AI Infrastructure Spend Moves from Trade Data to Take-Up as Dublin Rents Rise

▲ 55,831 sq m
Take-Up

▲ 2,538 sq m
Average Deal Size

▲ €156.10 psm
Prime Rents

▲ €513m
Investment

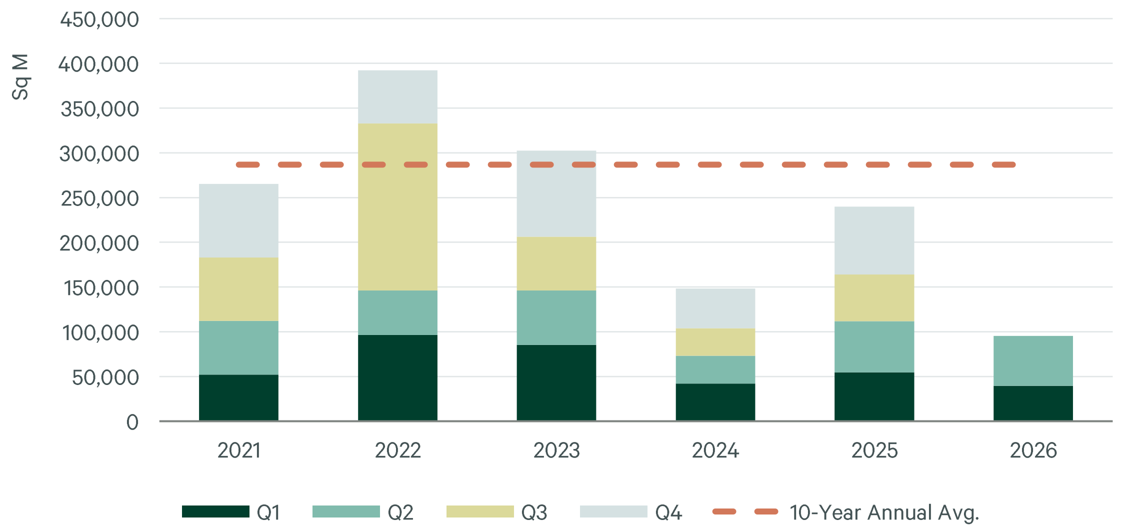
▶ 5%
Prime Yield

Note: Arrows indicate change from previous quarter.

Q2 Highlights

- Q2 take-up of 55,831 sq m; H1 stands at 95,288 sq m, 24% below the 10-year H1 average
- AI infrastructure investment is now visible in Irish economic trade data: ADP equipment imports reached €16.2bn in the first five months of 2026 alone
- Despite ongoing power constraints, Dublin remains a FLAPD market and one of Europe's largest data centre hubs. Irish construction firms also continue to play a leading role in delivering data centre projects across the continent
- This is translating into more data centre-related take-up in the industrial market in Dublin. Two of the top five deals in Q2 were driven by downstream data centre requirements, and CBRE anticipate that this will be a key demand driver for the market in the years ahead
- CEL Critical Power's letting of Unit 7 at Mountpark Grange Castle West (12,912 sq m) was the largest deal of the quarter and the only transaction >9,290 sq m completed this year
- Prime rents rose 2% to €156.10 psm (€14.50 psf), underpinned by a cluster of deal evidence
- Following the completion of six new facilities in Q2, the under construction pipeline has shallowed out, and now stands at just 50,652 sq m

FIGURE 1: Dublin Industrial & Logistics Take-Up



Source: CBRE Research

Market Comment

Dublin industrial and logistics (I&L) take-up totalled 55,831 sq m in Q2 2026, marginally below Q2 2025 (57,304 sq m) and broadly in line with recent quarterly trends.

Data Centre Activity Dominates Largest Deals

Data centre-related activity once again emerged as a defining feature of the market during the quarter. For the second consecutive quarter, some of the largest transactions involved data centre-related occupiers. Notably, two of the five largest deals completed were secured by occupiers seeking space to support data centre infrastructure and supply chain operations.

While we continue to view consumption as the key indicator for Dublin I&L take-up, data centre and AI-related activity will continue to grow as a driver of demand over the coming years.

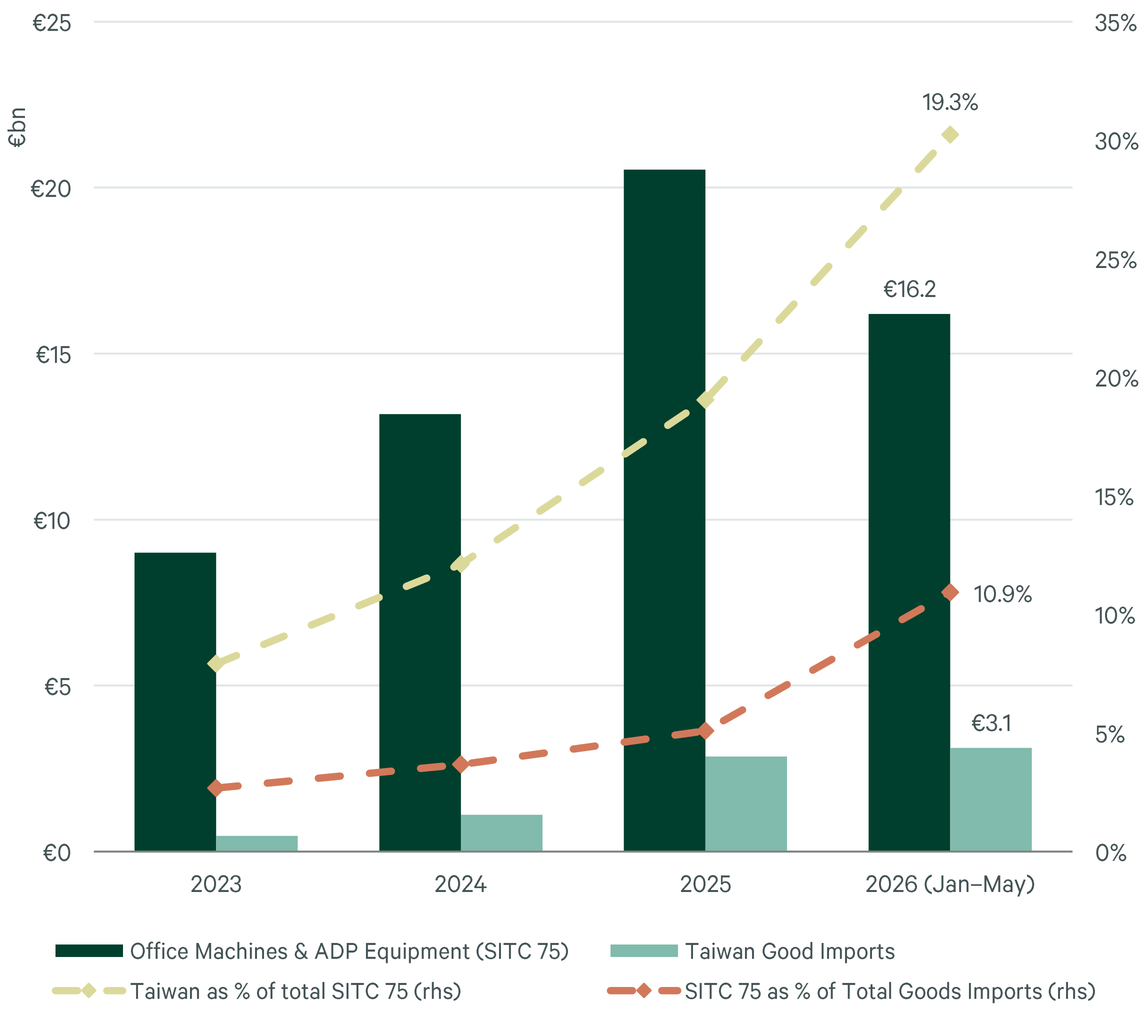
AI Infrastructure Spend Begins to Register in Trade Data

The scale of underlying AI infrastructure investment in Ireland is now visible in trade data. CSO import statistics show that goods imports in the *'office machines and ADP equipment'** category which covers servers, GPUs, and AI computing hardware, reached €20.5bn in 2025, up from €9bn in 2023. In the first five months of 2026 alone, the figure reached €16.2bn.

Taiwan has become the primary source of these imports, a trend the Central Bank of Ireland flagged in its Q1 2026 Economic Bulletin. The imports reflect a combination of activity: equipment for campus upgrades, procurement for new construction, and hardware transiting Ireland for delivery elsewhere, a consequence of the concentration of data centre construction and operational firms based here.

Despite power constraints and the ongoing LEAP review, Dublin is still one of the largest data centre markets in Europe and notably there has also been major approvals for new construction in other areas of the country in 2026, including schemes in Ennis (€1.2bn) and Rochfortbridge, Co. Westmeath (€244m).

Figure 2: Ireland Goods Imports (Value) – Office Machines & ADP Equipment (SITC 75)*



Source: CSO; *ADP = Automatic Data Processing Equipment (Server, GPUs and Hardware)

Take-Up

Dublin I&L take-up totalled 55,831 sq m in Q2 2026 across 22 deals, broadly in line with Q2 2025 (57,304 sq m) and a marked improvement on Q1 2026 (39,457 sq m). At the half-year stage, cumulative take-up stands at 95,288 sq m, the second lowest H1 of the last 10 years and approximately 24% below the 10-year H1 average.

The H2 outlook is more positive. A number of significant deals at new-build schemes are expected to close, while new multi-let industrial is in demand and a number of schemes are set to lease up further.

A full-year total of 240,000 sq m is achievable for the market in a best-case scenario, though it may settle somewhat below that level. This would be broadly consistent with 2025 and reflect a market stabilising after two years below its long-term average of 287,000 sq m.

Retail Driven Demand Continues; Established 3PLs Regrouping

Outside of data centre activity some notable consumer occupiers were active. Allegro, the domestic FMCG business, completed the second-largest transaction of the quarter at Greenogue Business Park, while a domestic retailer is expanding its presence at McKee Avenue.

A lack of major deals involving the established 3PLs was a feature of H1 2026. The sector is at different stages of activity: some operators have recently committed significant space, others are progressing contract tenders that, when converted, are expected to bring further leasing requirements to market.

Momentum in Deals Outside Dublin

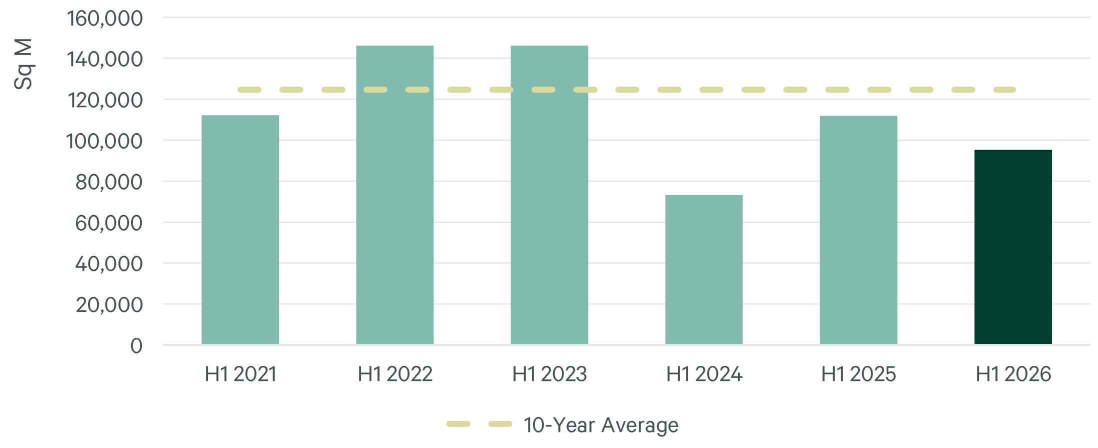
Regional and GDA activity was a feature of H1, with Cork and Kildare recording notable transactions. In Cork, Kuehne+Nagel pre-let 6,290 sq m at Anchor Business Park. While in Kildare, Momentum Logistics Park saw two deals, for Unit 28A (3,373 sq m) and Unit 39B (1,079 sq m) respectively. Occupier activity continues to stretch beyond the Dublin border into neighbouring counties like Kildare, Meath and Louth. Notable deals are also expected to sign in H2 in Dundalk and Longford.

Figure 3: Top 5 Dublin Industrial & Logistics Transactions Q2 2026

Property	Road Corridor	Transaction Type	Size Sq M	Tenant/ Purchaser
Unit 7, Mountpark Grange Castle West	Dublin West (N4)	Letting	12,912	CEL Critical Power
Unit 605, Greenogue Business Park	Dublin South West (N7)	Assignment	8,234	Allegro
Unit 735, Northwest Logistics Park	Dublin North (M2)	Letting	5,323	P&C
Sanguine House, Huntstown Business Park	Dublin North West (N3)	Letting	4,957	P&C
McKee Avenue Facility	Dublin North (M2)	Letting	4,035	P&C

Source: CBRE Research

Figure 4: Dublin Industrial & Logistics Transactions H1 Take-Up Trend



Source: CBRE Research

Market Activity

Take-Up by Road Corridor & Size: N4 Corridor & Mid-Size Units Dominate

Q2 activity was more evenly distributed across corridors than Q1. The N4 corridor registered its most significant quarter in recent years, with CEL's 12,912 sq m new letting at Mountpark Grange Castle West accounting for 23% of Q2 take-up. The Dublin North (M2) and Dublin North West (N3) corridors each contributed approx. 25% of quarterly volume. The Dublin South West (N7) corridor accounted for a further 19%, driven by assignment to Allegro at Greenogue Business Park.

By size, the 1,859–4,645 sq m bracket was the most active segment by number of deals (7), representing 36% of Q2 take-up, reflecting sustained multi-let industrial demand across established south-west and north Dublin locations. Units above 4,646 sq m accounted for a further 56%, concentrated in a small number of large transactions.

Development and Supply: Pipeline Thins, Several Sites Ready to Commence

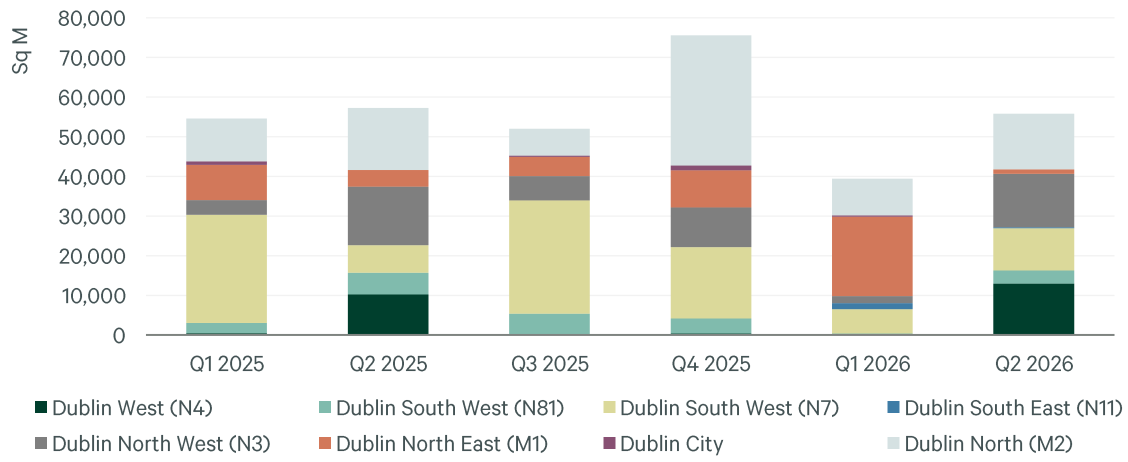
Six units totalling 13,334 sq m completed in Q2, comprising five units at Stadium Business Park on the N3 corridor, developed by Dunquin Capital and Bridges Fund Management, and a further unit at IPUT's Nexus scheme at the M2.

Approximately 50,652 sq m is currently under construction across seven units, with the largest, Drake House (26,865 sq m) at Dublin Airport Logistics Park, due for delivery in Q3 and available to let. The first facility at a new south side multi-let industrial park, Apex Hub in Ballymount, is expected to reach completion in Q3, Unit 6 (3,997 sq m) is currently reserved.

Additional units at Mountpark Grange Castle West are expected to commence construction in Q3, following CEL's letting of Unit 7. GIC (with partner Valor), who acquired Horizon Logistics Park as part of a wider portfolio transaction, is expected to advance development on the associated land holding on the M1 corridor.

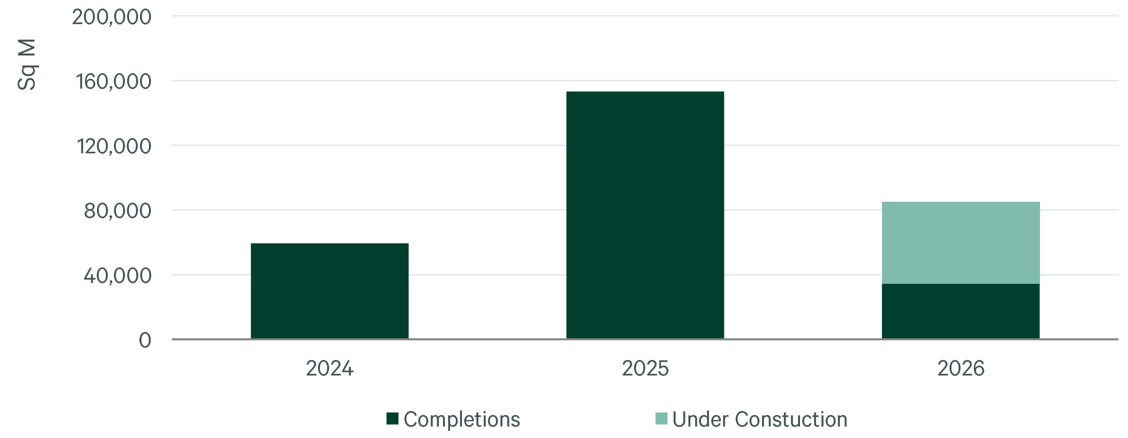
In the planning granted pipeline, Ellipse and APEX Hub both hold consent and are primed to commence new development in H2, as is Rohan Holdings' Southwest Business Park at Citywest.

Figure 5: Dublin Industrial & Logistics Take-Up By Road Corridor (Sq M)



Source: CBRE Research

Figure 6: Dublin Industrial & Logistics Supply



Source: CBRE Research

Rents & Investment

Prime Rents: Cluster of Deal Evidence Drives Q2 Uplift

Prime rents rose by 2% in Q2, reaching €156.10 psm (€14.50 psf). The uplift is underpinned by a cluster of recent deal evidence rather than a single transaction. CBRE's prime rent proxy is a 4,645 sq m (50,000 sq ft) modern facility and, over recent quarters a number of deals have transacted at this level providing the evidence for rental growth.

Second-hand rents also rose, up 4% quarter-on-quarter to €129.16 psm (€12.00 psf), reflecting limited availability of refurbished stock in core locations. Vacancy remains tight at over 3%, further reinforcing the supply constraints that continue to support rental performance.

Investment: Horizon Deal Defines H1

Investment in I&L assets accounted for 51% of Q2 investment volumes at €512.5m, and 36% of H1 spend at €550m. The Horizon Logistics Park transaction defined the period. GIC acquired the scheme from Henderson Park for nearly €500m, with Valor acting as GIC's domestic partner and expected to advance development on land acquired as part of the deal. The transaction reflects the quasi-critical infrastructure status now attributed to prime logistics by sovereign and infrastructure capital, a theme explored in CBRE's Q2 2026 Investment Report. Notably however, EQT Real Estate's attempted €225m disposal of its Irish portfolio did not complete, a reminder that portfolio-level liquidity remains uneven.

Prime Yields: Dublin Holds, Dispersion in Europe

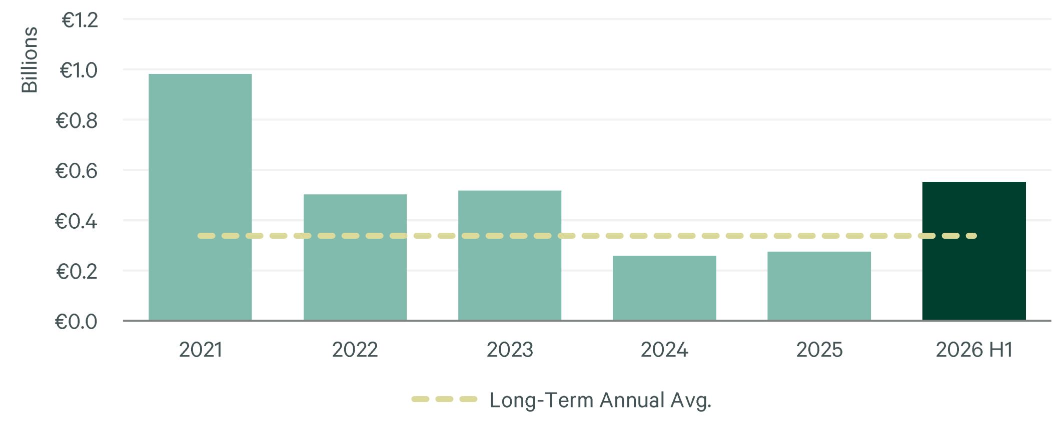
Across Europe, there has been a dispersion in yield movement with some markets experiencing yield expansion following the increase in swap rates and ECB base interest rates. Conversely, some markets have seen yield compression. Dublin yields, which sit in the middle cohort of prime yields relative to European counterparts, held at 5.00%, with the pricing of the Horizon portfolio supporting this level. The outlook for Dublin is stable, with limited movement expected this year. Beyond that, the path will ultimately be dictated by the macro environment and movements in interest rates. The fundamentals from a Dublin perspective are stable.

Figure 7: Ireland Industrial & Logistics Rents

Category	Rent Per Sq M	Rent Per Sq Ft	Quarterly % Change
Prime Dublin (New Stock)	€156.10	€14.50	**+2%**
Prime Dublin (Second-Hand Stock)	€129.16	€12.00	**+4%**
Secondary Dublin	€102.25	€9.50	-
Prime Cork	€145.30	€13.75	-
Provincial	€75.35	€7.00	-

Source: CBRE Research

Figure 8: Ireland Industrial & Logistics Investment Volumes



Source: CBRE Research; *Covers 47 industrial parks and area

Figure 9: Unit 7, Mountpark Grange Castle West; Let to CEL Critical Power in Q2

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