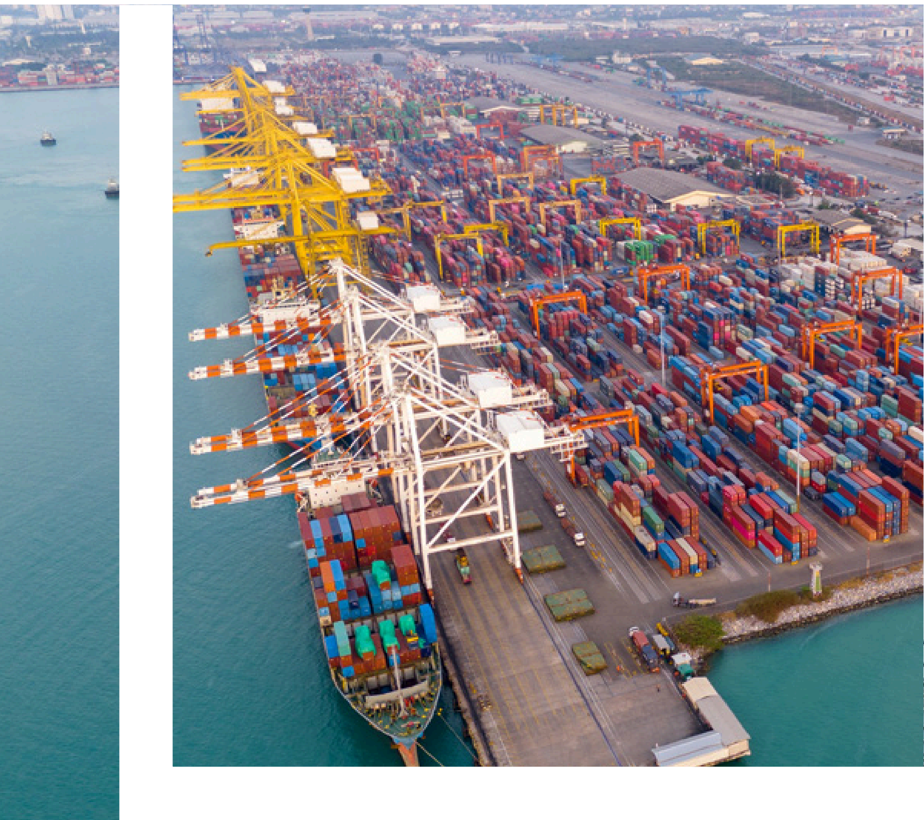
Lisney

COMMERCIAL REAL ESTATE

INDUSTRIAL REPORT

Q4 2025



Q4 2025

Activity in the Dublin industrial market strengthened further in Q4 2025, driven by mid-sized transactions, while several large deals also boosted overall volumes. Lettings continued to dominate with sales accounting for a smaller share of activity despite some improvement in recent quarters. Vacancy remained very low by historic standards, particularly for larger modern units, while new development continued to focus on high-specification, sustainable schemes, most of which are still being delivered speculatively.

▲ 75,000 sqm
Activity

▼ 33
No of Deals

▲ 16,550 sqm
Letting of Unit 3, Quantum Distribution Park, Co Dublin
Largest Transaction

▲ 2,280 sqm
Average Lot Size

▲ 36%
Northwest
Busiest Region

▲ 75%
Lettings

▲ 2.5%
Vacancy Rate

▲ €153 psm
(€14.25 psf)
Prime Headline Rent

▼ 92,700 sqm
Under Construction

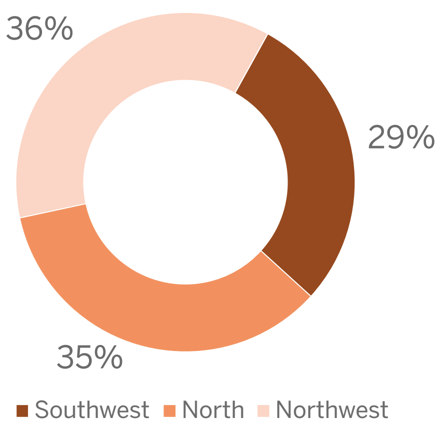
Arrows represent quarterly trends unless otherwise stated.

Top 10 Transactions (Q4 2025)

PREMISES	SQM	REGION	DEAL TYPE
Unit 3, Quantum Distribution Park, Kilshane Cross, Newtown	16,550	Northwest	Letting
200 Northwest Business Park	6,530	Northwest	Letting
Unit 1 South West Business Park	5,590	Southwest	Letting
Unit 5 Baldonnell Business Park	4,610	Southwest	Letting
Unit 1 & 2 North Road, Finglas	4,200	North	Sale
Unit D, Furry Park, Santry	4,040	North	Sale
Unit 6 Airways Industrial Estate	3,980	North	Letting
Unit 1, Apex Hub, Calmount Road, Ballymount	3,170	Southwest	Sale
Unit 1 Airways Industrial Estate	3,110	North	Letting
C1 North City Business Park, North Road, Finglas	2,340	North	Letting

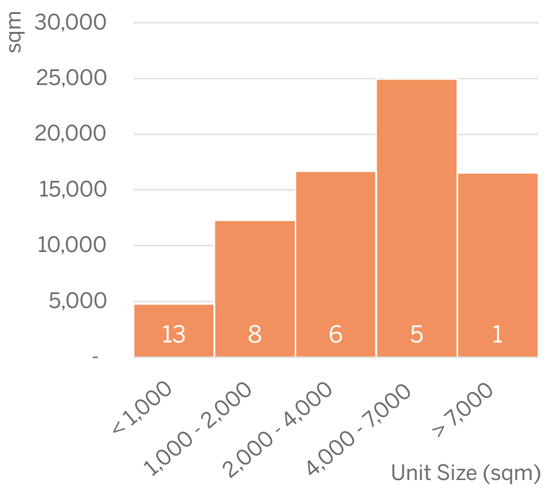
Source: Lisney

Take-Up by Region (Q4 2025)



Source: Lisney

Take-Up and No of Deals by Size (Q4 2025)



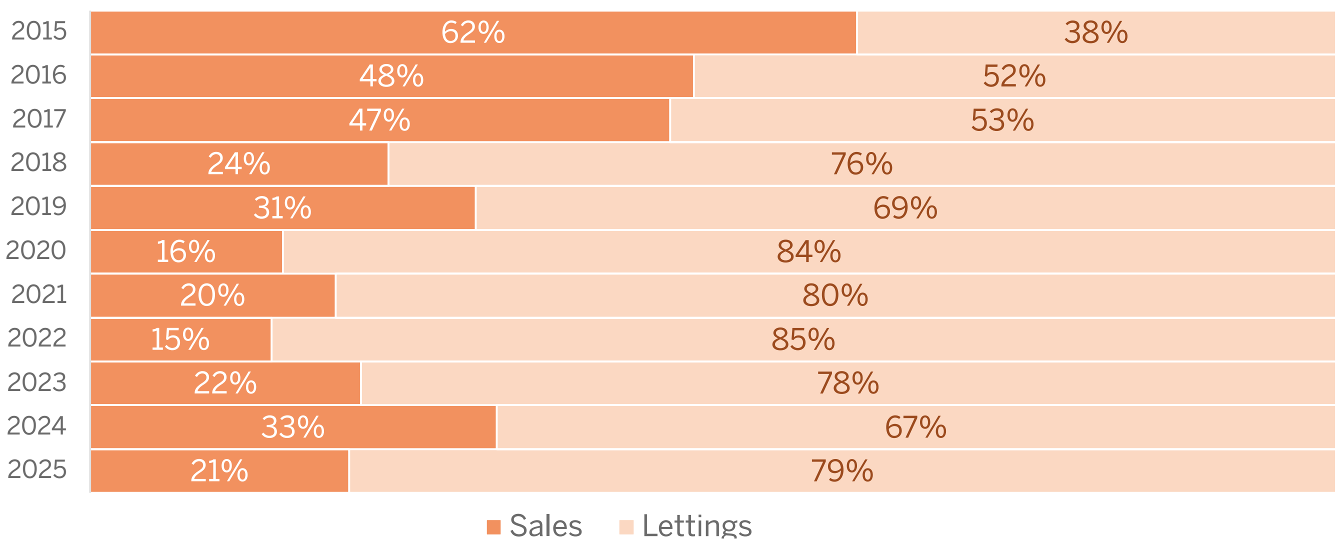
Source: Lisney

Activity

Dublin's industrial market strengthened further in Q4 2025, with take-up reaching 75,000 sqm across 33 deals, up from 63,000 sqm in Q3 and 59,000 sqm in Q2. This brought total take-up for 2025 to just over 250,000 sqm across 114 transactions, a strong recovery on 2024 (180,000 sqm) but still below the 10-year annual average of 280,500 sqm. Quarterly activity in Q4 was marginally above the 10-year quarterly average of 70,100 sqm.

- Activity was largely evenly distributed across the three main regions in Q4. The northwest region accounted for 36% of total take-up, closely followed by the north at 35% and the southwest at 29% of activity. There were no transactions in the south region.
- The top 10 deals each exceeded 2,000 sqm, including one greater than 16,000 sqm and, combined, accounted for 72% of the total activity. Seven of these were lettings, while the remaining three were sales. The top two deals were in the northwest region, accounting for 31% of overall activity and 84% of the region's activity.
- The largest transaction in Q4 was the letting of IPUT's Unit 3 in Quantum Distribution Park, Co Dublin (16,550 sqm). The unit had been pre-let to Maersk in Q3 2022 ahead of its completion in 2023 and was sub-let in Q4 2025. This single deal accounted for 22% of total quarterly activity.
- The average deal size in Q4 was 2,280 sqm, up from 1,850 sqm in Q3 and above the 10-year quarterly average of 2,120 sqm. However, if the Unit 3 letting is excluded, the average deal size falls to 1,780 sqm.
- Larger transactions drove the market, with six deals over 4,000 sqm accounting for 55% of the total take-up. Mid-sized transactions (1,000 to 4,000 sqm) were also active with 14 deals completed, representing 39% of activity. There were 13 completed transactions for smaller units under 1,000 sqm, and these accounted for just 6% of total take-up.
- Lettings continued to dominate activity in Q4, accounting for 75% of quarterly take-up and 79% of total activity in 2025. Although sales had been steadily rising in recent quarters, the market has remained primarily letting-led since 2018. Over that period, sales have typically accounted for between 3% and 49% of quarterly activity and between 15% and 33% on an annual basis.
- The two largest sales were Unit 1 & 2 on North Road in Finglas, Dublin 11 (4,200 sqm) and Unit D in Furry Park, Santry, Dublin 9 (4,040 sqm).

Annual Take-Up by Deal Type (2015 – 2025)



Source: Lisney

Supply

Dublin's industrial vacancy rate was 2.5% at the end of Q4 2025, a slight increase on 2.3% in Q3, as total availability increased by 13% to 210,000 sqm. Despite this, supply remained very limited, particularly for modern high-specification space, and well below the long-term average of 10.5%.

Vacancy rates were low across all regions, with the southwest recording the lowest rate at 2.0%, followed by the northwest at 2.2%. The south region stood at 3.7%, while the north was higher at 4.1%, though still at a relatively constrained level. Availability of larger buildings remained very limited, with only two units greater than 10,000 sqm in size currently on the market. As in recent quarters, smaller units under 1,000 sqm made up the bulk of supply, accounting for approximately 65% of all available units in Q4, although a significant proportion of this is dated and does not meet current occupier requirements.

Institutional landlords are playing a growing role in reshaping supply by carrying out significant refurbishment programmes once vacant possession is secured. Upgrades typically include new HVAC systems for the office element, EV charging points, PV panels, and additional improvements focused on the overall energy efficiency of the building. The units are also brought to market with a refreshed look both externally and internally, typically involving recladding or respraying the cladding, servicing or replacing roller shutter doors and installing new finishes throughout.

DEMAND

Occupier demand strengthened through the second half of 2025 as occupiers grew more comfortable with the macroeconomic environment. Enquiry levels were healthy and broadly in line with long-term trends, though still more subdued than the elevated levels seen during the post-pandemic and post-Brexit boom of 2020-2023.

Demand continued to focus on modern, well-located buildings, particularly those offering high clear heights, generous yards, multiple loading bays, and strong sustainability credentials. Demand for smaller enterprise units also remained healthy, with notable interest at Airport Trade Park (currently under construction and the first multi-let, smaller-unit scheme built in Ireland since 2007), where five of the 13 units are let agreed, and one has AFL signed.

3PL and logistics occupiers continue to expand or relocate. However, these occupiers are under growing pressure from rising rents and tighter operating margins. Activity is now closely linked to specific contract structures, and viability is being analysed more carefully, as highlighted by Fastway's recent exit from the market.

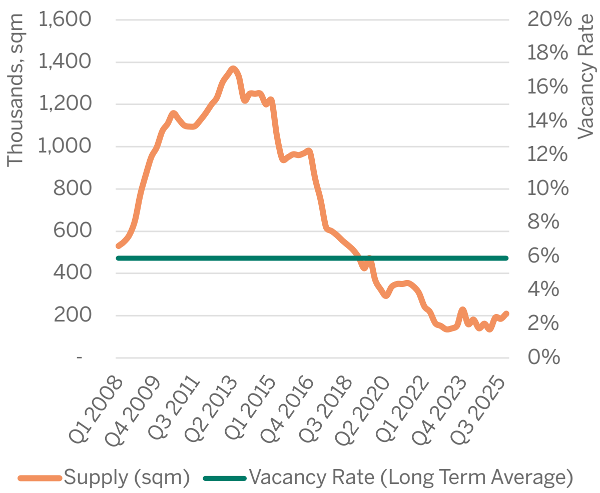
Some occupiers remain sensitive to higher quoting rents. 'Stay or go' assessments are becoming more common, with businesses reviewing lease events, space utilisation and cost implications before committing to relocation.

TERMS

Dublin's industrial and logistics rents increased slightly in Q4 2025, with the prime headline rate reaching €153 psm (€14.25 psf), up from €151 psm (€14.00 psf) in the previous quarter. For large new-build units, most landlords continue to secure 10 to 15 years term certain with a 3- to 6-month rent-free period. Rents for smaller enterprise units below 1,500 sqm remained stable, generally ranging from €162 psm to €216 psm (€15 psf to €20 psf). CPI-linked rent reviews became more common, reflecting a market view that rental growth is unlikely to continue at the same pace over the next five years.

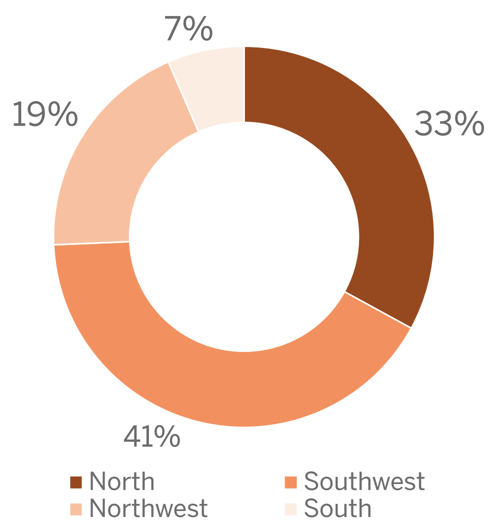
Lisney's index of industrial rents in Dublin (prime and secondary buildings of varying sizes across the four regions) grew by 3.9% over 12 months to the end of December 2025 and by 1.2% over three months.

Dublin Industrial Supply (Q1 2008 – Q4 2025)



Source: Lisney

Industrial Supply by Region (Q4 2025)



Source: Lisney

New Stock

In Q4 2025, 41,500 sqm of industrial accommodation was completed across five buildings, bringing total completions for the year to 156,800 sqm across 16 units. In Q4, Units 1, 2 and 3 at Grange Castle in Dublin 22, extending to a combined 11,190 sqm, were delivered, all of which are let.

Unit 735 at Northwest Logistics Park in Dublin 15 (5,130 sqm) also reached completion and is let agreed. In Dublin 11, Unit B at Huntstown Business Park (2,820 sqm) was completed in Q4 and is currently available for sale.

At the end of December, approximately 92,700 sqm of industrial accommodation was under construction in Dublin, down from 110,400 sqm three months earlier. The north region accounted for 57% of the total, followed by the southwest at 27% and the northwest at 16%, with no construction activity in the south. The average unit size stood at 5,800 sqm, with eaves heights ranging from 9m to 18m.

Only 15% of the space under construction was spoken for, reflecting a notable shift from recent years, when up to half of new space was committed before completion. That said, a number of the remaining schemes are under offer or in active negotiations, suggesting take-up may improve as delivery approaches.

NOTABLE DEVELOPMENT ACTIVITY

In Q4, Drake House at Dublin Airport Logistics Park, Co Dublin, was under development by Rohan Holdings. Extending to 26,860 sqm, it is the largest stand-alone logistics unit under construction in Dublin, with completion expected in the second half of 2026. On completion, Drake House will provide a clear internal height of 18m.

IPUT continued construction on the first phase of Nexus Logistics Park at the Cherryhound interchange on the M2 – Unit 4 (10,440 sqm) and Unit 8 (4,850 sqm). Unit 4 has an agreement for lease signed, while Unit 8 remains available to let. On completion, the Park will comprise 232,000 sqm of accommodation across 17 units, all targeting BER A1 and LEED Gold certification. Nexus is designed as a high-spec, sustainable logistics park, featuring elements like glue-laminated timber frames, rainwater harvesting, EV charging points, and renewable energy systems. It will also offer a range of shared on-site amenities, such as a gym, a full-size astro pitch, two padel courts, and cycling and jogging paths. Occupiers will also have access to IPUT's city centre space for meetings, events, or work.

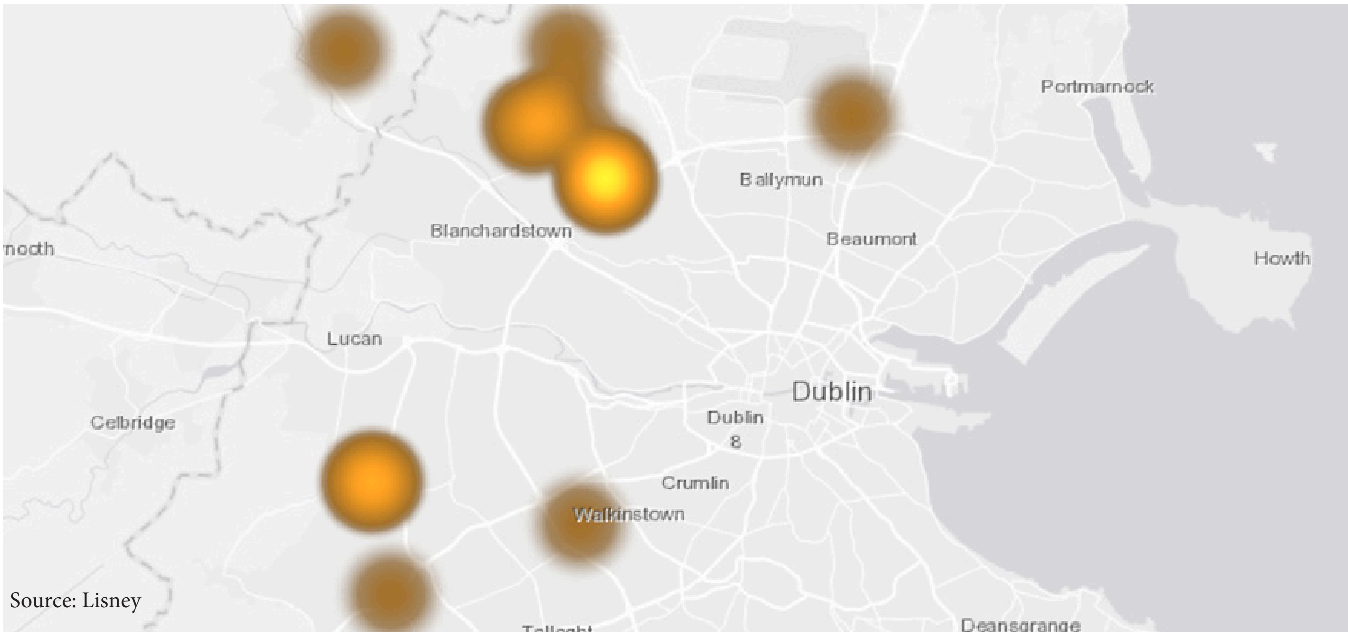
Construction also continued on five units at Stadium Business Park in Ballycoolin. Developed by Dunquin Capital and Bridges Fund Management, the scheme is due for completion in Q2 2026. The units will range from 1,500 sqm to 2,100 sqm and are being built to NZEB standards, targeting a BER rating of A2 and LEED Gold certification. All units are being developed on a speculative basis and are available to let.

Mountpark continued work on the remaining two units at Grange Castle West Business Park in Dublin 22 – Unit 4 (8,980 sqm) and Unit 7 (12,580 sqm). Three out of five were completed in Q4. The scheme is being constructed to high sustainability standards, targeting BREEAM Outstanding and BER A1 ratings. Three of the buildings are available to let.

UK developer Chancerygate, active in the Irish market since 2022, also continued construction of Airport Trade Park on Old Swords Road. The park will deliver 13 units ranging from 330 sqm to 2,100 sqm and will be the first multi-let, smaller-unit scheme built in Ireland since 2007. Designed to LEED Gold standard, it will provide modern, sustainable industrial accommodation and help meet the strong demand and undersupply of smaller units in the market. Six of these units have tenants secured.

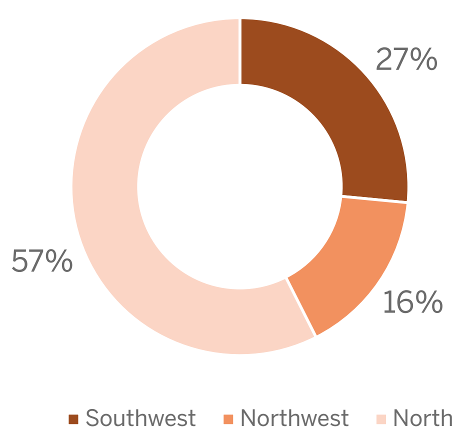
In terms of pipeline, approximately 262,750 sqm of industrial space had planning permission granted but had not yet started construction at the end of December 2025. 62% of this is in the north region, with the remainder spread across the southwest (20%) and northwest (18%) regions.

Under Construction Activity (End-December 2025)



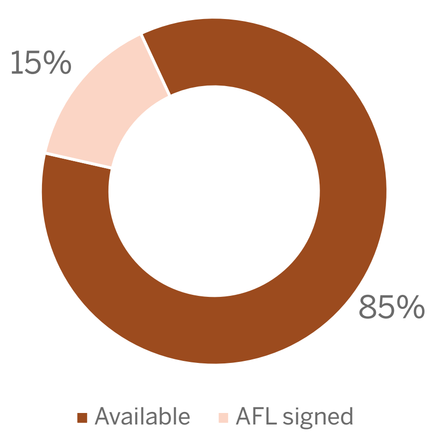
ABOVE:
Unit 42 Block 528, Grants Road,
Greenogue Business Park

Accommodation Under Construction by Region (Q4 2025)



Source: Lisney

Accommodation Under Construction by Status (Q4 2025)



Source: Lisney

Demand for industrial and logistics space is expected to remain healthy in 2026, broadly in line with long-term averages but below the elevated post-Brexit and pandemic peaks.

ABOVE:
Unit 50 Park West Road, Park West Business Park, Dublin 12

Outlook

Despite healthy occupier demand, activity levels in 2026 may fall short of the 10-year average of almost 300,000 sqm. We expect take-up to range between 220,000 sqm and 250,000 sqm, potentially constrained by limited supply, particularly of larger buildings, while mid-size deals will continue to drive the market.

Demand for industrial and logistics space is expected to remain healthy in 2026, broadly in line with long-term averages but below the elevated post-Brexit and pandemic peaks. Greater clarity around US tariffs is likely to see a number of paused requirements re-enter the market, with a continued focus on modern, well-located premises.

Retailers and 3PL operators are expected to remain the main drivers of take-up, particularly for larger units. Mechanical and electrical occupiers will continue to support activity in smaller and mid-sized units, reflecting ongoing data centre expansion. Demand from the pharmaceutical sector is likely to remain muted, given reshoring trends and tariff-related cost pressures.

With the vacancy rate hovering around 2% since early 2022 (approximately 200,000 sqm), and little likelihood of meaningful increases in the medium-term, supply will be tight and well below what is required in a functioning market. Premises smaller than 1,000 sqm will continue to make up the bulk of the number of available units (currently two-thirds), with only a handful of units larger than 5,000 sqm available.

New supply coming through in 2026 will remain limited relative to underlying demand, with the current construction pipeline unlikely to materially shift vacancy levels. Even if all space under construction were to reach PC vacant, it would add only around one percentage point to the vacancy rate. The planning pipeline is unevenly distributed and heavily weighted towards the north and northwest. The limited development pipeline in the southwest corridor is likely to constrain occupier choice and suppress take-up in that location. Over time, this regional imbalance may redirect occupier demand and development activity towards Co Kildare and other outer markets.

For larger occupiers, developers, investors, and their funders, sustainability will remain a central focus in the industrial and logistics market, shaping both new development and refurbishment strategies. Occupiers are increasingly driven by the operational cost advantages of buildings with B3 or better BER ratings, particularly in an environment of elevated energy prices and tighter corporate carbon reporting requirements. At the same time, developers and investors are incentivised by improved access and cheaper finance for greener assets, and in new builds are focused on LEED Gold and A2 standards. This is reinforcing a structural shift in capital allocation towards sustainable stock and accelerating the obsolescence of non-compliant buildings. In spite of this, given the growth in rents in recent years, there will be a place for less green buildings, particularly among smaller, more localised occupiers.

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