

BER C1 E1



Investment For Sale  
**Commercial Premises, Main Road Tallaght**

Tenants Not Affected





## Investment Summary

- Commercial premises located on the eastern side of Main Road in Tallaght.
- Adjacent to the new Lidl Ireland Headquarters.
- Combination of warehouse and office accommodation over ground and first floors.
- Combined gross internal area of 2,555.36 sqm (27,506 sqft) with 69 car parking spaces.
- 100% occupied with a current passing rent of €453,600 per annum with a Weighted Average Unexpired Lease Term of approximately 8.1 years.
- Strong tenant line up including Bryan S Ryan, HSE and VEC.
- Offers are sought in excess of €4,800,000 which represents a capital value of €174.50 psf and a net initial yield of 9.05% after allowing for standard acquisition costs at 4.46%.

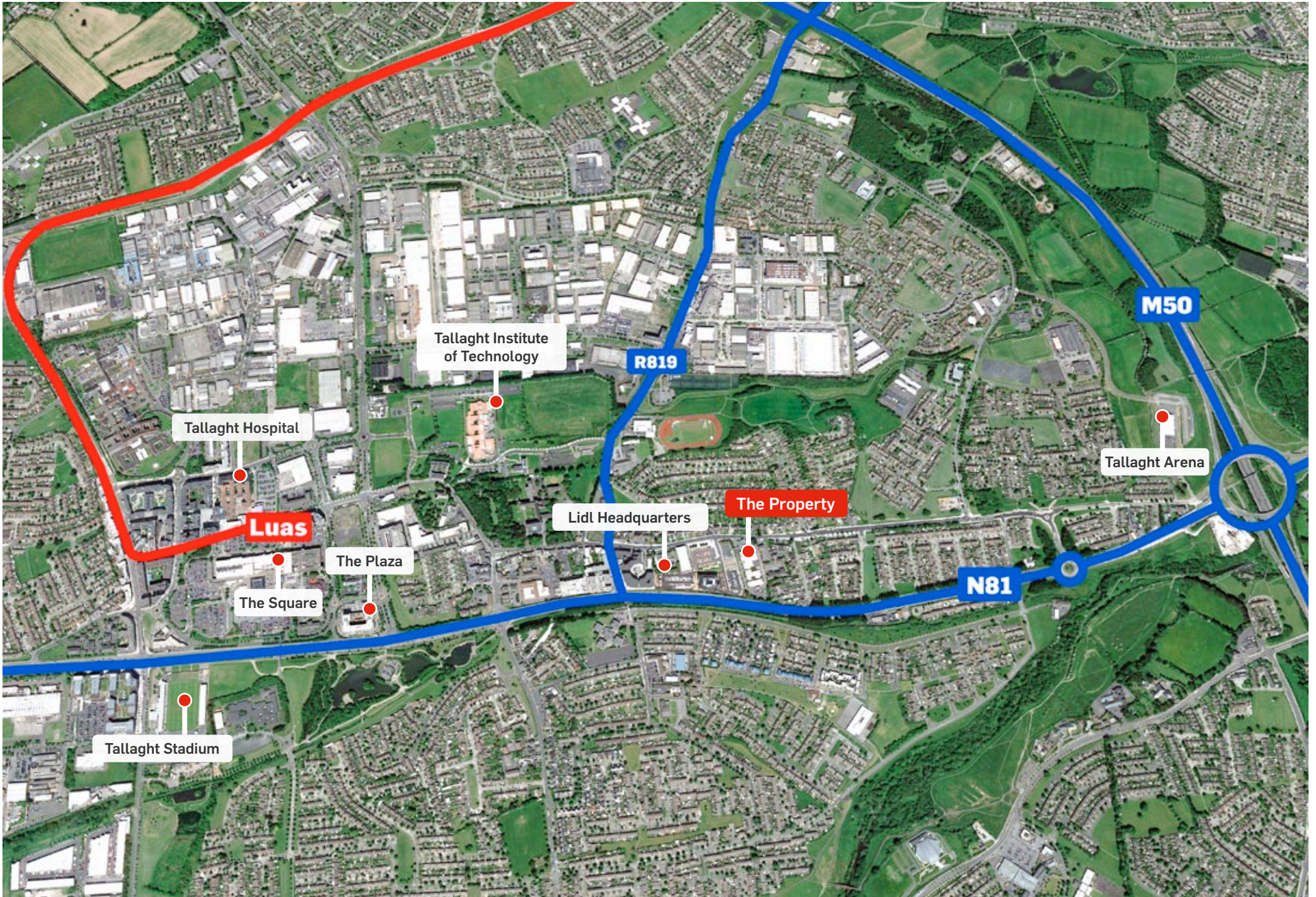


## Location

Tallaght is located approximately 10km south-west of Dublin city centre. It is Dublin's largest suburb and has a population of approximately 76,200 as per the 2016 Census and a catchment of about 634,000 within a 15 minute drive. It is an established commercial location with many multinational companies choosing to operate from here. The Square Shopping Centre, Tallaght Hospital, Institute of Technology Tallaght as well as a number of industrial estates are all located close to the main road in Tallaght.

The property is located adjacent to the N81 and approximately 1.5km from the M50 (Junction 11) providing easy access to all major roadways, the city centre, Dublin Airport and Dublin Port. The immediate area is well served by Dublin bus with routes 54A and 65 stopping in front of the property along with numerous other routes within walking distance. The LUAS red line connects Tallaght to Citywest and the IFSC via Dublin City Centre.

The opening of the new Lidl Ireland HQ Campus adjacent to the subject property is a boost to the immediate area. The headquarters opened earlier this year and employs 320 people. Other occupiers within the immediate vicinity include Partas, Crystal Engineering & Electrical Wholesalers and Niall Gough Motor Repairs.



## Description

The property is a commercial premises consisting of both office and warehouse accommodation. The entire includes a front, central and rear element which are all separately accessed.

Part of the property ( currently occupied by Bryan S Ryan and the HSE) was redeveloped in 2000 as per planning reference S99A/0784 (currently occupied by Bryan S Ryan and The HSE). The redevelopment included the 'demolition of an existing office/warehouse building, the refurbishment including a new façade of the existing office / show room building, the erection of a new warehouse/office building, and the erection of new signage and associated site work'.

The front of the property which is occupied by Bryan S Ryan comprises a 2-storey office and warehouse facility. The office element comprises individual offices along with meeting rooms and a boardroom and staff and reception facilities. The warehouse which is linked to the offices is of steel frame construction and includes a concrete mezzanine storage area.

The Health Service Executive occupy a 2 storey office premises. The ground floor is laid out in individual office and meeting rooms with staff facilities and a reception. The first floor comprises a mix of open plan and individual offices and a boardroom.

The VEC occupy a single storey building which is in use as an adult education centre. The layout incorporates a reception area, canteen and offices with the remainder in use as classrooms.

## Accommodation

The property is leased under three separate commercial leases. The approximate gross internal floor areas set out in the table below.

Tenancy	Gross Internal Area sqm	Gross Internal Area sqft
Bryan S Ryan	1,373.90	14,789
HSE	404.82	4,357
Dublin and Dun Laoghaire Education and Training Board	776.64	8,360
<b>Total</b>	<b>2,555.36</b>	<b>27,506</b>

All intending purchasers are specifically advised to verify the floor areas and undertake their own due diligence.



# Tenancy Schedule

The property is 100% occupied. Summary tenancy details as outlined in the leases are set out below.

Tenant	Term	Commencement	Expiry Date	Break Option	Current Rent	Car Spaces
Bryan S Ryan	25 years less 3 days	01/05/01	27/04/26	Break option date expired	€ 272,600	39
HSE	25 years less 3 days	23/03/05	22/03/30	Break option date expired	€ 84,000	12
Dublin and Dun Laoghaire Education and Training Board	10 years	10/07/17	09/07/27	10/07/22	€ 97,000	12
					<b>€ 453,600</b>	<b>63</b>

## Tenant Covenant Information

The property benefits from a strong tenant line up.



Bryan S Ryan was incorporated in 1979. The company has a current (maximum) credit score of 100 and financial statements for 2016 show a company turnover of over €15 million and a gross profit of €7.23 million.



Dublin and Dún Laoghaire ETB was established on 1st July 2013 under the Education and Training Boards Bill 2012, as an amalgamation of County Dublin VEC and Dún Laoghaire VEC. Their mission "to be the leading provider of integrated education services which enable children, young people and adults to fulfil their potential in a positive learning environment".



The Health Service Executive runs all of the public health services in Ireland. It employs over 100,000 people. The HSE's budget for 2017 is €14.6 billion which is the highest ever health budget.

## The Market

The Irish economy performed well in 2016 and is expected to continue its strong expansion throughout 2017.

Commercial property continues to generate significant interest and investors are continuing to buy property as an income generating, real asset. With negligible deposit rates and 10 year Government Bond rates at 1.07% (17th February 2017), property yields remain relatively attractive. There are still good opportunities across the sectors with some prices still well below replacement cost.

The 2016 MSCI (formally IPD) figures show total returns of 13.5% for all property classes. This figure encompasses capital growth at 7.3% primarily, which is driven by the current positive market sentiment, and by income return of 4.7%.

Unlike many other parts of the economy, Brexit should potentially benefit the commercial property sector in 2017. There will be increased activity from companies looking to relocate from London and elsewhere in the UK as a result. Dublin is a gateway to Europe and a strong euro area is good for Ireland and the Dublin commercial property market.

Occupational markets for office and industrial have improved in recent years with transactional levels running at or above long term averages and rental growth having come back to the market strongly. As a result of office rental increases in the city centre, tenants are now considering relocating to the suburbs where rents are much lower than city rates.

Activity in the Dublin office market continued at very strong levels in 2016. Rising rents and falling vacancy rates remained key characteristics of the Dublin office market in 2016. Significantly, the overall Dublin vacancy rate fell below 10% for the first time in 16 years to stand at 9.5%.

The strong activity in the industrial market in recent years continued throughout 2016. The overall level of take-up of industrial space in 2016 was over 300,000 sqm. This is ahead of the long term average, recorded over the last 22 years, of 267,000 sqm.

## Details & Selling Agents

### Title

We understand the property is held freehold.

### Solicitor

David Walsh, G & D Walsh Solicitors,  
28 Sandyford Office Park,  
Sandyford, Dublin 18

### Guide Price

Offers are sought in excess of €4,800,000 which represents a capital value of €174.50 psf and a net initial yield of 9.05% after allowing for standard acquisition costs at 4.46%.

### Building Energy Rating

**BER C1 E1**

### Viewings

Viewings by appointment with the sole selling agent Lisney.

**Duncan Lyster**      01-638 2700      dlyster@lisney.com

**Lynda Gordon**      01-638 2700      lgordon@lisney.com

The Lisney logo consists of the word "Lisney" in a white, bold, sans-serif font, centered within a white rectangular border. This logo is set against a solid red square background.

**St. Stephen's Green House,  
Earlsfort Terrace, Dublin 2,  
D02 PH42.  
Tel: +353 1 638 2700**

These particulars are for guidance only and do not form part of any contract. All statements contained in these particulars as to the property are made without responsibility on the part of the agents or the vendor and none of the statements contained in these particulars as to the property are to be relied on as statements or representations of fact. Any intending purchasers shall satisfy themselves by inspection or otherwise as to the correctness of each of them. No omission, accidental error or misdescription shall be ground for a claim for compensation, nor for the rescission of the contract by either the vendor or the purchaser. They are issued on the understanding that all negotiations will be conducted through this firm. Lisney PSRA: 001848.