Office Review and Outlook

2025/2026

HWBC

Pre-lets and rental growth to return as supply tightens in core south city locations

The Dublin market had a strong second half of leasing activity with take up of 1.5m sq ft bringing the FY total to 2.6m sq ft and 20% above the previous year. There was uncertainty over international trade policy early in the year as the new US administration took office, leading to understandable caution on corporate real estate strategies. After a quiet start the standout deal in H1 was the 416k sq ft letting to Workday in College Square followed by further significant deals to Deloitte, EY, Maples and Vodafone. Heading into 2026 there is over 750k sq ft of deals reserved and a strong pipeline of active mandates, and only a limited supply of quality space for larger corporate requirements. As the A-rated standing stock in Dublin 2 & 4 continues to be absorbed we expect to see increased occupier interest in the North Docks and city fringe locations.

- Take up in 2025 was again dominated by occupiers' preference for the best quality city space with companies such as Vodafone and ESBI relocating staff from the suburbs to 70 St Stephens Green and The Sidings respectively. This has been a trend in recent years as companies tighten return to office mandates and a general staff preference to be centrally located.
- Despite the turbulent macro events since President Trump took office, the IDA recorded its best year for new investments into the country with much of this from US based companies. This a strong endorsement of the Irish economy as a stable business environment and bodes well for the occupier market with much of the expansion and new entrants Dublin focused.
- The impact and rapid growth of AI is still largely unknown on the future demand for office space, but the early signs are positive with several ongoing mandates from companies such as OpenAI and Anthropic looking for space. It could be a disruptor and similar to 20 years ago when the technology sector was in rapid growth and companies such as Google and Facebook took modest space initially in Dublin before rapidly expanding footprints.
- One of the beneficiaries of tighter supply could be the North Docks which has traditionally lagged Dublin 2 & 4 in terms of occupier demand, rental and capital values. The river frontage from the Convention Centre to the Exo Building has seen significant development over the last two decades and now boasts some of the highest quality office buildings in the city. The area has been well planned to provide public realm, landscaping and placemaking with developments such as Dublin Landings and the headquarters of Salesforce, Central Bank of Ireland and the new Citibank HQ impressive landmarks for the city.
- In terms of rent levels we expect to see pressure at the premium end of the market to be more evident in 2026 with headline rents for standing stock rising to €65 - €70.00 psf for the best remaining space, and a hardening of tenant incentives and lease flexibility as the supply dynamic switches to the Landlord side.

One Pembroke, Ballsbridge, Dublin 4.
High profile office headquarters available to pre-let (97,000 sq ft)

OFFICE SUPPLY / NEW CONSTRUCTION

- The total currently under development in the market is 1.23m sq ft with around 66% of the space reserved including 785k sq ft of new offices for KPMG, Citibank and Deloitte. In terms of pipeline supply Union Invest are on site to upgrade the ex-Meta offices at 4&5 Grand Canal Square to provide 250k sq ft in 2027. Hibernia Real Estate are demolishing the old Clanwilliam office complex on Lower Mount Street which has capacity to provide 250k sq ft from 2028.
- There is potential for 400k sq ft of new office space at the mixed-use Camden Yard scheme in Kevin Street which is partially complete and could be brought to market following a receivership sale process. It has been widely reported that Dublin City Council are in talks to purchase the entire site including the residential element with a view to relocating its office HQ from Wood Quay.
- In the North Docks there is potential for around 200k sq ft of speculative space at Waterfront South Central where RGRE are developing the new Citibank headquarters on one of the last significant river front sites. Citibank's current offices on North Wall Quay are also primed for redevelopment to provide new offices with waterfront and panoramic city views, subject to planning.

OFFICE STATS FY 2025

Take Up FY 2025	2.6m sq ft
Vacancy Rate (entire market)	14.5%
New Completions FY 2025	606,000 sq ft (76% reserved on completion)
Under Construction CBD	1.23m sq ft (66% currently reserved)
Suburbs	0

HEADLINE OFFICE RENTS (DEC 2025)

CBD (Grade A)	€60.00 - €65.00 per sq. ft.
Suburban (Grade A)	€28.00 – €34.00 per sq. ft.
Car spaces; City Suburbs	€4,000 - €4,500 pa per car space €1,750 - €2,000 pa per car space

SUBURBS

- There were a number of notable leasing deals in the suburbs last year including AIB taking 77k sq ft in Central Park and Novartis relocating to take the last floor in Termini (40k sq ft), which is now fully leased. Rent and lease terms remained largely static during the year with rents in the mid €30's psf at the premium end and lease flexibility available in most locations.
- There are signs of increased occupier interest in the suburbs, particularly in Sandyford where A-rated space at Termini and The Hive secured new occupiers. At The Hive on Carmenhall Road, Cubic Telecom continued to expand in the building and BMC Software are relocating back to their original HQ from Cherrywood.
- Other significant deals in the suburbs included Aer Lingus taking 81k sq ft in One Dublin Airport and Cognizant signing for 32k sq ft in East Point, which along with Citywest is seeing an uptick in tenant interest due to its strategic location to the North Docks, quality of standing stock and relative value on offer.

TOP 10 OFFICE DEALS (FY 2025)

Top 10 Office Deals (FY 2025)	Size (sq.ft)	Tenant	Sector
1. College Square D2	416,000	Workday	Technology
2. Aurora House, Blanchardstown, D15	121,500	Mercury Engineering	Professional
3. 2 Burlington Road, D4	87,300	Deloitte	Professional
4. 1 Dublin Airport Central, Co. Dublin	81,200	Aer Lingus	Aviation
5. Block B Central Park, D18	77,300	AIB	Finance
6. 75 St Stephens Green, D2	73,000	Maples	Professional
7. 70 St Stephens Green, D2	63,000	Vodafone	Technology
8. No.3 Dublin Landings, D1	47,000	Mediolanum International	Finance
9. Wilton Park, D2	51,000	EY	Professional
10. Termini, Sandyford, D18	40,500	Novartis	Pharma

OUTLOOK

The supply of speculative space is down to two significant buildings at 2 Grand Canal Quay (145k sq ft) and 160 Townsend Street (103k sq ft) in Dublin 2, with active tenant interest being reported in both. There are no further large scale completions in 2026 accelerating the supply pressure on the available A-rated standing stock, particularly in Dublin 2. This will lead to increased competitive tension with occupiers and upward pressure on prime headline rents. We expect to see rents of €70.00 psf being achieved during the year to reflect the supply pressure and competition for the best remaining floors. Rents in Dublin have not increased in real terms over the last 5-10 years despite developers producing higher specification and greener buildings with 5-star tenant amenities.

Tenants with larger requirements (50-100k sq.ft+) will have limited choice and we expect to see more pre-letting activity in the market, particularly in the professional services sector with a longer-term view on growth. Given the oversupply in certain sub sectors of the market with increased costs and constraints on development finance, we expect to see developers take a cautious approach to commencing speculative developments this year without a significant pre-let in place. Headline rents for the next phase of development will need to hit €75.00 - €80.00 psf to be viable with a number of strategically located sites in Dublin 2 & 4 'shovel ready' to bring new supply to the market.

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