

Figures

# Dublin Office Market

## Q2 2025

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College Square & 70 St.  
Stephen's Green Boost Take-  
Up; Vacancy Rate Declines

CBRE RESEARCH

JULY 2025



FIGURES | DUBLIN OFFICE MARKET | Q2 2025

# College Square & 70 St. Stephen's Green Boost Take-Up; Vacancy Rate Declines

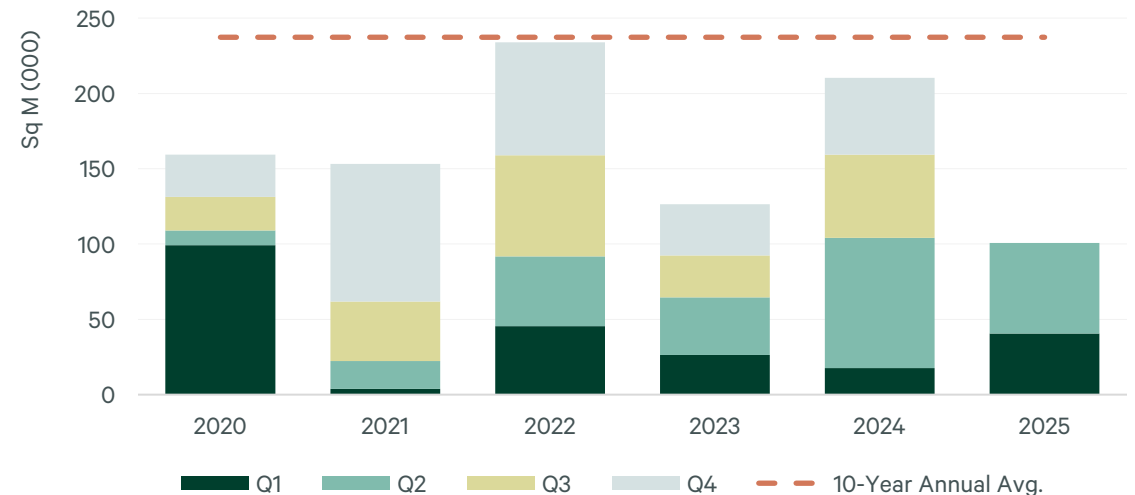
▲ 60,240 sq m  
 ▼ 101,726 sq m  
 ▲ 1,825 sq m  
 ▶ €673 psm  
 ▲ €180m  
 ▶ 5%  
Take-Up      Reserved Stock      Average Deal Size      Prime Rents      Investment      Prime Yield

Note: Arrows indicate change from previous period.

## Q2 Highlights

- The second quarter of the year saw another solid period of take-up in the Dublin market, largely driven by two major deals
- The long-awaited turning point for the Dublin vacancy rate also arrived, as it declined for the first time in three years, a material milestone in this recovery cycle
- While EU-U.S. trade negotiation uncertainty has not had a discernible impact on office deals just yet, without an agreement, it could manifest in slower leasing volumes in H2
- Q2 take-up totalled 60,240 sq m, the best quarter since Q2 2024, and marginally ahead of the long-term quarterly average. Nearly 75% of activity was accounted for in two transactions
- A total of 100,801 sq m of take-up completed in H1 2025, marginally down (-3%) versus H1 2024
- No offices reached completion in Q2. Just under 35,000 sq m remains under construction, set to complete this year, including the Greenside Building located just off St Stephen's Green
- The Dublin vacancy rate fell to just over 17% in Q2
- Two prime investment deals concluded in Q2, with core European capital active

FIGURE 1: Dublin Office Take-Up



Source: CBRE Research

## Market Overview

### Dublin Market Continues to Recover

The second quarter of the year saw another solid period of take-up in the Dublin market, largely driven by two major deals. A continuation of a key theme in 2024 saw some major relocation decisions being made by global corporate occupiers moving into modern HQ space.

The long-awaited turning point for the Dublin vacancy rate also arrived, as it declined for the first quarter in three years, a material milestone in this recovery cycle. Vacancy did not quite reach the levels that were seen in the market downturn associated with the global financial crisis, when the vacancy rate reached 22% in 2010.

The two-speed nature of this new market means that the current availability of office stock needs to be contextualised. Despite the current headline vacancy rate being just over 17%, this is not reflective of the reality of available space in the core city centre locations. In Dublin 2, of the BER A-rated stock, there is just 84,000 sq m currently available to lease, and that space is quite fragmented across a number of buildings. This is not a great deal of space in the context of a market that historically averages nearly 240,000 sq m of take-up per annum.

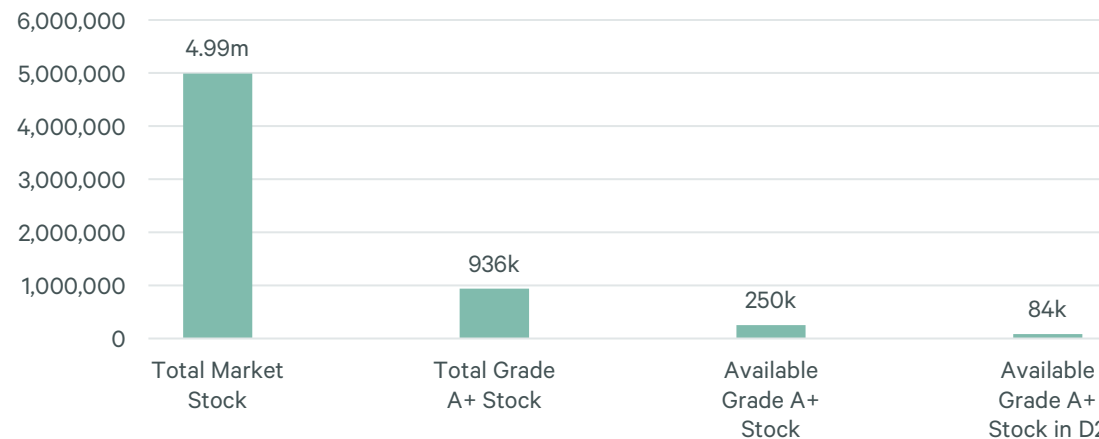
### Certainty Needed on Trade Deal Negotiations

The positive results announced by the IDA Ireland in the last week for H1 2025 are particularly interesting given the economic and trade backdrop that has prevailed in the opening half of the year. The IDA announced 179 investments in the six-month period, up 37% year-on-year. Significantly, 88 of the investments were located in Dublin.

Despite a solid quarter of activity, CBRE has started to see some slower decision-making evident in the leasing market for Dublin offices in Q2. While this hasn't had an overly discernible impact on deals just yet it could manifest in slower leasing volumes in H2.

Post quarter-end a three-week extension of EU-U.S. trade deal negotiations to August 1<sup>st</sup> was announced. This extension provides little certainty to decision-makers just yet, but notably the Irish government remains "cautiously optimistic" that a deal will be agreed by this deadline.

FIGURE 2: Dublin Office Availability in Context (Sq M)



Source: CBRE Research

FIGURE 3: Notable IDA Ireland Investments H1 2025 – Dublin

Company	Sector	Country of Origin	Jobs Created
DNV	Energy & Environmental Consulting	Norway	200
Squarespace	Technology	USA	120
Sony Interactive Entertainment	Electronics & Entertainment	Japan	120
Fidelity National Information Services Inc.	Financial Technology	USA	100
Introba	Engineering & Consulting	USA	30

Source: IDA Ireland Press Releases

## Market Activity

**Leasing Activity:** Q2 take-up totalled 60,240 sq m, the highest quarter of take-up since Q2 2024, and marginally (+2%) ahead of the long-term quarterly average. However, this was spread across just 33 deals, and nearly 75% of all activity was accounted for in just two transactions.

A total of 100,801 sq m of take-up completed in H1 2025, marginally down (-3%) versus H1 2024 (104,280 sq m).

**Reserved Stock:** At the half year point, nearly 102,000 sq m of stock was reserved in the city. This is down nearly 17% quarter-on-quarter with some large requirements now fulfilled. Over half of reserved stock is located in Dublin 2 and 4.

### Workday Deal One of the Largest Lettings in Europe

**Largest Deal:** Having originally selected its new HQ at College Square in August 2024, Workday completed its signing of a 20-year lease for 38,662 sq m in the last quarter, the largest letting in the Dublin market since Fibonacci Square in 2018, and one of the largest in Europe this year. The deal marks a hugely significant milestone for the Dublin market and removes a significant quantum of available space from the city centre.

The second largest deal of the quarter was also a consequential transaction for the market. Vodafone agreed to take an assignment of the lease for 5,855 sq m at 70 St. Stephen’s Green from Horizon Therapeutics. The U.S. pharmaceuticals group had previously signed a 20-year lease on the space in May 2021. The deal also further reduces the amount of available Grade A+ space in the core of Dublin 2.

### Grade A+ Take-Up and Average Deal Size Higher in Q2

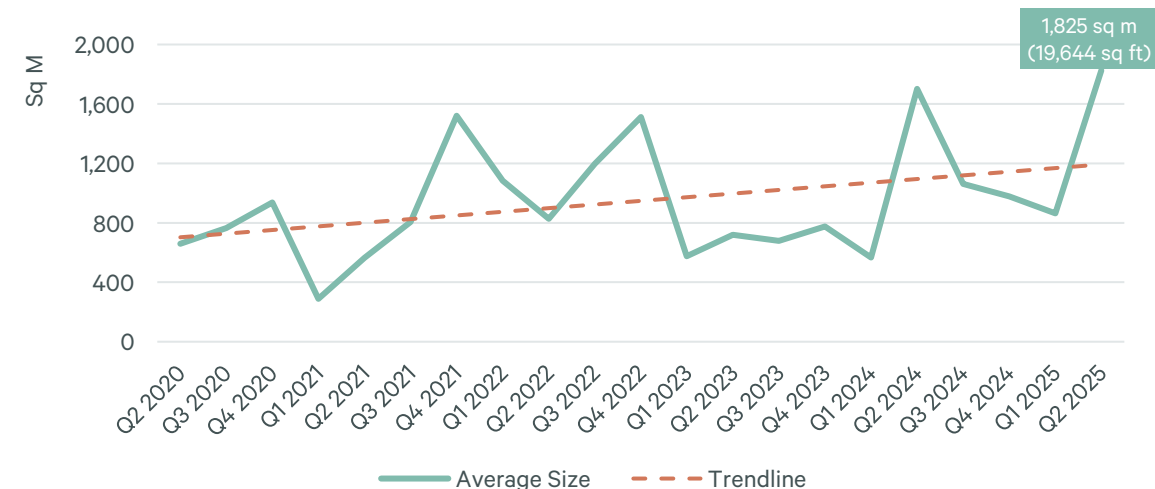
In Q2, 75% of all space taken up was in Grade A+ buildings. This proportion is somewhat skewed by the two largest lettings, which were both in this category. The average deal size for the quarter was 1,825 sq m (nearly 20,000 sq ft); however, just two deals were above this size.

FIGURE 4: Notable Dublin Office Take-Up Q2 2025

Property	District	Size Sq M	Tenant	Transaction Type
College Square	Dublin 2	38,662	Workday	Letting
70 St. Stephen's Green	Dublin 2	5,855	Vodafone	Assignment
Block B, Liffey Valley Office Campus	Dublin 22	1,020	Re-Turn	Subletting
42 Westland Row	Dublin 2	1,012	Clearspace	Letting
Corrig Court, Sandyford Business Park	Dublin 18	952	Yuno Energy	Letting

Source: CBRE Research

FIGURE 5: Dublin Office Take-Up Average Deal Size



Source: CBRE Research

## Market Activity

### Take-Up by Sector: Technology Sector Most Active in Q2 and H1

In Q2, the technology sector (79%) accounted for the largest proportion of Dublin take-up, across 8 separate leasing deals. In H1, technology also accounted for the largest amount of leasing activity, at 58%, with professional services comprising 11%.

Business services (4%), public sector (3%) and ‘other’ sectors such as consumer services (3%) and manufacturing (3%) all made up small proportions of take-up this quarter.

### Take-Up by Location: Flight to Core Continues

In Q2, the city centre accounted for 88% of all office take-up, with the remaining 12% occurring in the suburbs. In H1, 86% of all take-up occurred in the city centre.

A total of 50,956 sq m of take-up was signed in Dublin 2/4, accounting for 85% of all take-up in the quarter. A further 1,116 sq m was taken up in Dublin 1/3/7, accounting for 2% of all take-up in Q2.

There were 7,161 sq m of lettings recorded in the suburbs during Q2, of which 54% (3,874 sq m) occurred in the west suburbs, with 41% (1,882 sq m) occurring in the north, and the remaining 5% in the south suburbs.

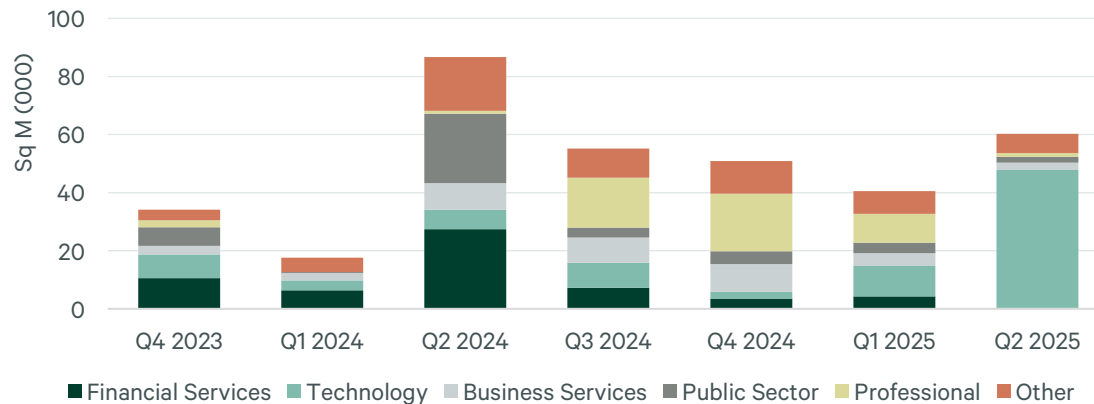
73% of all take-up this year has been in Dublin 2/4 and nearly 9% has occurred in Dublin 1/3/7.

### Active Demand Down 18% in Q2

Demand requirements totalled almost 192,000 sq m in Q2, down 18% quarter-on-quarter. Workday and Vodafone’s requirements have come out of the demand this quarter.

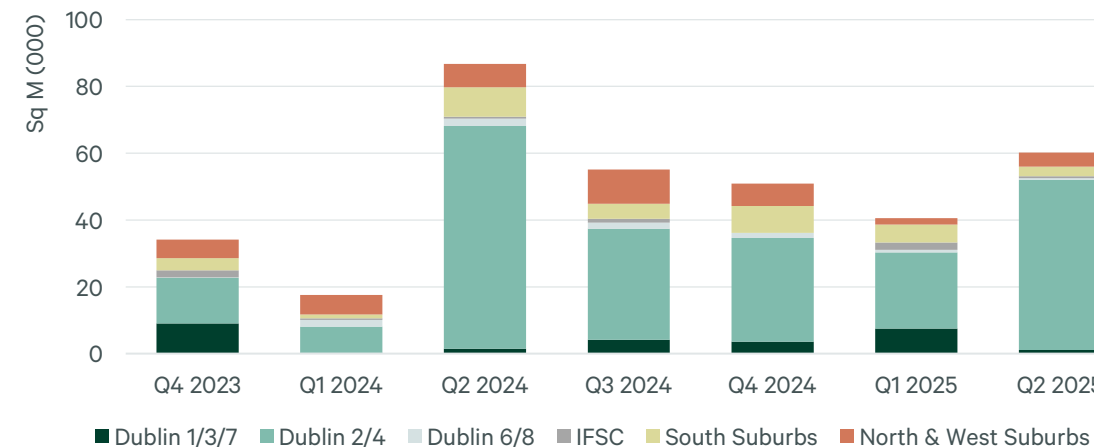
Companies in the financial services sector (19%) currently account for the largest proportion of demand.

FIGURE 6: Dublin Office Take-Up by Sector



Source: CBRE Research

FIGURE 7: Dublin Office Take-Up by Location



Source: CBRE Research

## Development & Supply

No new office buildings reached completion in Q2. Some notable buildings are nearing completion however and will likely be delivered in H2. These include:

Building	Postcode	Size Sq M*	Status
2 Grand Canal Quay	Dublin 2	13,471	Available
Boland's Bakery	Dublin 2	7,802	Owner Occupied
The Frame	Dublin 2	6,000	Fully Reserved
The Greenside Building	Dublin 2	4,717	Available
The Heysham	Dublin 1	2,073	Available

Source: CBRE Research; \*Gross size

### Vacancy Turns a Corner; Rents Holding Firm

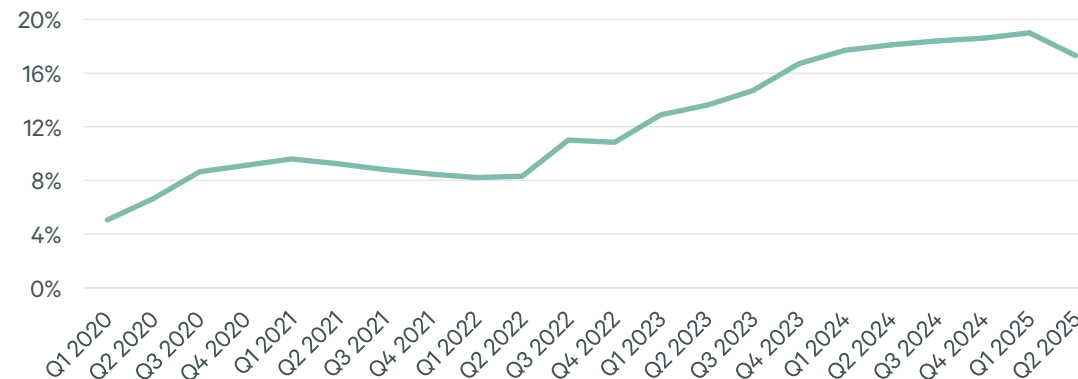
The vacancy rate in Dublin has finally peaked and retreated to 17.3% in Q2, down from nearly 19% in Q1. Approx. 170,000 sq m is currently available as grey space with 60% of this located in Dublin 2 and 4.

The vacancy rate in the suburbs is now 15.5%. Notably it is lower than the city centre rate, but it is the overhang of grey space in the city that contributes to its higher rate.

Headline prime rents remained unchanged at €673 psm (€62.50 psf) in Q2 for the best-in-class, most sustainable offices. Prime rents are forecast to increase to €700 per sq m (€65.00 per sq ft) in 2025, driven by the tightening of supply in prime locations.

In the long-run, prime rents will have to rise to an economic rent of over €755 psm (€70 psf) in order for construction of office stock to re-commence in Dublin.

FIGURE 8: Dublin Office Vacancy Rate\* (All Dublin)



Source: CBRE Research; \*Includes 'True' Vacant Space & 'Grey' Space

FIGURE 9: Dublin Office Guideline Rents Q2 2025

Prime Headline Office Rents	Euro Per Sq M	Euro Per Sq Ft
City Centre	€673	€62.50
South Suburbs	€318	€29.50
North Suburbs	€221	€20.50
West Suburbs	€194	€18.00

Source: CBRE Research

## Investment Activity

Approximately €180m worth of capital was deployed into the office sector in Ireland in Q2, across four deals, accounting for nearly 50% of all investment. Three of the top investment deals in the quarter were in the office sector. In the year-to-date, approx. €270m worth of offices have traded – over double the amount invested in H1 of last year, a firm indication that investors and funders are regaining confidence in the sector after a period of instability.

### Prime Dublin Offices Attracting Core Capital

With a dearth of prime deals across sectors over the last two years, it was a particularly encouraging sign to see the sale of two prime Dublin offices complete at competitive pricing to core European capital in Q2.

Deka Immobilien continued its expansion in Dublin by acquiring 20 Kildare St. from Kennedy Wilson. The BER A-rated building is located in the core of Dublin 2 and is fully let to a range of tier-1 tenants, including Dentons, Aircastle and Davidson Kempner with a WAULT of over 8 years.

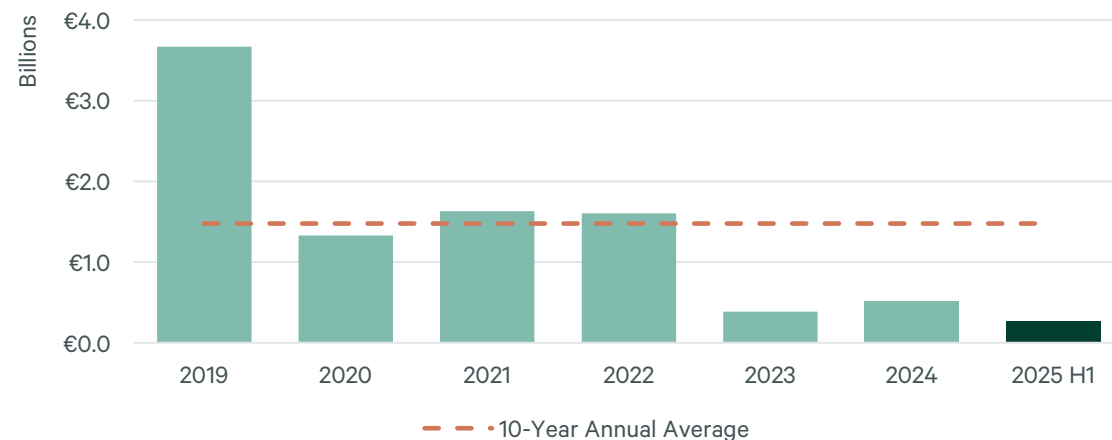
The second notable deal was the sale of Ten Hanover Quay by Kennedy Wilson and NAMA to a Spanish family office. The building is fully let to Fiserv with a WAULT of nearly 9 years. The pricing achieved on both transactions supports holding prime Dublin office yields at their current level.

Meanwhile French fund Corum Asset Management continued its expansion in Dublin offices by purchasing The Infinity Building in Smithfield, Dublin 7, which is fully let to the OPW.

### Yield Compression Expected to Continue in Select Markets

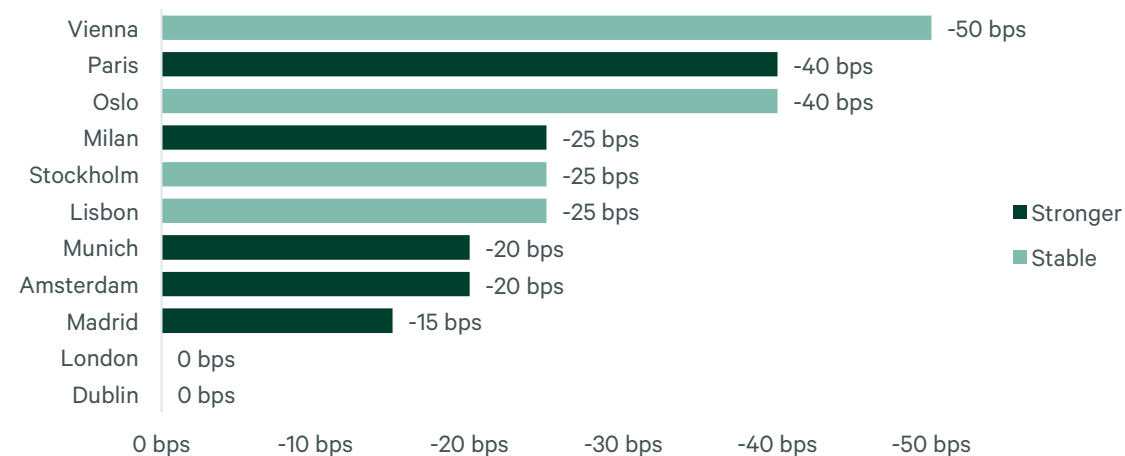
Dublin office yields remained unchanged in Q2. Prime yields for offices in London’s West End have also remained stable at 4.00%, although they are trending stronger, which indicates some yield compression is expected later this year. Meanwhile, Vienna has witnessed the most compression (-50 bps) since yields peaked in mid-2024 at 5.25%, while Munich and Amsterdam yields have moved in 20 bps from their respective peaks.

FIGURE 10: Irish Office Investment Volumes



Source: CBRE Research

FIGURE 11: Movement in Prime European Office Investment Yields (EY), Latest Peak to Q2 2025



Source: CBRE Research; \*Prime office yield assumptions: best-in-class office located in the prime CBD, assumes a 10-year FRI lease, rack-rented to a credible tenant, the building should be BER A-rated.

**Figure 12: Block G, Central Park, Sandyford, Dublin 18; Currently Available to Lease**



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