GEOVIEW

QUARTERLY COMMERCIAL VACANCY RATES REPORT

Analysis of Commercial Buildings in the GeoDirectory Database

GeoView is a new publication that provides accurate and up-to-date data on the stock of Commercial Properties in Ireland. It was commissioned by GeoDirectory from DKM Economic Consultants. This report provides the first all encompassing national database of vacant commercial buildings.

Facts at a glance

Stock of Commercial Properties

223,451	Total stock of commercial properties
198,019	Total stock of occupied properties
25,432	Total stock of vacant commercial properties

Vacancy Rates

11.4%	National vacancy rate
15.1%	Highest vacancy rate recorded for Sligo
9%	Lowest vacancy rates recorded for Kerry, Meath, Westmeath, Wexford

About this report

GeoDirectory was jointly established by An Post and Ordnance Survey Ireland (OSi) to create and manage Ireland's only complete database of commercial and residential buildings.

The information in this report is derived from the GeoDirectory database of commercial address points. This is a comprehensive address database of commercial buildings in the Republic of Ireland.

This is the first quarterly report on the vacant commercial building stock in Ireland. It introduces data on commercial address points in Ireland, the vacancy rate by county and a breakdown by economic activity. It is also possible to compare ratios across towns, counties, regions and the national average.

The statistics in this report relate to commercial units as of 20th January 2013.

The dataset contained in this report is a useful tool for the commercial property sector in Ireland and is set to develop further over the coming months.

GEO DIRECTORY   OSi Ordnance Survey Ireland — National Mapping Agency   POST

GeoDirectory

GeoDirectory was jointly established by An Post and Ordnance Survey Ireland (OSi) to create and manage Ireland's only complete database of commercial and residential buildings.

The figures are recorded through a combination of the An Post network of 5,600 delivery staff working with OSi.

Each of the over 1.8 million building records contained in GeoDirectory includes

- an accurate standardised postal address
- usage details for each building (commercial or residential)
- a unique 8-digit identity number or fingerprint; and
- x, y coordinates which accurately locate the centre point of each building to within one metre on the National Grid.

The GeoDirectory database is used by many different companies and organisations across a diverse range of applications, including the emergency services, utility companies, banking and insurance providers, and all local authorities use the database.

GeoDirectory database and classifications

The GeoDirectory database distinguishes between 'an address point' which is a unit as opposed to a 'building' which can comprise one or more units. The term 'address point' is used in this report as a proxy for each unit.

For the purposes of this publication, **all non-residential address points are classified as commercial address points**, implying a very broad definition for the commercial property sector in Ireland. Units classified Residential, Agriculture, Forestry and Fishing and Extraterritorial Organisations and Bodies (e.g. Embassies) are excluded.

The GeoDirectory dataset contains a range of variables on commercial address points, including the following:
- Address Point and Building Use
- Vacancy / Derelict
- Under Construction
- Town and County
- Organisation

The GeoDirectory database codes commercial address points by economic activity (i.e. NACE code). NACE codes are a statistical classification of economic activities used within the European Communities.

Future releases of this quarterly document will introduce data on the vacancy rates by NACE code and many more interpretations of the data that the GeoDirectory Database has to offer.

DKM Economic Consultants

Providing first class economic research and advice to clients for more than three decades.

DKM is a leading economic consultancy with a strong record of research across many areas and sectors, including building and construction.

DKM staff have accumulated considerable experience in working with a range of private and public sector clients, including Government departments, local authorities and other public sector agencies.
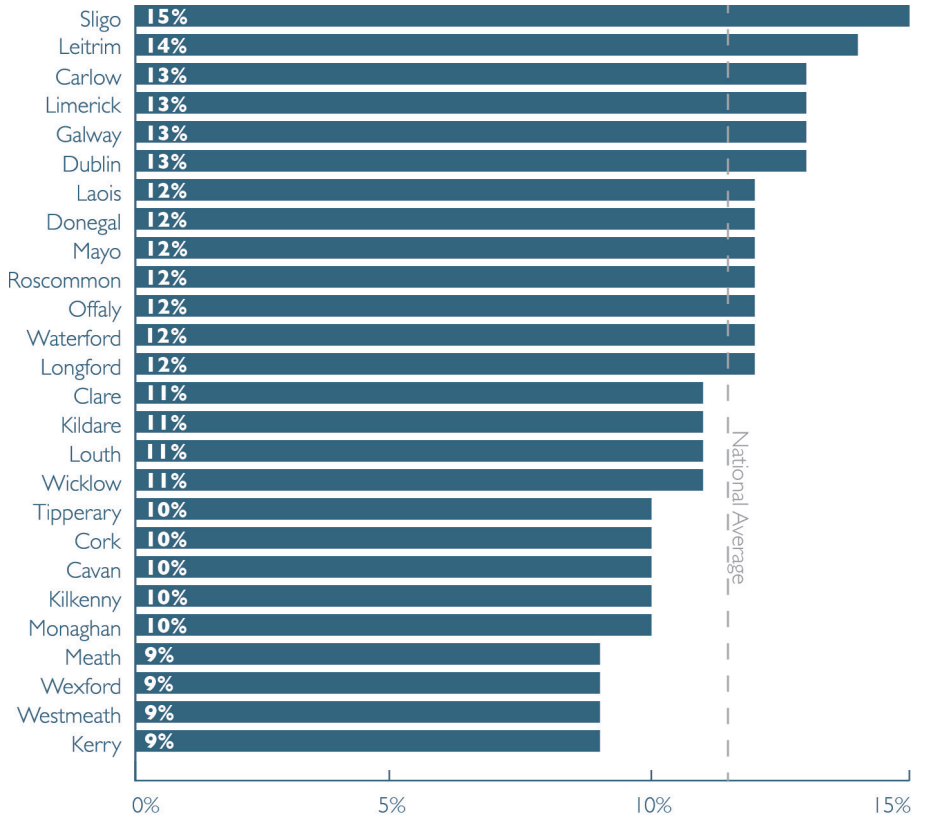
The firm is renowned for presenting its analysis in a jargon free and succinct manner to both public and private sector clients.

Classification of Vacant Commercial Address Points By County

The commercial vacancy rate by county vary from 15.1% to less than 10%. The national average is 11.4%.

- The highest rate was in Sligo (15.1%) followed by Leitrim (13.8%) and Carlow (13.1%).

- Vacancy rates in Dublin, Galway and Limerick were at the higher end of the scale at almost 13%.

- Four counties recorded the lowest vacancy rates of less than 10%: Meath, Wexford, Westmeath and Kerry.

- In overall terms 24.4% of the 25,432 vacant address points were located in Dublin and 10.6% of them were in Cork.

Figure 1: Commercial Vacancy Rate by County

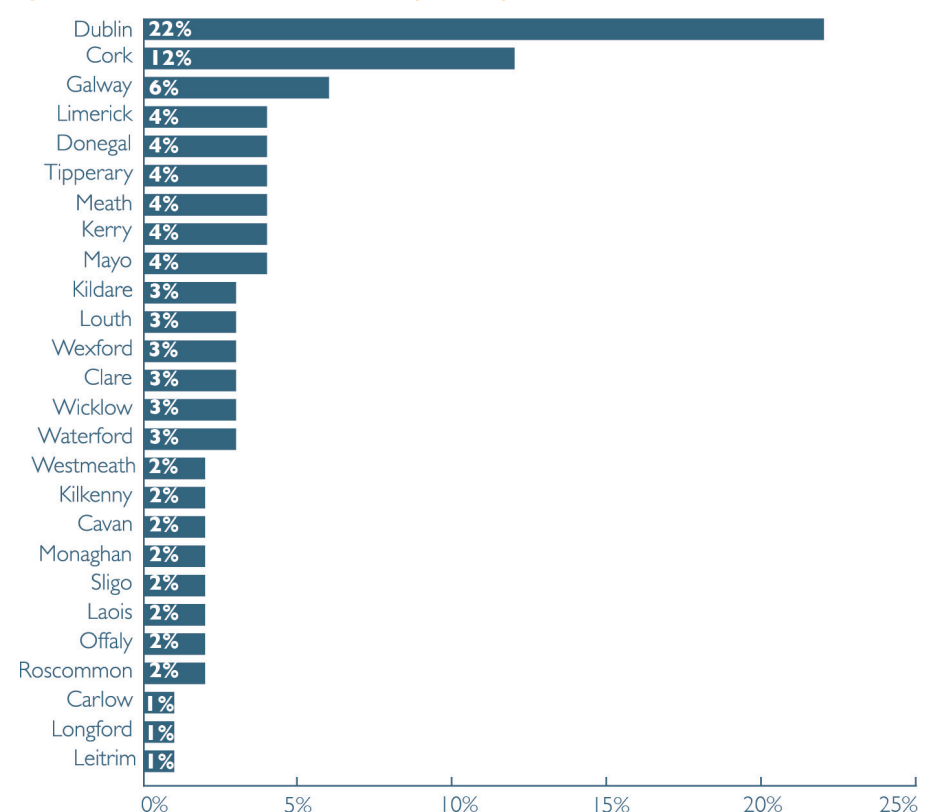| County	Rate
Sligo	15%
Leitrim	14%
Carlow	13%
Limerick	13%
Galway	13%
Dublin	13%
Laois	12%
Donegal	12%
Mayo	12%
Roscommon	12%
Offaly	12%
Waterford	12%
Longford	12%
Clare	11%
Kildare	11%
Louth	11%
Wicklow	11%
Tipperary	10%
Cork	10%
Cavan	10%
Kilkenny	10%
Monaghan	10%
Meath	9%
Wexford	9%
Westmeath	9%
Kerry	9%

Classification of Commercial Address Points by County

There are 223,451 address points on the database.

- Dublin (21.9% or 49,035) has the largest number of unique commercial address points followed by Cork (11.7% or 26,248) and Galway (5.7% or 12,732).

- Leitrim, Longford and Carlow had the lowest number of commercial address points with less than 1% or 3,000 units in each county.

Figure 2: Commercial Address Points by County

County	Percentage
Dublin	22%
Cork	12%
Galway	6%
Limerick	4%
Donegal	4%
Tipperary	4%
Meath	4%
Kerry	4%
Mayo	4%
Kildare	3%
Louth	3%
Wexford	3%
Clare	3%
Wicklow	3%
Waterford	3%
Westmeath	2%
Kilkenny	2%
Cavan	2%
Monaghan	2%
Sligo	2%
Laois	2%
Offaly	2%
Roscommon	2%
Carlow	1%
Longford	1%
Leitrim	1%

Analysis of Commercial Address Points by Economic Sector

The GeoDirectory dataset can examine the breakdown of address points by sector of economic activity (i.e. by NACE codes).

The analysis of commercial units by NACE codes uses the statistical classification of economic activities used within the European Communities (See Appendix A). For the purposes of presentation here 18 NACE codes are used to group the commercial stock according to eight broad groupings:

NACE CODES
1. Industry (B,C, D, E)
2. Financial and Insurance (K)
3. Service (H, I , J, L, M, N, R, S)
4. Construction (F)
5. Distribution (G)
6. Education (P)
7. Public Administration and Defence; Compulsory and Social Security (O)
8. Human Health and Social Work Activities (Q)

Taking the total of 223,451 commercial address points and excluding vacant units leaves a total of 198,019 occupied address points. A total of 171,282 (86.5%) of these had been allocated a NACE code as of the 20th January 2013.

It is not possible at this stage to ascertain the vacancy rate in the commercial building sector by NACE code but this data may become available in due course as vacant address points are classified according to their previous NACE code. There are, however, a number of interesting ways of presenting the data on the stock of occupied commercial units and these are presented below.

Classification of Commercial Address Points by NACE Code

171,282 commercial address points have been allocated a NACE code. Almost one-half of commercial address points are businesses in the services sector.

- There are over 81,000 units in the Services sector which has the largest number of commercial address points accounting for 47% of the total.

- This category of economic activity includes units in the Accommodation, Food, Transport, Entertainment, Arts and Recreational sectors.

Table 1: Nationwide Commercial Address Points by Sector of Economic Activity

Services	81,189	47%
Distribution	40,056	23%
Human Health	14,333	8%
Construction	12,294	7%
Industry	8,642	5%
Education	7,694	4%
Financial	4,063	2%
Public Administration	3,011	2%
Total Sample	**171,282**	**100%**

The second largest category is Distribution, accounting for 40,056 or almost one quarter of units in the database at present. Distribution activities include businesses involved in the wholesale and retail sale of goods and services as well as the repair of motor vehicles and motorcycles.

There are substantially lower numbers of address points classified in the third largest group which captures activities involved in Human Health and Social Work – 14,333 address points or 8% of the total. These would include a wide range of activities, starting from health care provided by trained medical professionals in hospitals, medical and dental practitioners, health clinics, residential care and nursing home activities and social work activities without any involvement of health care.

Classification of Commercial Address Points by NACE Code (contd.)

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Table 2: Nationwide Commercial Address Points for Activities in the Services Sector

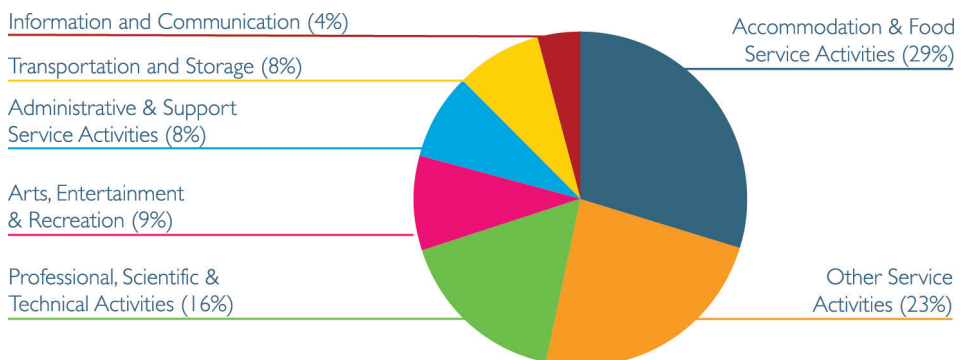|		
Accommodation and Food Service Activities	23,335	29%
Other Service Activities	18,602	23%
Professional, Scientific and Technical Activities	13,266	16%
Arts, Entertainment and Recreation	7,468	9%
Administrative and Support Service Activities	6,872	8%
Transportation and Storage	6,470	8%
Information and Communication	2,971	4%
Real Estate Activities	2,205	3%
Total Sample	**81,189**	**100%**

Looking in more detail at the largest sector, Services, it is possible to breakdown further the number of address points classified under Services activities (Table 2 and Figure 3).

Accommodation and Food Services Activities account for the largest number of address points in the services sector: over 23,000 or 29% of the total.

The second largest group, 'Other Service Activities' includes activities of membership organisations, the repair of computers and personal and household goods and a variety of personal service activities not covered elsewhere in the NACE classification system such as Pet Care services, Genealogical services and Valet Car parking.

Professional, Scientific and Technical Activities had over 13,000 address points or 16% of the total. These businesses would include Legal and Accounting, Architectural and Engineering, Scientific Research and Development, Advertising and Market Research and Veterinary service activities.

Figure 3: Nationwide Commercial Address Points for Activities in the Services Sector

Information and Communication (4%)

Transportation and Storage (8%)

Administrative & Support Service Activities (8%)

Arts, Entertainment & Recreation (9%)

Professional, Scientific & Technical Activities (16%)

Accommodation & Food Service Activities (29%)

Other Service Activities (23%)

In order to illustrate the level of dept and diversity of information that is available in the GeoDirectory Database there is a detailed analysis of a randomly selected county (Dublin) and town (Clonmel) presented on the following pages.

Dublin: Classification of Commercial Address Points by NACE Code

Dublin (City and County) has 48,960 commercial address points, 22% of the total.

The address points in Dublin postcodes 1, 2, 3 and 4 each account for around 8%, 12%, 3% and 5% respectively of the 34,047 unique address points with NACE codes.

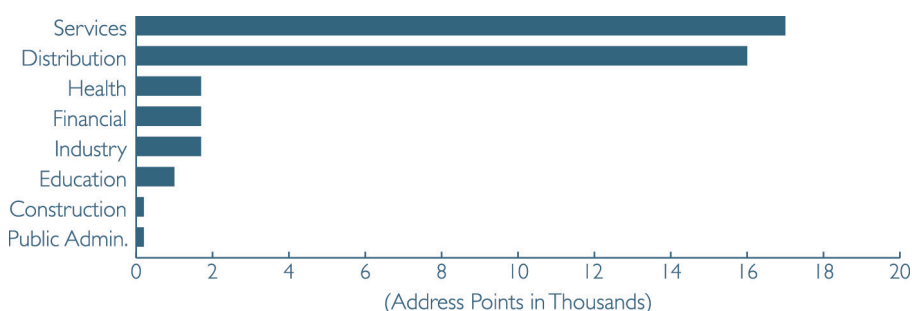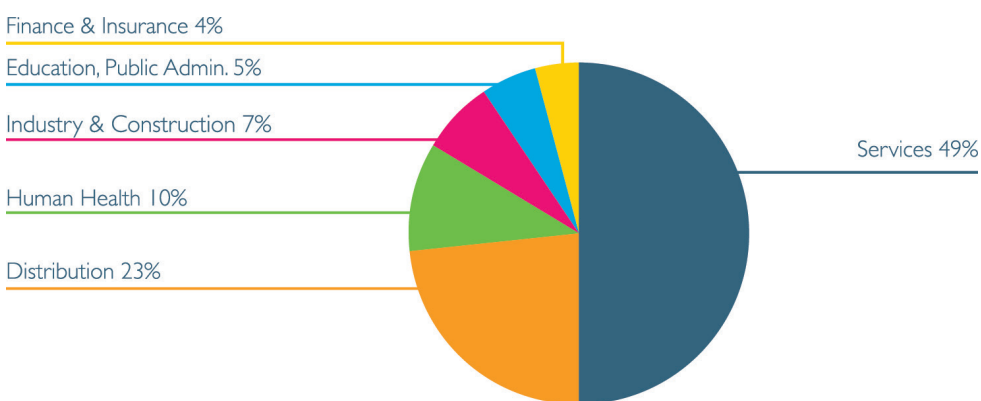Figure 4: Commercial Address Points in Dublin City and County

(Address Points in Thousands)

Figure 5. Commercial Address Points in Dublin (City and County)

Finance & Insurance 4%
Education, Public Admin. 5%
Industry & Construction 7%
Human Health 10%
Distribution 23%
Services 49%

Data Available at the Town Level

Tipperary has 9,017 unique commercial address points which are classified by NACE code.

- This total can be further disaggregated by Town and Village – 43 place names in total are identified within Tipperary.

- Identifying three of these towns - Clonmel, Thurles and Nenagh - shows that they respectively account for 7%, 4% and 4% of the total unique commercial address points in Tipperary.

There are 1,116 commercial address points in Clonmel. 78% of these have NACE Codes attached to them and these 869 are disaggregated below.

Table 3: Commercial Address Points in Clonmel, County Tipperary

Service	377	43%
Distribution	259	30%
Human Health	101	12%
Education	32	4%
Industry	31	4%
Construction	29	3%
Public Administration	27	3%
Financial & Insurance	13	1%
Total Clonmel	**869**	**100%**

In line with national trends it is evident that services dominate the total commercial address points in the town of Clonmel. Distribution activities are also dominant in Clonmel accounting for 30% of commercial address points compared to the national average of 23%.

Appendix A: Classifications

NACE Rev. 2 is the statistical classification of economic activities; an acronym for General Industrial Classification of Economic Activities within the European Communities.

Broad Structure of NACE Rev. 2

Section A	Agriculture, forestry and fishing
Section B	Mining and quarrying
Section C	Manufacturing
Section D	Electricity, gas, steam and air conditioning supply
Section E	Water supply; sewerage, waste management and remediation activities
Section F	Construction
Section G	Wholesale and retail trade; repair of motor vehicles and motorcycles
Section H	Transportation and storage
Section I	Accommodation and food service activities
Section J	Information and communication
Section K	Financial and insurance activities
Section L	Real estate activities
Section M	Professional, scientific and technical activities
Section N	Administrative and support service activities
Section O	Public administration and defence; compulsory social security
Section P	Education
Section Q	Human health and social work activities
Section R	Arts, entertainment and recreation
Section S	Other service activities
Section U	Activities of extraterritorial organisations and bodies

The grouping of Economic Activities used for the purposes of this publication is based on the following:

1. Industry (B,C, D, E)
2. Financial and Insurance (K)
3. Service (H, I , J, L, M, N, R, S)
4. Construction (F)
5. Distribution (G)
6. Education (P)
7. Public Administration and Defence; Compulsory and Social Security (O)
8. Human Health and Social Work Activities (Q)

Section A (Agriculture) and Section U (Embassies) are not considered in our analysis of commercial units.