



We Know Property



3rd Quarter 2016

Demand

Demand for development land was resilient over the quarter with significant transactions closing

Pricing

Pricing in prime areas remains significantly higher than that in secondary locations

Supply

Positively, the quantity of new stock coming to the market increased

↑ Demand

↑ Supply

➔ Values

Dublin Development Update

Activity

The development land market continued to perform well in Q3. There was an increase in the number of sales closing, when compared with Q2. However, transactions continue to take significant time to close.

In terms of value, the market has been static in the quarter. Prime areas continue to outperform more secondary locations.

The largest transaction in the three month period was the sale of a prime residential development site of approximately 15.6 hectares (38.5 acres), which was part of the Stocking portfolio. The sale price was reportedly in excess of €23m. The site was previously granted planning permission for a large scale residential development.

A site of over 20 acres zoned for a range of town-centre facilities, which fronts onto both the Ninth Lock and new Nangor road, sold for €9m. The site is next to The Mill shopping centre in Clondalkin.

In addition, a prime residential site in Dalkey Manor, with development potential, sold for just under €7m.

Positively, a large number of transactions were agreed in the greater Dublin area in Q3, which bodes well for activity levels in the short-term.

Some of the most notable are listed below:

- The Rehab Group's, Roslyn Park in Sandymount, Dublin 4, which is a 5.16 acre site, had a guide price of €12m and sale agreed for a sum significantly higher than that.

- 2.38 acres at The Point Campus, Dublin 1 sale agreed. The site has planning permission for a major housing scheme and was guiding €18 million.

- Alexander Court, 25 Upper Pembroke Street in Dublin 2, has 23 apartments and sits on a site of 0.15 acres; with planning permission to redevelop. This sale agreed for less than the guide price of €8m.

Supply

A number of notable redevelopment opportunities came to the market in the three month period. These included:

- 0.35 acres on South Richmond Street, Dublin 2 with a guide price of €7m. The site has full planning permission for a four storey over basement mixed commercial premises.
- 18A/20A York Road, 20/21 Vesey Place, Dun Laoghaire, Co. Dublin guiding €3.35m.
- A ready-to-go site, of 2.57 acres, with planning for 34 houses at Chapelizod Hill Road, Dublin 15, guiding €3m.

Outlook

- Activity levels bode well for the closing quarter and Q1 2017, with a large number of transactions sale agreed.
- Transactions will continue to take significant time to close.
- Strong demand is expected to continue over the final quarter of 2016.

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