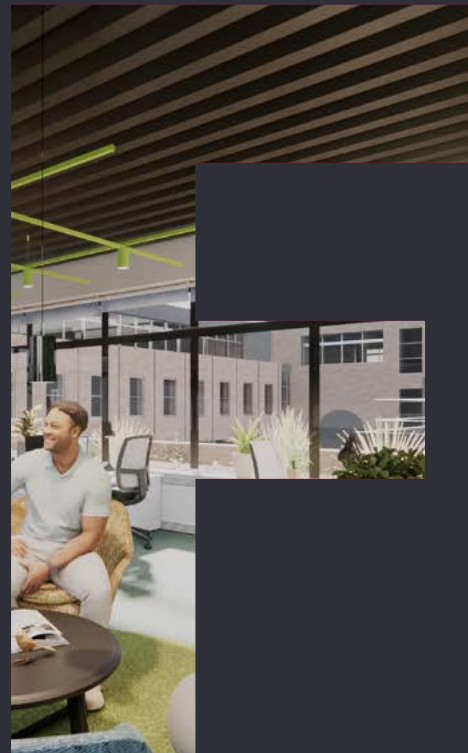
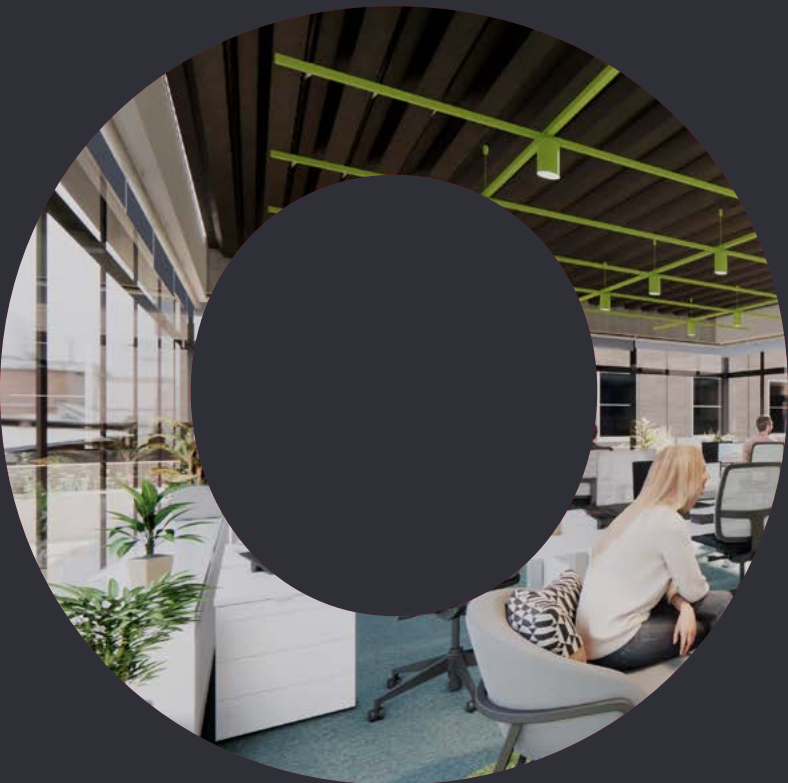
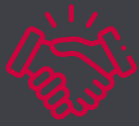


Office Pulse

2022 year in review



2022 At A Glance



Transactions Signed (Sq.ft.)

2,625,000

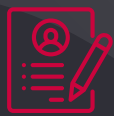
53% increase on 2021/
20% decrease on 2019



By Size

16% of take-up

2 deals in excess of 100,000 Sq.ft.



Reserved (Sq.ft.)

565,000

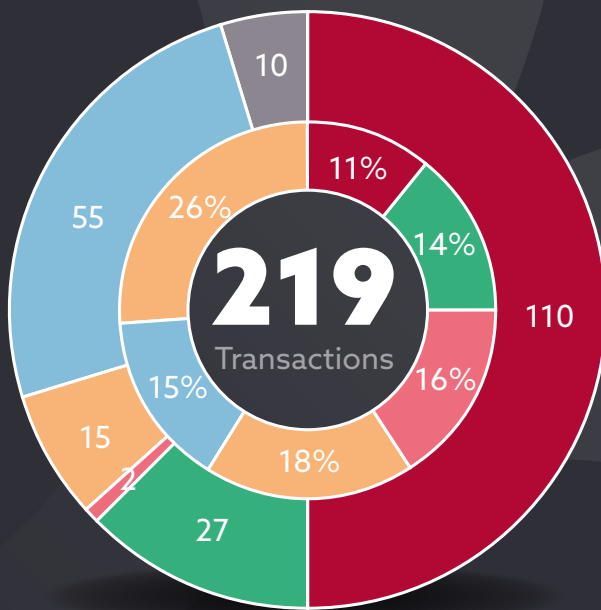
(67 Transactions)









Largest Transaction (Sq.ft.)

300,000

Waterfront South Central, Dublin 1
Citigroup



No. of Deals by Size Band, & of Total Take-Up

-  Under 5,000 Sq.ft.
-  5,000 - 9,999 Sq.ft.
-  10,000 - 19,999 Sq.ft.
-  20,000 - 49,999 Sq.ft.
-  50,000 - 99,999 Sq.ft.
-  100,000+

Transactions By Location

74%

CBD

26%

City Fringe and Suburbs

Tenant Profile

35%

Domestic

65%

International

Transactions By Sector

28%

TMT

27%

Finance

20%

Professional
Services

Construction

4.5m Sq.ft. 21%

Under Construction

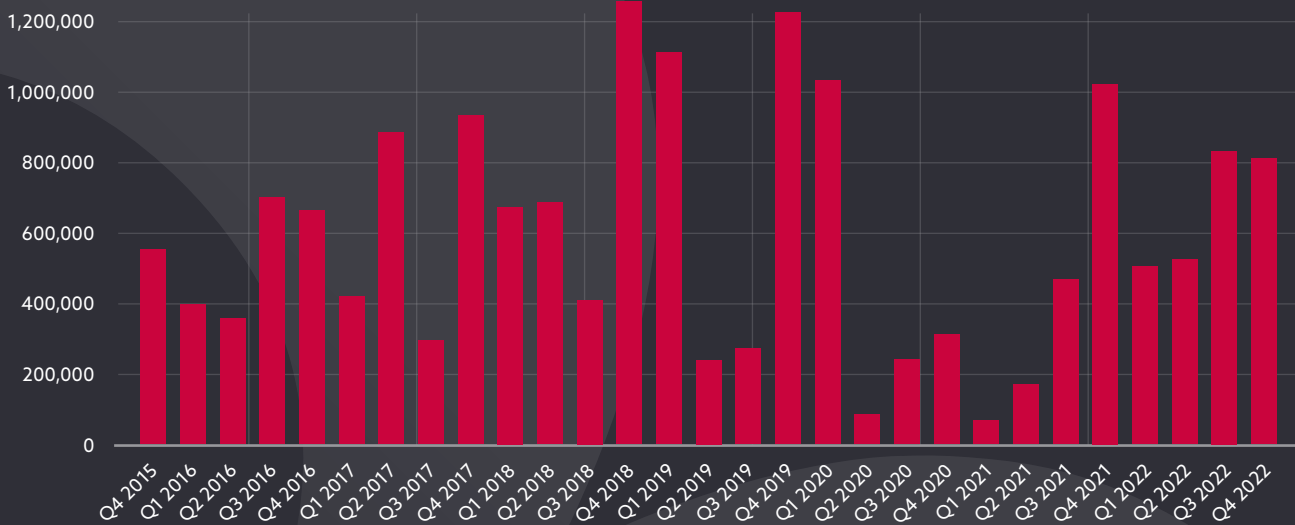
Pre-Let/Reserved

Dublin office market

Dublin office market take up reached over 2,650,000 Sq.ft. by year end, enhanced by a busy final quarter with over 804,000 Sq.ft. transacting over the period, including the largest deal of the year, Citigroup’s substantial acquisition

of over 300,000 Sq.ft. at Waterfront South Central, Dublin 1. Market demand continues with 565,000 Sq.ft. of accommodation currently reserved.

Office Take Up By Quarter (Sq.ft.)



Top 5 Transactions

Property	Occupier	Size (Sq.ft.)
Waterfront South Central, Dublin 1	Citigroup	300,000
Fitzwilliam 28, Dublin 2	SMBC Aviation	135,379
60 Dawson Street, Dublin 2	Service Now	88,042
Tropical Fruit Warehouse, Dublin 2	Tik Tok	83,183
Exo Building, Dublin 1	An Post	78,871

Other Notable Transactions

Central Business District (CBD)



10 Hanover Quay, D2
69,000 Sq.ft.

A&L Goodbody

3 Dublin Landings, D1
62,074 Sq.ft.



Dockline, D1
53,917 Sq.ft.



Ballycoolin Business Park, D15
78,556 Sq.ft.



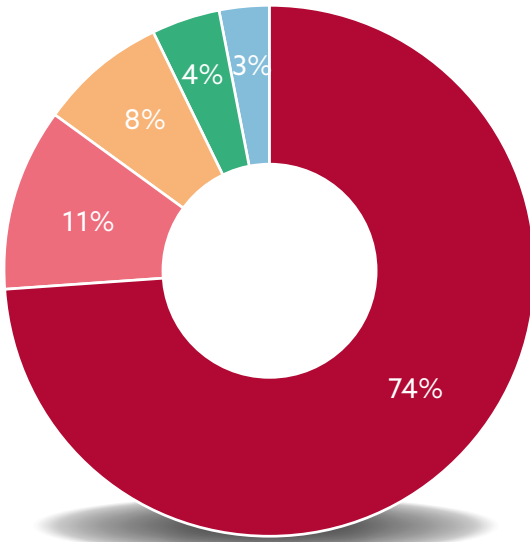
Iveagh Building, Carrickmines
32,809 Sq.ft.

cubic telecom

The Hive, Sandyford
28,493 Sq.ft.

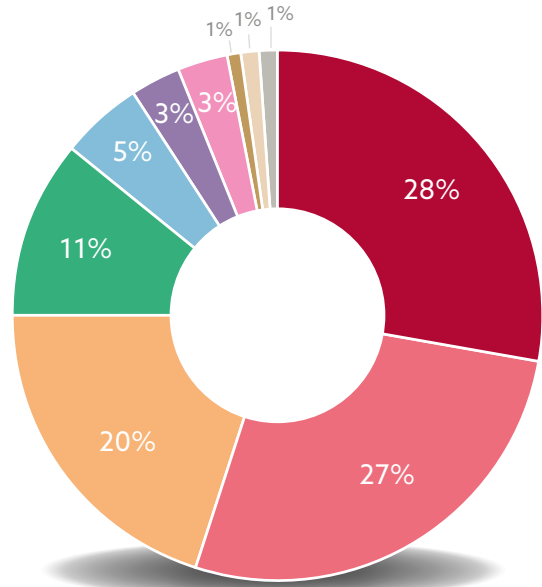
Office Take Up

By Location



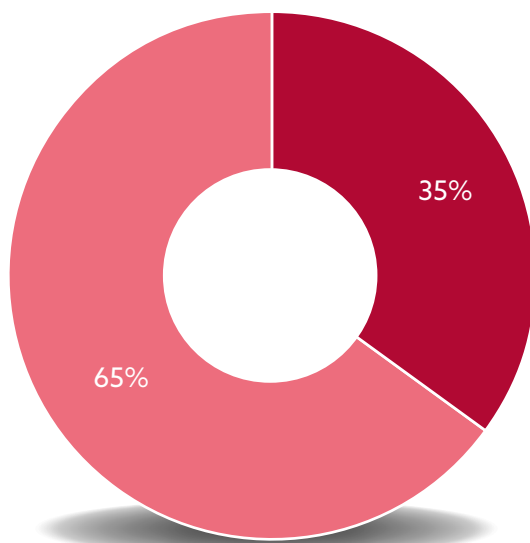
- Prime City Centre
- South Suburbs
- North Suburbs
- City Fringe
- West Suburbs

By Sector



- TMT
- Banking & Finance
- Professional Services
- State
- Health & Pharmaceutical
- Other / Unknown
- Serviced Office Provider
- Real Estate
- Industry
- Retail & Warehousing

Tenant Profile



- Domestic
- International



Location

Demand for office space in the CBD continued with 74% of take up focussed on the city centre. We expect this to increase in 2023 as a result of a notable increase in requirements for accommodation within the traditional CBD.



Sector

Whilst the tech sector slow down has featured heavily in the press in the later half of 2022, we have seen an increased demand from the financial and professional services sector with a particular focus on new Grade A, ESG compliant options.



Tenant Profile

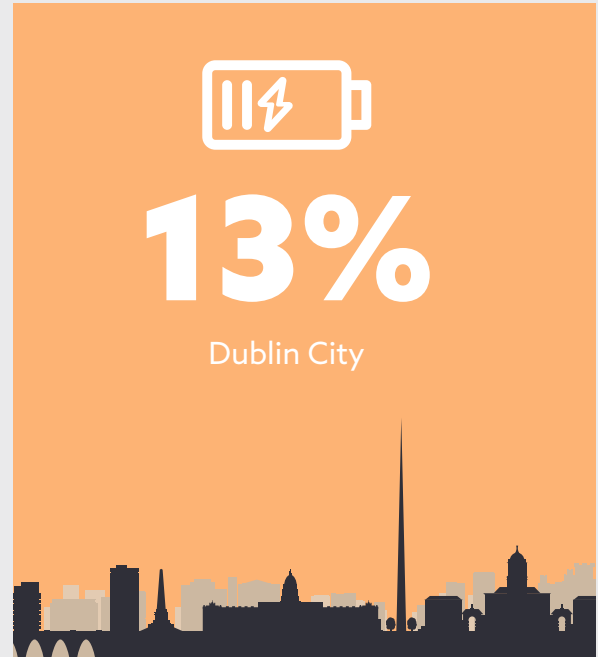
Domestic activity increased in 2022 accounting for 35% of market share, this is a 40% increase on the previous year and largely attributable to an increase in activity from indigenous professional services, financial firms and state agencies.

Prime Quoting Rents

(Per Sq.ft.)



Vacancy Rate



Construction



4.5m Sq.ft.
Under
Construction



21%
Pre-Let or
Reserved



43%
Due for completion
in 2023



83%
Located in the
CBD

Property	Size (Sq.ft.)	Status
Boston Sidings, Dublin 2	160,000	Due for completion Q3 2023
Glencar House, Dublin 4	74,764	Due for completion Q2 2023
The Shipping Office, Dublin 2	177,000	Due for completion Q1 2023
Salesforce Tower, Dublin 1	497,119	Complete Q4 2022
One Charlemont, Dublin 2	184,000	Complete Q4 2022



Expert Insight

By Lucy Connolly



ESG Credentials and Worker Amenity dominated Office acquisitions in 2022

In 2022 the Dublin Office market entered a new phase as it adjusted to new working models as a result of the pandemic and the impact of same on corporate real estate decisions. In tandem, we also saw a further emergence of the necessity to satisfy ESG requirements implemented by some organisations, which is now becoming a priority for many. This requirement will come further to the fore in 2023 in light of changing government policy. The relevance of these new dual priorities of how the office is used and how its use impacts our environment is set to have a huge impact on the market going forward.

Whilst an office search has always had regard to the employee, this was more focussed on staff recruitment and retention rather than enticing an employee back to the office. For the employee the desire to go to the office has to trump the obligation to go to the office. In this context in Q1 2022 we noted an expectation of an increased demand for prime office accommodation proximate to collaboration, shopping and amenity areas within the Central Business District (CBD) with a particular emphasis on the traditional core Dublin 2 area of St. Stephen's Green/Grafton Street and its environs. This came to pass as we saw an increase in requirements for this area as a phased return to the office began. Employee

engagement in the office became a primary focus for many organisations and thus the need to be well located in terms of public transport, unrivalled city centre amenities together with a flight for quality accommodation resulted in an increase in take up within the CBD in 2022. We do expect to see this continue as organisations seek to underpin employee expectations. By year end 74% of all transactions were for locations within the CBD, with 41% transacting in Dublin 2. This is further evidenced by analysis of recent requirements issued since the start of the year with 79% seeking accommodation within the CBD.

Layered upon this is the matter of sustainability and environmental credentials. New Grade A ESG compliant buildings in the traditional core Dublin 2 area are commanding prime rents in excess of pre-covid levels with companies such as Service Now, Goodbody/AIB, Davidson Kempner, Dentons, Aircastle, SMBC Aviation, Toast and Horizon choosing to locate here. Looking forward, with plans submitted for St. Stephen's Green Shopping Centre and with Irish Life's Stephen's Court receiving a decision to grant planning permission from Dublin City Council, this phased speculative development could give rise to a super prime sub-market emerging in this area.



February 2023

Bannon Office Pulse

Contact The Office Team



Rod Nowlan
Director
rnowlan@bannon.ie



Lucy Connolly
Divisional Director
lconnolly@bannon.ie



Hambleden House
19-26 Lower Pembroke Street
Dublin 2

 +353 1 6477900

 www.bannon.ie

 [linkedin.com/company/bannon](https://www.linkedin.com/company/bannon)

 twitter.com/bannon

PSRA: 001830

Disclaimer: This report is published for general information and is not to be relied upon. It is based on material that we believe to be reliable. Whilst every effort has been made to ensure its accuracy, we cannot offer any warranty or guarantee of same. Reproduction of any part of this publication is not permitted in any form without prior written consent from Bannon