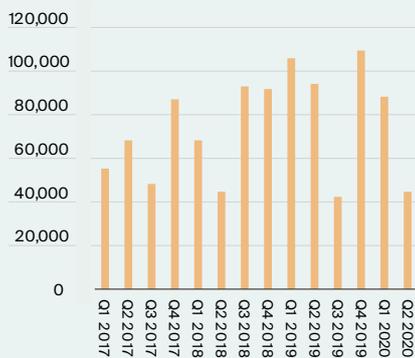


The industrial market has proved one of the most resilient sectors during the pandemic. In total, there were 44,611 sq m worth of transactions in Q2, bringing take-up for the first half of 2020 to 131,408 sq m. While this is down 34% on the same period last year, it is above the level achieved in both H1 2017 and H1 2018.

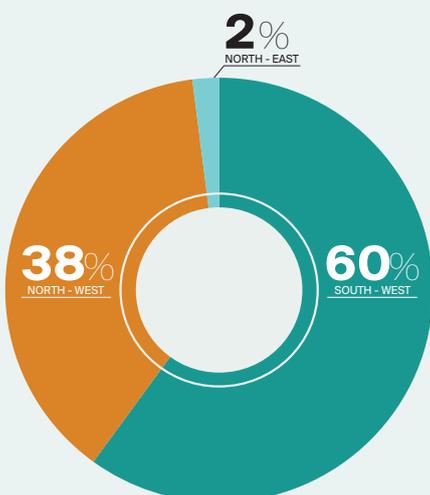
Fig 1: Industrial transactions sq m



Source: Knight Frank Research

Lettings in Q2 comprised 88% of activity with sales accounting for 12%. The South-West had the highest market share with 60%, followed by the North-West with 38%. The North-East accounted for just 2% of the market.

Fig 2: Transactions by location



Source: Knight Frank Research



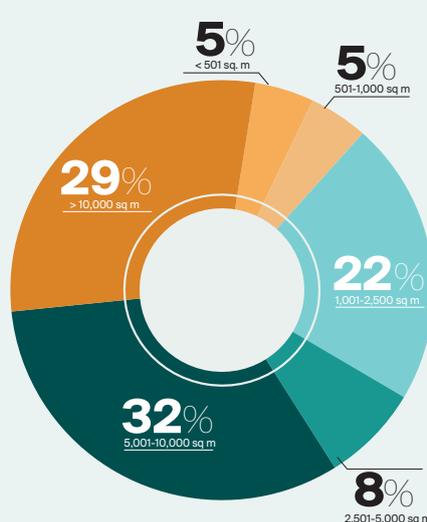
Unit at Greenhills Road, Tallaght, Dublin 24 which Knight Frank brought to the market in Q2

The lockdown resulted in a significant uptick in online sales which comprised 11.8% of turnover in Q2 - up from 3.7% in Q1 just as the lockdown was imposed and 3.1% compared to Q2 last year. The growth in online sales in Q2 resulted in a number of significant deals with 3PLs. JMC Van Trans took 7,897 sq m at part of Unit F, Kilcarbery Business Park, while GLS logistics occupied 6,528 sq m at Unit 200, Northwest Business Park.

The lockdown resulted in a significant uptick in online sales which comprised 11.8% of turnover in Q2 - up from 3.7% in Q1 just as the lockdown was imposed and 3.1% compared to Q2 last year.

The largest letting in Q2 saw Silent Aire – who manufacture data centre cooling systems - take 13,006 sq m at Unit S1, Park West Industrial Estate which is in addition to the 9,383 sq m that the company took at Unit 56 in Q3 2018. This expansion undoubtedly happened as a result of Ireland's success in attracting data centre investments. With Host Ireland predicting that Ireland will gain €4.5 billion worth of inward investment from data centre construction by 2025, ancillary industries connected to data centres may become a more influential driver of demand going forward. This was the only deal in excess of 10,000 sq m, comprising 29% of the market. The 5,001-10,000 sq m and the less than 2,500 sq m segments accounted for 32% each, followed by the 2,501-5,000 sq m range with 8%.

Fig 3: Transactions by deal size

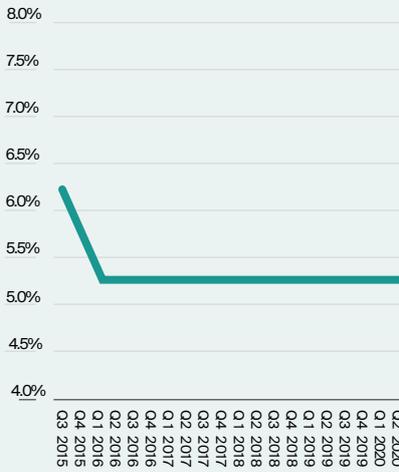


Source: Knight Frank Research

Prime rents remained stable at €105 psm and owing to the constrained development pipeline - where just 23,226 sq m will be delivered this year of which 44% is already pre-committed - are forecast to remain stable for the remainder of 2020. Speculative development is continuing despite Covid-19 with Palm logistics having commenced construction on Building 1 (15,476 sq m) and 2 (26,612 sq m), Greenogue Business Park, while IPUT will begin construction of Units G (11,177 sq m) and Q (14,869 sq m), Aerodrome Business Park in the second half of 2020. €26.7 million was invested in Q2, bringing the total spend for the first half of 2020 to €51.3 million - almost four times the €14.8 million that transacted

during the same period last year. Prime yields were unchanged at 5.25%.

Fig 4: Industrial yields



Source: Knight Frank Research

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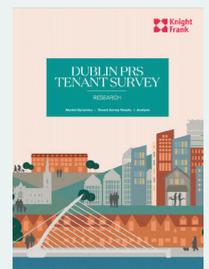
Dublin Office Market Overview Q2 2020



Under Pressure #3 March 2020



Wealth Report 2020



Dublin PRS Tenant Survey

Fig 5: Top 10 Industrial Transactions Q2 2020

PROPERTY	DISTRICT	(SQ M)	TYPE
Unit S1, Park West Industrial Estate, Dublin 12	South-West	13,006	Letting
Part of Unit F, Kilcarbery Business Park, Dublin 22	South-West	7,897	Letting
Unit 200, Northwest Business Park, Dublin 15	North-West	6,528	Letting
Unit 1, Northern Cross Business Park, Dublin 11	North-West	3,356	Letting
Unit 22, Greenhills Industrial Estate, Dublin 12	South-West	1,908	Letting
Unit 509, Northwest Business Park, Dublin 15	North-West	1,509	Sale
Bay 3, Sarsfield House, Dublin 24	South-West	1,402	Letting
Unit 14C, Stadium Business Park, Dublin 11	North-West	1,393	Letting
Dublin Inland Port, Dublin 11	North-West	1,347	Letting
Unit 7, North Park Business Park, Dublin 11	North-West	1,204	Sale

Source: Knight Frank Research

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