



# Docklands Report

Q2 2020



**“Average selling prices were 6.63% above asking price since lockdown, driven by low supply and pent up demand.”**

**“7% of our managed tenancies ended prematurely in Q2 as a direct result of technology companies telling their employees to work from home for the rest of year.”**

### Owen Reilly, Director

**We continued to operate remotely and embraced virtual showings and transaction management, but the pandemic took its toll on business and the market essentially stopped for the first couple of weeks of lockdown. 53% of our Docklands sales fell through during lockdown. However new rental activity was at the same level as Q2 2019 and closings continued to happen. As lockdown eased, we immediately saw strong market activity supported by pent-up demand.**

Listed inventory was also affected by COVID-19. In second Quarter 2020, our active for sales listings fell by 82% compared to Q1.

The decline in properties listed for sale that started in March accelerated in April and May as many properties were withdrawn from market. Because of a drop in sales at the higher end of the market, median and

average price declined significantly when compared to Q2 2019. When lockdown measures were lifted in June, we noticed an immediate increase in activity and there was obvious pent-up demand with a lack of supply.

In June, our average selling price was 6.63% above asking price with strong demand on all property types and fast selling times. In the rental market there was a 50% increase in the supply of rentals due to the short-term rental market collapsing.

This combined with reduced demand created a tenant's market for the first time in years. Rents in Q2 fell 9% and the upper end of the market (€3,000+ per month) was particularly impacted and void periods trebled to six weeks but there are signs now that the market has stabilised.

Technology played a key role in our rental transactions which were virtually the same as Q2 2019. In many cases we let properties using VR walk through tours only and did not meet the tenants in person with leases

digitally signed. Remote rentals will now be a feature of the market going forward.

In our managed portfolio we temporarily re-adjusted 15% of our managed tenancies. Most of these abatements have now ended.

In April, large technology companies like Facebook and Google advised their employees they could work from home for the rest of the year. This directly caused 7% of our managed tenancies to end prematurely.

Most of these tenants were from continental Europe such as France, Italy, and Spain. All of these tenants intend to return in the new year.

The real test for the market will come in the Autumn when typically, there is a pickup in supply. Longer-term, for-sale and rental market conditions will depend on the wider economic recovery and the containment of COVID-19.



58 Hanover Dock, Dublin 2 sold for €550,000

## Docklands sales market

### Q2 transactional data (compared with Q2 2019)

Average asking price:	Average selling price:
€430,000 (€493,125)	€458,500 (€508,063)
Asking v selling price:	Weeks on market:
+ 6.63% (+3.00%)	9.5 (7.5)
Fall through rate:	Average price per sq.m. / sq.ft.
53% ( 22%)	€6,406 / €595 (-12.8%)

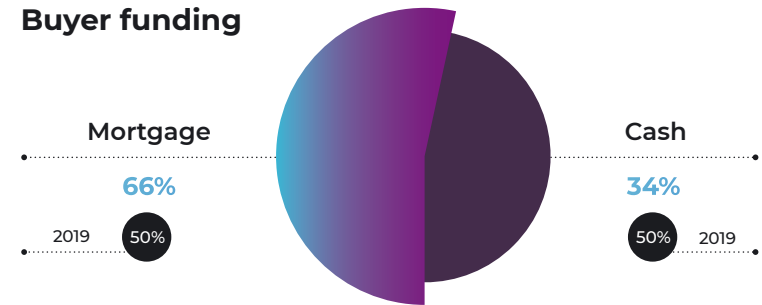


104 Grand Canal Residences, Dublin 2 sold for €360,000

### Buyer profile



### Buyer funding



### Nationality of buyers



## Docklands rental market

Q2 transactional data (compared with Q2 2019)

### Average monthly rents

One bedroom apartments	Two bedroom apartments	Three bedroom apartments
€2,183 (€1,967)	€2,286 (€2,763)	€3,900 (€3,100)
Average monthly rent	Rent inflation	Average household salary
€2,373 (€2,614)	-9%	€109,200 (€132,708)

### Agreed Rental Values

**9%**  
Lower than  
Q2 2019

### Average Rent Abatement

**10%**  
For three months

### Household Salary

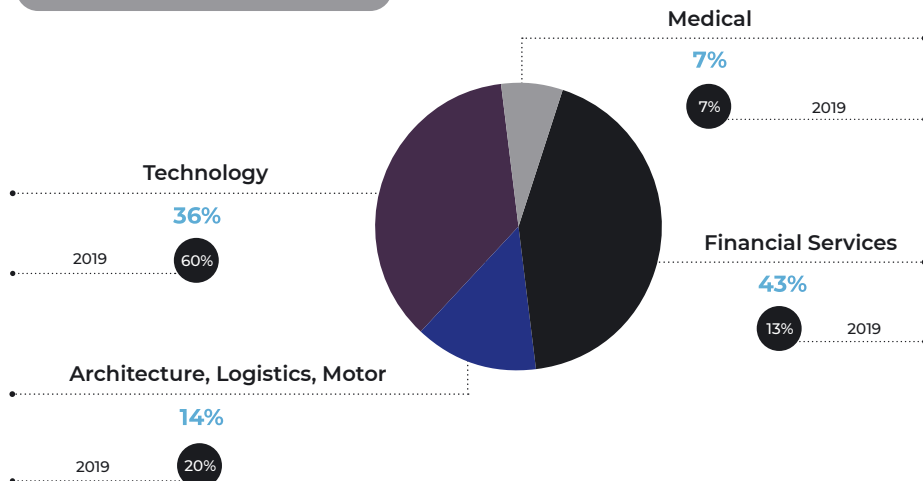
**18%**  
Lower than  
Q2 2019

### Tenancy Terminations

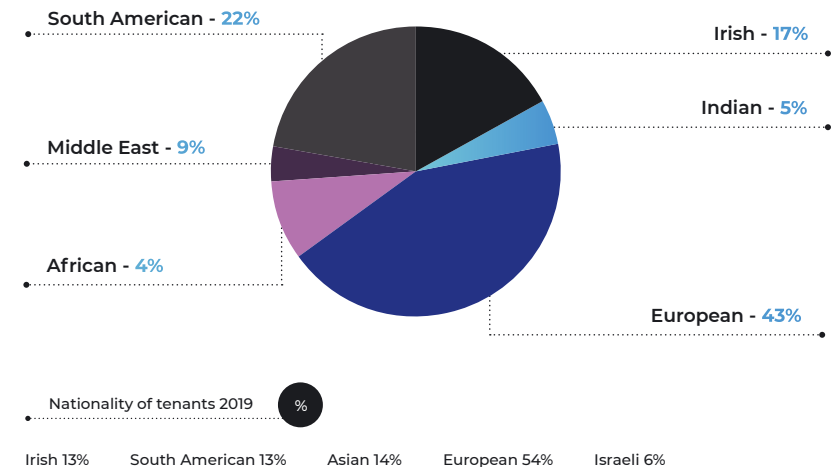
**7%**  
Of our managed  
portfolio

## Tenant Profile

### Work sectors






### Nationality of tenants



# Better Managed Properties



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The information in this document is based on transactions only and our observations of the market. However, the Docklands comprises unique and diverse neighbourhoods and features many very different apartment developments. We will be pleased to provide more detailed breakdowns or background information to particular areas or developments.

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