



## UCEM Institutional Research Repository

<b>Title</b>	A series of bite size webinars on office investment
<b>Author(s)</b>	David Hourihan, David Hourihan, David Hourihan and David Hourihan
<b>ORCID</b>	<a href="https://orcid.org/0000-0003-1405-3130">https://orcid.org/0000-0003-1405-3130</a> ; <a href="https://orcid.org/0000-0003-1405-3130">https://orcid.org/0000-0003-1405-3130</a> ; <a href="https://orcid.org/0000-0003-1405-3130">https://orcid.org/0000-0003-1405-3130</a> ; <a href="https://orcid.org/0000-0003-1405-3130">https://orcid.org/0000-0003-1405-3130</a>
<b>Type</b>	Conference or Workshop Item
<b>Publication title</b>	
<b>Publisher</b>	
<b>ISSN/ ISBN</b>	
<b>Publication Date</b>	1 January 2019
<b>Version</b>	
<b>DOI</b>	
<b>Repository link</b>	<a href="https://ube.repository.guildhe.ac.uk/id/eprint/202/">https://ube.repository.guildhe.ac.uk/id/eprint/202/</a>
<b>Link to publication</b>	

### Copyright:

UCEM aims to make research outputs available to a broader audience via its digital [Repository](#). Where copyright permits, full text material held in the Repository is made freely available. URLs from GuildHE Research Repositories may be freely distributed and linked to. Please refer to each manuscript for any further copyright restrictions.

### Reuse:

Copies of full items can be used for personal research or study, educational, or not-for-profit purposes without prior permission or charge provided that the authors, title and full bibliographic details are credited, a hyperlink and/or URL is given for the original metadata page, and the content is not changed in any way.





# An Introduction to Commercial Office Markets Dublin

**David Hourihan**

MSc Prop Invest  
FSCSI FRICS FHEA

**UCEM**



[www.bayfieldtraining.com](http://www.bayfieldtraining.com)



# An Introduction to Commercial Office Markets - Dublin



**Lucy Connolly**  
BSc MSCSI MRICS

- Divisional Director, Head of Office Agency, Bannan Commercial Property Consultants, Dublin.
- 16 Years of commercial real estate experience in Ireland.
- Specialist in office agency.
  - » Notable recent transactions include:
    - » Fitzwilliam 28
    - » Cadenza
    - » 2WML
    - » Dublin Airport Central
- Represented a wide variety of private clients, investors and institutions including:
  - » Irish Life
  - » Dublin Airport Authority
  - » ESB Networks
  - » Hibernia Reit
  - » Bank of Ireland
  - » Hammerson
  - » Aviva



**David Hourihan**  
MSc FSCSI FRICS FHEA

## Academia

- Graduated from UCEM MSc in Property Investment in 2008.
- UCEM Programmes Leader for the BSc Real Estate Management and MSc Real Estate.

## Industry

- 17 years of commercial real estate experience across the UK and Ireland.
- Specialist in investment, office agency, retail asset management and valuation.
- Previous positions with international firms including JLL and Colliers International.
- Acquisition and asset management instructions for clients including Société Générale, Metzler Bank, Mobil Oil, Scottish Widows, Aviva and British Land.
- Member of the Investment Property Forum (IPF).

## SCSI / RICS APC

- APC Chairman.

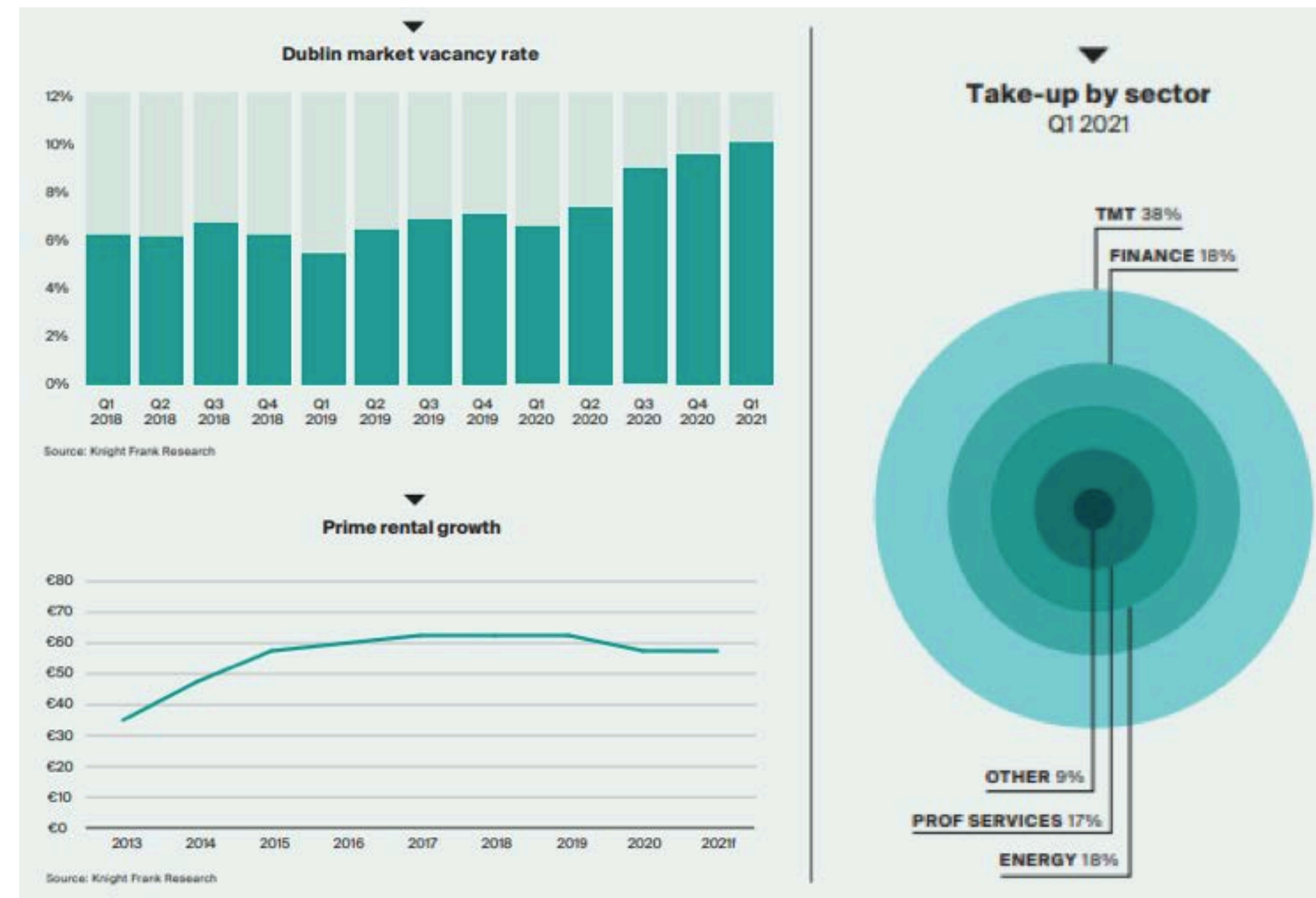
# Dublin Office Investment Sector - Structure

Dublin and its sub markets:



Source: BNPPRE Research

Dublins Office Lettings Market



Source: Knight Frank



# Introduction to the commercial office markets - Dublin

## Dublin Office Investment Market

### 2020 total turnover

- €3.05bn in residential / commercial properties.
- 39% of 2020 total turnover was in offices sector.
- Dublin represented 96% of total turnover.

### 2020 Office Occupier Market

- 161,538 sq m office space take up in Dublin.
- TMT (72%), 7% Public Sect (7%), Health & Pharma (7%).
- Prime rents: €645-655 per sq m.

### 2020 Office Investment Deals

PROPERTY	PRICE	YIELD	PURCHASER
 Bishop's Square, Dublin 2	€183m	4.0%	GLL Real Estate Partners
 Fitzwilliam 28, Dublin 2	€177.5m	4.0%	Amundi Immobilier
 Baggot Plaza, Dublin 4	€141m	4.0%	Deka Immobilien
 The Treasury Building, Dublin 2	€115.5m	4.3%	Google
 2 Burlington Road, Dublin 4	€94m	4.3%	KGAL

(BNP Paribas Real Estate Guide to Investing in Dublin 2021)

## SWOT Analysis of Dublin Office Investment

### Strengths

- GRETI 2020 – Ireland ranked no 8 out of 99 countries and territories.
- Low corporation tax rate (12.5%).
- Mature economic structure.
- 12th most competitive economy in the world (IMD World Competitiveness Yearbook 2020).
- No oversupply of new office developments.
- Post Brexit - Now only English speaking capital city within the EU.
- Strong interest from legal firms – common law and English language legal system.
- Greater diversity of investor type. (Pre GFC – Unhealthy Irish dominance).

### Weaknesses

- Open Economy.
- Stamp Duty - 7.5%.
- Rent Reviews (cap/collar, index linked).
- Dominance of tech companies as occupiers.

### Opportunities

- Changing work patterns.
- Bounce back in economy forecasted in H2, 2021.
- Institutional Opportunity - PRS Sector.

### Threats

- Corona Virus - Lockdowns.
- Brexit.
- Political instability at home and abroad.

# Dublin Office Investment Market - Key Trends & Forecasts



## Trends

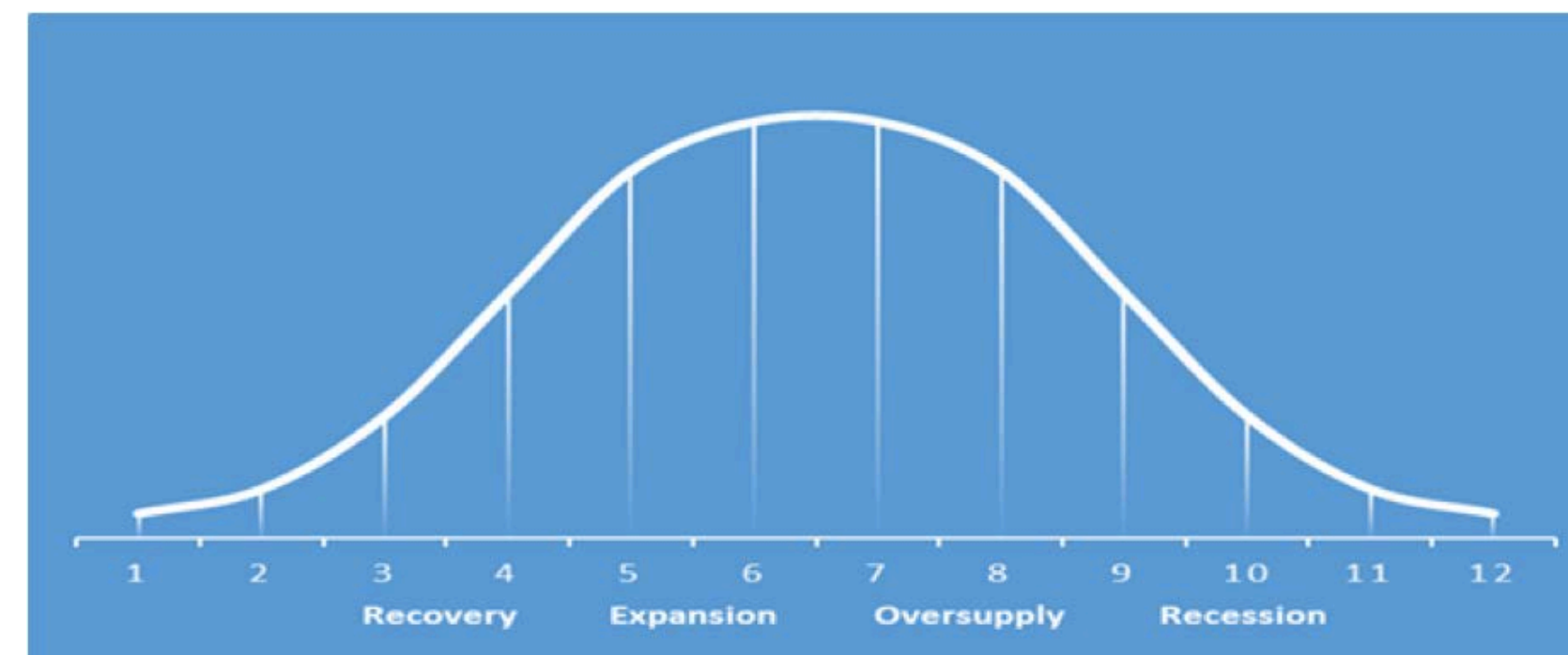
- 1 How has the pandemic affected the valuation process for Dublin offices?
- 2 Where currently is Investor appetite: Core, Core Plus, Value Added, Speculative?
- 3 In terms of location - Have certain Dublin office sub-markets been affected more than others during the lockdown?
- 4 In lettings - Have lease terms changed as a result of the pandemic?



## Forecasts (next 12 months?)

- 1 Will tenants pay more for a high rated BREEAM office building?
- 2 Will Dublin office rents remain rise or fall after the lockdown?
- 3 What type of investor will be most active in the Dublin office markets?
- 4 How will office design change post pandemic?

Where is the Dublin office investment market in its life cycle?





**Thank you for attending our webinar.**

**Here's our upcoming schedule....**

**An Introduction to Commercial Office Markets  
Paris**

**16<sup>th</sup> June 2021 | 11:00am BST**

**An Introduction to Commercial Office Markets  
Frankfurt**

**23<sup>rd</sup> June 2021 | 11:00am BST**

**The Perfect Storm – major high street thinking  
for malls and small-town retail**

**7<sup>th</sup> July 2021 | 11:00am BST**



Subscribe to our YouTube channel



**Follow us on social media:**

 Bayfield Training

 @BayfieldTrain

 Bayfield Training

 Bayfield Training

**Exclusive discounted offer**



**ANY OF OUR PUBLIC COURSES IN 2021**

Simply attend any 5 of our webinars  
this year to receive this offer