

NATIONAL COMMERCIAL VACANCY RISES TO 13.5% IN Q4 2016

Highlights:

- 28,796 of the 213,666 commercial addresses recorded in the Republic of Ireland in Q4 2016 were vacant.
- The Q4 2016 GeoView report, provides a breakdown of commercial vacancy by province, county and town.
- The national commercial vacancy rate in Q4 2016 was 13.5%, an increase of 0.9 percentage points since Q4 2015.
- Counties on the West coast of Ireland tended to perform less well in terms of vacancy rates relative to their eastern counterparts.
- Kerry recorded the lowest vacancy rate of any county in Q4 2016 at 10.2% and Sligo recorded the highest at 16.4%.

DATE: Commercial vacancy rates in Ireland have increased from 12.6% in Q4 2015 to 13.5% in Q4 2016, according to new research published by GeoDirectory today. The GeoDirectory database shows there were 213,666 commercial address points in Ireland with 28,796 of those properties lying vacant. The data indicates a substantial unused commercial building stock not just across the country but also in Dublin.

The new research is from the Q4 2016 edition of *GeoView* which is published twice a year. It is the twelfth in the series but the fourth year-end review of commercial vacancy rates in Ireland that not only provides national data but also analyses the data by province, county and town, and across a broad range of sectors in the Irish economy.

One key finding from the analysis is that counties on the west coast of Ireland tended to perform less well than their eastern counterparts, with Sligo (18%), Leitrim (16.4%), Donegal, Mayo (15.6% each), Galway (15.4%) and Limerick (15.3%) having the six highest vacancy rates in the country. This split is again evident when looking at a provincial level, Connacht, at 15.7%, had the highest vacancy rate of any province, while Leinster (excluding Dublin), had a vacancy rate of 12.5%. Munster also recorded a vacancy rate below the national average at 12.9%, while Ulster and Dublin recorded overall vacancy rates of 14% and 13.7 % respectively.

In the last year, commercial vacancy rates increased in 25 out of the 26 counties. Limerick was the only county that retained the same vacancy rate as Q4 2015, albeit still at a notably high 15.3%. Kerry recorded the lowest vacancy rate of any county in Q4 2016 at 10.2%, which was a 1pp rise since Q4 2015. Sligo recorded the highest commercial vacancy rate of any county in Q4 2016 at 18%. The largest percentage point increase over the last year was in Tipperary where the vacancy rate increased by 2.2pp to 14.1%. This was closely followed by Mayo and Offaly where annual increases of 2.1pp and 2pp were recorded respectively.

The data is published by GeoDirectory which was jointly established by An Post and Ordnance Survey Ireland (OSi) to create and manage Ireland's only complete database of commercial and residential

buildings. These figures are recorded through a combination of the An Post network of 5,600 delivery staff working with OSi.

An analysis of 101 locations, including 79 towns across the four provinces plus 22 Dublin districts, found that Edenderry, Co. Offaly had the highest vacancy rate (31%). Taking the 15 towns with the highest vacancy rates, these were predominantly located in the Midlands or West of Ireland, indicating the extent of underutilised commercial capacity outside the main urban centres. The town of Ballina, Co. Mayo had the highest vacancy rate in Connacht, with a rate of 24.7%. Kilrush, Co. Clare had the highest commercial vacancy rate in Munster at 24.2%. The highest vacancy rate in Ulster was in Ballybofey Co. Donegal (28.8%), which recorded one of the highest vacancy rates in the country. As previously mentioned, Edenderry, Co. Offaly had the highest vacancy rate in Leinster (excluding Dublin) with a rate of 31%.

Despite evidence from property agents which indicates that there is a strong recovery underway in the Dublin commercial property market in terms of transactions activity and new space under construction, commercial vacancy rates across Dublin in Q4 2016, according to GeoView, were mostly in double digits. There were only 5 Dublin districts where vacancy rates were less than 10%. The Dublin district with the highest vacancy rate was D17 (19.2%), while D16 (7%) had the lowest vacancy rate.

GeoView also gives readers a breakdown of the occupied commercial stock by sector, using NACE codes. Services was the most popular sector, accounting for 81,743 of the total 172,764 properties allocated a NACE code. The Distribution sector had the next highest number of commercial address points with a NACE code, accounting for 24.4% of the total.

Commenting on the findings, Dara Keogh, CEO, GeoDirectory said: “In this edition of GeoView, we’re seeing the divide between the commercial success in the east and west growing. The six counties with the highest vacancy rates are on the west coast. Our figures reinforce the theory that we have a recovery that is somewhat skewed with the west of Ireland falling behind the rest of the country. Even within Dublin, which is ahead of most other counties, we have a vacancy rate of 19.2% in Dublin 17, well above the county and national averages.”

Annette Hughes, Director of DKM Economic Consultants said: “We have now completed our fourth comprehensive year-end report on the commercial building stock in Ireland. This report is very timely, with its analysis of 79 regional towns, and following the recent launches of the public consultation on the National Planning Framework for Ireland and the Plan for Rural Development, it shows the areas most in need of support, given the high vacancy rates recorded. Moreover, despite evidence from property agents which indicates that there is a strong recovery underway in the Dublin commercial property market in terms of transactions activity and new space under construction, commercial vacancy rates across Dublin in Q4 2016, according to GeoView, were mostly in double digits. This suggests there is still substantial unused commercial building stock not just across the country but also in Dublin. ”

The *GeoView* Commercial Premises Vacancy Report, tracking commercial vacancy rates nationally and by county, is published twice a year by GeoDirectory and DKM Economic Consultants. It can be found at www.geodirectory.ie.

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Notes to Editor:

Dara Keogh, CEO of GeoDirectory and Annette Hughes, Director of DKM Economic Consultants are available for interview.

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The GeoDirectory database is used by many different companies and organisations across a diverse range of applications. Its database and services are used by Central Statistics Office to achieve more accurate census results, Gas Networks Ireland has used for GeoDirectory to identify and categorise new potential customers and 11890 Directory Inquiries have used GeoDirectory to provide detailed directions and maps to their customers.

In the property sector, GeoDirectory is used by Daft.ie and the Property Registration Authority. In addition, utility companies, banking and insurance providers, and all local authorities use the database.

To help make information about the property market in Ireland more accessible to the public, GeoDirectory has created a free app called GeoFindIT. It is available as a download from the iTunes and the Android stores.

NACE Rev. 2 is the statistical classification of economic activities; an acronym for General Industrial Classification of Economic Activities within the European Communities.

For further information or to view relevant case studies please visit www.geodirectory.ie

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