

Investment Market Update



Q1 2026



OVERVIEW

Irish investment activity eased in Q1 2026, with fewer larger transactions completed.

One large PRS deal accounted for nearly half of the total turnover, while several deals were delayed or progressed slower. The living and office sectors led activity, while retail saw very limited activity, and industrial volumes moderated.

Investor demand remained focused on assets with secure income, strong tenant covenants and longer WAULTs. Additionally, pricing adjustments, particularly in the office sector, continued to influence activity.

▼ €443m

Turnover

Over €1m lot size deals

▼ 23

No of Deals

Over €1m lot size deals

▲ €212m

Largest Deal

Newmarket Yards, Dublin 8

▲ 57%

Living Sector

Proportion of the market

▼ 56%

Off-Market

▼ €19.3m

Average Deal Size

Over €1m lot size deals

The Hive, Sandyford, Dublin 18





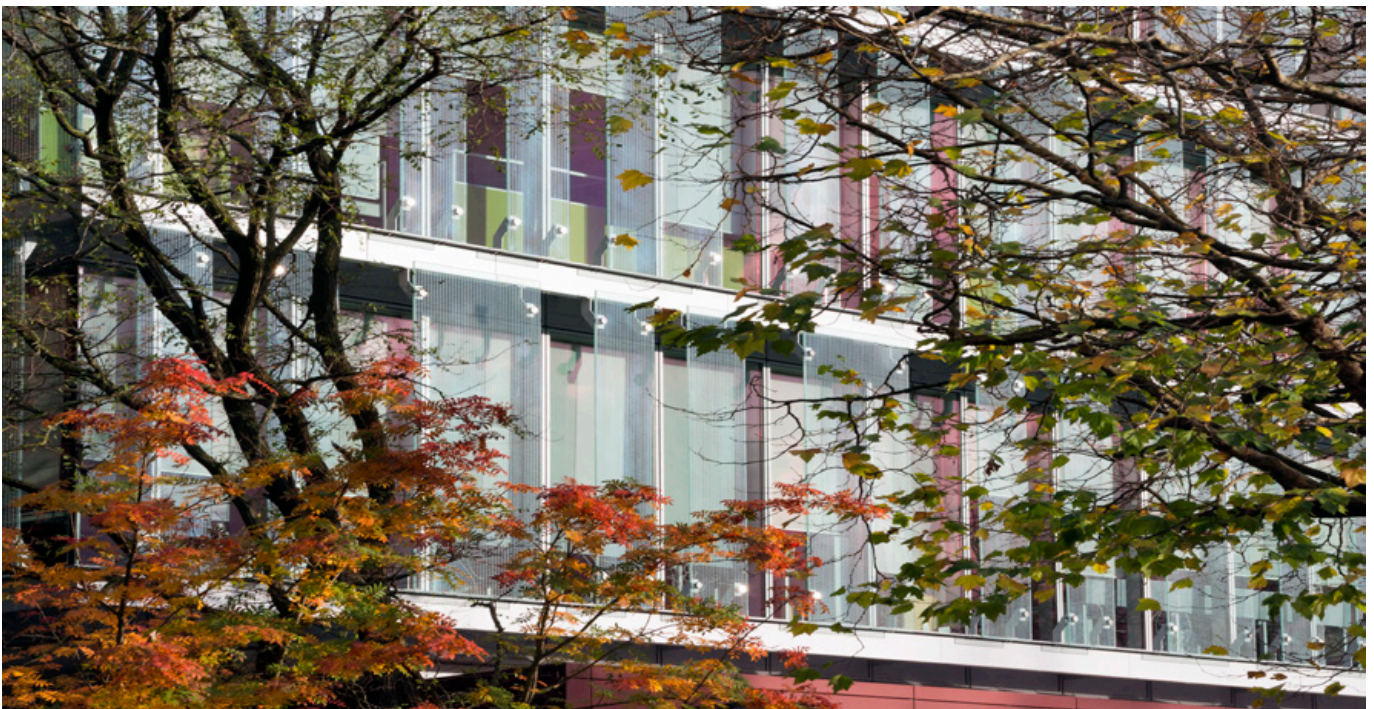
MARKET BACKDROP

Ireland's property market remains closely linked to global economic conditions, with heightened uncertainty continuing to shape the outlook.

Ireland's property market remains closely linked to global economic conditions, with heightened uncertainty continuing to shape the outlook. The global economy faces mounting headwinds, including rising geopolitical fragmentation, protectionism, escalating conflicts, energy and commodity price volatility, and tariffs. The conflict in Iran and its impact on supply chains through the Strait of Hormuz has increased inflation concerns, which in turn is likely to lead to two interest rate increases in the EU this year and a halt to any potential interest rate decreases in the US. This is impacting investment decisions with many investors and occupiers adopting a wait-and-see approach until there is greater certainty and potentially better value in the second half of the year.

Domestically, the Irish economy remains resilient, with both GDP and MMD continuing to grow. The Government continues to run budget surpluses, although the potential of a household financial package to address energy prices may reduce the excess that was anticipated a number of months ago. Structural constraints in housing and infrastructure persist, alongside elevated costs for businesses and households. Public finances remain reliant on corporation tax receipts from a relatively small number of multinational companies, leaving the economy exposed to external shocks. While the near-term outlook remains relatively stable, the external environment continues to present risks that may influence investment activity, pricing, and market liquidity.

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ACTIVITY & DEMAND

There was a softer start to 2026 than expected with Irish investment activity reaching €443m across 23 transactions in Q1.

This was a meaningful reduction from €814m in Q4 2025 and €547m in Q1 2025. The average deal size stood at €19.3m, broadly in line with €19.4m in Q4 2025 and slightly below €21m in Q1 2025. On a rolling basis 12-month basis, turnover stood at €2.34bn, broadly in line with recent quarters but well below peak levels recorded in 2020 and 2022.

Large transactions remained a key driver of activity, although Q1 2026 saw just one deal above €50m, a €212m PRS transaction, which accounted for 48% of total turnover. While the overall share of large deals remained broadly in line with 2025 levels (56.0% in Q1, 68.0% in Q2, 53.7% in Q3 and 45.3% in Q4), recent quarters typically saw multiple transactions above €50m.

Excluding the largest sale, turnover in Q1 2026 reached €231m, the lowest level since Q1 2024, when €162m transacted, with the average deal size falling to €10.5m.

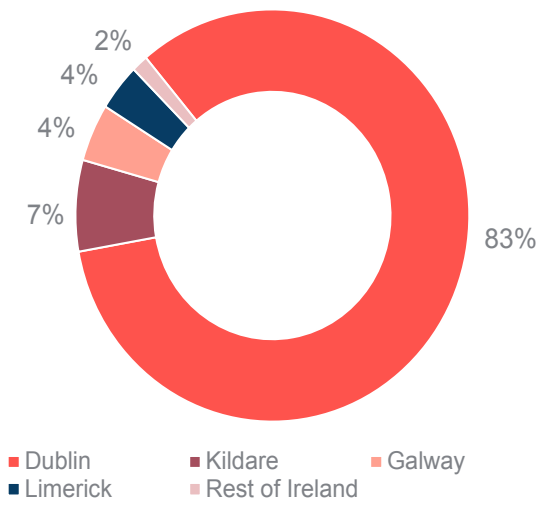
Q1 activity was led by the living and office sectors, which combined accounted for 83% of total turnover. Living represented 57% of turnover and offices 26%. Industrial and mixed-use followed at 9% and 6% respectively, while retail accounted for just 2%.

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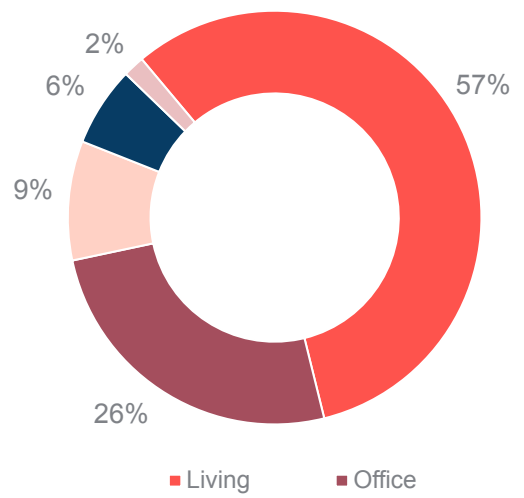
Top 5 Investment Transactions Q1 2026

Property	Location	Sector	Reported Price	Purchaser
Newmarket Yards, Dublin 8	Dublin	Living – PRS	€212,000,000	GIC
Five Industrial units in North Dublin	Dublin	Industrial	€33,150,000	State Street
Harbour Gate, Naas, Co. Kildare	Kildare	Living – PRS	€31,750,000	IRES
East Wing Block R, Spencer Dock, Dublin 1	Dublin	Office	€23,570,000	OPW
The Hive, Sandyford, Dublin 18	Dublin	Office	€23,250,000	Ardvest

Activity By Location (Q1 2026)



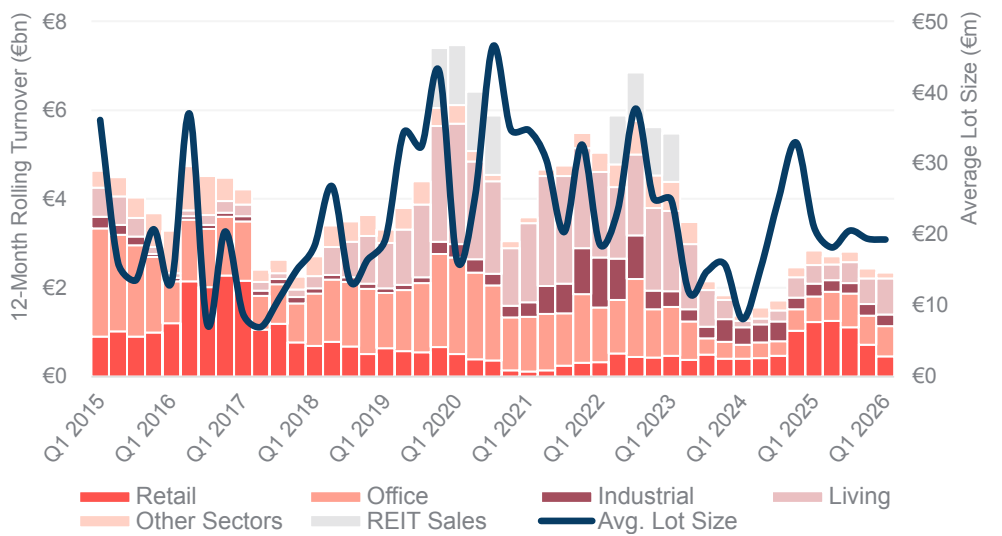
Activity By Sector (Q1 2026)



Source: Lisney

Quarterly 12-Month Rolling Turnover by Sector & Average Lot Size (Q1 2015 – Q1 2026)

Source: Lisney



IN FOCUS

Putting Q1 2026 into the Wider Market Context

Looking beyond headline turnover, the chart below shows how activity compares across quarters since 2019, with higher transaction numbers to the right and larger average lot sizes in the upper quadrants. Q1 2026 sits in the lower-left quadrant, below the median for both deal number and average lot size, indicating a relatively subdued quarter in terms of both deal flow and scale. While average deal size remained broadly in line with recent periods, lower transaction numbers place it closer to the quieter quarters seen in 2023. This easing in activity was not offset by larger transactions, unlike in some weaker previous quarters, where higher average lot sizes helped support turnover.

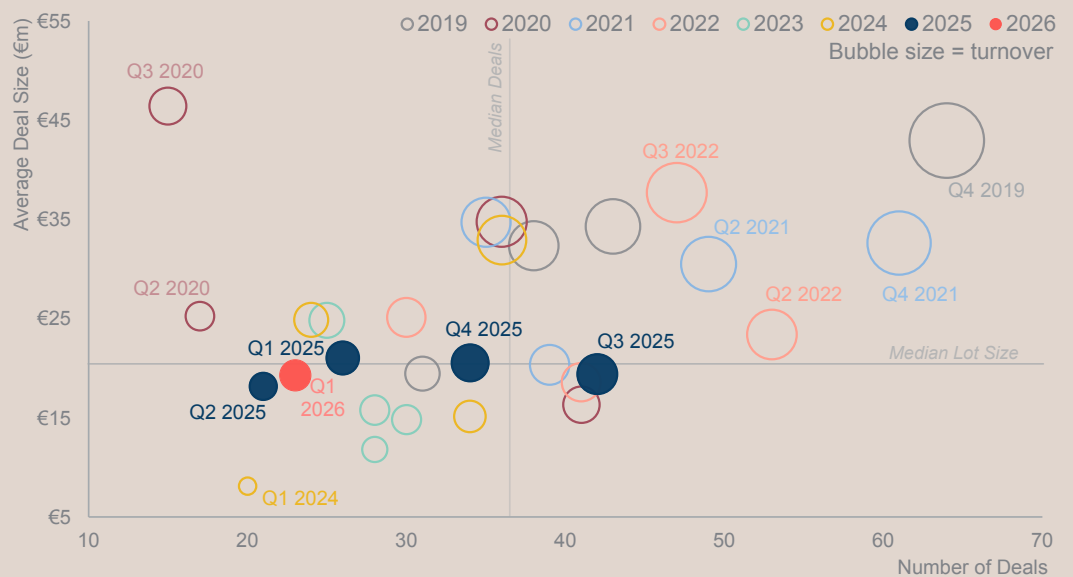
In contrast, stronger quarters, such as Q4 2019 and Q4 2021, sit in the upper-right quadrant, where higher volumes and larger lot sizes drove turnover. More recent activity, particularly in 2025 and into 2026, has clustered closer to median levels, reflecting a more moderate pace, with fewer large transactions completed and a more cautious market environment.

Dublin continued to dominate investment activity in Q1 2026, accounting for 83% of total turnover, above the quarterly 10-year average of 81% and the 5-year average of 76%.

Quarterly Investment Activity (2019-Q1 2026)¹

Source: Lisney

The right-hand side indicates higher transaction volumes, the upper quadrants reflect larger average lot sizes, while bubble size represents turnover.



¹The chart plots investment activity by number of transactions (horizontal axis) and average deal size (vertical axis), with bubble size representing turnover. Reference lines indicate median levels.



79 Thomas Street, Dublin 8

Transaction Trends

Dublin continued to dominate investment activity in Q1 2026, accounting for 83% of total turnover, above the quarterly 10-year average of 81% and the 5-year average of 76%. Activity outside the capital remained limited, with only a small number of transactions recorded across a handful of counties, most notably Kildare (7%), Galway (4%) and Limerick (4%).

Off-market transactions remained a significant feature of the market, accounting for 69% of total turnover in Q1. While still elevated, this was a decline from 77% in Q4 2025, but it remained above 5- and 10-year averages of 57% and 46%, respectively.

Investor Profile

The buyer profile in Q1 2026 remained weighted towards international capital, which accounted for 73% of total turnover, down from 80% in Q4 2025. Overseas investors continued to dominate larger transactions, including the €212m PRS acquisition by Singapore-based GIC. Excluding this deal, the share of international capital was significantly lower (48%), with activity more evenly split between domestic and overseas buyers.

International activity was concentrated across a small number of countries, including Singapore, the US, France and the UK, with notable buyers including GIC, State Street, Iroko Zen, Eagle Street, Arkea and WEMO.

Domestic investors were active across both mid-sized and smaller transactions. Key Irish buyers included IRES, OPW and Ardvest, alongside continued participation from private Irish investors. IRES re-entered the investment acquisition market with its first acquisition since 2022. Domestic activity was particularly evident in sub-€10m transactions, where lot sizes remain more accessible to private capital, although French SCPIs are becoming more active in this price bracket.

Market Tone

Investors' focus remained on assets with strong tenant covenants, longer WAULTs (typically over five 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.

However, the investment market has entered a more cautious phase, with activity expected to soften in the short term. Increased uncertainty around pricing and the macroeconomic outlook is impacting transaction timelines, with several larger deals delayed or progressing more slowly than anticipated. Institutional investors remain active but more selective, with greater scrutiny around pricing and execution, particularly in larger lot size transactions where decision-making processes have lengthened.

As a result, activity is likely to remain subdued over the summer months. More resilient sectors, including living and grocery-led retail, are expected to remain more liquid, while other sectors may see more limited activity until there is greater clarity.



LIVING SECTOR

Activity in the living sector remained strong in Q1 2026, with €254m transacted across four deals, accounting for 57% of total turnover.

While this was down from €306.4m in Q4 2025, the sector’s share increased from 38%, reflecting lower investment volumes across other sectors. This was a significant improvement on Q1 2025, when just €10.6m was transacted amid uncertainty around rental regulation.

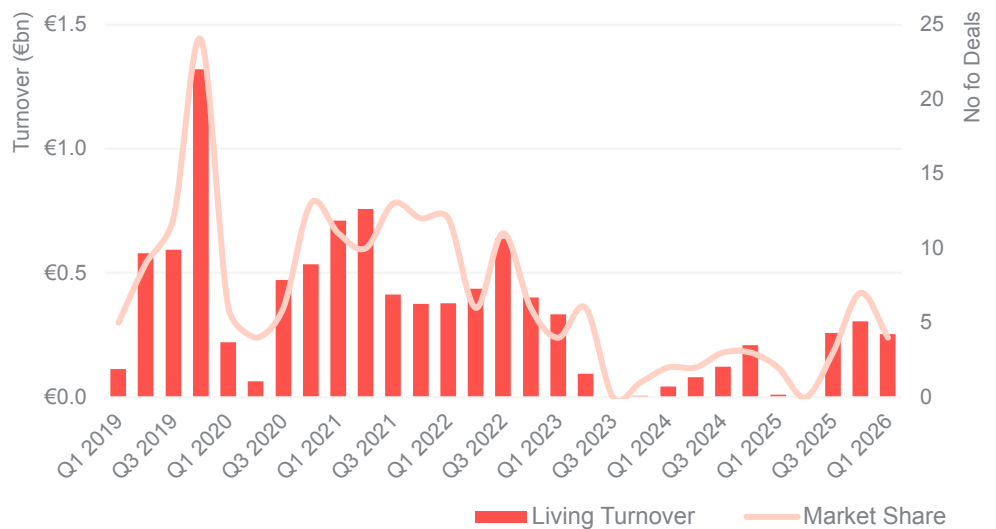
Activity was heavily skewed by the largest transaction, which accounted for 48% of total market turnover. Excluding this deal, the living sector reached €41.8m and accounted for 18.1% of total activity. This is also reflected in deal sizes, with the average reaching €63.5m, up from €43.8m in Q4 2025. Excluding the largest transaction, the average lot size falls to €10.5m.

Within the sector, activity was driven by PRS transactions, with €244.8m across three deals, while PBSA activity was limited to a single transaction of €9m. The largest deal was GIC’s off-market acquisition of Newmarket Yards for €212m. IRES re-entered the investment market with a €31.75m off-market forward purchase of 77 residential units at Harbour Gate in Naas, Co. Kildare, with completion expected later in the year. This was followed by the acquisition of a smaller PRS asset by a private Irish investor for €1.065m. The sole PBSA deal comprised a domestic investor acquiring a 106-bed Radical Student Living on Edward Square in Galway for €9m.

Institutional investor demand for PRS assets remains and is growing, although activity has been uneven. As shown in the chart below, between Q1 2019 and Q1 2026, the sector has experienced distinct phases of stronger and weaker activity, with periods of limited transactions followed by more active quarters. These fluctuations reflect a combination of external shocks and shifts in market conditions, including periods of heightened uncertainty, often related to rent caps and landlord and tenant legislation, rather than a sustained decline in underlying demand. As a result, turnover and deal volumes vary significantly between quarters, in particular in the most recent years.

Quarterly Living Sector Investment Activity (Q1 2019-Q1 2026)

Source: Lisney



OFFICE SECTOR

Office investment activity was modest in Q1 2026, with €113.2m transacted across ten deals, although the start to the year was stronger than a year earlier (Q1 2025), when €87.4m was transacted.

Activity eased compared with €149m in Q4 2025 and €245m in Q3. Despite the decline in turnover, transaction volumes remained stable, indicating a shift towards smaller lot sizes rather than a reduction in activity. The sector accounted for 26% of Q1 2026 turnover, up from 18% in Q4 2025 and above the 16% recorded in Q1 2025. The average deal size declined to €11.3m in Q1 2026, down from €14.9m in Q4 and €20.4m in Q3.

Activity remained largely focused on Dublin, however, compared with previous quarters, there was a broader regional spread. Across all locations, investor demand continued to focus on prime, well-located assets, with strong tenant covenants, secure income profiles and limited short-term capital expenditure requirements. Investor interest in office assets is beginning to pick up again as pricing becomes more aligned with market expectations.

Q1 activity was led by the living and office sectors, which combined accounted for 83% of total turnover.

East Wing Block R, Dublin 1



However, transaction timelines have lengthened, particularly for larger assets, as investors remain cautious amid current uncertainty.

The largest office transaction of the quarter was the sale of East Wing Block R at Spencer Dock in Dublin 1, acquired by the OPW for €23.57m from the Central Bank of Ireland. The OPW was already occupying part of the building. The disposal followed the sale of the west wing to the NCI in 2022 and forms part of the Central Bank’s broader strategy to consolidate its operations within a single Docklands campus on North Wall Quay and Mayor Street.

Another notable transaction was the sale of The Hive in Sandyford, Dublin 18, brought to the market by a receiver and acquired by Ardvest, an Irish investor, for €23.25m. The building was extensively refurbished to achieve LEED Gold and BER A3 standards. It was previously brought to market in 2022 with a guide price of €34.4m.

No. 2 Ballsbridge in Dublin 4 was acquired for €18m. The property, now vacant, offers extension and redevelopment potential with granted planning permission for additional space. It had previously been brought to market in 2024 with a guide price of €32.5m. However, at that time, it was occupied by several short-term tenants, including BlackRock and Coca-Cola.

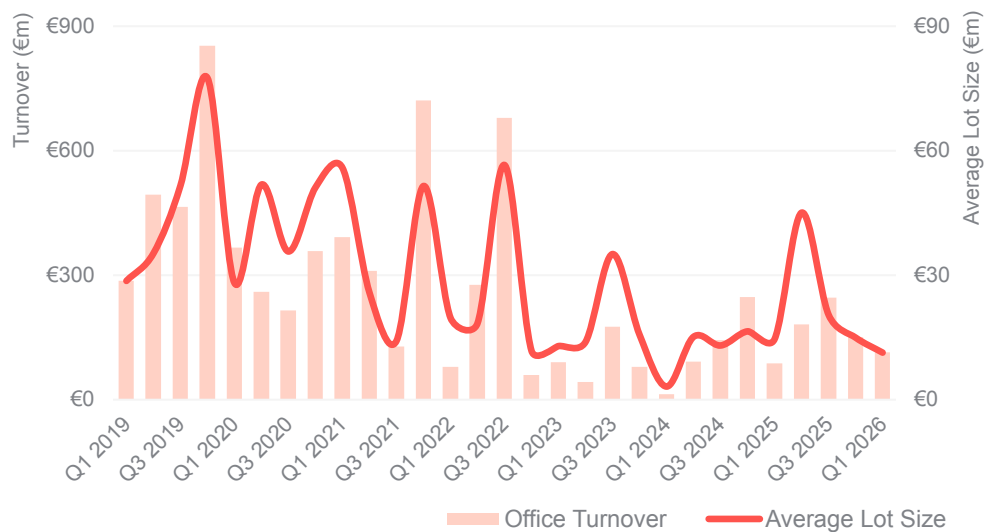
Arkea acquired Hawthorn House at Plassey Innovation Campus in Limerick for €16.3m, the largest regional office transaction of the quarter. Developed by Fine Grain in 2019, the building holds LEED Gold certification and a BER B1 rating. Montague Court at 7–11 Montague Street in Dublin 2 was acquired by the O’Callaghan Collection for €12.5m, below its €13.2m guide price, and offers redevelopment potential for a larger scheme, subject to planning.

The remaining five transactions ranged between €1.075m and €9.75m, with two located in Dublin, two in Co Galway and one in Co Donegal.

Office investment activity can vary significantly between quarters without a material change in transaction volumes, reflecting differences in deal size rather than the number of transactions. As shown in the chart below, over the period from Q1 2019 to Q1 2026, total turnover broadly follows average lot size, with stronger quarters linked to larger transactions, while weaker periods reflect smaller deals rather than a reduction in overall activity.

Quarterly Office Sector Investment Activity (Q1 2019-Q1 2026)

Source: Lisney



RETAIL SECTOR

Retail investment activity fell sharply in Q1 2026, with just €7.4m transacted across a single deal, a significant decline from €222m in Q4 2025 and €62m in Q3.

This also represented a substantial drop from €272m recorded in Q1 2025. The sector accounted for just 2% of total quarterly turnover, compared with 27% in Q4 2025 and 50% in Q1 2025, making this one of the weakest quarters for retail investment activity on record.

The only retail transaction of the quarter was the off-market sale of a Tesco store on South Lotts Road in Dublin 4 to US investor State Street for €7.4m. The lack of activity reflects a combination of a stock shortage following strong activity last year and a pause in transactions, rather than a fundamental shift in investor

demand, with a number of potential deals not progressing during the quarter. As a result, activity in Q1 remained constrained, both by limited availability and slower deal execution. Investor interest remains focused on well-performing retail parks, shopping centres and supermarkets with strong tenant line-ups and secure income profiles. Within this, demand is increasingly concentrated on more resilient assets, particularly grocery-led schemes.

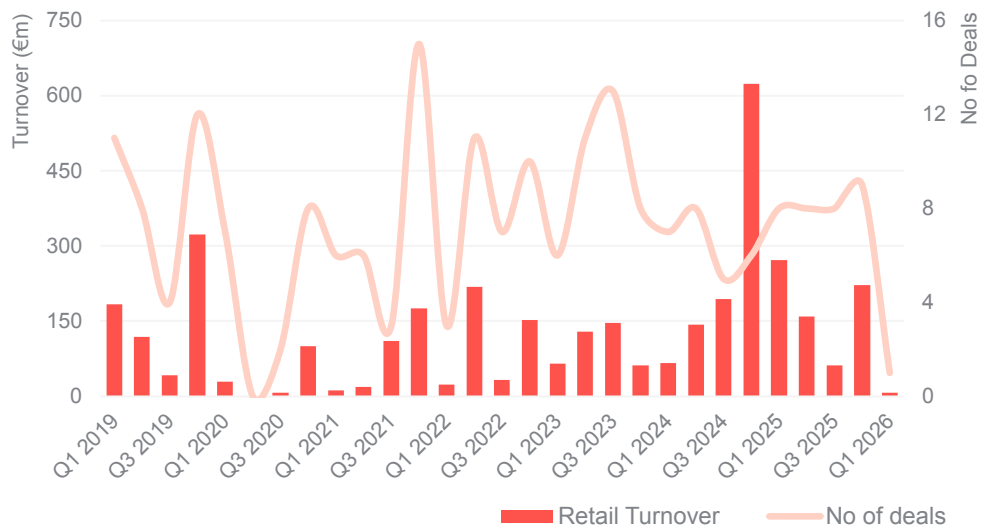
Retail investment activity tends to be more closely aligned with transaction volumes than in other sectors, although this is not consistent across

all periods, and larger transactions can still influence turnover. As shown in the chart below, over the period from Q1 2019 to Q1 2026, stronger quarters are generally supported by higher deal volumes, while weaker periods reflect more limited transaction activity.

Retail investment activity tends to be more closely aligned with transaction volumes than in other sectors.

Quarterly Retail Sector Investment Activity (Q1 2019-Q1 2026)

Source: Lisney



INDUSTRIAL SECTOR

Industrial investment activity moderated in Q1 2026, with €41.3m transacted across four deals, down from €99m in Q4 2025 and €93m in Q3.

However, turnover was broadly in line with Q1 2025, when €41.26m was recorded. The sector accounted for 9% of total quarterly turnover, compared with 12% in Q4 2025 and 13% in Q3. The average deal size declined to €10.3m, down from €16.5m in Q4 and €15.4m in Q3, reflecting a shift towards smaller lot sizes. Two large industrial portfolios (Horizon and Project Liffey portfolios) were expected to transact in early 2026, however, neither has closed yet, likely reflecting a more cautious investor sentiment.

The largest industrial transaction was the off-market sale of five industrial units in North Dublin to US investor

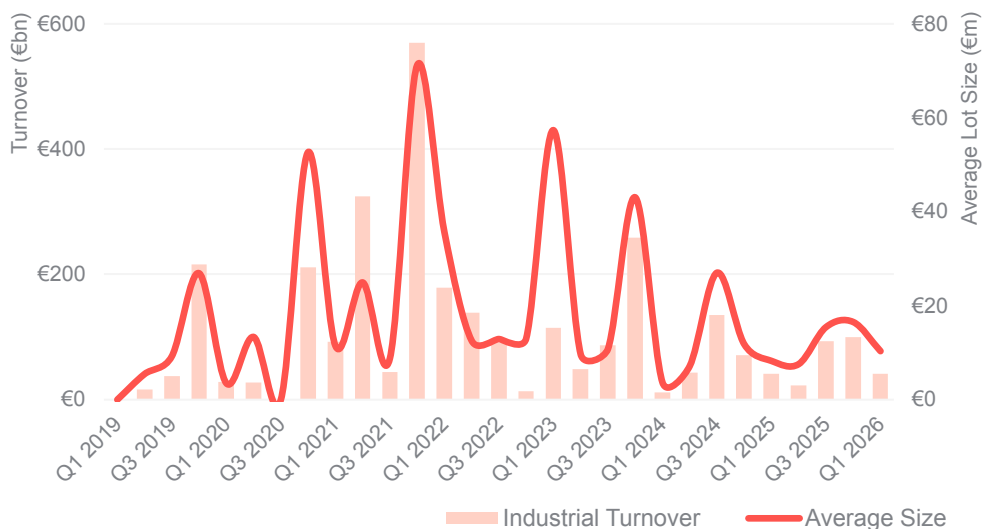
State Street for €33.15m. This was followed by three smaller transactions, including WEMO's off-market acquisition of Unit 4 in Cookstown, Dublin 24 for €3.25m. Private Irish investors were active at smaller lot sizes, acquiring Unit 1-4 Broomhill Terrace in Tallaght for €3.1m and Hevac, Unit 7 at Sitecast Industrial Estate in Cork for €1.83m.

Despite the softer quarter, investor demand remained focused on well-located assets with strong tenant covenants and value-add potential, with activity continuing to be driven by smaller and mid-sized transactions.

Industrial investment activity is largely driven by a relatively small number of transactions, with turnover largely dependent on the timing and scale of individual deals. As shown in the chart below, over the period from Q1 2019 to Q1 2026, movements in turnover tend to closely track changes in average deal size, with stronger quarters driven by larger transactions and weaker periods reflecting smaller lot sizes. Activity has also been influenced by limited availability, with turnover constrained more by supply than by investor demand.

Quarterly Industrial Sector Investment Activity (Q1 2019-Q1 2026)

Source: Lisney



PRICING

The table below outlines our estimated prime yields in Dublin in Q1 2026.

Prime Net Equivalent Yields

	Retail	Office	Industrial	PRS*
Q1 2026	5.15%	5.00%	5.00%	4.75%-4.90%
Quarterly Change	0 bps	0 bps	0 bps	0 bps
Annual Change	0 bps	-35 bps	0 bps	0 bps

* PRS yields assume OPEX at 20% of income

Source: Lisney

Tesco, South Lotts Road, Dublin 4

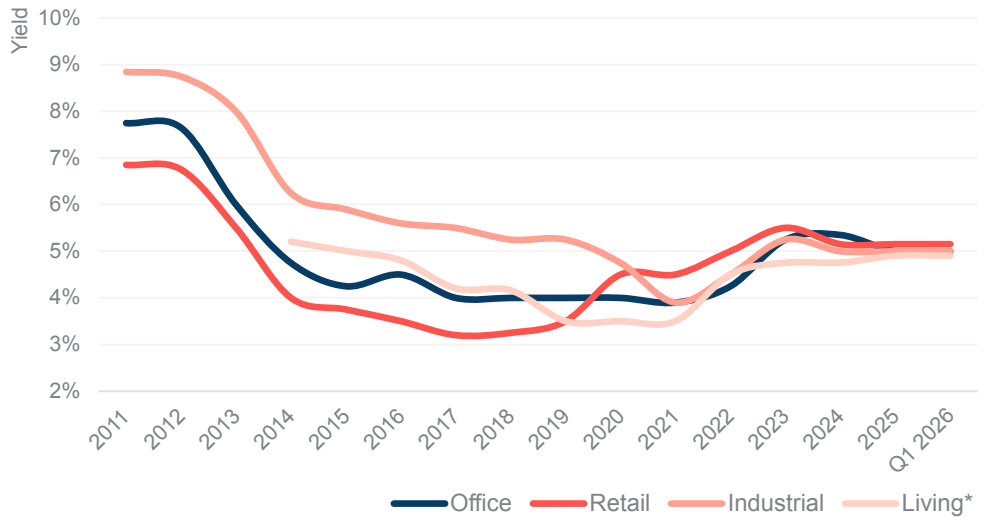


The Q1 2026 MSCI/SCSI Ireland Property Index shows that capital values for 'all property' remained broadly stable, increasing by 0.4% year-on-year and 0.6% in the quarter. The office was the only sector recording an annual decline in capital values, although this stabilised on a quarterly basis.

Prime Net Equivalent Yields (2011 – Q1 2026)

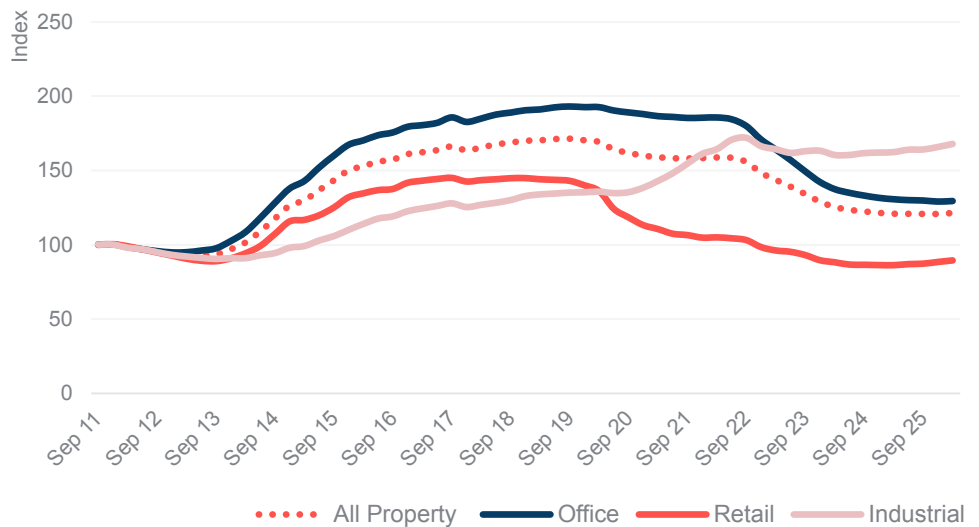
Source: Lisney

* PRS yields assume OPEX at 20% of income




MSCI / SCSi Capital Value Growth Index (Q4 2011 – Q1 2026)

Source: MSCI, Lisney analysis



SUPPLY

At the end of March 2026, there was in excess of €1bn worth of on-market investment opportunities available, some of which had deals agreed. However, considering the off-market sales activity, supply is significantly larger, reflecting both recent trends and a more cautious approach in the current market environment.



Institutional investors will remain active but more selective, with greater scrutiny around pricing and execution.

OUTLOOK

- Geopolitical and economic uncertainty will remain a key feature of the market in 2026, particularly in the next six months, contributing to a more cautious investment environment. While underlying demand remains, increased uncertainty around pricing and the macroeconomic outlook is continuing to impact transaction timelines, with a number of deals taking longer to progress or being delayed.
- Investment activity will remain more subdued in the short term. While there is evidence of stock in the market and ongoing investor interest, this is not consistently translating into completed deals, with a number of transactions not progressing as initially expected. As a result, a gap between buyer and seller expectations is likely to continue to weigh on volumes, particularly for larger lot sizes, with some deals pushed into latter half of the year.
- Institutional investors will remain active but more selective, with greater scrutiny around pricing and execution. This is particularly evident in larger lot size transactions, where decision-making processes have lengthened. Domestic investors, along with French SCPIs, are likely to continue to play a role at smaller lot sizes, where opportunities remain more accessible.
- Pricing is likely to continue to adjust in the near term, with limited visibility on the direction of yields. Any movement will remain closely linked to wider market conditions, including interest rate expectations and the cost of capital.
- Investor demand will remain focused on assets with strong tenant covenants, secure income profiles and limited short-term capital expenditure requirements. More resilient sectors, including living and grocery-led retail, are likely to remain more liquid, while activity in other sectors may remain constrained until there is greater clarity on pricing and market conditions.

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