

# *On Point*

Research | JLL Irish Property Index - Q2 2016

August 2016



## Modest **growth** across all indicators

*The Index continues to perform steadily, with modest growth across all indicators. In Q2 2016, Britain voted to leave the European Union, and although is too early to predict the long-term impact of Brexit, there may be a short-term bounce from occupiers. It is hoped that Ireland's strong forecast economic growth positions it strongly to react to any negative impacts. At this stage, the key indicators in the Index are expected to continue to perform steadily in the short-term.*

The JLL Irish Property Index continued to perform steadily, with Overall Returns of +3.2% in the second quarter. This is the 19<sup>th</sup> consecutive quarter of positive growth.

Overall Returns in the last 12 months total +22.8%. The Overall Returns Index is now +13.2% higher than the previous peak in Q4 2007.

Capital Values increased by +1.9% in the quarter and +16.2% in the year. This was driven by growth across all three sectors, with Industrial (+23.8%) recording the strongest increase in the year, followed by Retail (+17.8%) and Offices (+14.0%). Overall Capital Values have increased by +60.1% since the bottom of the market but remain -42.7% lower than the peak in 2007.

Overall Income increased by +0.3% in the last 3 months. In the last 12 months, it has marginally decreased across the portfolio by -1.2%.

Overall Rental Values increased by +2.5% in the last 3 months and +12.9% in the last 12 months. Offices had the greatest increase in the quarter (+3.2%) followed by Retail (+2.0%) and Industrial (+0.3%).

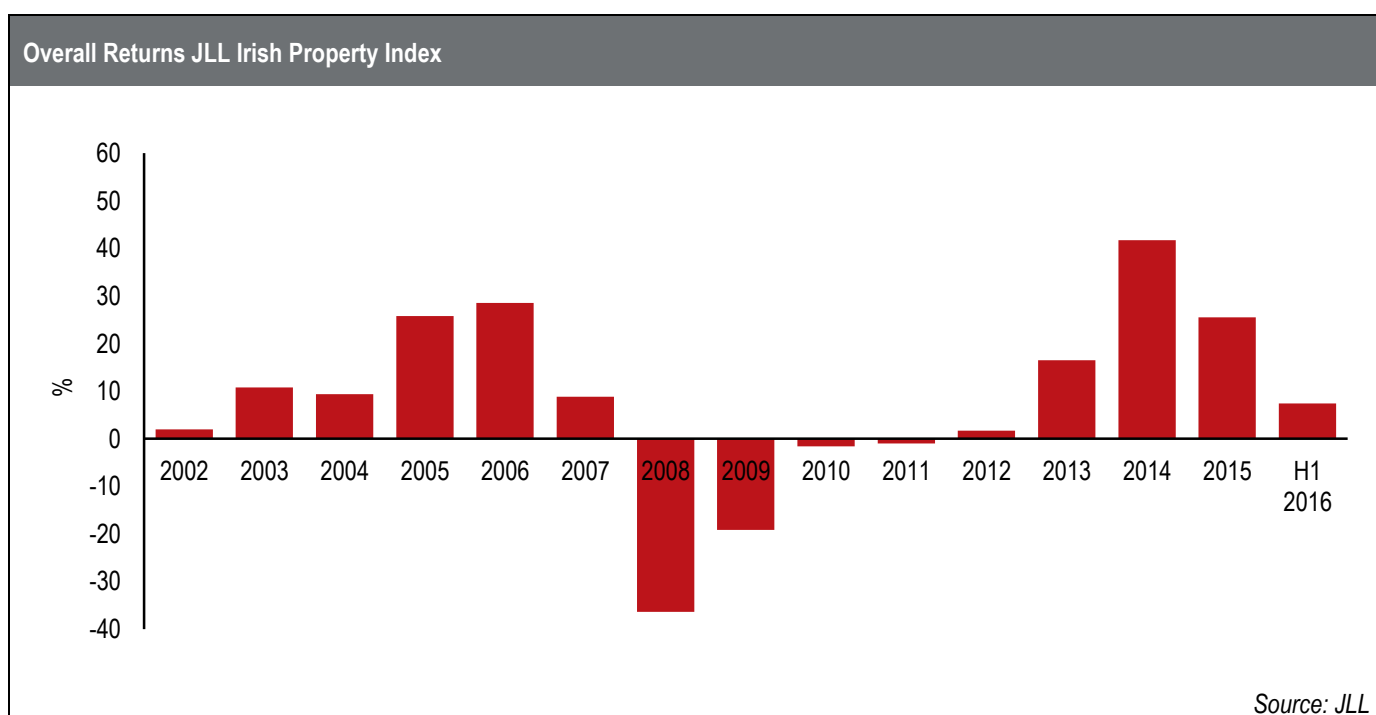
## JLL Irish Property Index Results, June 2016

Index	Index Jun 2016	Index Mar 2016	Index Dec 2015	Index Jun 2015	Quarter to Jun 2016 (1 qtr)	Two Quarters to Jun 2016 (2 qtrs)	Year to Jun 2016 (4 qtrs)
Overall Index	12,553	12,162	11,690	10,222	3.2%	7.4%	22.8%
Capital Index	834	819	798	718	1.9%	4.5%	16.2%
Income Index	490	489	506	496	0.3%	-3.1%	-1.2%
ERV Index	792	773	747	701	2.5%	6.1%	12.9%
Office Capital	779	759	744	683	2.6%	4.7%	14.0%
Office ERV	1,042	1,010	967	901	3.2%	7.8%	15.7%
Retail Capital	1,304	1,289	1,267	1,108	1.2%	2.9%	17.8%
Retail ERV	788	773	754	712	2.0%	4.5%	10.7%
Industrial Capital	591	587	535	477	0.6%	10.5%	23.8%
Industrial ERV	467	466	455	438	0.3%	2.6%	6.6%

## Portfolio Statistics

Index	GROSS VALUE	NET INCOME	ERV	CURRENT YIELD	BY GROSS VALUE	NUMBER OF PROPERTIES
OFFICES	246,677,067	12,341,301	12,966,068	5.0%	54%	9
RETAIL	170,339,203	8,340,933	7,966,831	4.9%	37%	12
INDUSTRIAL	43,194,210	2,505,068	2,696,998	5.8%	9%	8
<b>TOTAL</b>	<b>460,210,480</b>	<b>23,187,302</b>	<b>23,629,897</b>	<b>5.0%</b>	<b>100%</b>	<b>29</b>

## Overall Performance





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