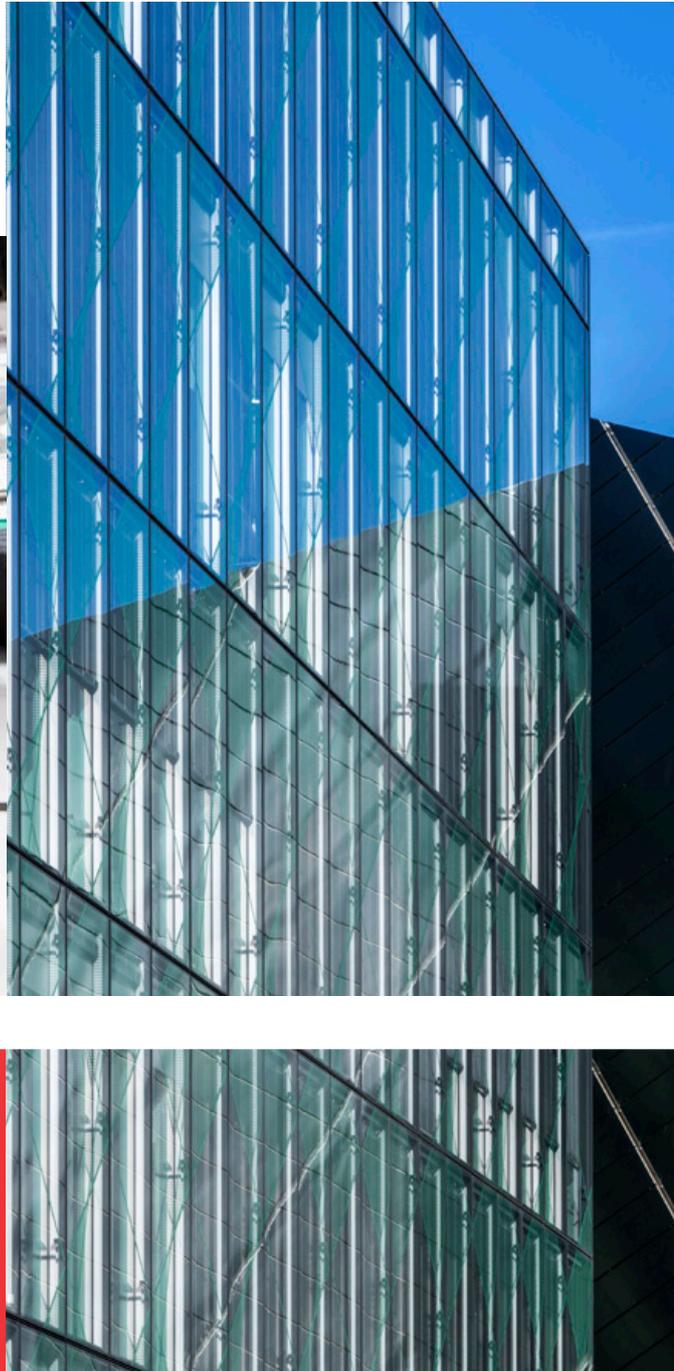


Lisney

COMMERCIAL REAL ESTATE

# INVESTMENT REPORT

# Q4 2025



# Q4 2025

Irish investment activity strengthened in Q4 2025, bringing annual volumes broadly in line with 2024. The living sector led activity for the second consecutive quarter, driven by record PBSA transactions, while retail rebounded strongly following a softer Q3. Office investment eased in Q4 but improved year on year, and industrial activity remained steady through the second half of the year. Large transactions continued to support overall volumes, although their share declined in Q4. Overseas investors remained dominant, with UK and German buyers active across multiple sectors, alongside continued French participation.

▲ €814m

### Turnover

Over €1m lot size deals

▲ 41

### No of Deals

Over €1m lot size deals

▼ €120m

Jervis Shopping Centre, Dublin 1

### Largest Deal

▲ 38%

### Living Sector

Proportion of the market

▲ 77%

### Off-Market

▼ €19.9m

### Average Deal Size

Over €1m lot size deals

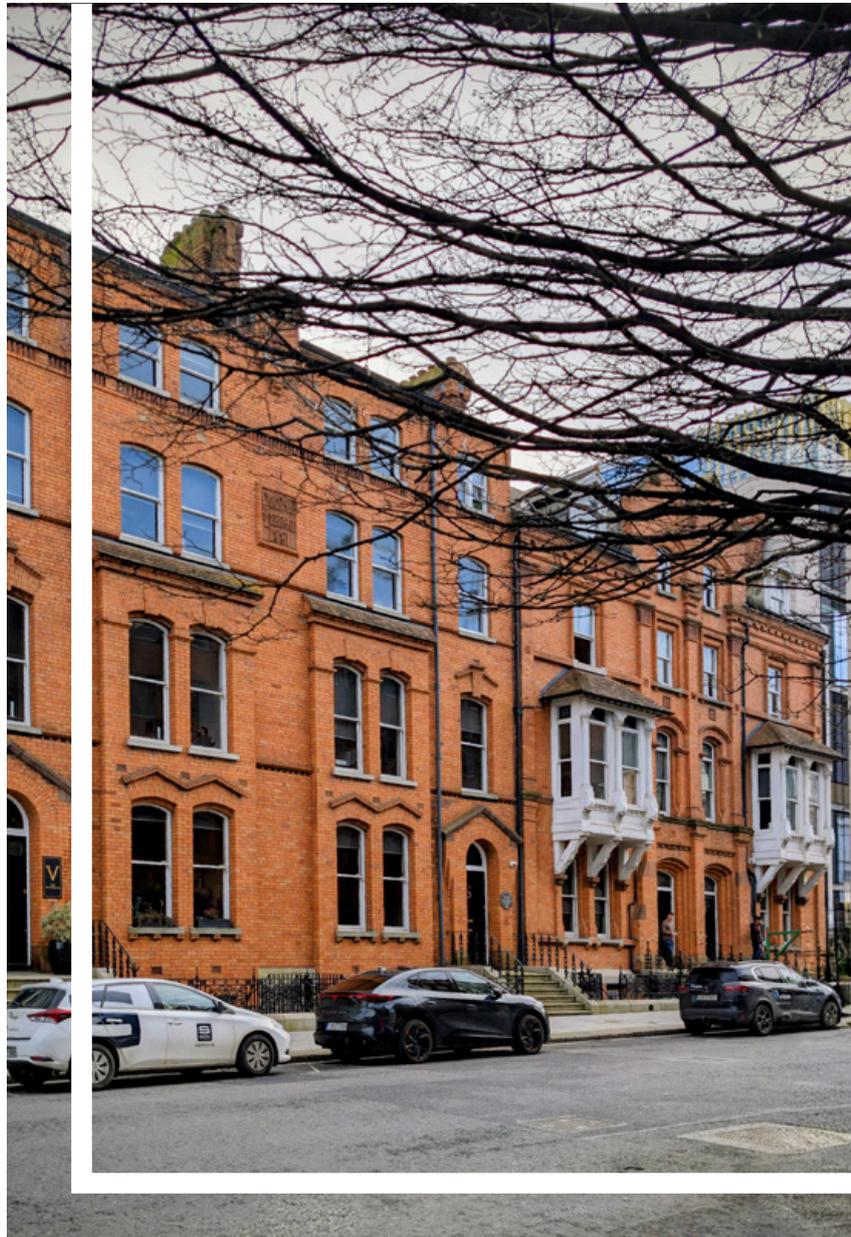
Arrows represent quarterly trends unless otherwise stated.

# Market Backdrop

Given the highly globalised nature of the Irish economy, Ireland's property market is sensitive to shifting global macroeconomic, geopolitical, and environmental conditions.

The world economy continues to face pressures from international tensions and rising trade protectionism, while domestically, there has been notable resilience in the economy, but with divergent sectoral performances. In addition, Ireland continues to grapple with persistent constraints in infrastructure and housing, alongside elevated business and household costs.

International upheavals and the rapid pace of change in recent months have heightened uncertainty and complicated forward-looking assessments on the Irish economy and property market. Notwithstanding, most commentators believe the outlook for the economy appears relatively favourable in the absence of any unforeseen events. The ESRI recently projected (based on scenarios and an underlying range of assumptions) annual average economic growth of 2.3% in modified gross national income (GNI\*) out to 2030 and 2.1% from 2031 to 2035. While this shows a potentially strong pathway, there remains a fundamental vulnerability in public finances from corporation tax, particularly from the pharmaceutical and tech industries. In the property market, experience shows unanticipated external shocks can have an impact on demand, supply and pricing.



RIGHT: The Victorians, Dublin 2

# Activity and Demand

In Q4 2025, Irish investment activity reached €814m across 41 transactions, up from €698m in Q3. It was the strongest quarter of the year, although still below the 10-year quarterly average of €905m. The average deal size in Q4 was €19.9m, down from €20.5m in Q3 and significantly below €32.9m in Q4 2024, when several large transactions boosted the average.

This brought total turnover for 2025 to €2.44bn across 122 transactions, broadly in line with €2.46bn recorded in 2024 but well ahead of €1.84bn in 2023. Annual turnover remained below the 10-year average of €3.6bn. The average deal size for the year was €20m, down from €22.5m in 2024.

Large transactions continued to support activity. In Q4, deals over €50m accounted for 50% of turnover, the lowest quarterly share of 2025, down from 54% in Q3, 68% in Q2 and 56% in Q1, suggesting a more balanced distribution of capital and easing reliance on a small number of very large deals. In 2025, €1.35bn was invested in individual assets priced over €50m across 14 transactions, accounting for

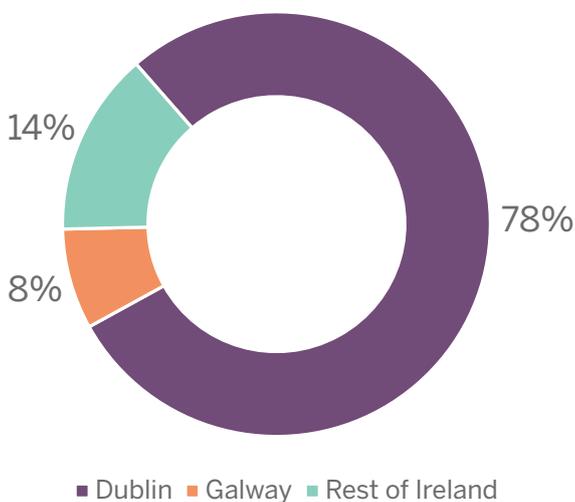
55% of total turnover. While slightly below the 56% recorded in 2024, this remains above the 49% share in 2023.

Q4 was led by the living sector for the second consecutive quarter, accounting for 38% of turnover, broadly in line with 37% in Q3. This was followed by retail at 27%, offices at 18% and industrial at 12%. Unlike Q3, when activity in the living sector was driven by PRS transactions, Q4 volumes were primarily led by PBSA deals. In 2025, the retail, office and living sectors dominated, accounting for 29%, 27% and 24% of total turnover respectively, indicating a broad-based investor appetite across multiple asset sectors rather than concentration on a single sector.

## Top 5 Investment Transactions Q4 2025

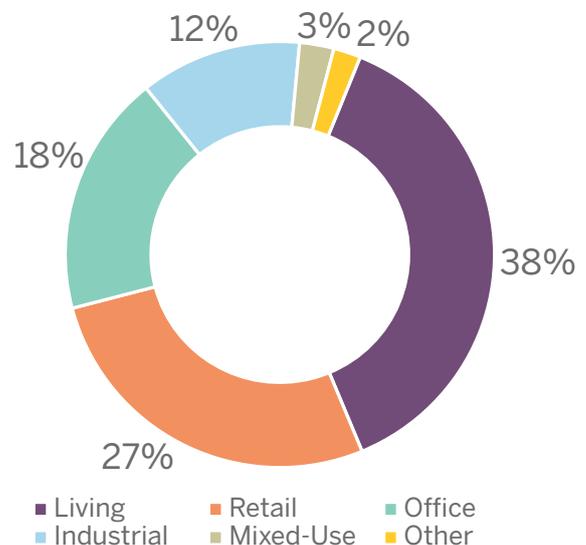
PROPERTY	LOCATION	SECTOR	REPORTED PRICE	PURCHASER
Jervis Shopping Centre, Dublin 1	Dublin	Retail	€120,000,000	Pradera Lateral
Project Galaxy	Dublin Galway	Living - PRSA	€104,000,000	Greystar
18 Newmarket Square, Dublin 8	Dublin	PRS	€75,000,000	MEAG
North Gate Portfolio	Dublin	Industrial	Reported in region of €60,000,000	Chancerygate
2 Dublin Landings, Dublin 1	Dublin	Office	€51,500,000	MEAG

## Activity By Location (Q4 2025)



Source: Lisney

## Activity By Sector (Q4 2025)

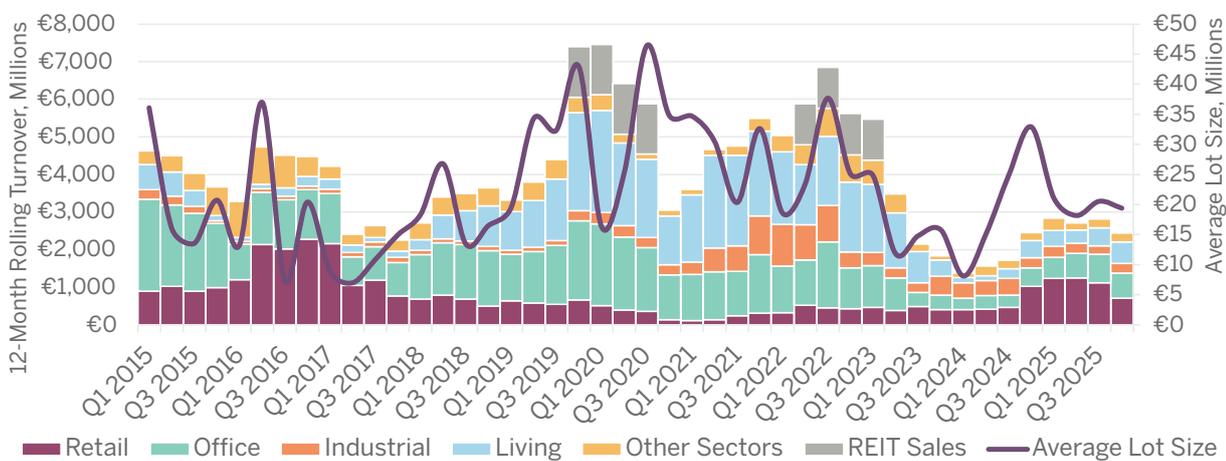


Source: Lisney



ABOVE: Jervis Shopping Centre, Dublin 1

### Quarterly 12-Month Rolling Turnover by Sector & Average Lot Size (Q1 2015 – Q4 2025)



Source: Lisney

### TRANSACTION TRENDS

As usual, Dublin dominated investment activity in Q4, accounting for 78% of total turnover, broadly in line with the quarterly 10-year average of 80% and the 5-year average of 76%. Activity outside the capital was limited, with only a small number of transactions recorded across several counties, along with a few multi-county deals.

Off-market sales remained a major feature of the quarter yet again, making up 77% of the quarter's turnover and 64% of activity in 2025. While still high by historical standards, this is down from the record levels seen through 2024 and early 2025, when off-market transactions accounted for up to 82% of quarterly turnover.

### INVESTOR PROFILE

The buyer profile in Q4 2025 remained varied. International capital accounted for 80% of total turnover in Q4, with all large-scale transactions (over €50m) backed by overseas investors. UK and German investors were the most active, combined accounting for 49% of turnover across all sectors. Key buyers in Q4 were Pradera Lateral, Greystar,

MEAG, Chancerygate and Commerz Real. Irish private investors continued to be most active in the sub-€5m range, where assets attract steady demand depending on sector, location, and capital requirements. Domestic buyers made up 20% of activity in Q4, below their five-year average of 23%.

In 2025, the Irish investment market attracted several new entrants alongside continued participation from established investors. Notably, German investor MEAG (the asset manager of Munich RE) completed two acquisitions in Q4, while Advents, an Irish asset manager for overseas capital, secured its first transaction in Q3 with a subsequent acquisition in Q4. French capital has played a notable role in the Irish market since 2020, with key buyers including Atland Voisin, Corum, Iroko Zen, Remake and Alderan. French SCPIs accounted for 13% of total turnover in 2025.

Investors' focus remained on assets with strong tenant covenants, longer WAULTs (typically over six years), and high ESG credentials. This is particularly relevant given the high cost of refurbishment and the difficulty of upgrading BERs in tenant-occupied buildings.

## Activity By Asset Type

### LIVING

Following the rebound in Q3, activity in the living sector remained strong in Q4 2025, with €306.4m transacted across six deals. This accounted for 38% of quarterly turnover, broadly in line with 37% in Q3, although total volume in Q3 was lower at €260m. For comparison, the first half of the year was subdued, with just €10.6m transacted in Q1 and no deals completed in Q2. The average deal size in Q4 was €51.0m, down from €86.5m in Q3. Unlike Q3, which was driven entirely by PRS transactions, Q4 activity was more diversified. Of the €306.4m transacted, €123.5m related to PRS across two deals, while €182.9m related to four PBSA transactions.

In 2025, the living sector saw €576.5m invested across 11 transactions, accounting for 24% of total turnover. While this was a significant improvement on 2024 (€456m), it remained well below the historic peaks of 2019 (€2.39bn) and 2021 (€2.14bn). The sector continued to face viability pressures linked to construction costs and rental regulation. However, the new legislation taking effect in March 2026 has been broadly welcomed and is beginning to support renewed interest, particularly in stabilised and well-located assets.

Q4 2025 was the strongest quarter for student accommodation investment on record and followed three consecutive quarters with no PBSA transactions. The largest deal was Greystar's €104m purchase of Project Galaxy, comprising Mayor Square in Dublin 1 (290 beds) and Cúirt na Coiribe in Galway (434 beds). Greystar will operate the schemes under its Canvas brand, bringing its total Irish portfolio to approximately 1,700 beds, one of the largest operators in the market. This was followed by the €48m sale of Carman's Hall in Dublin 8 (207 beds) to Swedish investor Catella. Commerz Real, a German investor, acquired Swuite PBSA in Grangegorman, Dublin 7 (128 beds) for €22.35m from the developer Iveragh Group. The scheme will be rebranded as Grangegorman House and operated by Mezzino. Additionally, an Irish investor purchased Hatch Student Living in Carlow (106 beds) for €8.5m. All PBSA transactions were completed off-market.

The two PRS transactions were also off-market. MEAG, a German investor, acquired 18 Newmarket Square in Dublin 8, which was constructed to Nearly Zero Energy Building (NZEB) standards and comprises 134 apartments, while Kilcarbery Square in Clondalkin, Dublin 22, was sold to an international investor for €48.5m



# €306.4m

Living sector activity reached €306.4m in Q4 2025 and was primarily led by PBSA deals. It was the strongest quarter for student accommodation investment on record.



### OFFICES

Office investment activity eased in Q4 2025, with €149.4m transacted across ten deals, down from €245.3m in Q3 and €180.2m in Q2. The sector accounted for 18% of total quarterly turnover in Q4, which compares with 35% in Q3 and 47% in Q2. The average deal size in Q4 was €14.9m, down from €20.4m in Q3 and €45.1m in Q2.

Despite the softer Q4, total office turnover for 2025 reached €662.3m across 32 transactions, accounting for 27% of annual investment activity. This was an improvement on 2024 (€493.4m), suggesting a gradual stabilisation in the sector following a subdued 2023. As in previous quarters, activity remained focused on Dublin, with city centre assets attracting the strongest interest. Investor appetite continued to focus on well-located buildings with strong tenant covenants, longer income profiles and buildings where buyers and sellers price expectations align. Suburban markets continued to move at a slower pace, with most interest focused on properties offering secure, long-term income in these locations.

The largest office transaction of the quarter was MEAG's €51.5m acquisition of 2 Dublin Landings in Dublin 1, brought to market by receivers. The building was previously acquired in 2018 by KanAm Grund on behalf of Hana Financial Investment and South Korean REIT JR AMC for €106.5m. Camgill Conway purchased The Beckett Building on East Wall Road in Dublin 3 for €25m. Blocks A and D at Ashtown Gate in Dublin 15 were sold to Ardvast for €17.5m, while 90-91 St Stephen's Green in Dublin 2 was acquired by IPUT for €14.5m. 89-94 Capel Street in Dublin 1 and 16-22 Green Street in Dublin 7 were sold for €12m to an Irish investor. The remaining five transactions ranged between €3.65m and €9.2m, with three located in Dublin, one in Co Mayo and one in the Cork region.

### RETAIL

Retail investment activity rebounded in Q4 2025, with €221.5m transacted across nine deals, compared with €61.5m in Q3 and €158.7m in Q2, but remained below €272m in Q1. The sector accounted for 27% of total quarterly turnover, up from 9% in Q3, although below the levels recorded in Q1 (50%) and Q2 (42%) when retail dominated activity. The average deal size increased to €24.6m in Q4, significantly higher than €7.7m in Q3, reflecting a return of larger lot size deals.

In 2025, retail turnover reached €713.6m across 33



ABOVE: 94 Drumcondra Road, Dublin 9

transactions, accounting for 29% of total investment activity. While this was well below the €1.03bn recorded in 2024 when a small number of very large deals transacted, it remained the top-performing sector for the second consecutive year.

Strong demand persisted in 2025, particularly for well-performing retail parks and well-performing regional schemes offering steady returns. Supply, however, remains limited, and investors are now turning to shopping centres with strong anchors and a good tenant mix. Demand for single high-street stores continues to come mainly from smaller private investors, while larger institutional buyers remain selective, focusing on assets with secure income streams and low capital expenditure requirements.

The largest retail transaction of the quarter was the off-market sale of Jervis Shopping Centre to UK investor Pradera Lateral for a reported €120m. In addition, another Midlands shopping centre was sold off-market for in excess of €30m, and a regional retail park was also sold in an off-market transaction for in region of €15m. UK investor ICG Real Estate (ICGRE) acquired four Lidl stores for €36m. They form part of a wider €203.5m sale-and-leaseback European portfolio, which also includes 17 stores in the UK and three in Spain. The stores across the portfolio are at various stages of construction, and ICGRE has committed to forward purchase each newly developed Lidl on completion, with the final purchase scheduled for July 2026. The remaining five retail transactions ranged from €1.3m to €8.5m, with all but one located in Dublin.

## INDUSTRIAL

Industrial investment activity remained steady in Q4 2025, with €93.8m transacted across six deals, broadly in line with Q3 (€92.7m) and well above Q2 (€22.7m). The sector accounted for 11.6% of total quarterly turnover, below the 13.3% recorded in Q3. The average deal size in Q4 remained steady at €15.6m when compared to €15.4m in Q3, but significantly higher than the levels seen in the first half of the year (€8m in H1).

This brought industrial turnover for 2025 to €250.5m across 20 transactions, accounting for 10% of annual investment activity, which was broadly in line with 2024, when €259.9m transacted. Investor demand continued to focus on well-located assets with strong tenant covenants and value-add opportunities.

Over €750m of industrial stock was brought to the market in Q4 across three large portfolios. One of these, the North Gate Portfolio, was sold to UK investor Chancerygate for a reported price in the region of €60m in an off-market transaction. The remaining two portfolios are expected to transact in early 2026. Other notable deals included the €18m sale of an asset in Dublin and Irish Life's €8.6m acquisition of Unit 19 Fonthill Business Park in Dublin 22, both completed off-market. The remaining transactions ranged from €2m to €6.3m, all in Dublin.

# Pricing

The table below outlines our estimated prime yields in Dublin in Q4 2025.

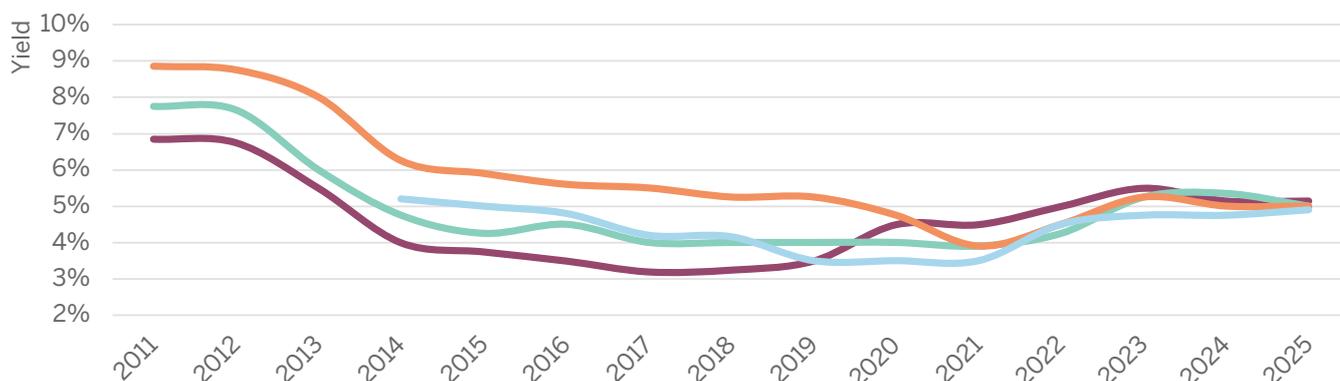
## Prime Net Equivalent Yields

	RETAIL	OFFICE	INDUSTRIAL	PRS*
Q4 2025	5.15%	5.00%	5.00%	4.75%-4.90%
Quarterly Change	0 bps	-15 bps	0 bps	0 bps
Annual Change	0 bps	-35 bps	0 bps	-10 bps

\* PRS yields assume OPEX at 20% of income

Source: Lisney

## Prime Net Equivalent Yields (2011 – Q4 2025)

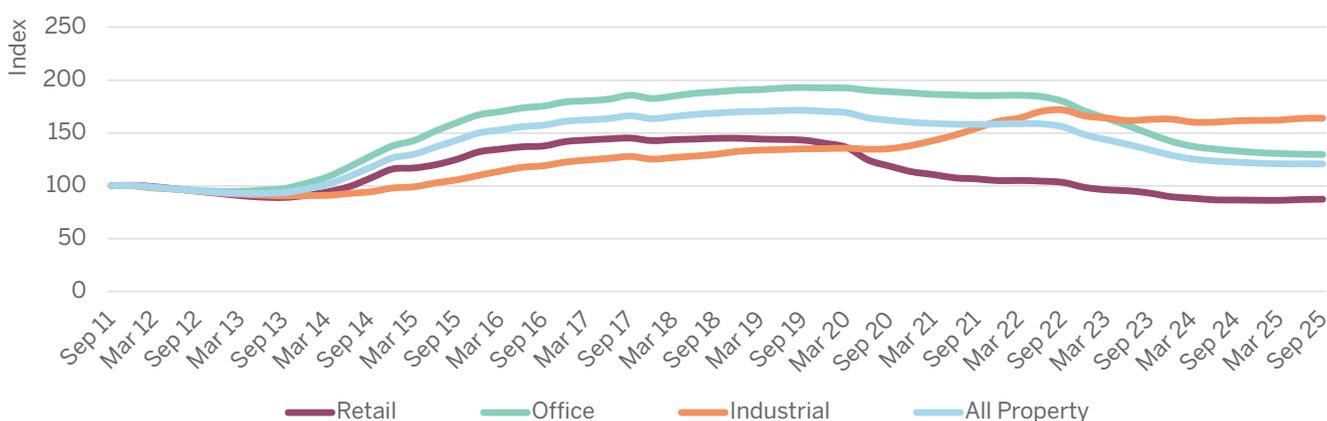


\* PRS yields assume OPEX at 20% of income

Source: Lisney

The Q4 2025 MSCI/SCSI Ireland Property Index figures show that the capital value growth index fell by 0.6% for 'all property' in the year, while remaining stable in the quarter. The office sector was the only sector that recorded a capital value decline in Q4, on both an annual and quarterly basis.

## MSCI / SCSi Capital Value Growth Index (Q4 2011 – Q4 2025)



Source: MSCI, Lisney analysis



ABOVE: 47 Grafton Street, Dublin 2

## Supply

At the end of December 2025, there was in excess of €1.5bn worth of on-market investment opportunities available, some of which had deals agreed. However, considering the off-market sales activity, supply is significantly larger.

“  
**€1.5bn**

At the end of December 2025, there was in excess of €1.5bn worth of on-market investment opportunities available, some of which had deals agreed.”

With pricing stabilised and a broader pool of active investors, Irish CRE turnover is expected to strengthen in 2026, possibly exceeding €3.5bn, subject to no significant external shocks



## Outlook

Geopolitical and economic uncertainty is expected to remain a key backdrop in 2026, sustaining a more selective and opportunistic investment environment. With competitively priced domestic bank debt still limited, alternative lenders and structured finance are likely to play an increasing role, as capital continues to shift towards debt strategies offering attractive risk-adjusted returns and lower operational exposure.

With pricing stabilised and a broader pool of active investors, Irish CRE turnover is expected to strengthen in 2026, possibly exceeding €3.5bn, subject to no significant external shocks. However, supply constraints, particularly for prime, best-in-class accommodation, will continue to be a feature of the market, potentially holding back activity levels.

Yields across the main and alternative sectors are expected to tighten further in 2026 as investor demand strengthens. The pace and scale of yield movement will depend on wider market conditions.

Demand in 2026 will be driven by a broad range of investor types. International investors are expected to remain the dominant participants for larger lot sizes, while private Irish investors will continue to focus on smaller-scale opportunities. Investors from Germany and other mainland European countries, as well as North America, will generally target prime assets. French SCPIs are also expected to remain active, with several new entrants anticipated, selectively pursuing opportunities that meet their return requirements.

In recent years, retail parks and industrial premises have been the preferred investment sectors. While these asset classes will remain in demand, in 2026, investor focus is expected to broaden, with stronger interest in well-located offices with good BER ratings and key shopping centres where trading performance and footfall are strong. PRS activity is likely to recover meaningfully in 2026, supported by lower interest rates, stabilising construction costs and upcoming rental legislation changes.

# Meet The Team

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