Intelligent Investment

Dublin's Multi-Let Industrial (MLI) Sector

REPORT

An analysis of trends in the MLI sector with perspectives from the key market players.

CBRE RESEARCH
NOVEMBER 2025

Chancerygate – Airport Trade Park

Background to this Study

Over the past five years, the Industrial & Logistics sector has consistently **outperformed all other asset classes** in Irish commercial real estate - driven by structural shifts in consumer behaviour, supply chain reconfiguration, and enduring rental growth. Within this broader success story, a distinct and evolving sub-sector has emerged: Multi-Let Industrial (MLI).

The MLI segment is defined as typically **terraced or subdivided blocks of units up to 25,000 sq ft in size**, and are facilities that are focused on serving the needs of Ireland's growing number of small and medium sized enterprises (SMEs) in sectors like manufacturing, wholesale, trade, food & beverage and leisure.

As Dublin's economy continues to expand, the demand for modern, smaller-scale facilities has outpaced the delivery of new supply. With much of the existing stock aging, a **pronounced supply-demand imbalance** has emerged, driving rental and capital value growth across the sector. Recognising this opportunity, a number of developers and investors are actively engaging in the sub-sector through a range of strategic approaches.

In this report we will:

- Define the features of multi-let industrial and explore the reasons the sector is in focus
- Break down the total size of the market and outline the key occupiers
- Analyse rental dynamics: what tenants are paying, typical lease terms and incentives, and highlight some key lettings
- Share stakeholder insights from those shaping the market on the ground
- Current stock and the outlook for development
- Make the investment case, highlighting yields, capital values and future upside

FIGURE 1
Contributions from Market Leaders in Dublin MLI

Features of Multi-Let Industrial

- **Terraced or sub-divided industrial units** forming a business park or within an existing park
- Smaller size units of up to **25,000 sq ft**
- Diverse tenant sectors, **both international and indigenous**
- Historically located close to **growing urban areas**
- Typically **lower developer capex requirements** and **obsolescence risk**

Channor Real Estate Group - Blanchardstown Corporate Park

The Opportunity

Industrial & logistics (I&L) has been the standout performer in European and Irish real estate over the past five years. In Dublin, MSCI index **total returns for the sector reached 57%**, compared to -5% for the overall Irish market. Initially driven by yield compression, performance is now underpinned by strong income growth from rising rents. Prime Dublin I&L rents have risen by 32% over a five-year period.

However, much of the new development and investment in Dublin has targeted mid to big box I&L facilities, while the stock of smaller units has been aging considerably, with much of the existing stock not meeting the functional or sustainability criteria of the modern MLI focused occupier. Despite this, **vacancy among this older stock remains low (3%)** in the MLI sector, with vacancy periods particularly short given the lack of availability.

The Investor Opportunity

We are now witnessing **substantial rental growth on a per sq ft basis** for MLI stock, our newly created data series shows that MLI rents have risen from an average of €12 psf in 2020 to €18 psf in 2025. This has presented an opportunity in that some developers and investors have capitalised on strategies of acquiring more competitively priced existing stock, refurbishing to a near-modern standard and re-letting at considerably higher rents.

The Developer Opportunity

The opportunity for ground-up developers also stems from the **ageing property stock** currently occupied by many smaller occupiers. The trend that we believe will gather pace in the coming years, is that as lease terms expire, for smaller occupiers in older units, a growing number will seek to relocate to modern units with excellent ESG credentials. In response, both new entrants and established developers are actively building to meet this demand, with ambitious plans to expand their offerings in the coming years.

FIGURE 2

The Case for Dublin MLI

- Industrial is the **best performing sector in CRE**
- Economic and SME growth in Dublin **underpins occupier demand and take-up of MLI**
- Low availability of MLI stock in Dublin is driving rental growth, with **rents now outperforming prime**
- Ageing stock will lead to occupiers seeking to **migrate to more modern premises**
- Developers recognise the opportunity and are now **tailoring strategies to meet demand**

Dunquin Capital – Stadium Business Park

Take-Up & Occupiers

The Total Addressable Market

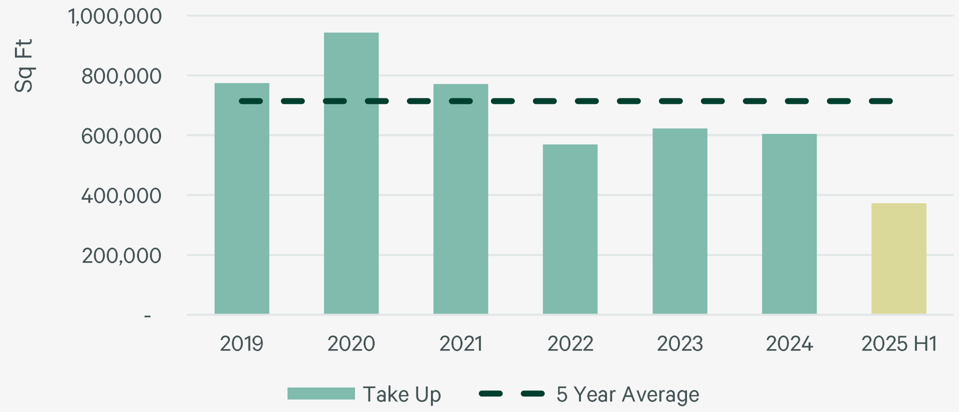
Average annual take-up in the industrial & logistics market in Dublin since 2019 has been just over 3 million sq ft. On average, units of up to 25,000 sq ft in size have accounted for 25% of take-up during this period, reflecting **715,000 sq ft of take-up per annum**.

We are recording demand levels beyond the average annual take-up for the MLI sector. In addition, many occupiers are being forced to sign lease renewals, as opposed to new leases, due to the lack of available modern, MLI stock.

Sample Tenants and Sectors

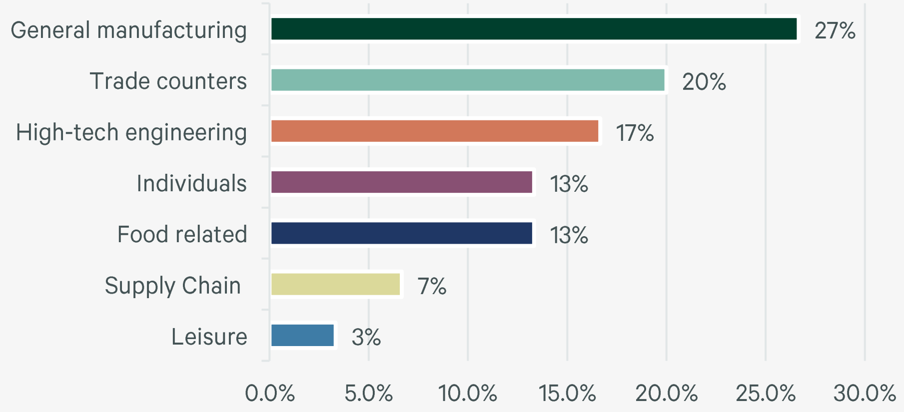
We have analysed the Top 30 Deals in Figure 4 in the MLI sector since 2020 and broken them down by occupier type to get some insight into who is taking space. 77% of occupiers involved in take-up were Irish companies (based on the top 30 deals). The most active occupier categories were general manufacturing and trade counters.

FIGURE 3
Dublin MLI Take-Up*



Source: CBRE Research; *All Dublin take-up in the size bracket of 0-25,000 sq f t

FIGURE 4
Split of Occupier Types*



Source: CBRE Research; *Based on Top 30 Deals

Rental Dynamics

We've outlined how the supply-demand dynamics in the MLI sector are driving substantial rental growth, even for older refurbished units. But just how significant is this growth? To quantify it, we've compiled a data series based on a sample of 30 Dublin MLI transactions since 2019.

– Our data series, based on recent letting evidence, indicates that MLI units are regularly achieving significantly **higher rents (psf) compared to larger, prime logistics units**.

– While guideline rents for prime Dublin mid and big box units currently sit around €13.50 psf, MLI units are commanding rents well above this benchmark. In some cases, **rents have exceeded €20 psf,** with certain landlords reporting figures as high as €25 psf on smaller units of sub 5,000 sq ft.

– Our series, when plotted against our prime guideline rent series, shows that prime Dublin I&L rents have increased by an average annual growth rate of 5% since 2020, whilst multi-let rents have seen an **average growth rate exceeding 8%.**

– This growth has driven **income return and capital value appreciation** which has contributed to total returns for overall industrial in Dublin which has considerably outperformed the broader market.

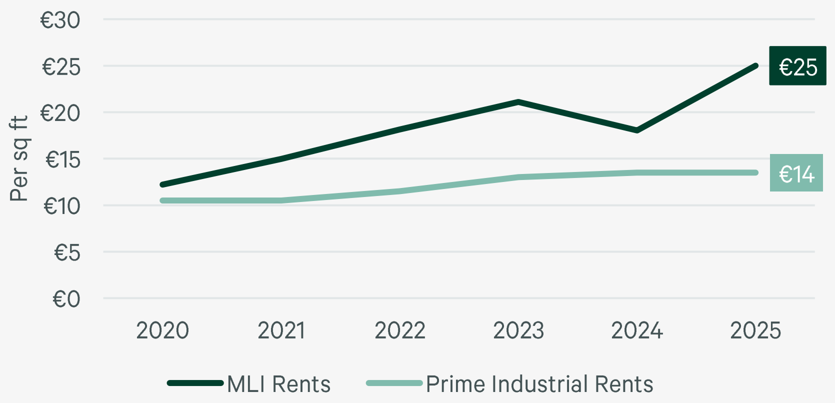
Lease Terms and Incentives

Lease terms in the MLI sector tend to be shorter and more flexible compared to mid and big box lettings. In our sample of 30 Dublin MLI deals, the most common **lease length is 5 years**, with five separate deals agreed on 10 year terms, and a selection on 3 year terms.

Given current market dynamics, landlords are **generally conservative when it comes to rent-free incentives.** In fact, many deals in our sample offered no rent-free period at all. The next most common incentive was 2 months rent-free on a 5 year term, highlighting the strong negotiating position landlords currently hold.

FIGURE 5

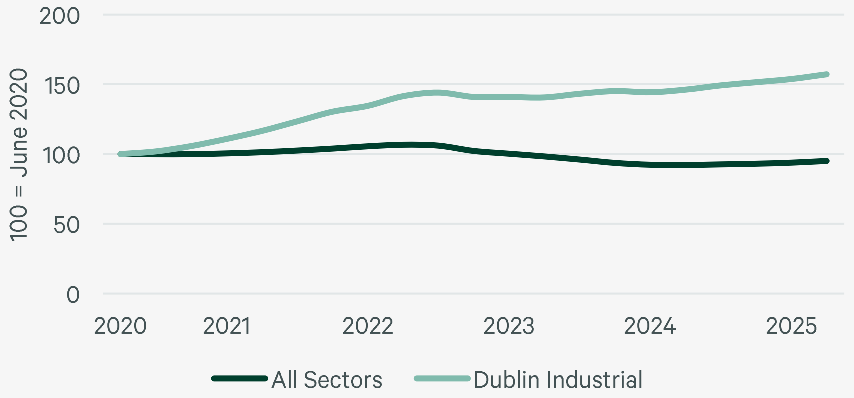
Multi-Let v Prime Dublin I&L Rents



Source: CBRE Research

FIGURE 6

Total Return Index*



Source: MSCI; *Dublin Industrial vs. Ireland All-Sector Return

Key Multi-Let Industrial Lettings 2025

01

Swords Enterprise Park
Unit F1

1,647 sq ft

€25.06 psf

M7 Real Estate
AN M7 INVESTMENT GROUP COMPANY

02

Airport Trade Park
Unit 7

3,778 sq ft

Region €20.39 psf (Reserved)

Chancerygate

03

North Ring Business Park
Unit P3

4,532 sq ft

€19.70 psf

M7 Real Estate
AN M7 INVESTMENT GROUP COMPANY

04

Blanchardstown Corporate Park
Unit 288

4,139 sq ft

€18.12 psf

CHANNOR
REAL ESTATE GROUP

05

Greenogue Business Park
Unit 42

11,220 sq ft

€14.48 psf

PALM CAPITAL

06

North Point Business Park, Cork
Unit 18

4,889 sq ft

€12.50 psf

JCD

Stakeholder Feedback

- As part of this project, we engaged with leading developers and investors in Dublin's MLI sector, asking targeted questions to gauge current demand and strategic outlook for future development and investment.
- **Channor Real Estate Group:** Owner of Blanchardstown Corporate Park, Channor has recorded strong letting activity over the past year. A standout deal was Unit 253, which involved a 3,000 sq ft extension and an upgrade to achieve an A3 BER. The unit was pre-let to Intersurgical on a 20-year lease at €16.50 psf.
- Channor's portfolio is now fully occupied, with minimal void periods when vacancies arise. On the investment side, they completed the sale of Grattan Business Park in July 2024 for €10.75m to French asset manager Alderan.
- **JCD Group:** Has led the development of modern industrial and logistics facilities in Cork over the past decade. Its MLI portfolio spans multiple business parks, with strong demand for sub-10,000 sq ft units. Recent lettings include notable tenants such as Howdens, JK Flooring, and AA, with rents trending above €15 psf.
- **Dunquin Capital:** An emerging developer and investor, Dunquin is developing an MLI scheme within the existing Stadium Business Park, which is its first Irish industrial development. Five units ranging from 15,932 to 22,775 sq ft are under construction, scheduled for completion in Q2 2026. They note that occupiers are beginning to appreciate the operational cost savings associated with new-build MLI stock.
- **Kennedy Wilson:** Owners of a large industrial portfolio across Dublin and Cork. Units in Greenogue Business Park and Aerodrome Business Park - acquired in 2022 - include a selection of MLI units. With only limited new space under construction, they see strong demand from existing tenants for lease renewals and longer-term commitments as occupiers seek security. Any space on the market attracts high levels of interest.

FIGURE 7

Stakeholder Feedback

CHANNOR REAL ESTATE GROUP	"Our strategy is underpinned by the strong rental growth and yield compression witnessed in the MLI sector over the past three to four years."
JCD	"We are seeing solid demand in the MLI sector with occupiers preferring efficient buildings from both an energy usage and operational perspective. Construction costs have stabilised and we have a strong pipeline of deliveries in 2026."
DUNQUIN Capital	"As land inside the M50 has been zoned for regeneration, this presents a compelling opportunity for the MLI sector."
KENNEDY WILSON	"Our conviction in the MLI sector is evidenced by our commitment to grow our portfolio and improve the real estate that our customers occupy. We have strong relationships with our customers, supporting their own growth into the future too."

Stakeholder Feedback

- **M7 Real Estate:** A seasoned UK based investor and developer, M7 has actively acquired assets in Dublin, building a substantial portfolio of approximately 350 units, primarily in the I&L sector. The firm operates two strategies: value-add funds and its large joint venture MLI fund. Key MLI acquisitions include Westlink Industrial Estate (2018), Primeside Park (2020), and Swords Enterprise Park (2022).

- M7's focus in Ireland is on multi-let industrial (MLI) units averaging just over 9,000 sq ft, targeting assets with strong occupier demand and value potential. Units that achieve the fastest lettings typically undergo extensive refurbishment - a process in which M7 has become highly specialised in. The group continues to see strong demand across Dublin and the Greater Dublin Area.

- **Palm Capital:** Holds a portfolio concentrated in Greenogue Business Park in South West Dublin, extending into Kildare with assets in business parks around Naas and Newbridge. Limited supply of smaller units in both South West Dublin continues to drive rental growth and demand further down the N7 Corridor. Demand for Palm Capital's stock is broad-based, typically from SMEs across sectors such as retail, distribution, light assembly, and trade counters in high-traffic locations.

- **Chancerygate:** One of the UK's largest MLI developers and asset managers, Chancerygate is delivering new MLI units at Airport Trade Park in Dublin, with quoting asking rents from €17.50 to €21.30 psf.

- They report strong, broad-based demand, driven by a thriving domestic SME sector, continued foreign direct investment, and a lack of new MLI stock. Occupiers are increasingly willing to pay a premium for well-located, modern units offering ESG credentials, generous yard space, and low operating costs. Chancerygate views Ireland as a key strategic market within its European expansion, citing strong macroeconomic fundamentals and limited new supply.

FIGURE 8

Stakeholder Feedback

M7 Real Estate — AN M7 INVESTMENT GROUP COMPANY

"We continue to find the occupier spread across our MLI portfolio to be varied and diverse. Genuinely, we strive to think like an occupier in how we present and lease these units."

PALM CAPITAL

"The lack of supply will continue to keep rents stable as a minimum, but we would expect a continued increase. Based on what we have been seeing, in addition to the historical trends, MLI is a sector we plan to continue to focus on."

Chancerygate

"As a specialist in MLI development and investment, Chancerygate remains firmly focused on the sector."

Dublin MLI Supply

Limited development of ‘small box’ units has been completed in recent years which has led to a dearth of modern stock in the MLI size bracket. Many existing units have been acquired and significantly upgraded to improve energy performance to ensure they are more in line with modern occupational requirements.

Given the extremely limited vacancy across MLI portfolios, such strong demand for ‘small box’ units has prompted new development to commence. New units are under construction at Airport Trade Park, Blanchardstown Corporate Park, Northwest Logistics Park, and Stadium Business Park, notably all on the north side of the city.

– Directly beside Dublin Airport, **Chancerygate** is developing 13 units at the new **Airport Trade Park** as a joint venture with **Bridges Fund Management**. The units will range in size from 3,595 sq ft to 22,.370 sq ft and will be completed with the coming months. At the forefront of sustainability, all units will be targeting a LEED Gold accreditation and a BER of A3 or better.

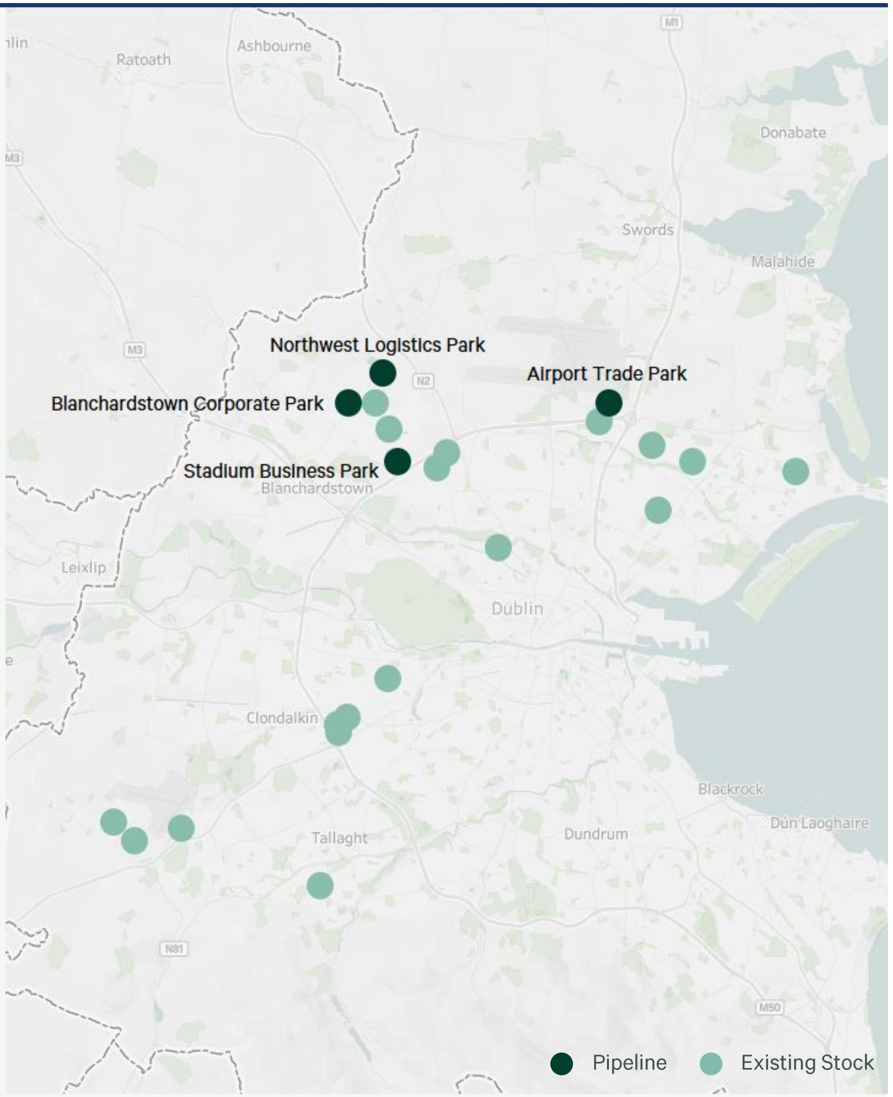
– Between Junction 5 and 6 of the M50 **Dunquin Capital**, also with **Bridges Fund Management**, are adding five units to the existing **Stadium Business Park**. The units will range in size from 15,932 sq ft to 22,775 sq ft due mid-2026, the units are targeting a LEED Gold accreditation and a BER of A2.

– At **Blanchardstown Corporate Park**, **Channor Real Estate** continue to add to the park with units 272 and 273 under construction. Due to be delivered in February 2026, 272 has already been reserved by an international occupier.

Many older MLI units are located within the ring of the M50, much of which are being rezoned for regeneration. This presents opportunity for the MLI sector, as occupiers will need to relocate as stock is redeveloped for alternative uses.

FIGURE 9
MLI Supply Pipeline

Source: CBRE Research



Investment

Strategic Upgrade Trend: We are seeing an increasing number of developer-investors, including the stakeholders covered in this study, acquiring older units in prime locations inside the M50, refurbishing them to modern standards, and achieving significantly higher rents - often up to double the previous passing rent. This value-add strategy is unlocking strong returns.

Refurbishments: These refurbishments include installing energy-efficient LED lighting and upgrading electrical systems. Along with thermal improvements are combined with structural repairs and recladding for better energy performance. Modern office pods and welfare areas are introduced, often supported by VRF (Variable Refrigerant Flow) systems that provide efficient heating and cooling.

Case Studies: We have seen a variety of case studies of specialist investors-developers acquiring units at a high single digit entry yields, for units with passing rents from as little €6 to €8 psf, implementing refurb strategies, resetting rents to a higher base and driving overall capital value growth.

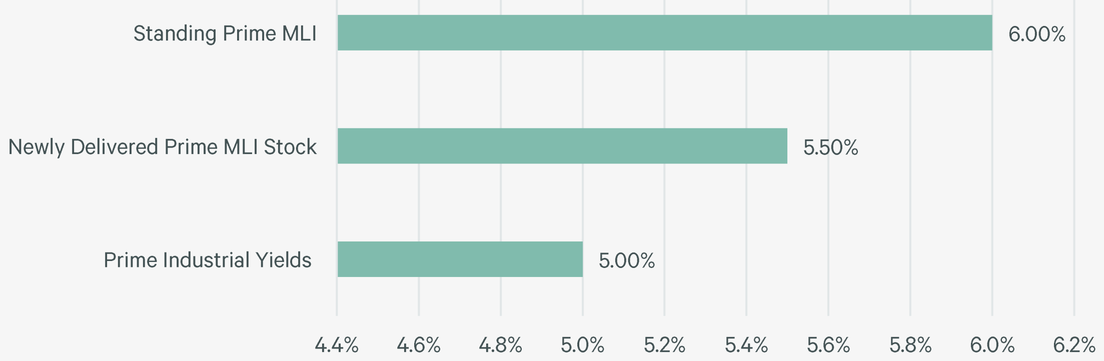
Attractive Yields and Compression Potential: Yields on MLI stock that has traded in Dublin are in the region of 6% for the best-located stock to late 7% for secondary units, offering investors healthy income returns. However, for newly built modern stock, we believe the investment case is compelling and with a 10 year WAULT, exit yields could be in the region of 5.50% or perhaps tighter.

Supportive economic, structural trends: The investment case is also underpinned by a persistent supply-demand imbalance, with limited modern units and strong occupier appetite pushing rents higher; structural tailwinds from e-commerce expansion and Ireland’s robust economy and favourable demographics, which sustain demand from SMEs and international occupiers.

FIGURE 10

Yield Profile

Source: CBRE Research



JCD –Blarney Business Park

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