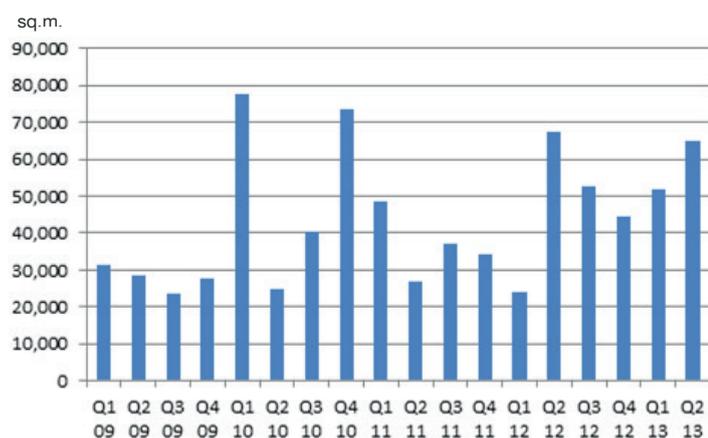


Market in Minutes Dublin industrial market

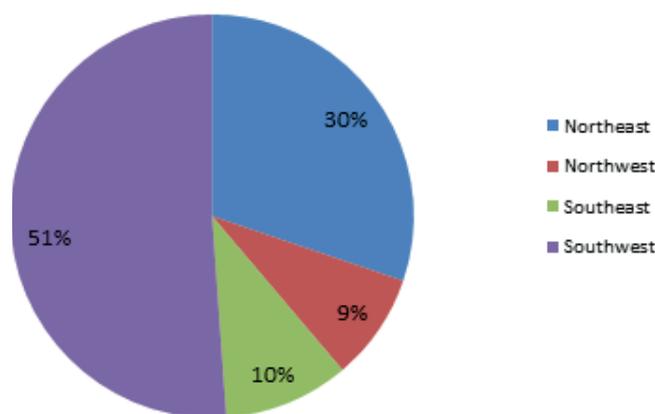
Q2 2013

GRAPH 1
Quarterly take-up



Graph source: Savills

GRAPH 2
Take-up (by volume of space) in Q2 by location



Graph source: Savills

SUMMARY

Dublin industrial market

■ Take-up of industrial space in Dublin for Quarter 2, 2013 was approx. 65,000 sq.m. This is only the second time take-up has exceeded 50,000 sq.m. for two consecutive quarters since 2008.

■ There were a total of 58 deals including 24 sales during Quarter 2. Southwest Dublin accounted for 51% of the total volume of space taken-up and 62% of the total number of sales.

■ The largest transaction in Quarter 2 was the letting of 8,009 sq.m. at Fonthill Industrial Park, Dublin 22, at an annual rent of €70 per sq.m.

■ The vacancy rate fell for the first time since Quarter 3, 2011. This is only the fourth quarter that the vacancy rate has fallen since 2008.

■ Sales transactions accounted for 41% of all transactions in Q2, 2013 up from 20% in Q1 and up from 14% for the same period in 2012 as confidence begins to return to the sector and purchasers see value for money when comparing prices to the cost of building.

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 “Fundamentals of the Industrial sector are beginning to improve as vacancy rate falls in Q2, 2013 and sales increase to 41% of the total number of transactions.” Gavin Butler, Director, Industrial, Savills Ireland

Market Trends

→ Take-up activity in Southwest Dublin in Quarter 2, 2013 was just over 33,000 sq.m., accounting for 33 transactions. There were 15 sales, the majority of which were for units under 500 sq.m. However, two of the larger sales were Unit 51, Cookstown Industrial Estate, Dublin 24, comprising approx. 1,349 sq.m. and a 1,427 sq.m. facility at Tyrconnell Road, Dublin 8, both of which were sold by auction. The largest facility brought to the market in Southwest Dublin in Quarter 2, 2013 was the former Brooks Builders Merchants site comprising approx. 9,575 sq.m. on the Naas Road, Dublin 12 which is for sale by private treaty at a guide price of €3.85 million.

Southeast Dublin accounted for approx. 6,500 sq.m. or 10% of the overall take-up in Quarter 2. In total, there were 5 transactions including 3 sales, the largest of which was the sale of a property in Grand Canal Quay, Dublin 2, comprising approx. 3,429 sq.m.

Activity was down on previous quarters in Northwest Dublin which accounted for just 9% of the overall take-up in Quarter 2. There were a total of 12 deals including 4 sales of units all under 500 sq.m. The largest transaction was the letting of Unit E8, North City Business Park, Dublin 11, comprising approx. 1,028 sq.m.

There were a number of significant transactions in Northeast Dublin in Quarter 2, 2013, most notably the sale of the Former Acco Rexel facility at

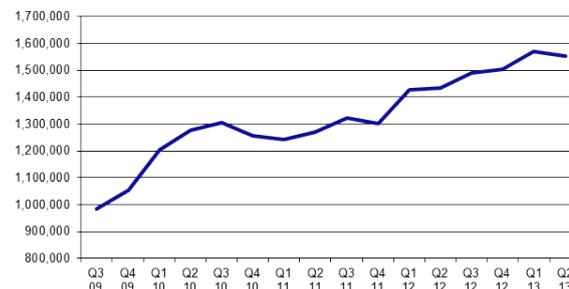
Clonshaugh Industrial Estate, Dublin 17, comprising approx. 7,277 sq.m. Other transactions included the sale of Unit 9 Airways Industrial Estate, Dublin 9, comprising approx. 5,302 sq.m. and the letting of the former Cahill Printers facility at Clonshaugh Industrial Estate, Dublin 17, comprising approx. 5,000 sq.m. Take-up in the region was almost 20,000 sq.m., accounting for 8 transactions, 2 of which were sales.

With just 19% of the amount of new space coming to the market located in the northwest and southeast regions of Dublin, southwest and northeast Dublin account for the vast majority of new space coming to the market in Quarter 2, 2013.

The vacancy rate may finally be showing some signs of stability having fallen in Quarter 2. The highest proportion of sales transactions since 2008 was recorded in Quarter 2 and is a sign that prospective buyers believe now is the right time to buy particularly as sale prices are a fraction of the cost of building. ■

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 "Prime rents stabilising at €45 - €55 per sq. m. per annum with further declines likely for secondary and tertiary stock." Gavin Butler, Director, Industrial, Savills Ireland

GRAPH 3 **Total available space (sq. m.)**



Graph source: Savills

OUTLOOK

- Increase in the number of sales transactions is likely to continue as buyers see value for money and bank finance becomes more available.
- Overall take-up for 2013 is likely to be between 175,000 - 200,000 sq.m.
- Prime capital and rental values to remain steady for the remainder of 2013 with further declines likely for secondary and tertiary stock.

Savills Industrial

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