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Property & Development

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Commercial Property Sector in Northern Ireland

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The spectre of doom and gloom surrounding Northern Ireland's hitherto buoyant commercial property sector may still have sometime to go. The property market "bottom" is hard to define never mind answer the question as to whether the market has reached the bottom.

The market inactivity would suggest that no-one wants to raise above the parapet with banking in crisis and interest rates higher than previously with no likelihood of lower rates. If one can look back and say that it was only 2008 that marked this downturn, then I believe that I would be echoing everyone's sentiment that, while it was painful, it was manageable. As one commentator also put it, on a more positive note, there are likely to be opportunities with the benefit of hindsight that perhaps should have been taken by investors and were not!

The last few years witnessed unprecedented activity in Northern Ireland's commercial property sector with investors being lured to the market by prospects of a lasting peace and expectations of a more favourable economic climate. The sustainability of that activity probably could not have lasted given that The Sunday Times compared the Northern Ireland property market with Klondyke. The comparison may well have been apposite for residential property but certainly had not been translated into the office sector.

Northern Ireland office rental rates remain very competitive. New, purpose-built and fitted-out office space will continue to be developed with large floor plates as more and more companies view the lowest net-rent in the UK as the reason to locate. Cost savings are significant with office space going for £15 per square foot in the greater Belfast area giving significant savings compared to London at £60 per square foot and Glasgow and Manchester close to £30 per square foot. Interest has been shown by US banking giant Citi in the redeveloped Titanic Quarter to establish a 39 strong legal and compliance division to support

its European markets. They are unlikely to be the last in coming to Belfast and clearly developers are likely to shelve plans to build new city apartments and turn to office space if major interest develops.

The retail market has been busy too with yields on prime sites holding up well against major new developments such as Victoria Square which opened in March 2008. The fear that this would take business from elsewhere in the tightly drawn retail heart of Belfast appears to have been misplaced. The challenge for retail in Belfast is to consolidate its new found shops in Victoria Square with the rest of Belfast. The continued growth in tourism and the attraction of Northern Ireland from the rest of Ireland, due to the favourable exchange rates between sterling and euro existing through 2008, bodes well for the sustainability of Northern Ireland's retail space.

Northern Ireland can be justifiably proud of the recent developments in and around Belfast and it is clear that it should be able to compete for business and tourism with any other region of the United Kingdom on an equal or even better footing in the years to come.

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Foreword



Northern Ireland Science Park

The Appliance of Science to Enhance Commercial Success

John Simpson



Transforming dreams into commercial reality

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The Northern Ireland Science Park is a dynamic commercially motivated organisation to facilitate the exploitation of scientific knowledge, innovation and commercial ability into a catalyst for the development of ambitious and successful business entrepreneurs, many of whom have matured through the two main Northern Ireland universities.

There is more than a symbolic significance in the location of the Park in Titanic Quarter on Queen's Island, the home of what was one of the world's leading engineering businesses for over a century. Alongside the 21st century location are some of the retained examples of what, in the late 19th century were path-breaking shipbuilding engineering ideas, particularly in the Titanic's Dock and Pump-House which

has been restored as an educational resource and interpretive centre alongside the dock where the great ship received its final fit-out prior to departure for Southampton so many years ago.

The Science Park is a modern facility, initiated in March 1999, providing a high quality physical environment. It is endowed with a quality set of buildings, including advanced IT capacity, with the added dimension of a campus-style community drawing on the support of senior academics from Queen's University and the University of Ulster, as well as frequent visits from internationally regarded academics and industrial specialists.

Dr. Norman Apsley, himself a prominent physicist, has been the Chief Executive since the Park was created and has seen it quickly mature as an attractive location for many projects, a campus with a buzz of achievement, and as a viable project following an initial investment from the main stakeholders. "The concepts and design of the buildings have

Innovation Centre



