

# MARKETBEAT IRELAND INDUSTRIAL AND LOGISTICS

Q1 2026

Better never settles



INDUSTRIAL AND LOGISTICS MARKET HOLDS STEADY IN Q1 AS GEOPOLITICS RE-ENTERS THE FRAME

Ireland’s industrial and logistics market finished Q1 with a backdrop of underlying resilience but growing geopolitical caution.

Macro-economic indicators continue to point to solid domestic momentum, with Modified Domestic Demand supported by steady consumer spending and a recovery in manufacturing activity. The Manufacturing Purchasing Managers Index (PMI) rose to a nine-month high in March, reflecting improving new order flows, although rising energy costs and heightened geopolitical risks—particularly from the Middle East—have introduced new downside uncertainties.

Global supply-chain indicators tightened modestly during Q1, with freight rates firming and supply pressures returning to slightly above average levels, though still a far cry from the COVID pandemic era.

Against this backdrop, occupier demand softened quarter-on-quarter but held up resiliently with national take-up totalling approximately 52,200 square metres in Q1. Dublin accounted for nearly three-quarters of space absorbed, supported by logistics-led requirements and a small number of large transactions. Cork stood out as the strongest regional performer, recording robust and well-distributed demand, while Limerick-Shannon activity improved modestly compared to Q4 but was lower on an annual basis.

Supply conditions eased slightly during the quarter following new completions, particularly in Dublin (where availability nudged higher to 4.7%), pushing national availability to 4.1%—still low by historical standards. The development pipeline expanded modestly overall, falling in Dublin but sharply rising in Limerick-Shannon thanks to an expansion of Eli Lilly’s proposed investment at Raheen.

Investment volumes remained muted at €41.3 million, hindered by a lack of available prime stock despite continued investor interest. Pricing is stable, with yields broadly unchanged in Q1. Prime industrial rents were unchanged in Q1, but tight supply conditions are expected to continue supporting rental growth, with prime Dublin rents forecast to reach €153 per square metre by year-end.



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KEY TAKEAWAYS



National industrial take-up hit approximately 52,200 sq. m in Q1, down quarter on quarter and compared to twelve months earlier.



Larger deals in the logistics sector were a key driver of Dublin demand in Q1 which totaled 38,600 square metres



Supply rose in the quarter although the national vacancy rate of 4.7% remains low in a historical context.



Rents were broadly stable in Q1 and we forecast prime rents to rise gradually again in 2026.



Investment activity reached just €41.3m in Q1, lower compared to Q4. However, investor interest in the sector remains strong.

ECONOMIC INDICATORS

|                                                                         | YOY Chg      | 12-Month Forecast |
|-------------------------------------------------------------------------|--------------|-------------------|
| <div>+12.3%</div> <div>GDP, Q4 2025</div>                               | <div>▲</div> | <div>▼</div>      |
| <div>53.7</div> <div>IRELAND<br/>MANUFACTURING PMI</div>                | <div>▲</div> | <div>▬</div>      |
| <div>+0.8%</div> <div>YoY RETAIL SALES<br/>VOLUMES, FEBRUARY 2026</div> | <div>▲</div> | <div>▬</div>      |

SUPPLY CHAIN INDICATORS

|                                                                          | YOY Chg      |
|--------------------------------------------------------------------------|--------------|
| <div>0.6</div> <div>GLOBAL SC<br/>PRESSURE INDEX,<br/>March 2026</div>   | <div>▲</div> |
| <div>101.8</div> <div>GOODS TRADE<br/>BAROMETER,<br/>November 2025</div> | <div>▼</div> |
| <div>1,995</div> <div>BALTIC EXCH. DRY<br/>INDEX MARCH 2026</div>        | <div>▲</div> |

Source: MOODYS, NY FED, WTO

ECONOMY: GROWING SOLIDLY BUT MIDDLE EAST CONFLICT CREATES DOWNSIDE RISKS

The Irish economy performed strongly in the second half of 2025 despite persistent global trade uncertainty. Headline GDP grew by double digits year-on-year in Q4, although this was heavily distorted by export front-loading earlier in the year. A clearer and more realistic barometer of changes in living standards is Modified Domestic Demand, which rose by 4.9% compared with Q4 2024, supported by solid growth in personal consumption (+2.9%).

Looking ahead, the latest economic forecasts from Ireland’s Department of Finance from April 2026 indicate expected growth of approximately 3%, 2.1% and 3.3% in 2026 for GDP, Modified Domestic Demand and inflation respectively. An alternative “adverse” forecast which assumes a more severe impact on economic growth and inflation arising from the hostilities in the Middle East assumes inflation of 3.7% and Modified Domestic Demand growth of 2%.

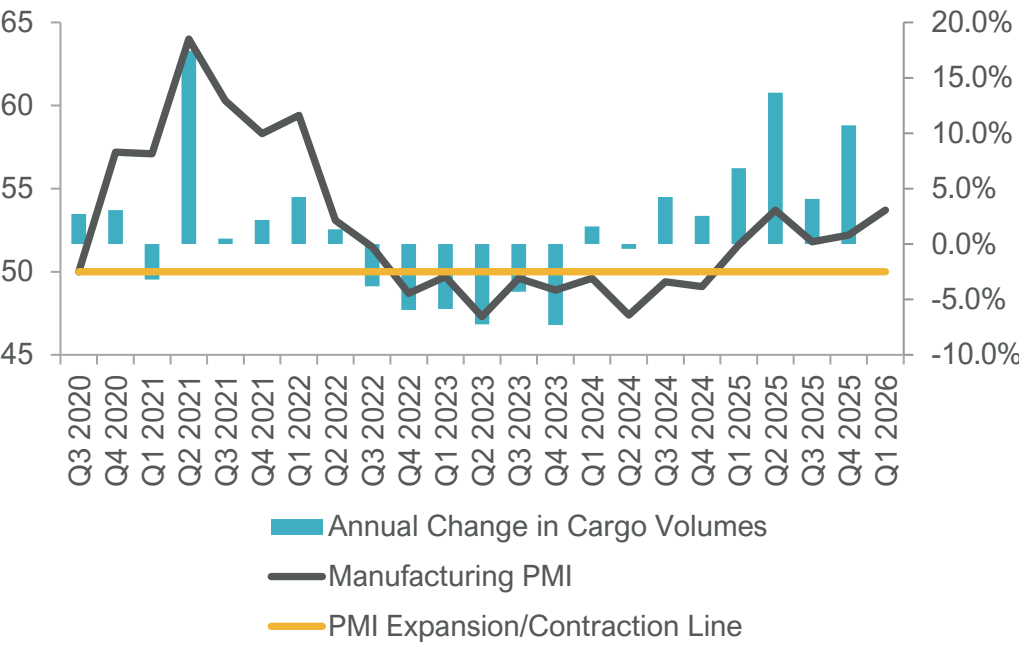
In the manufacturing sector the Purchasing Managers Index (PMI) hit a nine-month high of 53.7 in March 2026, helped in particular by a pick up in new orders from developed economies. The reading for March 2026 noted an increase in input costs on foot of rising energy prices but the hostilities in the Middle East had not as yet registered on the headline activity.

SUPPLY CHAIN CONDITIONS TIGHTEN MODESTLY IN Q1

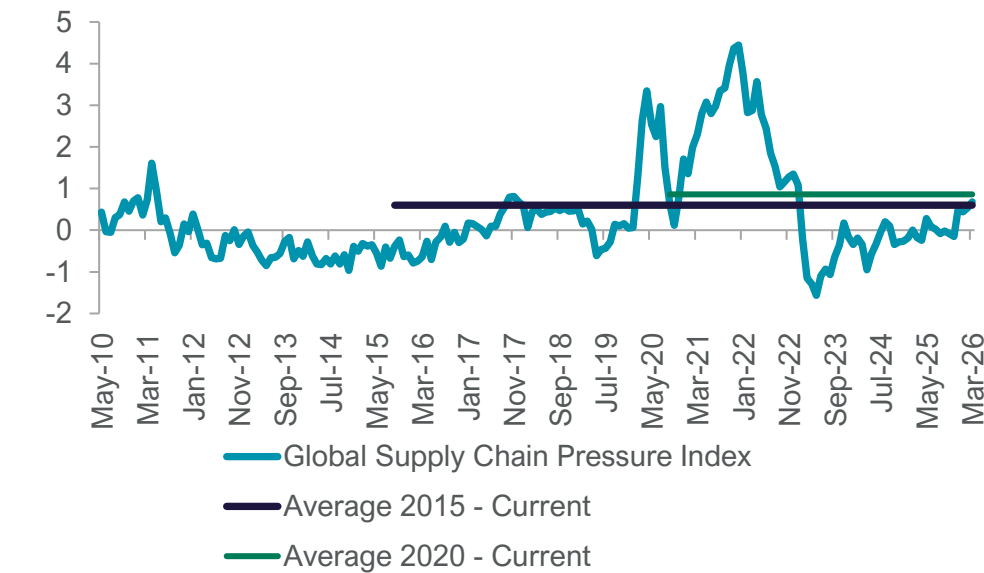
Global supply-chain indicators suggest a modest re-tightening in conditions, partly reflecting heightened geopolitical disruption in the Middle East. The New York Fed’s Global Supply Chain Pressure Index rose to 0.68 in March 2026, its highest level since early-2023, signalling a return to mildly above-average supply pressures. The uptick coincides with renewed disruption risks linked to Middle Eastern hostilities. These pressures are also evident in freight markets, with the Baltic Dry Index recovering sharply from its early-2026 trough to reach around 2,000 points by end-March, before rising further during April, reflecting firmer bulk commodity demand alongside tighter vessel availability and longer voyage times stemming from route diversions.

Taken together, the data suggest that while global supply chains are no longer a systemic constraint on growth, geopolitical tensions—particularly in the Middle East—are reintroducing incremental friction into trade and logistics networks.

CARGO VOLUMES (YOY CHANGE) AND MANUFACTURING PMI

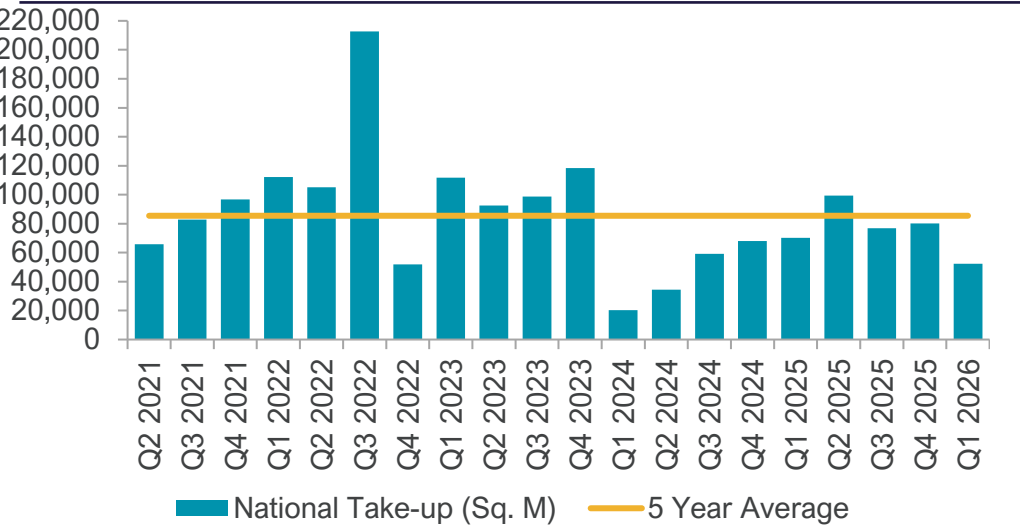


SUPPLY CHAIN PRESSURE INDEX

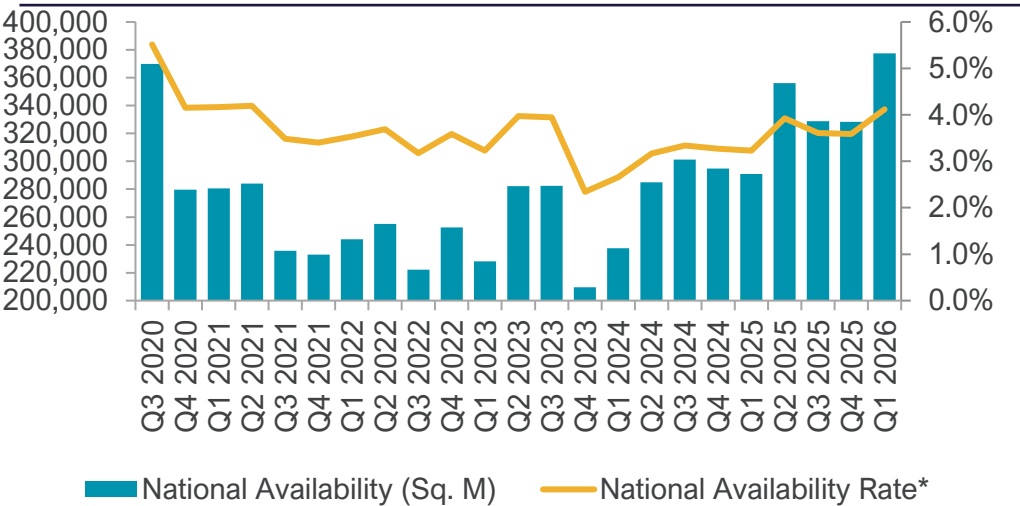




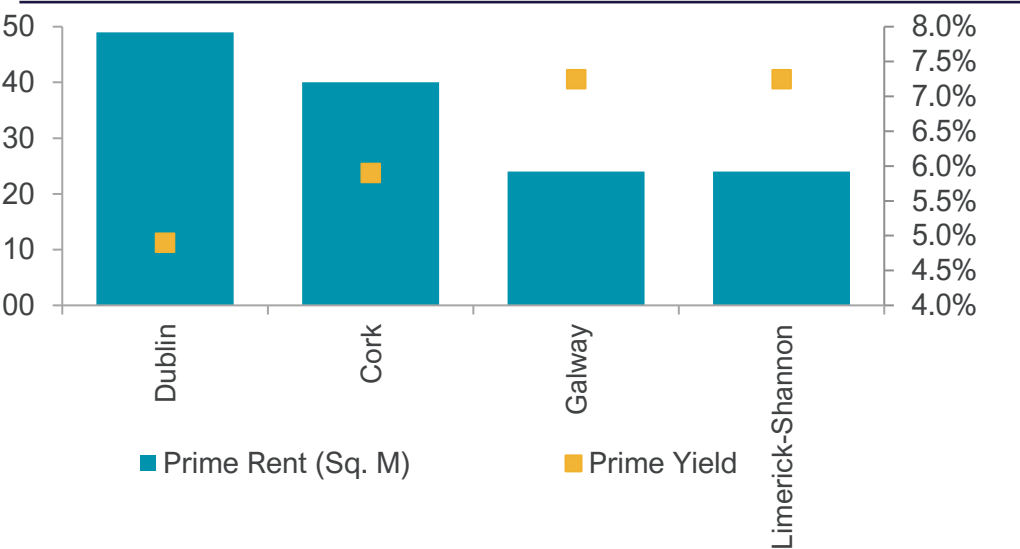
TAKE-UP



AVAILABILITY



PRIME RENTS AND YIELDS



TAKE-UP:

Q1 2026 saw approximately 52,200 square metres of space taken up nationally. The Dublin market comprised most of the space taken with a total of 38,600 square metres while the Cork and Limerick-Shannon markets saw take-up of approximately 12,200 square metres and 1,400 square metres respectively.

During the quarter, EVRi (parcel delivery and logistics) leased approximately 8,600 square metres at Unit D1 Airport Business Park Swords with the facility operating as its new Irish distribution hub. Meanwhile Sims Lifecycle services (a global provider of IT decommissioning and recycling services) took approximately 7,100 square metres at Unit 4 Vantage Business Park. Finally, Crane Worldwide Logistics (a global third-party logistics firm) signed for approximately 7,300 square metres at Unit N4 Horizon Logistics Park.

Outside of Dublin we saw notable deals in Cork such as the sale of an industrial units in Bandon (approximately 4,100 square metres) and the letting of a unit at North Esk Business Park (approximately 1,100 square metres).

SUPPLY:

National availability rose slightly in Q1 2026, mainly thanks to an increase in completions in Dublin in the first quarter of the year. Specifically, completions at Dublin Airport Trade Park and Nexus Logistics Park added almost 19,000 square metres to Dublin availability in Q1 nudging Dublin vacancy higher to approximately 4.7% in Q1 compared with 4.1% in Q4 2025. This had a knock-on impact of increasing the national availability, albeit only marginally to 4.1% compared to 3.6% in Q4 2025 and generally availability in the market remains low in a historical context.

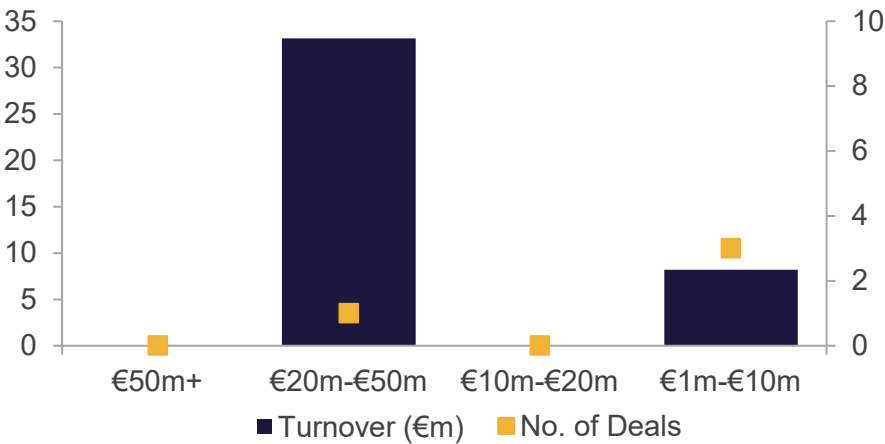
DEVELOPMENT:

The under-construction pipeline nationally grew modestly in Q1 to approximately 191,000 square metres compared to Q4 but that masked some differences in trajectory across the various markets. In Dublin the under-construction pipeline dropped to approximately 106,500 square metres as a result of some of the completions noted above. Meanwhile we saw a big increase in amounts under construction in the Limerick-Shannon market in particular as a result of a large extension of Eli Lilly’s development planned for Raheen.

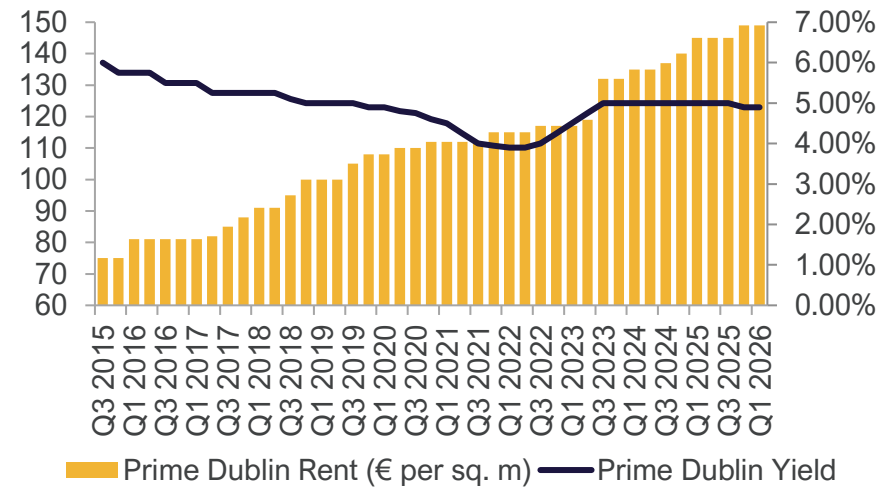
RENTAL GROWTH:

Industrial and Logistics sector rents held steady in the first quarter across all the markets we track. Our current forecasts indicate a slowing of rental growth over the medium term but overall, we expect prime Dublin rents to reach €153 per square metre by year end (up from €149 per square metre currently) while prime rents in Cork are also close to these levels.

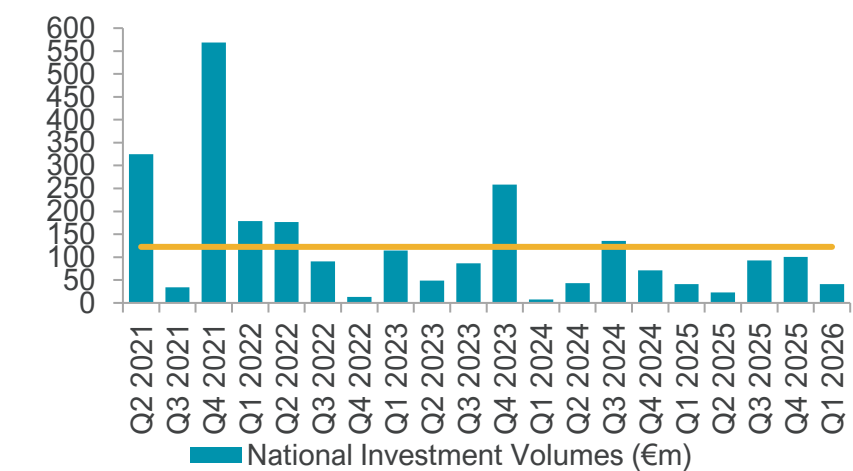
INVESTMENT BY LOT SIZE, Q1 2026



PRIME RENTS AND YIELDS (DUBLIN)



INVESTMENT VOLUMES (€M)



INVESTMENT VOLUMES:

Investment volumes were modest at the start of 2026 with a total of €41.3 million invested across 4 deals with an average deal size of €10.3 million, significantly lower than the previous two quarters, and well below the five-year quarterly average of approximately €122.4 million. Investment was concentrated in Dublin with 88% of the deals completed in the GDA and accounting for €36.4 million, with another deal of note completing in Cork for €3.1 million.

The biggest transaction of Q1 was the sale of Peregrine House, DALP for €33.1 million and comprised several blocks. Outside of Dublin, there was the sale of Unit 7, Sitecast Industrial Estate in Cork for approximately €1.8 million.

Overall investor interest remains strong in the sector but activity has been hampered somewhat by a lack of available high quality product.

YIELDS & PRICING:

Dublin yields have been steady over the past year and we anticipate some modest tightening in yields by the end of 2026. Regionally yields also remain largely stable with a slight easing in Cork to 5.90% while they are steady and aligned at 7.25% in Limerick-Shannon and Galway. In the manufacturing sector we have seen no change in the regions since the start of Q3 2025.

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 €149 per square metre at the end of Q1 (up 2.8% on Q1 2025) with only a modest gap to the Cork market (€140 per square metre) while rents in Limerick-Shannon and Galway stood at €124 per square metre. We are forecasting that prime rents in Dublin will rise to €153 per square metre for year end 2026.



Galway

The Galway industrial market has seen no take up for the third quarter in a row, reflecting the lack of available stock and no future pipeline. This market is one of the smaller ones in the country that we track.

| Prime Rent     | 5 Year CAGR | Q1 2026 Take-up | Total Availability |
|----------------|-------------|-----------------|--------------------|
| €124 per sq. m | 7.8%        | No Take Up      | 5,027 Sq. m        |

Dublin

Activity in Dublin in Q1 2026 was lower compared to 12 months ago but was still resilient considering the geopolitical headwinds that have emerged over the past year. A total of approximately 38,600 square metres was taken up in the market in Q1 across 23 deals.

| Prime Rent     | 5 Year CAGR | Q1 2026 Take-Up         | Total Availability |
|----------------|-------------|-------------------------|--------------------|
| €149 per sq. m | 5.9%        | 38,586 Sq. m (-24% yoy) | 309,216 Sq. m      |

Limerick-Shannon

The Limerick-Shannon market saw an improvement in take-up in Q1 2026 in comparison to Q4 2025 with a total of 1,392 sqm completed in the quarter. While the region saw low take up year-on-year, availability has increased which could support greater take up as the year continues.

| Prime Rent     | 5 Year CAGR | Q1 2026 Take-up        | Total Availability |
|----------------|-------------|------------------------|--------------------|
| €124 per sq. m | 7.3%        | 1,392 Sq. m (-87% yoy) | 14,066 Sq. m       |

Cork

Cork take up figures are strong at the end of Q1 2026 with 12,254 sqm signed across 15 deals, an average of 817 sqm per deal and spread broadly across both the city centre, suburbs and more regional locations in the area. The largest deal was a sale in Bandon IDA, 4,088 sqm. There were 4 sales completed for a total of 5,729 sqm.

| Prime Rent     | 5 Year CAGR | Q1 2026 Take-up         | Total Availability |
|----------------|-------------|-------------------------|--------------------|
| €140 per sq. m | 8.5%        | 12,254 Sq. m (+38% yoy) | 49,249 Sq. m       |

MARKET STATISTICS Q1 2026

| Availability (Sq. M) |         | Current Quarter Take-up (Sq. M) | 12 Month Rolling Take-up (Sq. M) | Prime Rent ( € / Sq. M) | Prime Yield |
|----------------------|---------|---------------------------------|----------------------------------|-------------------------|-------------|
| Dublin               | 309,216 | 38,586                          | 239,270                          | 149                     | 4.90%       |
| Cork                 | 49,249  | 12,254                          | 53,181                           | 140                     | 5.90%       |
| Limerick – Shannon   | 14,066  | 1,392                           | 15,810                           | 124                     | 7.25%       |
| Galway               | 5,027   | 0                               | 351                              | 124                     | 7.25%       |

KEY LEASE TRANSACTIONS Q1 2026

| Property/Business Park                  | Sub Market | Tenant                    | Approx Sq. M |
|-----------------------------------------|------------|---------------------------|--------------|
| Unit D1 Airport Business Park, Swords*  | Dublin     | EVRi                      | 8,592        |
| Unit N4 Horizon Logistics Park, Swords* | Dublin     | Crane Worldwide Logistics | 7,320        |
| Unit 4 Vantage Business Park*           | Dublin     | Sims Lifecycle Solutions  | 7,068        |
| Bandon Sale                             | Cork       | N/A                       | 4,088        |

KEY INVESTMENT TRANSACTIONS Q1 2026

| Property Name                      | Region | Buyer/Seller | Price (€) |
|------------------------------------|--------|--------------|-----------|
| Peregrine House, DALP              | Dublin | P&C / P&C    | 33.1m     |
| Unit 4, Cookstown                  | Dublin | P&C / P&C    | 3.2m      |
| Unit 7, Sitecast Industrial Estate | Cork   | P&C / P&C    | 1.8m      |

\*Cushman & Wakefield were advisors to this transaction





# MARKETBEAT

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