

# Industrial & Logistics Market Update

Lisney

COMMERCIAL REAL ESTATE

Q1 2026





# OVERVIEW

## Activity in the Dublin industrial market slowed in Q1 2026.

Occupier demand remained relatively healthy, although some businesses adopted a more cautious approach amid wider geopolitical and macroeconomic uncertainty. Vacancy increased in Q1 but remained low by historic standards, particularly for

larger modern accommodation, while development activity continued to focus on high-specification sustainable schemes, most of which are still being delivered on a speculative basis.

▼ 41,000 sqm Activity	▼ 21 No. of Deals	▼ 8,600 sqm Largest Transaction Letting of Unit D1, Airport Business Park, Co Dublin
▼ 1,960 sqm Average Lot Size	▲ 70% Busiest Sector North	▲ 85% Lettings
▲ 3% Vacancy Rate	▶ €153 psm Prime Headline Rent (€14.25 psf)	▼ 61,600 sqm Under Construction

Unit 1 Southwest Business Park, Dublin 24





## ACTIVITY

Dublin's industrial market slowed in Q1 2026, with take-up reaching 41,100 sqm across 21 transactions, down from 75,200 sqm in Q4 2025, 54,300 sqm in Q1 2025 and below the 10-year quarterly average of 69,500 sqm.

Q1 saw reduced activity in the northwest and southwest regions. In contrast, take-up in the north region increased slightly, while activity in the south remained limited.

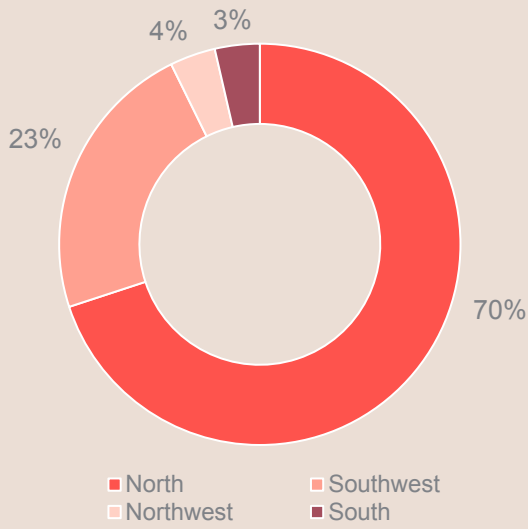
- The average deal size in Q1 stood at 1,960 sqm, down from 2,280 sqm in Q4 2025, 2,260 sqm in Q1 2025, but it remained broadly in line with the long-term quarterly average of 2,070 sqm.
- The north region dominated activity in Q1 2026, accounting for 70% of total take-up. This was followed by the southwest at 23%, while the northwest and south regions accounted for 4% and 3%, respectively. Over the long term, the southwest region has been the strongest-performing industrial region in Dublin. The north and northwest regions have also remained active over the years, although activity in the northwest tends to fluctuate more significantly quarter-to-quarter. In contrast, the south has historically remained the smallest industrial region in Dublin.
- The top 10 deals each exceeded 1,000 sqm, including three greater than 7,000 sqm and, combined, accounted for 90% of the total activity. Seven of these were lettings, while the remaining three were sales. The top three deals were in the north region, accounting for over half (56%) of quarter's activity.
- The largest transaction in Q1 was the letting of Palm Capital's Unit D1 in Airport Business Park, Co Dublin (8,600 sqm), to UK logistics operator Evri, a new entrant to the Irish market. This deal alone accounted for 21% of total take-up. Another new entry was global 3PL operator Crane Logistics, which sub-let Unit N4 at Horizon Logistics Park, Co Dublin.
- The largest sale was the former MDS facility in Clonshaugh Business & Technology Park, Dublin 24 (2,720 sqm).
- Larger transactions drove take-up in Q1 2026, with four deals over 4,000 sqm representing 66% of total activity. Mid-sized transactions (1,000 to 4,000 sqm) also remained active, with six deals accounting for a further 24% of take-up. While smaller transactions under 1,000 sqm continued to dominate deal numbers (11 out of 21), these represented just 10% of total take-up.
- Lettings remained the main driver of activity in Q1, accounting for 85% of total take-up. While the proportion of the market made up of sales increased in parts of 2024 and 2025, the market has remained primarily letting-led in recent years. Since 2020, lettings have generally accounted for more than three-quarters of take-up, with an average quarterly share of 79% over the period.

### Top 5 Transactions (Q1 2026)

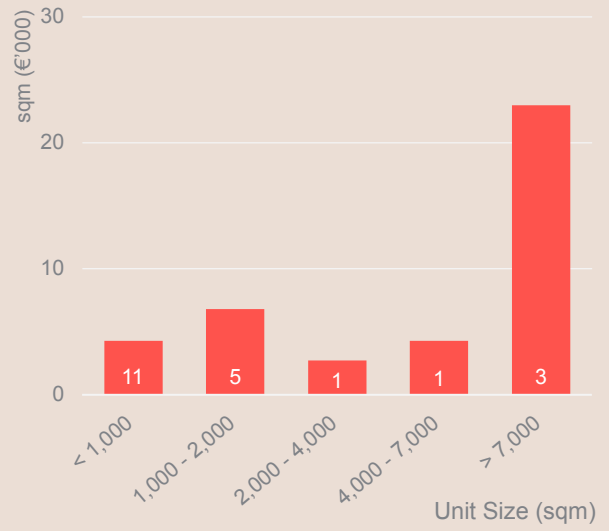
Premises	Sqm	Region	Deal Type
Unit D1, Airport Business Park, Co Dublin	8,590	North	Letting
Unit N4, Horizon Logistics Park, Co Dublin	7,320	North	Letting
Unit 4, Vantage Business Park, Dublin 11	7,070	North	Letting
Unit 6, Apex Hub, Ballymount, Dublin 12	4,270	Southwest	Letting
Former MDS Facility, Clonshaugh Business & Technology Park, Dublin 24	2,720	Southwest	Sale

Source: Lisney

Take-Up by Region (Q1 2026)



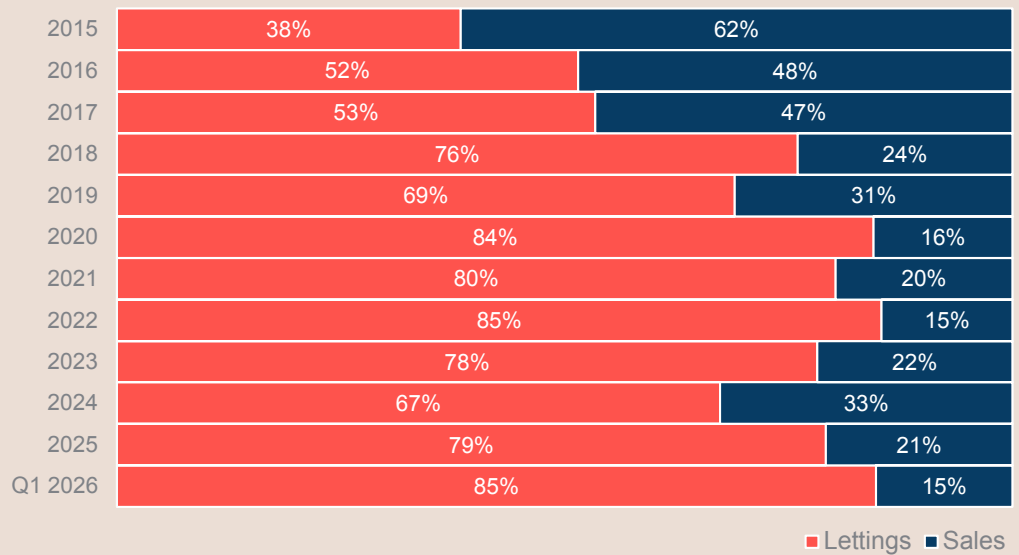
Take-Up and No of Deals by Size (Q1 2026)



Source: Lisney

Annual Take-Up by Deal Type (2015 - Q1 2026)

Source: Lisney



# SUPPLY

Dublin’s industrial vacancy rate increased to 3.0% at the end of Q1 2026, up from 2.5% in Q4 2025 and 1.7% in Q1 2025, as total availability rose by 22% quarter-on-quarter to 255,400 sqm.

Available	255,400 sqm
Largest Supply	53% Southwest Region
Large Units (>10,000 sqm)	Only three available 15% of supply
Small Units (<1,000 sqm)	≈ 90
Vacancy Rate	≈ 3.0%

Despite the increase, supply remained well below the 10-year average vacancy rate of 5.6%. Vacancy rates remained low across all regions, ranging between 2.7% and 3.6%. The northwest recorded the lowest rate at 2.7%, while the south region remained the highest at 3.6%, although still at a relatively constrained level.

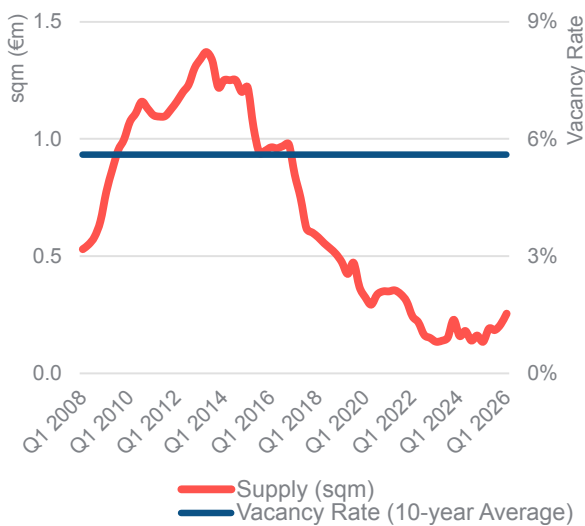
Availability of larger industrial buildings remained limited in Q1 2026, with only three units greater than 10,000 sqm currently available across Dublin. Two

of these are in the southwest region and one in the northwest. Smaller units under 1,000 sqm continued to make up the bulk of supply, accounting for 62% of available units but just 15% of total available floor space. A significant proportion of this stock, however, is older accommodation that does not meet current occupier requirements.

Institutional landlords continue to play a growing role in reshaping supply by carrying out significant refurbishment once vacant possession is secured.

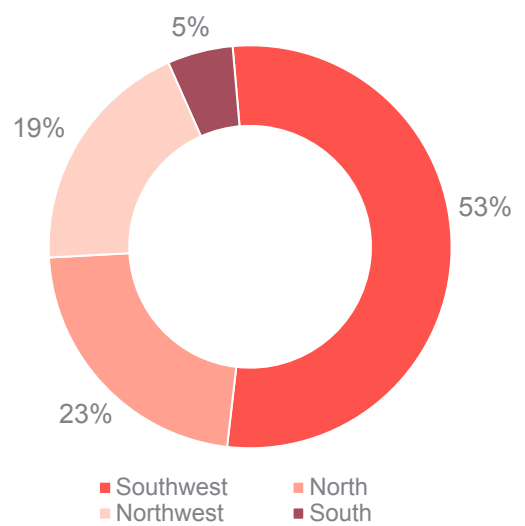
Upgrades typically include new HVAC systems for the office element, EV charging points, PV panels, and additional improvements focused on the overall energy efficiency of the building. The units are also brought to market with a refreshed look both externally and internally, typically involving recladding or respraying the cladding, servicing or replacing roller shutter doors and installing new finishes throughout.

Dublin Industrial Supply (Q1 2008 – Q1 2026)



Source: Lisney

Industrial Supply by Region (Q1 2026)





## DEMAND

Occupier demand remained relatively stable in Q1 2026. Enquiry levels were healthy and broadly in line with long-term trends, although some occupiers remained cautious amid ongoing geopolitical uncertainty and the wider economic outlook. 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 in the new accommodation at Airport Trade Park.

Logistics and data centre-related occupiers remained among the most

active in the market in Q1 2026. While logistics operators continue to expand or relocate to support distribution and fulfilment requirements, rising rental levels and tighter operating margins are pressuring some occupiers to assess operational efficiency and viability more carefully.

Most occupiers remain sensitive to higher quoting rents, particularly against a backdrop of wider economic and geopolitical uncertainty. Global macroeconomic turbulence linked to tensions in the Middle East has also led to some requirements being placed on hold, with parties generally taking longer to progress terms. As a result, 'stay or go' assessments

**Logistics operators continue to expand or relocate to support distribution and fulfilment requirements**

are becoming more common, with businesses reviewing lease events, space utilisation and cost implications more carefully before committing to relocation. Nonetheless, underlying pent-up demand is expected to continue supporting transactional activity, albeit at a slower pace.

## TERMS

Dublin's industrial and logistics rents remained stable in Q1 2026 at €153 psm (€14.25 psf). For large new-build units, most landlords continue to secure 10 to 15 years term certain with a 6- to 9-month rent-free period. Rents for smaller enterprise units less than 1,500 sqm also 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 4.5% over 12 months to the end of March 2026 and by 2.3% over three months.



Building E, Xerox Technology Park, Dundalk, Co. Louth

## NEW STOCK

In Q1 2026, 34,000 sqm of industrial accommodation was completed across three buildings, including Airport Trade Park on the Old Swords Road.

Under Construction	61,600 sqm
Busiest Region	North 51%
Largest Scheme Under Construction	26,860 sqm Drake House, Dublin Airport Logistics Park, Co Dublin
Average Unit Size	4,400 sqm
Design-&-Build / Taken Mid-Construction	25%

The scheme is the first multi-let smaller-unit development delivered in Ireland since 2007 and comprises 13 units ranging from 330 sqm to 2,100 sqm, with half of the units currently available to let. Unit 4 in Nexus Logistics Park (10,290 sqm), currently under offer, and Unit 7 in Grange Castle (12,570 sqm), now let agreed, were also completed in Q1.

At the end of March, approximately 61,600 sqm of industrial accommodation was under construction in Dublin, down from 92,700 sqm three months earlier. The north region accounted for 51% of the total, followed by the southwest and the northwest at 24% each, with no construction activity in the south. The average unit size stood at 4,400 sqm, with eaves heights ranging from 9m to 18m.

Approximately 25% of the space under construction was spoken for. While this remains below the levels seen in recent years, when up to half of new space was committed prior to completion, a number of schemes are currently in active negotiations, suggesting take-up levels may improve as delivery approaches.

### Under Construction Activity (End-March 2026)



### Notable Development Activity

In Q1, Rohan Holdings continued development of Drake House at Dublin Airport Logistics Park, Co Dublin. 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.

Park Developments continued works on Unit 1 (3,030 sqm) and commenced works on Unit 6 (3,030 sqm) at Apex Hub in Dublin 12 in Q1. Once complete, Apex Hub will comprise five logistics units ranging in size from approximately 3,160 sqm to 4,180 sqm. The scheme is targeting LEED Gold certification and will incorporate a range of ESG features, including green roofs and walls, energy and water sub-metering, photovoltaic roof panels, and EV charging spaces.

IPUT continued works on Unit 8 (4,850 sqm) at Nexus Logistics Park at the Cherryhound interchange on the M2, as part of the first phase of the scheme. The unit is currently under offer. Once completed, 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.

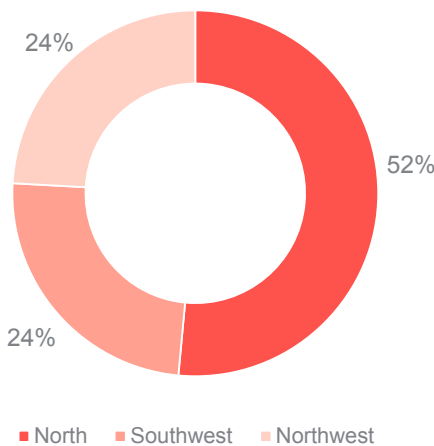
Construction also continued on five units at Stadium Business Park in Ballycoolin. Developed by Dunquin Capital and Bridges Fund

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.

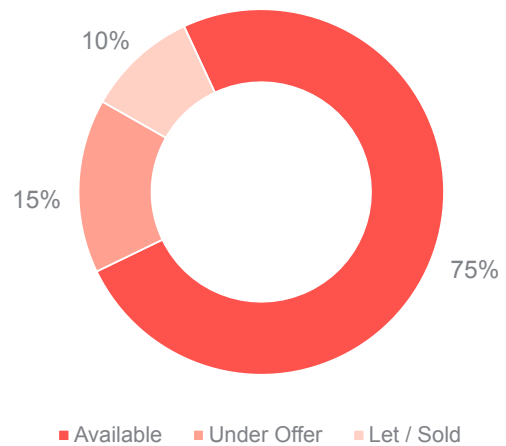
Mountpark continued work on the remaining Unit 4 (8,980 sqm) at Grange Castle West Business Park in Dublin 22. The scheme comprises five units in total and is being developed targeting BREEAM Outstanding and BER A1 ratings. Unit 4 remains available to let.

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 March 2026. 62% of this is in the north region, with the remainder spread across the southwest (20%) and northwest (18%) regions.

Accommodation Under Construction by Region (Q1 2026)



Accommodation Under Construction by Status (Q1 2026)



Source: Lisney

Demand for industrial and logistics space will remain broadly in line with long-term averages



## OUTLOOK

- Despite healthy occupier demand, activity levels in 2026 are likely to remain below the 10-year average of almost 300,000 sqm. We expect take-up to range between 200,000 sqm and 225,000 sqm, constrained by limited supply, particularly of larger buildings, while mid-sized deals are expected to continue driving the market.
- Demand for industrial and logistics space will remain broadly in line with long-term averages, although below the elevated post-Brexit and pandemic peaks. While some requirements have been paused amid wider geopolitical and macroeconomic uncertainty, underlying demand remains active and is expected to support further transactions, albeit at a slower pace.
- Retailers and 3PL operators will be the main drivers of take-up, particularly for larger units. Mechanical and electrical occupiers are also likely to continue supporting activity in smaller and mid-sized accommodation, reflecting ongoing data centre expansion. Demand from the pharmaceutical sector will be more subdued given reshoring threats and tariff-related cost pressures.
- With the vacancy rate remaining around 2%-3% since early 2022, supply conditions will remain tight and well below levels required in a functioning market. Premises smaller than 1,000 sqm will continue to account for the majority of available units, while larger accommodation will remain in short supply. New supply due to complete in 2026 is unlikely to materially shift vacancy levels.
- The development pipeline remains heavily concentrated in the north and northwest markets, with limited activity in the southwest corridor likely to constrain occupier choice and may redirect some demand towards Co Kildare and other outer markets over time. At the same time, increasing construction and refurbishment costs will place further pressure on development viability in 2026. In some cases, this may delay refurbishment projects or speculative development activity, particularly where occupier demand may not support the higher rents required to offset the costs.
- Industrial Open Storage (IOS) is expected to become a more established part of the Dublin industrial market over time, supported by demand coming from logistics and infrastructure-related occupiers. While the sector remains relatively untested locally, upcoming schemes such as Dublin Central Logistics Park in Finglas may provide a clearer indication of long-term occupier appetite for institutional-grade IOS accommodation.
- Sustainability will remain a key consideration across the industrial and logistics market, shaping both development and refurbishment strategies. Occupiers continue to focus on the operational cost advantages of buildings with stronger BER ratings, particularly amid elevated energy prices and tighter corporate reporting requirements. At the same time, developers and investors remain focused on delivering greener buildings targeting LEED Gold and BER A ratings, accelerating the obsolescence risk for older stock. However, more affordable secondary accommodation is still expected to retain a role, particularly among smaller and more localised occupiers.

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