

# Office Market Dublin

October 2023



# Q3 2023 Dublin Office Market Overview



**265k sq ft**

Total take-up in Q3 2023  
947k sq ft YTD

**34**



Total number of deals



**48.2m sq ft**

Total stock

59% City Centre | 41% Suburbs



**650k sq ft**

Reserved stock as of Sept 2023

**45%**

The five largest deals represented almost half the market



**8,166 sq ft**

Average deal size



**3.53m sq ft**

Pipeline on site

92% City Centre | 8% Suburbs



**8.65m sq ft**

Active planning permission in Dublin City & Suburbs

City Centre had the majority of take-up

**62%** / **38%**

City Centre / Suburbs



**Professional Services**

The dominant sector with 29% of take-up



**2.08m sq. ft (30%)**

Assignment / sub-let space

40% of City Centre vacant stock

16% of Suburban vacant stock



**14.4%**

Vacancy Rate

13.8% City Centre

15.3% Suburbs



Largest deal

**35k sq ft**

3007 Lake Drive, Citywest



Deals above 20,000 sq ft



**Prime Rents**

€55.00 - €65.00 psf  
City Centre



€25.00 - €35.00 psf  
Suburbs



**20 years**

Typical lease term



10-12 yrs Typical break option

# 2023 Notable Deals



Haymarket House  
79,600 sq ft  
NTA



Docklands Central  
43,764 sq ft  
Datadog



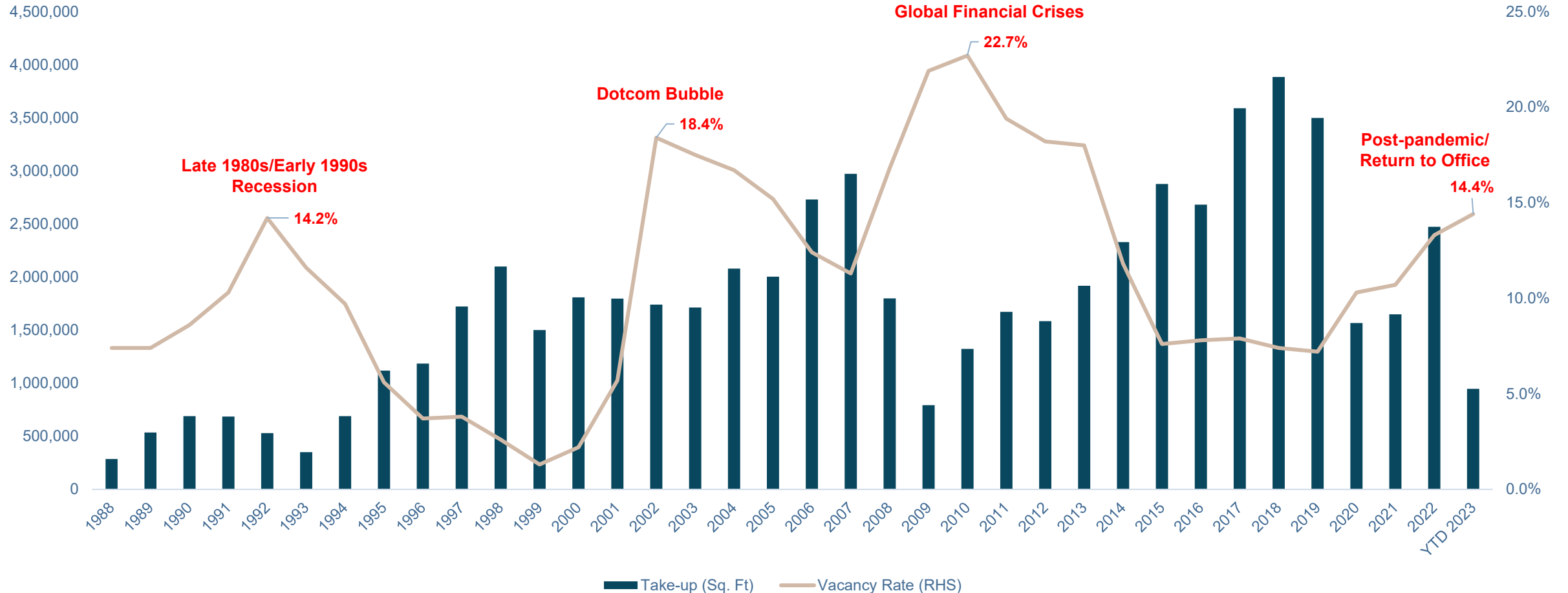
Cadenza  
39,236 sq ft  
KKR



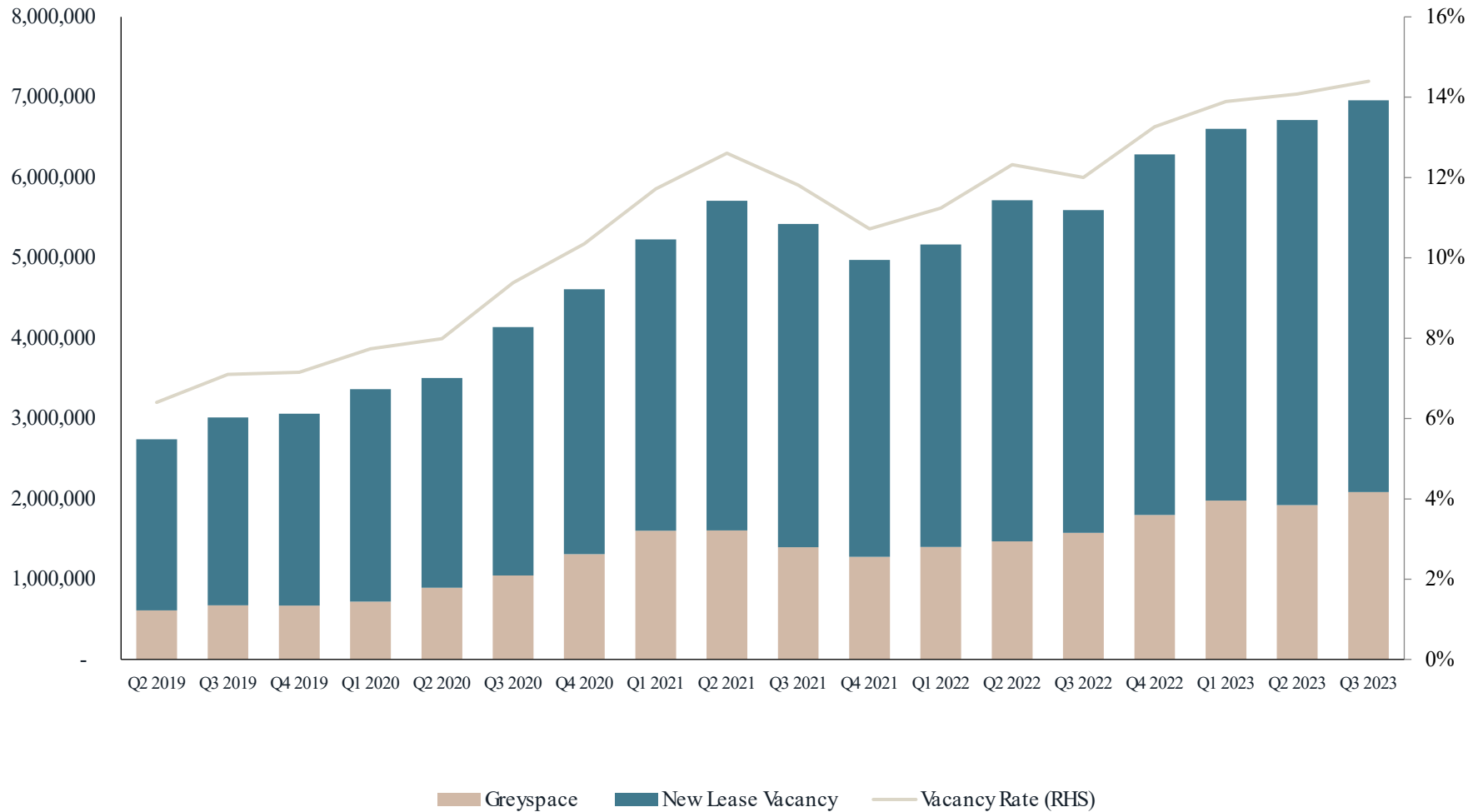
3007 Lake Drive  
35,219 sq ft  
Sisk/Capwell

# Vacancy is rising in Dublin but remains below the highs of the global financial crises

## Historic Take-up (Sq. ft) and Vacancy Rates (%)



# The rise of grey space supply

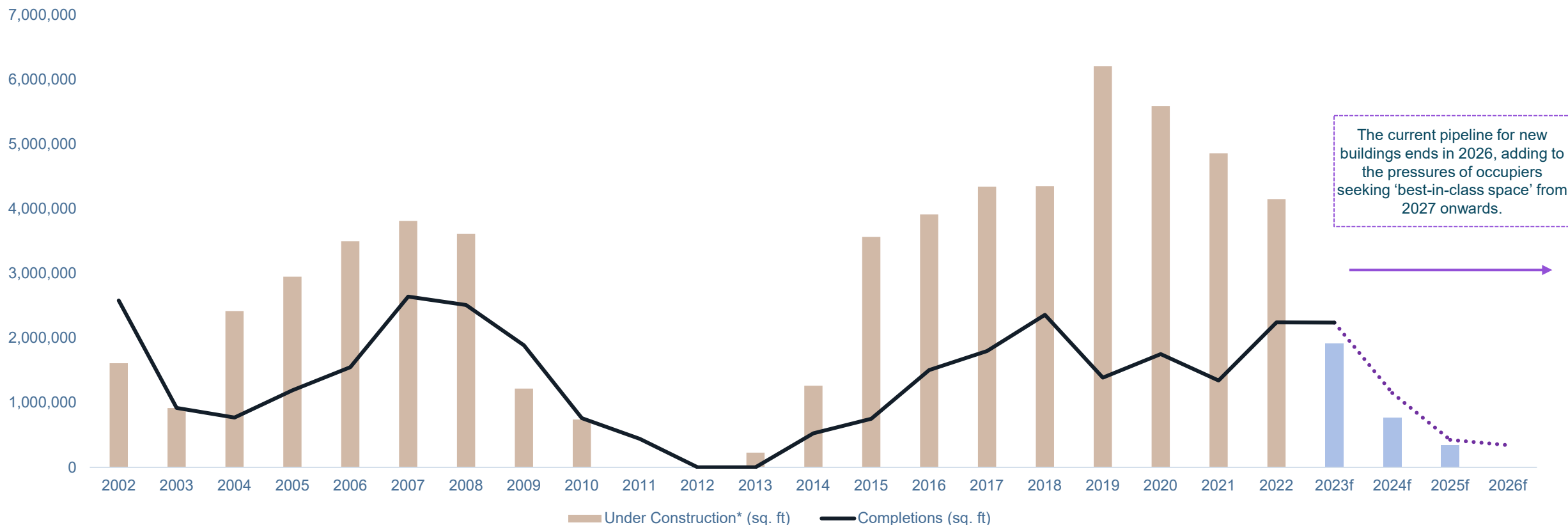


30% of supply

2.1m sq ft of vacancy

# Slowdown of construction means undersupply of suitable space by 2026

The vacancy rate in Dublin stands at 14.4%, with expectations of reaching a peak of 17% in 2024. However, by narrowing the focus to 'best-in-class' properties exclusively, the vacancy rate for highly desirable new space reduces to 4.6%, an important aspect currently being overlooked that will create a squeeze in the Dublin market.



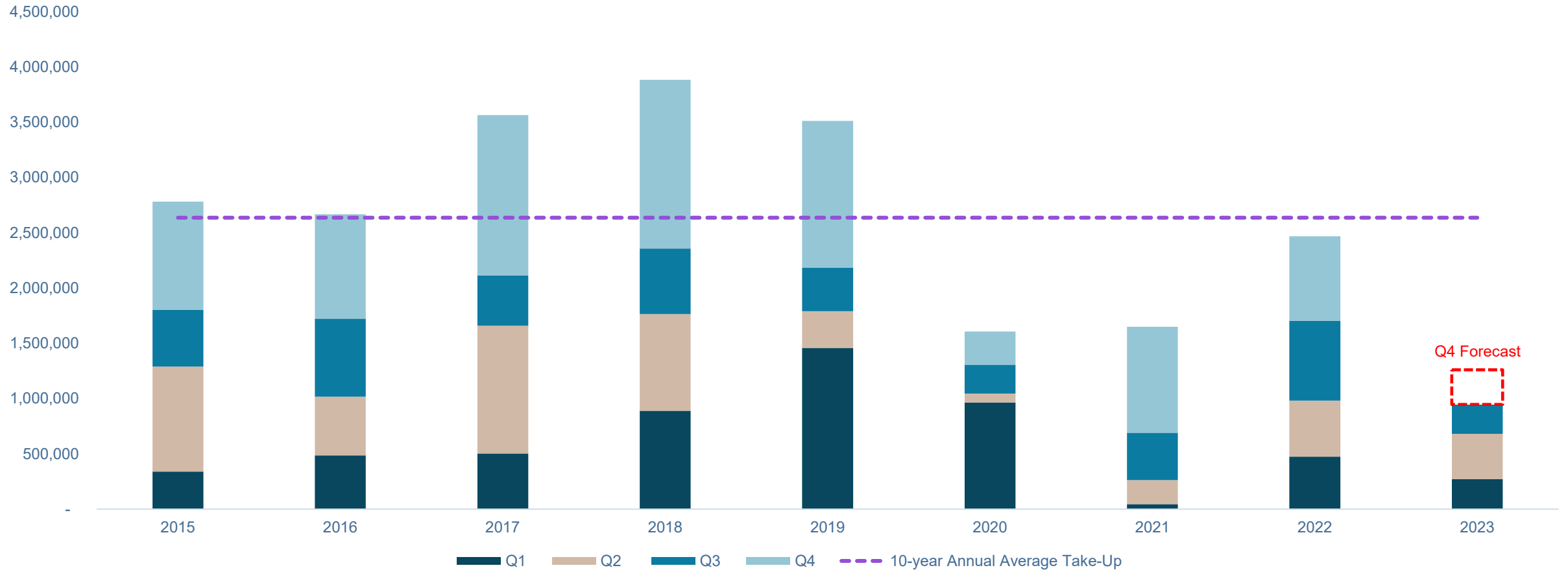
Source: JLL Ireland  
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# Subdued take-up levels recorded

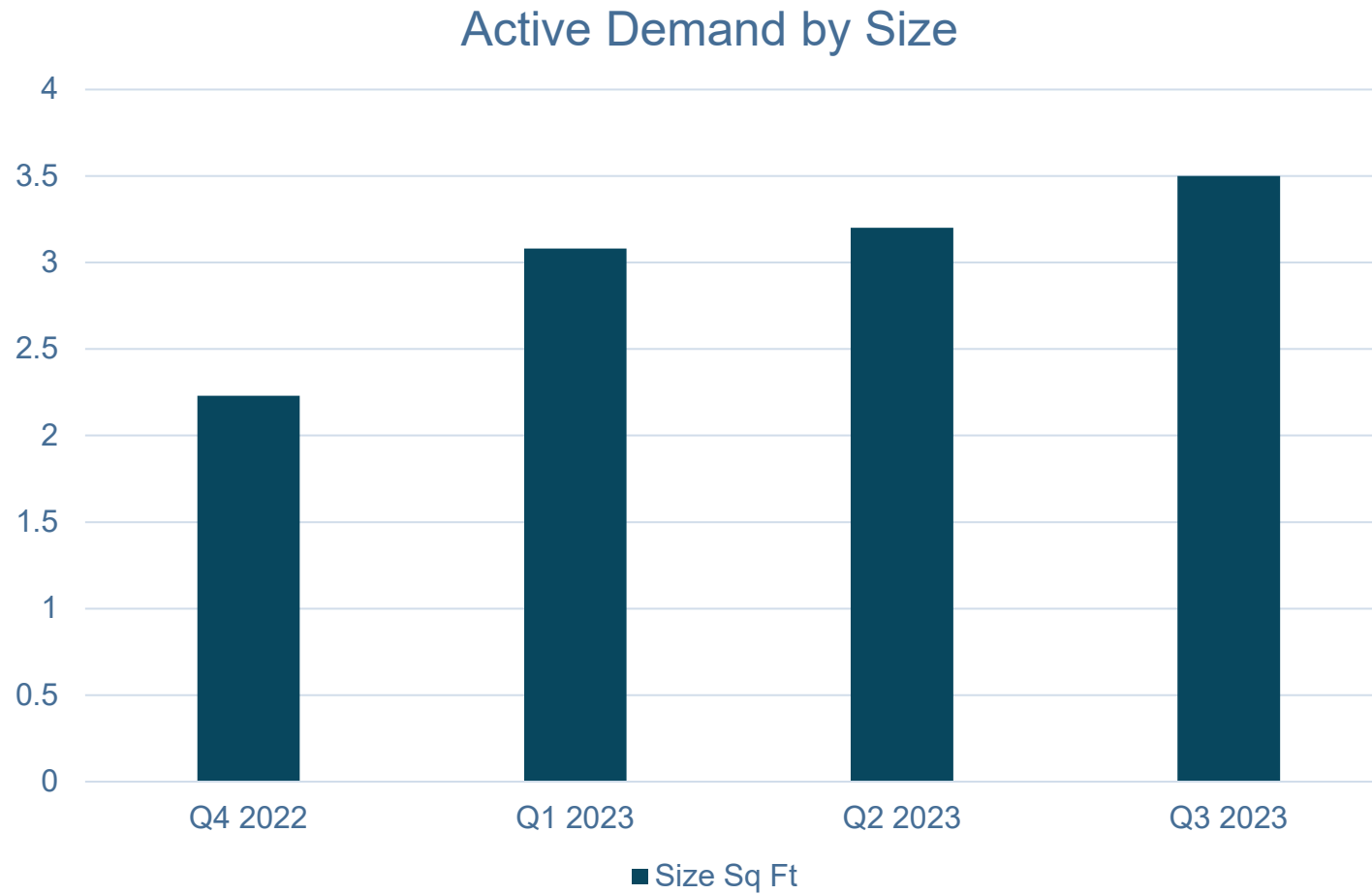
2023 take-up is likely to reach 1.3 million sq ft by year end, which will be the lowest annual take up since 2009.

## Dublin Market Take-up Volumes (sq. ft)



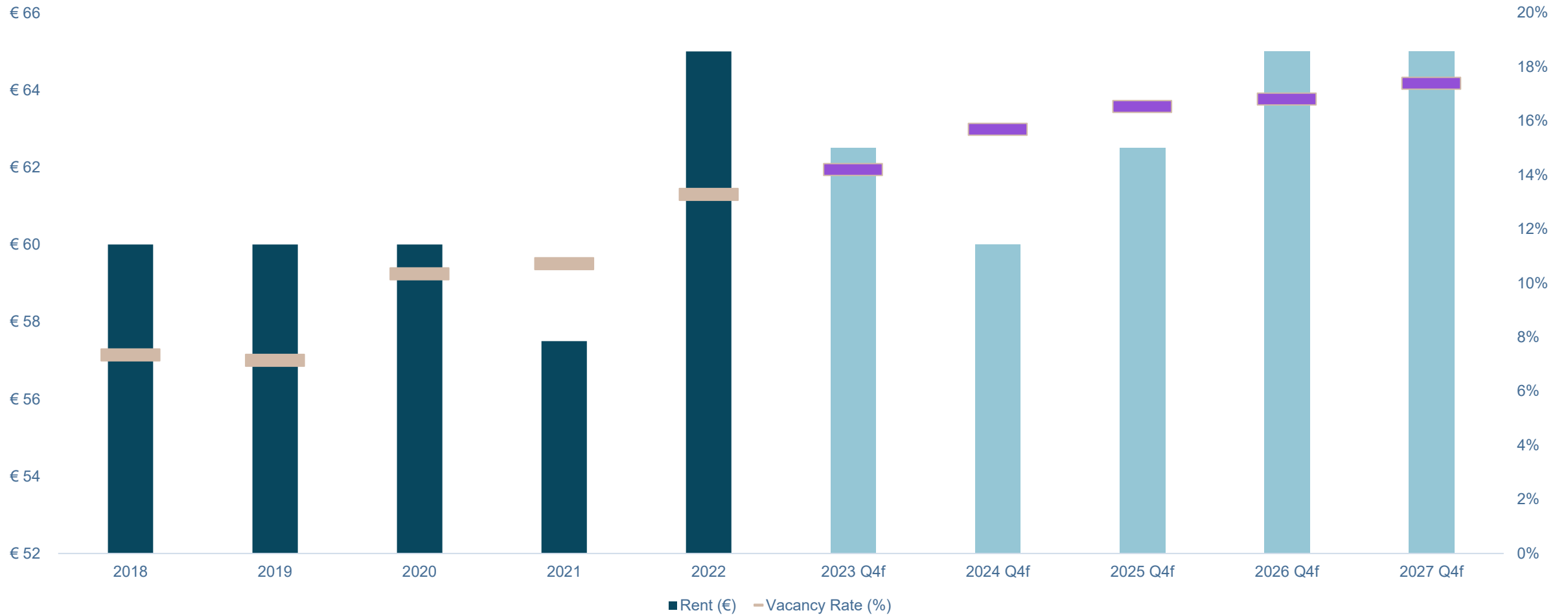
# However, activity on the ground is increasing

Active demand levels steadily on the rise





Despite an anticipated rise in vacancy, headline rents are expected to hold firm for the best supply. Occupiers will pay more for better space.



Source: JLL Research

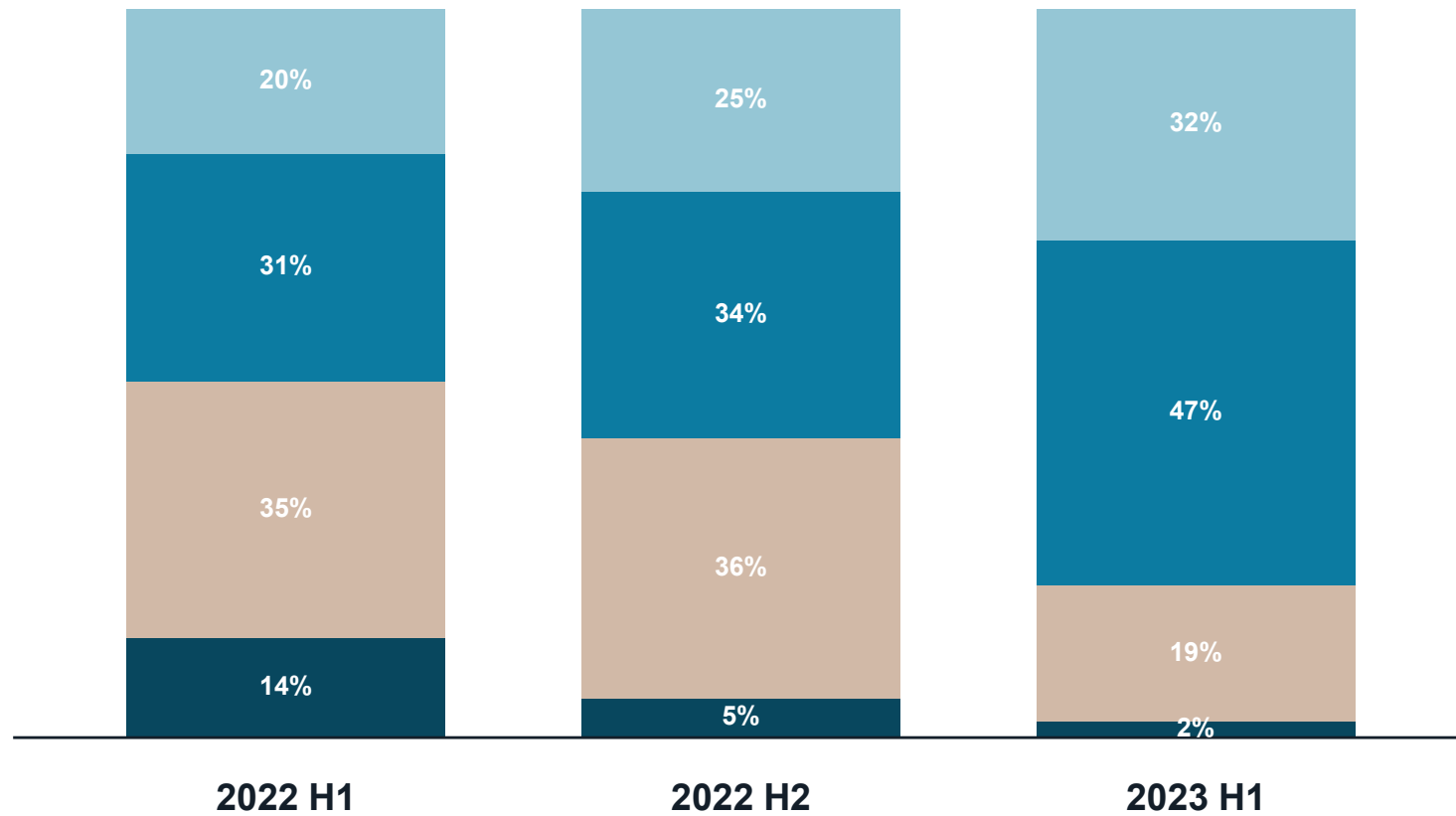
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# Workstyles are evolving with greater 'encouragement' by employers to get their employees back into the office

0 day(Remote)   1-2 days(Remote-hybrid)   3-4 days(Office-hybrid)   5 days(Office resident)

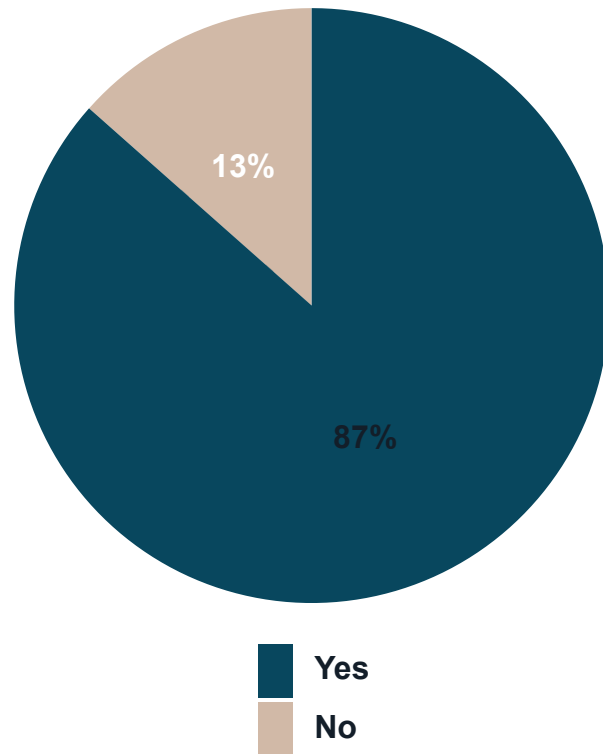


**19%**  
tracking employees  
compliance to their workstyles



# Employers want people back. They are encouraging and motivating employees to work from the office

Is your client's organization encouraging working from the office at least some of the time?



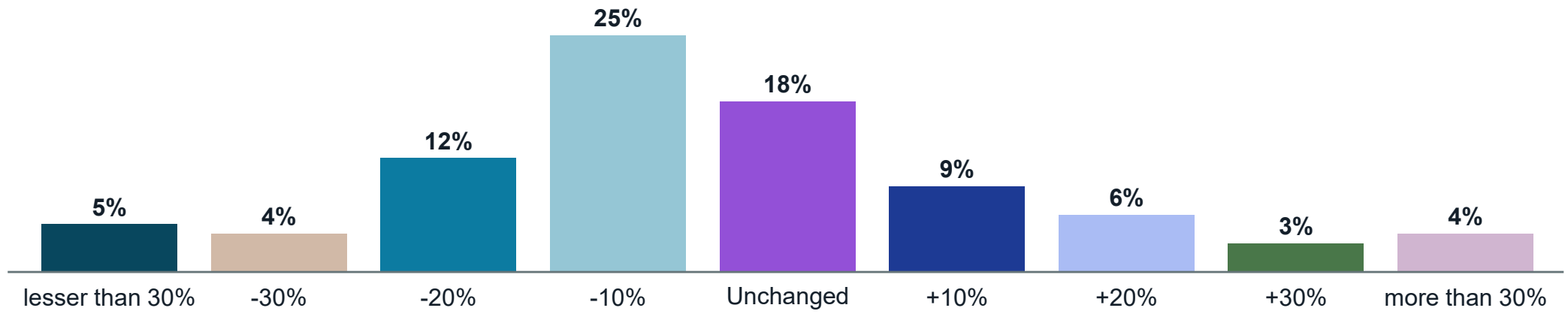
What is motivating your client to encourage employees to work from the office? (Select all that apply)



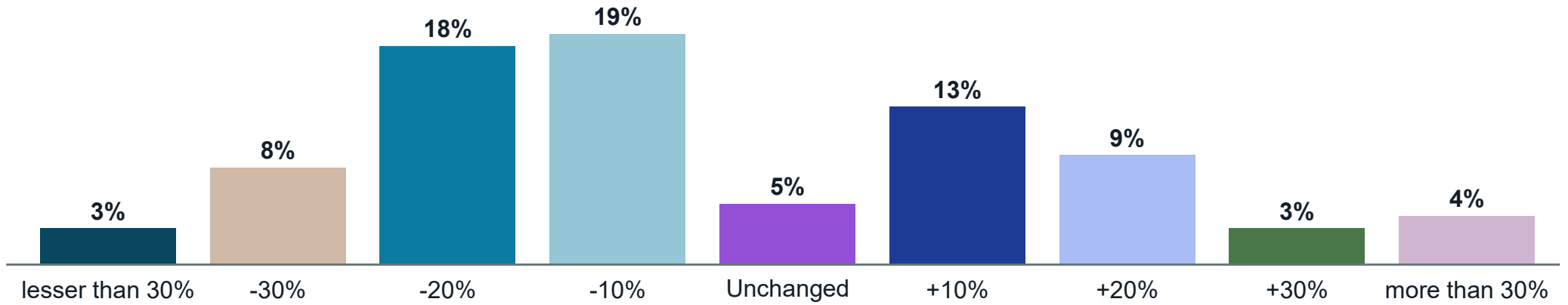


# 'Less space better space' trend is playing out with 10-20% reduction across portfolios

In the past 24 months, how has your client's real estate portfolio changed?



In the next 3 - 5 years, how do you expect the size of your client's real estate portfolio to change?



# The office is not dead

# Thank you



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