



## **SURVEYORS COMMERCIAL PROPERTY SURVEY SHOWS POSITIVE TREND FOR OFFICE AND RETAIL MARKET**

### **HALF OF RESPONDENTS BELIEVE SOFTENING OF PRIME YIELDS FOR THESE SECTORS HAS HALTED**

**Thursday 12<sup>th</sup> August 2010.** There has been a modest increase in the level of transactions and enquiries in the office and retail sectors according to the latest commercial property survey by the Society of Chartered Surveyors.

While welcoming the move into positive territory in these two sectors the SCS noted that the volumes are low compared to historic averages and overall the commercial property market remains weak.

While investor demand remains strong for prime retail units, the sentiment for secondary retail continues to be weak. Respondents to the survey believe that the growth in enquiries will continue into the third quarter, but they expect retail rents to fall further.

The survey shows that the volume of vacant office stock is continuing to rise and as a result the value of inducements is set to increase in tandem with a reduction in lease lengths.

The industrial sector is the weakest part of the commercial property market with transactions and enquiries for industrial units falling for a second quarter while vacancy has risen for two consecutive quarters.

Respondents said they expected the volume of enquiries to shrink into the next quarter albeit at a lower rate of decline while rents are forecast to decline further.

In relation to development land, over half of all respondents said they had no enquiries in Q 2 while a similar number undertook no transactions in this sector. The availability of unsold land has continued to grow and one third of respondents do not expect to make any transactions in Q3.

Commenting on the results, the Chair of the SCS General Practice Division, Dr. Clare Eriksson said it is heartening to see an increased volume of transactions and enquiries in the office and retail sectors. While the increase is still fragile, over half of the respondents to this survey believe the softening of prime yields for these sectors has halted and that is a very positive development' Eriksson said.

Full details of the SCS Quarterly Commercial Property Review Q2 2010 are available at [www.scs.ie](http://www.scs.ie)

**ENDS**

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**Note to Editor**

This is the third quarterly commercial property survey undertaken by the Society of Chartered Surveyors. Respondents were asked for their experiences under a number of headings during the previous quarter (Q2 2010: April - June 2010) and to give their forecasts for the current quarter (Q 3 2010: July-September 2010). Results were anonymous and gathered online.