MARKETBEAT

GALWAY MARKET

Industrial Q3 2023

CUSHMAN & WAKEFIELD

	YoY Chg	12-Mo. Outlook
3.1% Vacancy Rate	▲	▬
15,150 Sq M Availability, Q3 2023	▲	▲
€102 Prime Rents (Logistics) PSM	▲	▬
€108 Prime Rents (Advanced Manu.) PSM	▲	▲

Annual % Change

	2022 (A)	2023 F	2024F
GDP	9.4	5.6	4.1
Personal Consumption	9.4	3.9	3.8
Modified Domestic Demand	9.5	2.1	2.5
Unemployment Rate	4.4	4.4	4.5
HICP	8.2	4.9	2.5

Source: CSO, Department of Finance Forecasts for 2023 and 2024

Occupier Activity

2023 has been a quiet year to date in the industrial market in Galway with no deals to take up space having taken place. The market has been starved of supply over the past 12 to 18 months, with a small increase in available space coming to the market this quarter. Over the medium-term the continued strength of the manufacturing sector in Galway should improve demand but the market continues to be hampered by a lack of stock. On a rolling twelve-month basis Galway take up levels were unchanged compared to Q2 2023 (approximately 3,200 square metres), to stand at similar levels to early 2021.

Availability & Development Activity

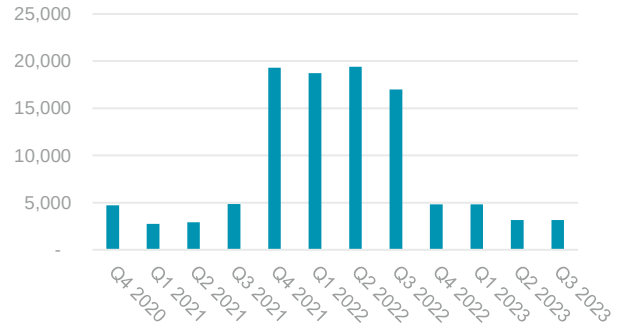
Supply levels remain low, however there was a small increase in available space coming to the market with over 1,800 square metres of additional supply spread across two properties at Briarhill Business Park, being made available this quarter. The vacancy rate at the end of Q3 2023 stood at 3.1% which is slightly higher compared to the 2.9% a year earlier. However, this is still well below the five- and ten-year averages of 4.2% and 7.2% respectively. Looking at the breakdown of available space, only one unit more than 5,000 square metres was available at the end of Q3. With vacancy rates low, this should ultimately result in an improvement in development however this is more likely to occur on a design and build basis.

Market Commentary

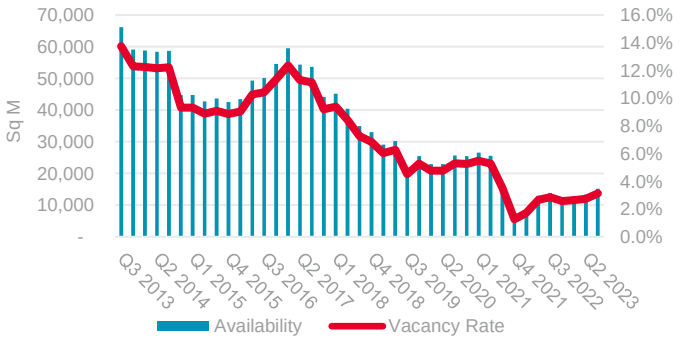
The Galway Market has predominantly been led by the manufacturing side where demand is consistent, we would note the IDA are due to go on site with their next AMU Facility shortly in Parkmore. The core industrial market which is predominantly owner occupied driven has a lack of supply of well-located good quality units which has hindered the market of late, however an increase in development activity into the future would readily be absorbed by the market."

Sean Coyne, Divisional Director, Cushman & Wakefield Galway

Rolling 12m Take Up (Sq M), Q4 2020-Q3 2023



Availability (Sq M) and Vacancy Rate (%), Q3 2013 – Q3 2023



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