CUSHMAN & WAKEFIELD

MARKETBEAT

IRELAND INDUSTRIAL AND LOGISTICS

Q3 2025

Better never settles

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LOGISTICS & INDUSTRIAL

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PLENTY OF RESILIENCE ON VIEW FROM THE INDUSTRIAL SECTOR IN Q3

The agreement of a 15% tariff ceiling on EU exports to the US over the course of the summer was a key sector development in Q3 that could be either seen as glass half empty or half full. Overall, although it's disappointing to see the imposition of any tariffs on transatlantic trade we're inclined to see it as more glass half full to the extent that it at least removes any further uncertainty for those in the industrial sector.

Recent months have again seen the Irish economy performing solidly although the trade wave which buoyed Irish GDP in the first half of the year seems to be subsiding now. Despite this, domestic economic conditions remain positive now and into 2026 in our view.

Although national take-up was down in Q3 compared to Q2 2025 market demand has strengthened over the past year – neatly encapsulated in the fact that take-up for the first three quarters of 2025 (approximately 246,300 sq. m) has already surpassed the entire total for 2024.

Availability nationally fell slightly compared with Q2 with the national availability rate estimated at 3.6% (4.2% in Dublin) while space under construction increased compared to Q2, particularly in the Dublin market.

Investment volumes picked up in Q3 compared to the past couple of quarters which have been very weak in a historical context. Investor interest in the sector remains strong thanks to the strong growth in rents in recent years although a lack of product is hindering investment activity. We see rental growth continuing for the industrial sector over the medium term thanks to factors like a tight supply demand balance and rising construction costs. That said, we expect rental growth rates to be lower compared to recent years. We are also forecasting prime yields in the sector to tighten modestly in the next twelve months.

Brendan Smyth
Directors, Head of Ireland Industrial & Logistics
+353 (0) 1 639 8383
Brendan.smyth@cushwake.com

Tom McCabe
Head of Research & Insights Ireland
TEL: +353 (0) 1 639 9244
Tom.mccabe@cushwake.com

KEY TAKEAWAYS

Despite the more uncertain trade backdrop, national industrial take-up hit approximately 76,800 sq. m in Q3, down on Q2 yet close to the five-year average.

Q3 occupier demand was well spread across the retail, 3PL/Transport and manufacturing sectors while we also saw the return of larger deals (over 3,000 sq. m) in the period.

Prime rents have edged higher to approximately €145 per square metre and we forecast them to grind modestly higher towards year end.

Investment activity reached just €92.7m in Q3 exceeding both Q1 and Q2 2025 combined.

Tariffs remain a headwind, but Q3 data demonstrated resilience The Manufacturing PMI stayed above 50 and shipping costs, while rising, remain far below prior peaks — signalling steadier conditions into year-end.

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ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
+17.1% GDP, Q2 2025	▲	▼
51.8 IRELAND MANUFACTURING PMI	▲	–
+3.5% YoY RETAIL SALES VOLUMES, SEPTEMBER 2025	▲	–

SUPPLY CHAIN INDICATORS

	YOY Chg
0 GLOBAL SC PRESSURE INDEX, SEPTEMBER 2025	▲
103.5 GOODS TRADE BAROMETER, SEPTEMBER 2025	▲
2,134 BALTIC EXCH. DRY INDEX SEPTEMBER 2025	▲

Source: MOODYS, NY FED, WTO

ECONOMY: STEADY MOMENTUM DESPITE TRADE UNCERTAINTY

Ireland's Q2 national accounts showed that GDP grew marginally in the period (+0.2%) while modified domestic demand grew by 0.6%. Compared to Q2 2024, Irish GDP growth has been exaggerated by a big uplift in exports ahead of the imposition of tariffs and in H2 we expect GDP readings to moderate. In fact, preliminary Central Statistics Office (CSO) estimates show GDP was broadly flat in Q3, down 0.1% on the quarter. Modified domestic demand is growing steadily, supported by household spending and steady labour-market conditions. Headline inflation has eased back toward the 2% range, while unemployment remains close to recent lows, reinforcing Ireland's position as one of the euro area's stronger-performing economies heading into year-end.

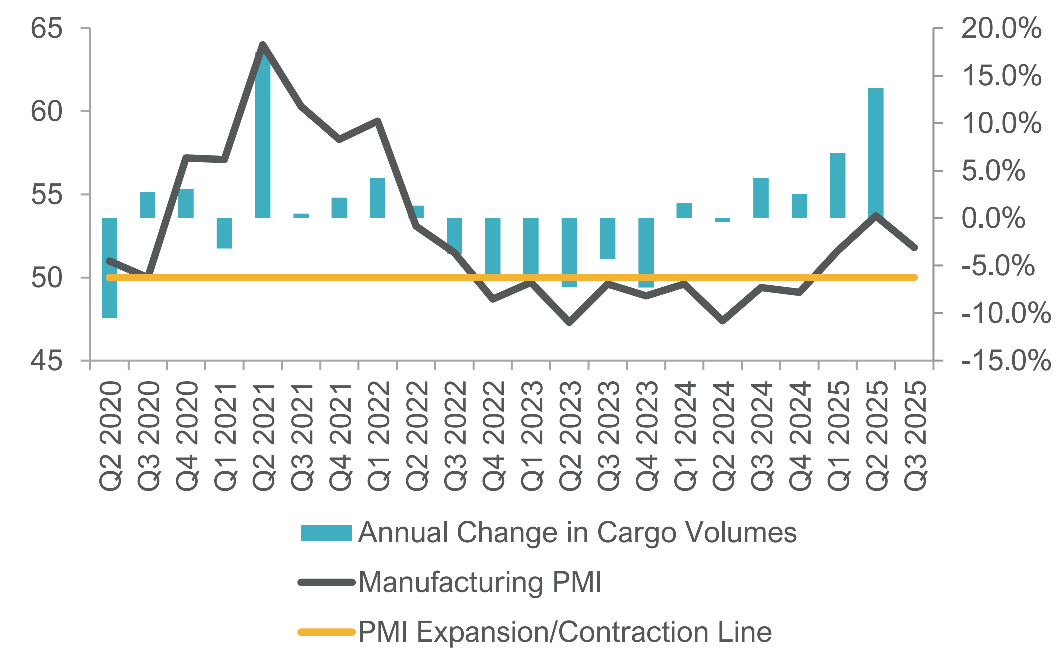
In the manufacturing sector, the Purchasing Managers Index (PMI) has held close to 52 through Q3, suggesting output is still growing modestly. Meanwhile, freight indices point to firmer shipping costs but more reliable delivery times, signalling a normalisation of supply chains. Over the summer months the EU also finalized a trade and tariff deal with the US – while the 15% tariff rate is a headwind for EU trade with the US at least the agreement providers greater predictability for EU-US trade over the medium term.

TRADE DATA MODERATES FOLLOWING BUMPER H1

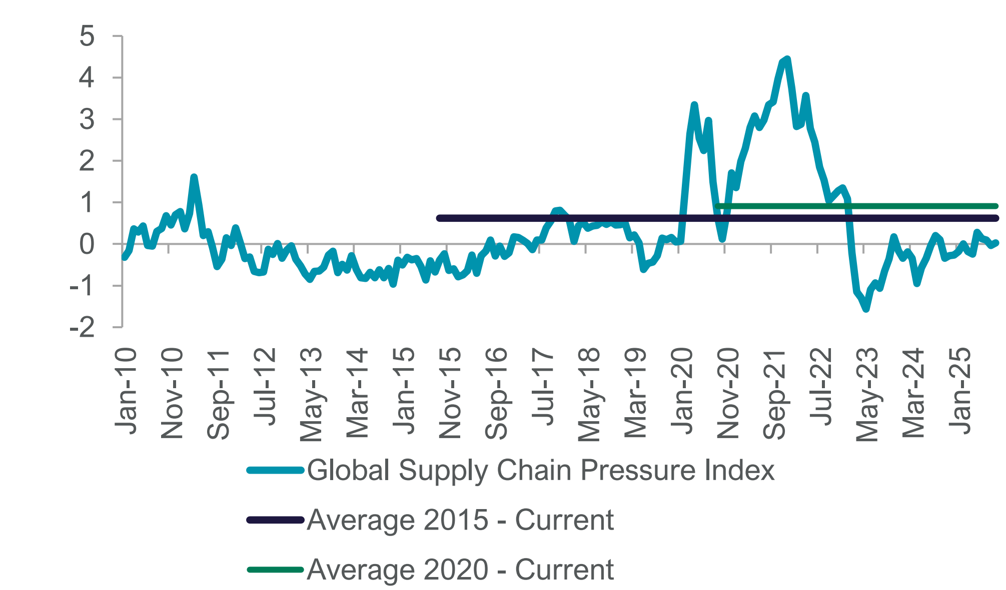
The trade trends that dominated Ireland's H1 economic performance have eased since the end of Q2. Monthly data for August showed exports flat compared to July and down 6.7% compared to August 2024 – indicative of a fading of the front loading of exports we saw earlier in the year.

Supply chain indicators continue to show a mixed picture. The Global Supply Chain Pressure Index from the New York Fed (quantifying the level of stress in global supply chains) remains close to neutral, while the Baltic Dry Index rose above 2,000 in September, hinting at renewed freight cost pressures. At the same time, Ireland's Manufacturing PMI has stayed just above 50, pointing to a manufacturing sector that is growing. Together these trends point to a largely resilient market; shipping costs are higher than last year, but availability of goods and materials has improved. For industrial investors, that combination of easing bottlenecks and resilient tenant demand suggests some room for cautious optimism heading into 2026.

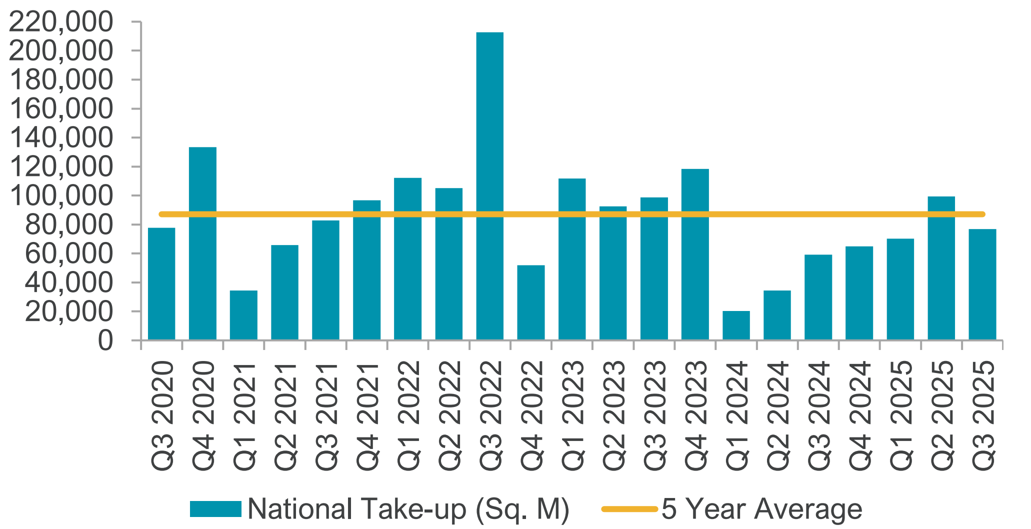
CARGO VOLUMES (YOY CHANGE) AND MANUFACTURING PMI



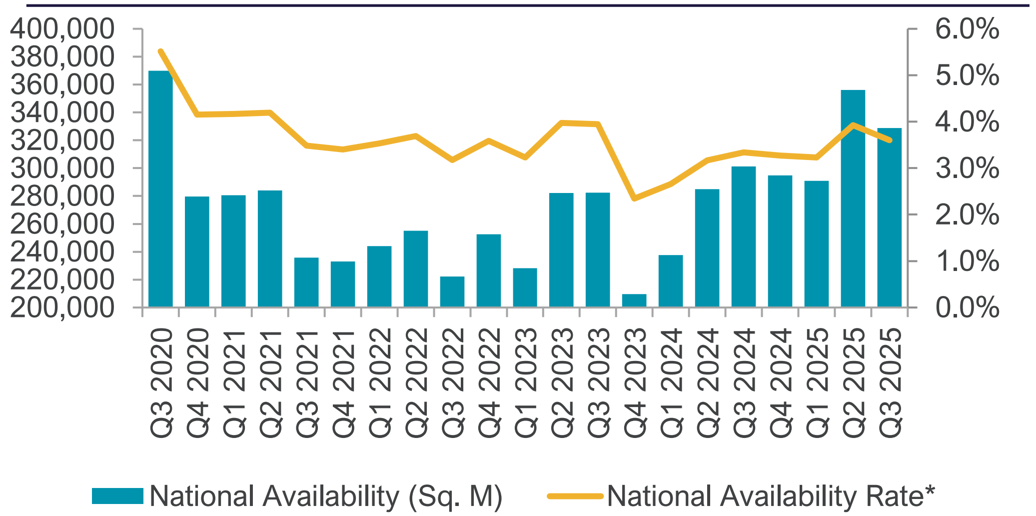
SUPPLY CHAIN PRESSURE INDEX



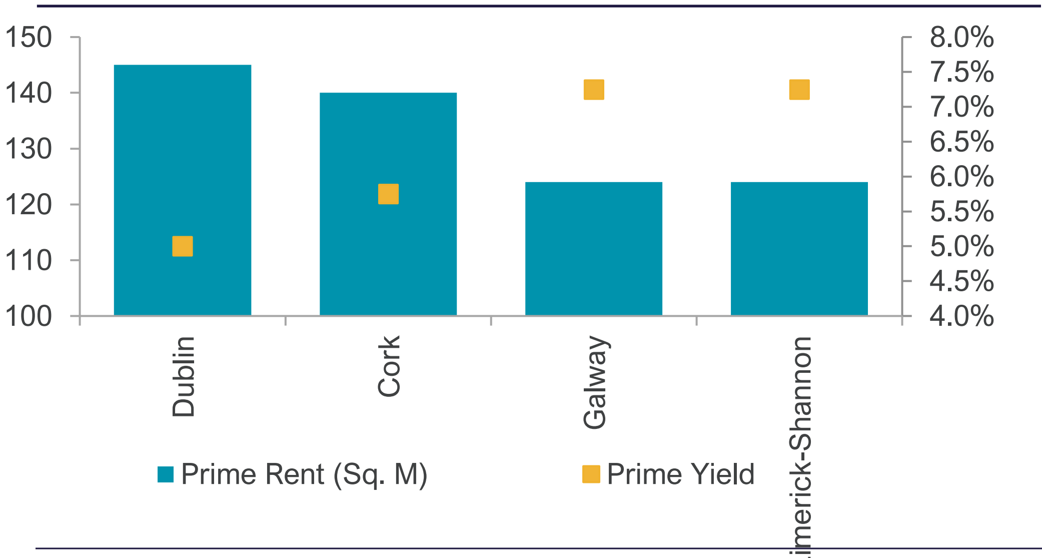
TAKE-UP



AVAILABILITY



PRIME RENTS AND YIELDS



TAKE-UP:

Q3 2025 saw total national take up at approximately 76,900 square metres, down 23% on last quarter and under the five-year average, however still up 30% on Q3 2024. National take up as of Q3 2025 has already out-performed the total take up in 2024, a sign of greater positivity for the sector.

Take up this quarter was largely focused in Dublin with take up hitting approximately 54,000 sqm across 35 deals; an average take up size of 1,500 sqm. Dublin 12 saw the largest take up by location, due to the take up of Ballymount Logistics Hub by JMC, taking just over 14,000 sqm. Other notable deals were the take up of Unit D5 Horizon Logistics Park by BCS Express and the take up of 3300 Lake Drive, Citywest Business Campus, Citywest by Flately Engineering for 3,178 sqm and 3,023 sqm respectively.

While the majority of the take up in Q3 happened in Dublin, Cork and Limerick had increased take up this quarter in comparison to Q2 with the largest deal in Cork seeing the take up of Building 8003 Blarney Business Park in Blarney, accounting for approximately 4,900 sqm of take up, with Limerick seeing the take up of a unit in Garryglass Industrial estate measuring approximately 1,800 sqm.

SUPPLY:

The sector saw supply drop by just under 8% in the quarter with availability currently at 328,813 sqm, availability dropped in both the Cork and Dublin markets but stayed static overall in both Limerick and Galway.

Dublin stock saw an increase of 36,000 sqm with the completion of three units in Horizon Logistics Park and a unit in Vantage Business Park, whereas Limerick saw one unit completed for a total of 882 sqm. There was no additional stock completed in either Cork or Galway.

Despite softer quarters in 2024, take-up has firmed in 2025 while availability has begun to edge lower, even with a modest uplift in new stock. Prime Dublin rents around €145/sq m and yields at 5% point to pricing resilience supported by tight supply and steady occupier demand. Macro conditions are broadly constructive: ECB policy is stable with inflation near target, the European Commission projects Ireland’s growth to remain solid in 2025, and the WTO sees global goods trade broadly steady, albeit with policy-uncertainty risks still at play.

DEVELOPMENT:

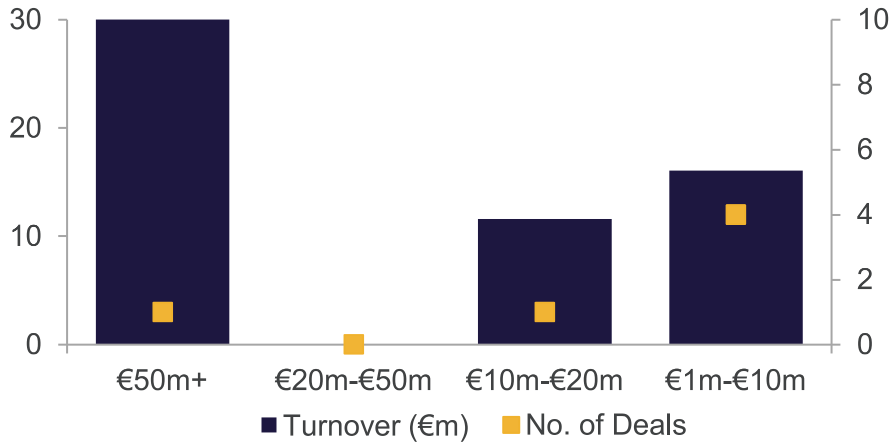
Development levels continue to improve with approximately 233,000 sqm currently under construction, of which approximately 27,400 sqm is pre-let. Key areas of development in Dublin include Horizon Logistics Park, Airport Trade Park and Stadium Business Park, with Airport Trade Park set to be complete by the end of 2025 and the remainder due in 2026.

RENTAL GROWTH:

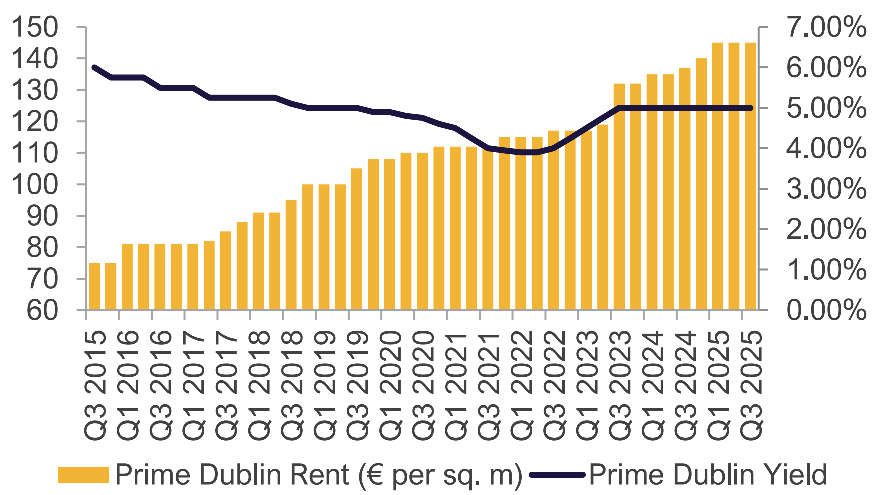
Growth in prime industrial rents nationwide has been strong in the last number of years – ranging from 6% per annum in Dublin to 12% per annum in Limerick-Shannon over the past five years. Our forecasts indicate a slowing of rental growth over the medium term but overall, we expect prime Dublin rents to reach €149 per square metre by year end while prime rents in Cork are also close to these levels.

Dublin Availability Rate restated from Q4 2023 onwards following review of market stock

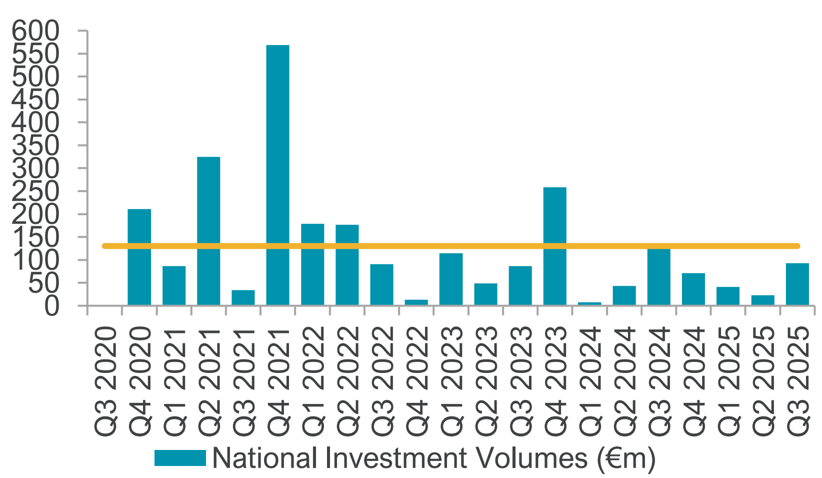
INVESTMENT BY LOT SIZE, Q3 2025



PRIME RENTS AND YIELDS (DUBLIN)



INVESTMENT VOLUMES (€M)



INVESTMENT VOLUMES:

Investment volumes picked up in Q3 2025 with a total of €93 million invested across 6 deals with an average deal size of €15.4 million, significantly outperforming the previous two quarters, albeit still below the five-year quarterly average of approx. €130 million. Investment was concentrated in Dublin with 50% of the deals completed in the GDA and accounted for €70 million, with another deal of note completing in Galway for €7.2 million.

The biggest transaction of Q3 was the sale of Park West by Harcourt Developments for €65 million, to asset manager ICG and comprised several blocks. Outside of Dublin, there was the sale of Hilton Foods in Drogheda for approximately €11.6 million.

Overall investment into Ireland's industrial and logistics stock remains steady if unspectacular – investor interest remains strong in the sector but activity has been hampered somewhat by a lack of available high quality product. Take up remains strong, forecasted yields remain attractive to high quality units and the MSCI has reported a total return of 1.2% for Q3 2025 for the industrial sector.

YIELDS & PRICING:

Dublin yields have been steady over the past year and we anticipate some modest tightening in yields to 4.90% by the end of 2025. Regionally yields also remain stable at 5.75% in Cork while they have aligned at 7.25% in Limerick-Shannon and Galway. In the manufacturing sector we have seen some yield tightening in the regions since the start of 2025 based on transactions in the Galway market in particular.

Although the pace of growth in prime rents have slowed somewhat in recent quarters, we still see rents moving higher and continuing to do so over the medium term. Prime rents in Dublin stood at €145 per square metre at the end of Q3 (up 3.6% so far this year) with only a modest gap to the Cork market (€140 per square metres) while rents in Limerick-Shannon and Galway stood at €124 per square metre. We are forecasting that prime rents in Dublin will rise to €149 and €153 per square metre for year end 2025 and 2026 respectively. Generally, the backdrop is strong however with strong rents also being achieved for older stock while rents for manufacturing units have also been on the rise.

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Galway

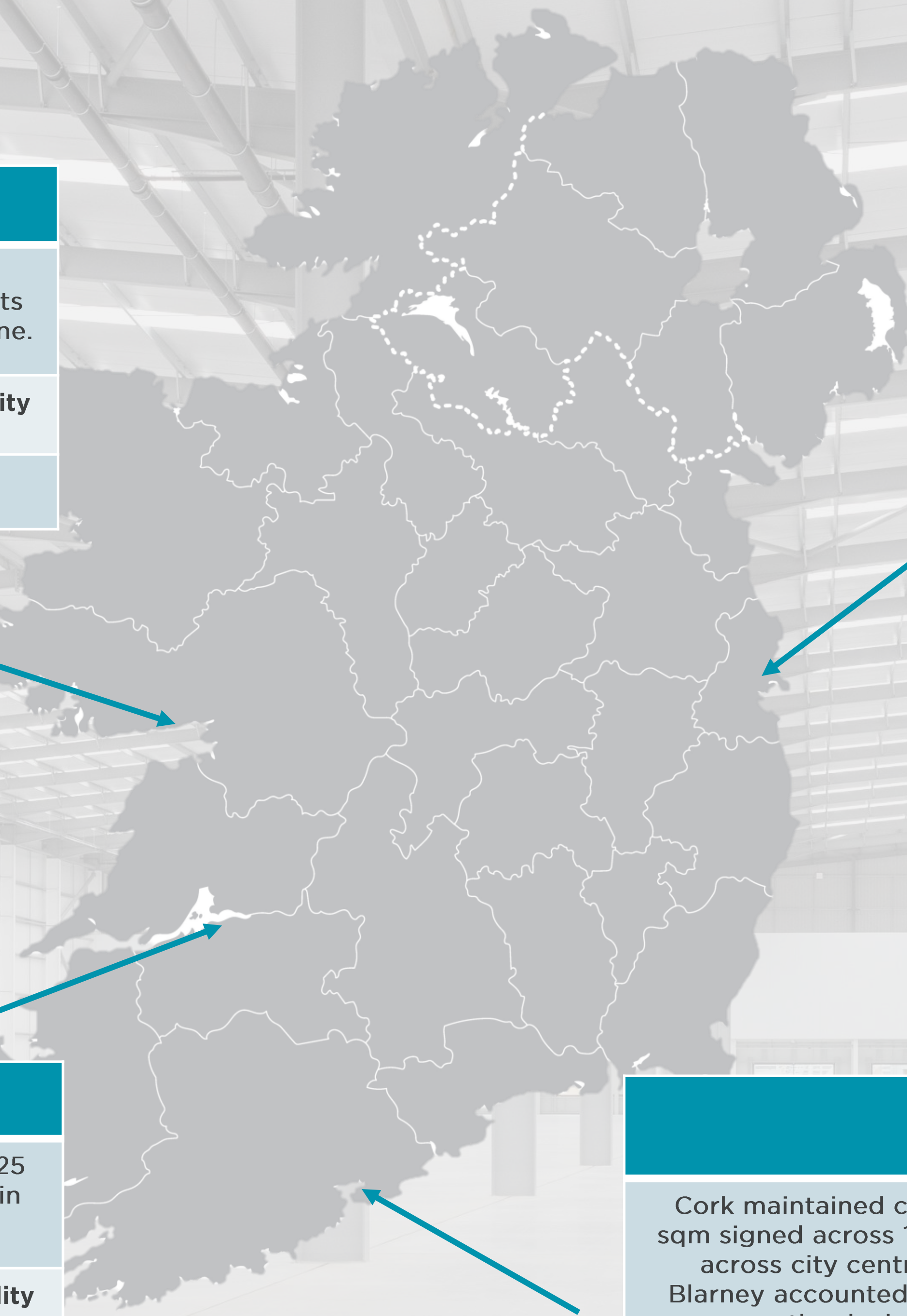
The Galway market is the smallest industrial market in Ireland tracked by Cushman & Wakefield. There was no take-up in Galway in Q3 and this reflects the current lack of available stock, particularly highlighting the lack of pipeline.

Prime Rent	5 Year CAGR	Q3 2025 Take-up	Total Availability
€124 per sq. m	7.8%	No Take Up	5,027 Sq. m

Dublin

Activity in Dublin dipped slightly in comparison to Q2 2025 however take up remained healthy with 35 deals completed for a total of 53,792 sqm. There were 5 deals over 3,000 sqm, accounting for approx. 53% of take up this quarter with one deal over 10,000 sqm. Transportation accounted for roughly 33% of overall take up by size while take up by location was evenly spread across the County.

Prime Rent	5 Year CAGR	Q3 2025 Take-Up	Total Availability
€145 per sq. m	5.6%	53,792 Sq. m (+43% yoy)	270,874 Sq. m



Limerick-Shannon

The Limerick-Shannon market saw a continued increase in take-up in Q3 2025 with an increase of 14% quarter-on-quarter and 116% year-on-year. Take-up in the quarter averaged 1,065 sqm per deal across 7 deals.

Prime Rent	5 Year CAGR	Q3 2025 Take-up	Total Availability
€124 per sq. m	12.1%	7,455 Sq. m (+116% yoy)	11,617 Sq. m

Cork

Cork maintained consistent levels of take up relative to Q2 2025 with 15,629 sqm signed across 13 deals, for an average of 1,202 per deal and spread evenly across city centre, suburban and regional locations, however a letting in Blarney accounted for approx. 4,800 sqm, roughly 33% of all space taken. Of the deals completed, just under half (6) consisted of sales.

Prime Rent	5 Year CAGR	Q3 2025 Take-up	Total Availability
€140 per sq. m	9.2%	15,629 Sq. m (-15% yoy)	41,295 Sq. m

KEY STATS
INDUSTRIAL AND LOGISTICS Q3 2025

MARKET STATISTICS Q3 2025

Availability (Sq. M)		Current Quarter Take-up (Sq. M)	12 Month Rolling Take-up (Sq. M)	Prime Rent (€ / Sq. M)	Prime Yield
Dublin	270,874	53,792	226,319	145	5.00%
Cork	41,295	15,629	58,171	140	5.75%
Limerick – Shannon	11,617	7,455	25,722	124	7.25%
Galway	5,027	0	908	124	7.25%

KEY LEASE TRANSACTIONS Q3 2025*

Property/Business Park	Sub Market	Tenant	Approx Sq. M
Ballymount Logistics Hub, Ballymount Avenue	Dublin	JMC	14,111
Unit 7 Rosemount Business Park, Ballycoolin,	Dublin	P&C	5,110
Building 8003 Blarney Business Park, Blarney	Cork	Unknown	4,892
Unit D5 Horizon Logistics Park	Dublin	BCS Express	3,178
3300 Lake Drive, Citywest Business Campus, Citywest	Dublin	Flately Engineering	3,023

KEY INVESTMENT TRANSACTIONS Q3 2025

Property Name	Region	Buyer/Seller	Price (€)
Park West, Dublin	Dublin	ICG / Harcourt Developments	65m
Hilton Foods, Drogheda	Louth	P&C / P&C	11.6m
Building 1, Parkmore West Business Park, Ballybrit	Galway	Atland Voison /M7	7.2m

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BRENDAN SMYTH
Head of Ireland Industrial and Logistics
Brendan.smyth@cushwake.com

NICOLA GILLEECE
Associate Director, Dublin
Nicola.gilleece@cushwake.com

KEVIN DONOHUE
Head of Ireland Capital Markets
Kevin.Donohue@cushwake.com

TOM MCCABE
Head of Ireland Research and Insights
Tom.mccabe@cushwake.com

PATRICIA STAUNTON
Regional Director Ireland
Patricia.staunton@cushwake.com

PHILIP HORGAN
Associate Director, Cork
Philip.horgan@cushwake.com

SEÁN COYNE
Divisional Director
Galway, Limerick-Shannon
Sean.coyne@cushwake.com

ALEX TRIMBLE
Senior Research Analyst
Alex.trimble@cushwake.com