of space acquired on an owner occupier basis in Eastway Business Park.

Take up in the year to date has been concentrated in the North-East region, accounting for 18,650 sq m of activity, while 72% of total units occupied have been of Grade A quality. Lastly, the majority of units occupied were sub 1,000 sq m in size, 13 units, while the remaining 2 units occupied were greater than 1,000 sq m.

Availability

Following a strong quarterly decline, availability in the Limerick industrial market sits at 43,650 sq m, with a corresponding vacancy rate of 4.3% at the end of Q3 2021. To put into context the shortage in the market, this sits below the long run annual take up average of 42,300 sq m.

At present, the Limerick industrial market is experiencing a shortage of all units, however particularly large, high-quality industrial units. For example, just two units in excess of 5,000 sq m are available, both of which are reserved as of quarter end. Furthermore, there is just four Grade A floorplate currently available in the market, 12 Grade B floorplates and 7 Grade C.

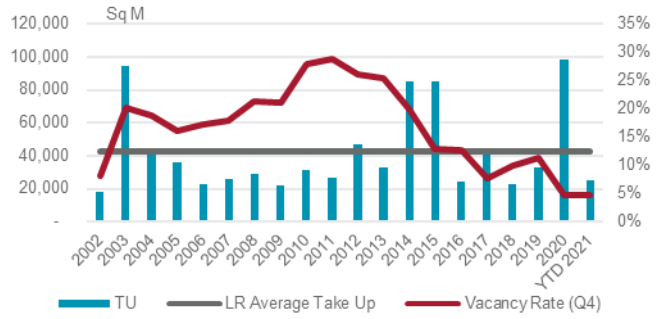
Development Activity

At of the end of September, construction continued on 8,200 sq m of space in Raheen Business Park and the National Technology Park, while an additional 5,400 sq m of space broke ground in the Shannon Free Zone. This brings total construction activity in the quarter to approximately 13,600 sq m. Crucially, all three units are being constructed on a design and build basis with pre-let agreements in place, meaning there will be no impact on available space upon completion.

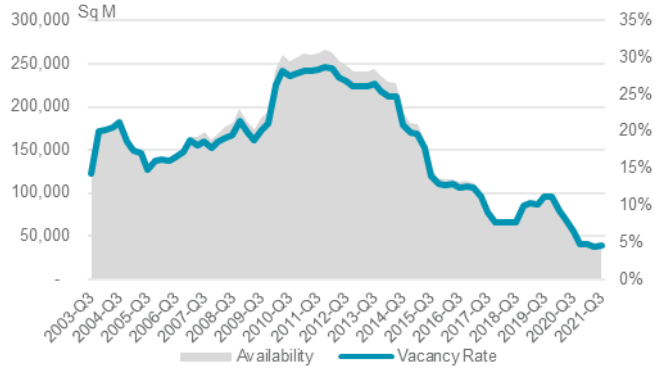
Market Commentary

"Similar to other industrial markets, availability remains a key challenge to the Limerick market going forward. With availability and the corresponding vacancy rate at record lows, development through design & build or pre-let agreements is much welcomed, however we are unlikely to see any significant ease to the supply squeeze which is present."
Kate English, Chief Economist, Head of Ireland Research & Insights, Cushman & Wakefield

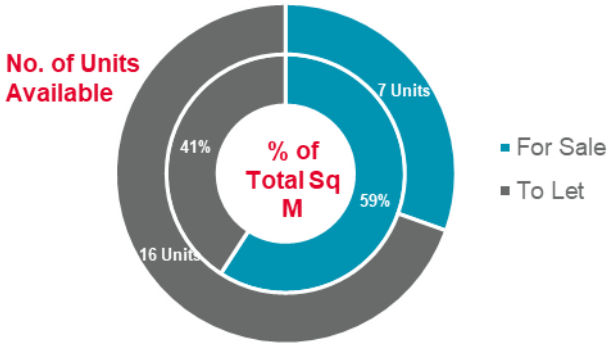
Take Up (Sq M), 2002 - YTD 2021



Availability (Sq M) and Vacancy Rate (%), Q3 2003 – Q3 2021



Availability by Type (%), Q3 2021



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