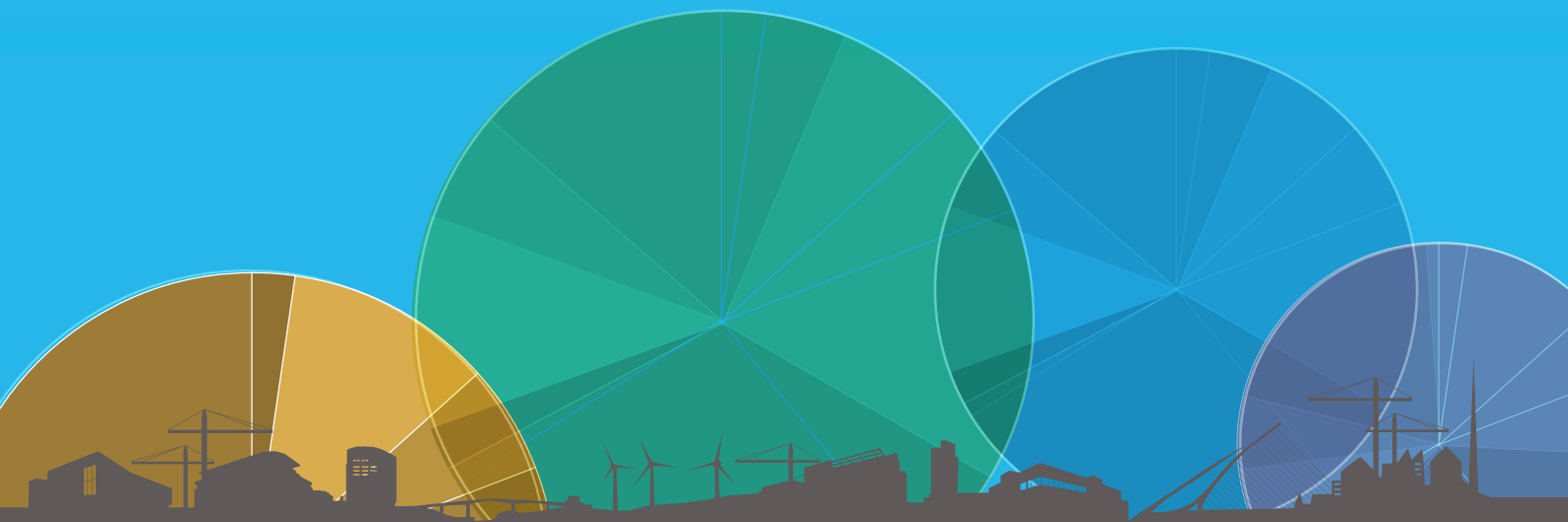


BUILDING INFORMATION INDEX

Q1-Q3 2015

A detailed analysis of recent trends
in the Irish construction industry



Welcome to the third volume
of the Building Information
Index brought to you by
Building Information Ireland
www.buildinginfo.ie.

As the construction industry continues to grow, the aim of this quarterly Index is to provide the Construction Industry with reliable and consistent data on the regional aspects to recovery, the sectors which are recovering quickest and how the recovery is being funded.

In this volume we measure the levels of activity in the construction industry for the first three quarters of 2015 and compare them with the same period in 2014. Our analysis takes a close look at the construction industry broken down by region, funding source and sectors; Residential, Commercial & Retail, Medical, Education, Agriculture, Industrial and Social.

The Building Information Index is measured by factors that correlate with the phases in a construction project. The first is project Commencements which relate to projects that are in progress on-site and where construction activity has started. The second is Applications which are a real time barometer of sentiment in the construction sector and relate to all projects yet to be approved for planning. Thirdly we look at projects that have been granted permission. This show projects that are further along in the cycle, and being approved, they show more short term potential in the market.

Value of Construction Project Commencements grows by +67% in first 9 Months of 2015

The value of construction project Commencements in the first nine months of 2015 has grown by +67% when compared to the same period of 2014. While the Q1-Q2 year on year comparison showed a growth of 41%, continued growth into Q3 2015 brings the total 9 months Commencements to €4.25bn compared to €2.55bn in 2014. All sectors registered growth with the exception of Education (-7%) and Social (-12%). Commercial and Retail recorded strong growth with Commencements up +99% (to €830m) on 2014 figures. Industrial was similarly up +99% to €482m. Residential, the largest and most significant sector also almost doubled in volume with growth of +98% year on year and with the value of Commencements in the first 9 months of 2015 at €2.09bn.

Value of Applications up +26%

The value of construction project Applications also show consistent growth of +26% (Comparable figures in the previous index showed growth at +27%). The value in 2015 stands at 11.27bn, compared to just under €9bn in the first nine months of 2014. All sectors, again with the exception of Social, have recorded increases in Applications with the largest jump percentage wise in Industrial (€935m) up +95% on 2014. Volume wise again Residential is the largest sector, with the growth rate up +29% on 2014 with total Applications of €5.58bn in 2015 compared with €4.33bn in the first nine months of 2014.



Danny O'Shea
CEO

Building Information Ireland



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THE BIG PICTURE

Regional Applications

The Building Information Index breaks out Planning Applications into four regions: Dublin, Leinster, Munster and Connacht / Ulster.

The Q3 index shows an overall +26% National increase in the value of new Applications submitted during the first 9 months of 2015. Dublin (€5.38bn) represents the region with highest value of new Applications submitted up +40% over last year. Leinster (€2.77bn) sees an increase of +30% and Connacht / Ulster (€1.24bn) is also up significantly to +27% over same period last year. Munster continues to show a marginal decline in the value of new Applications (-5%), but that deficit is reducing with each passing quarter.

Funding source Q1-Q3 2015

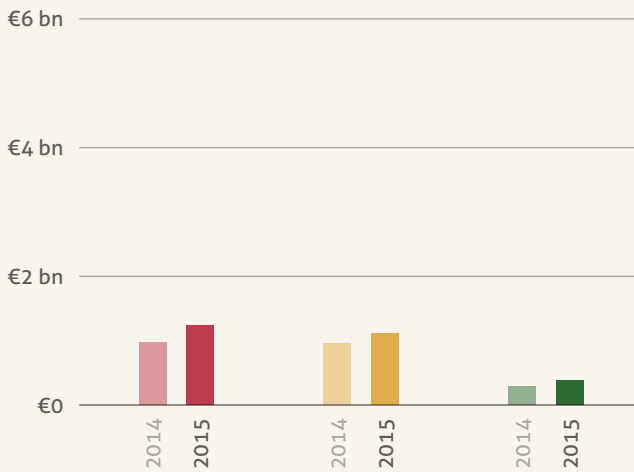


Q1-Q3 2015
89% Private
11% Public



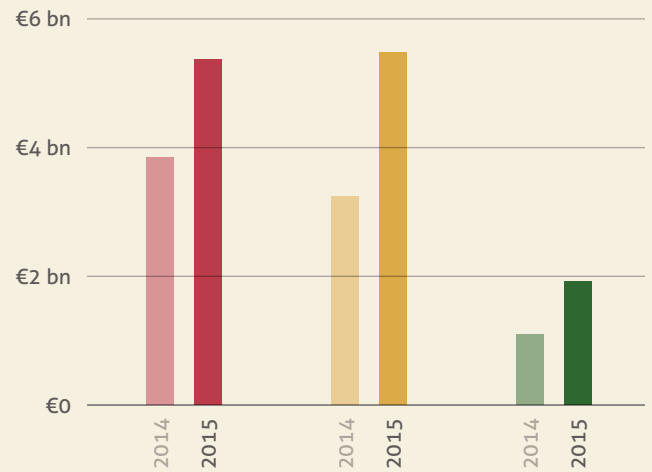
Connacht/Ulster

Applications	Grants	Commencements
€1.24 bn	€1.12 bn	€379 m
+27%	+18%	+32%



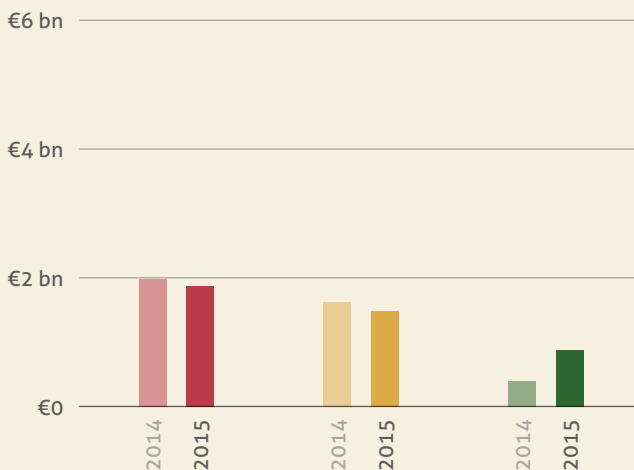
Dublin

Applications	Grants	Commencements
€5.38 bn	€5.49 bn	€1.92 bn
+40%	+69%	+74%



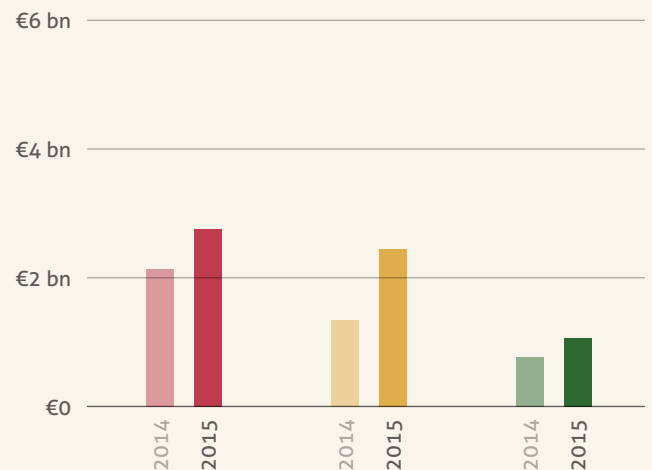
Munster

Applications	Grants	Commencements
€1.88 bn	€1.48 bn	€886 m
-5%	-9%	+126%



Leinster

Applications	Grants	Commencements
€2.77 bn	€2.46 bn	€1.06 bn
+30%	+83%	+39%



RESIDENTIAL



The sector has seen an increase across all 3 key measurements. A steady increase in value of Applications, Grants and Commencements is clearly visible.

Funding trend comparison Q1-Q3 2014 - Q1-Q3 2015

Applications

€5.58 bn

+29%

Grants

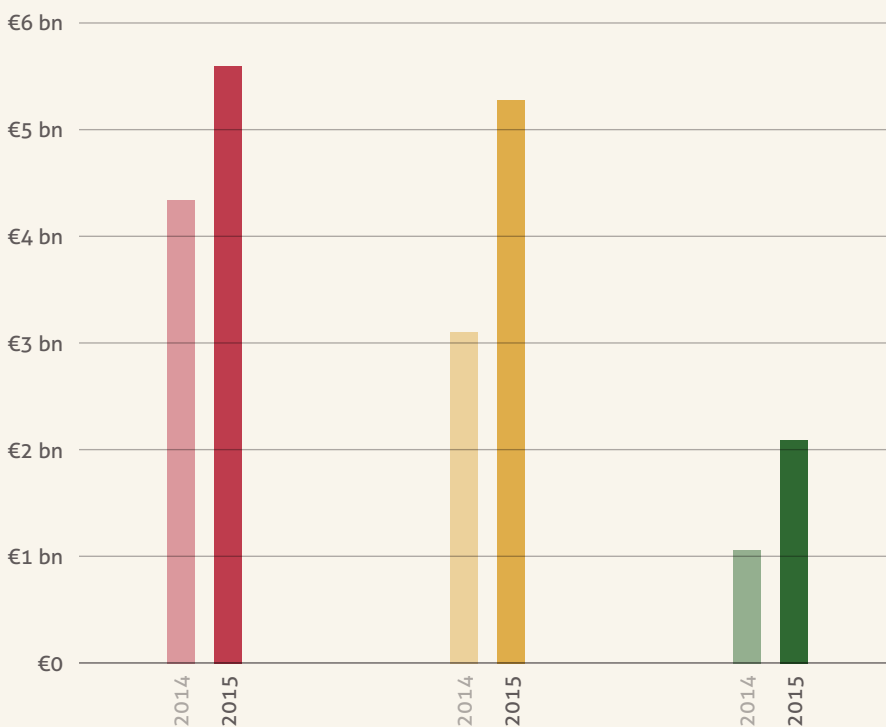
€5.26 bn

+70%

Commencements

€2.09 bn

+98%



The value of Applications recorded during the first 9 months of this year has increased by +29% to €5.58bn when compared to the same period in 2014. The level of Residential Developments Granted Permission has increased +70% to €5.26bn with Residential Development Commencements up +98% to €2.09bn.

Regionally, Applications have increased in Dublin, Leinster and Connacht / Ulster with decreases shown in Munster. Similar to last quarter, Granted Permissions were strong in Dublin and Leinster (+115% and +120% respectively) and down in Munster and Connacht / Ulster (-25% and -30% respectively).

Very analogous increases in Residential Development Commencements have been recorded in all 4 regions. Munster (+108%) leads the way with Leinster (+99%) next followed by Dublin (+95%) and Connacht / Ulster (+86%).

Average lead times for Residential projects to go from Application to Commencement continue to decline steadily (132 weeks) but are still the longest for all sectors.

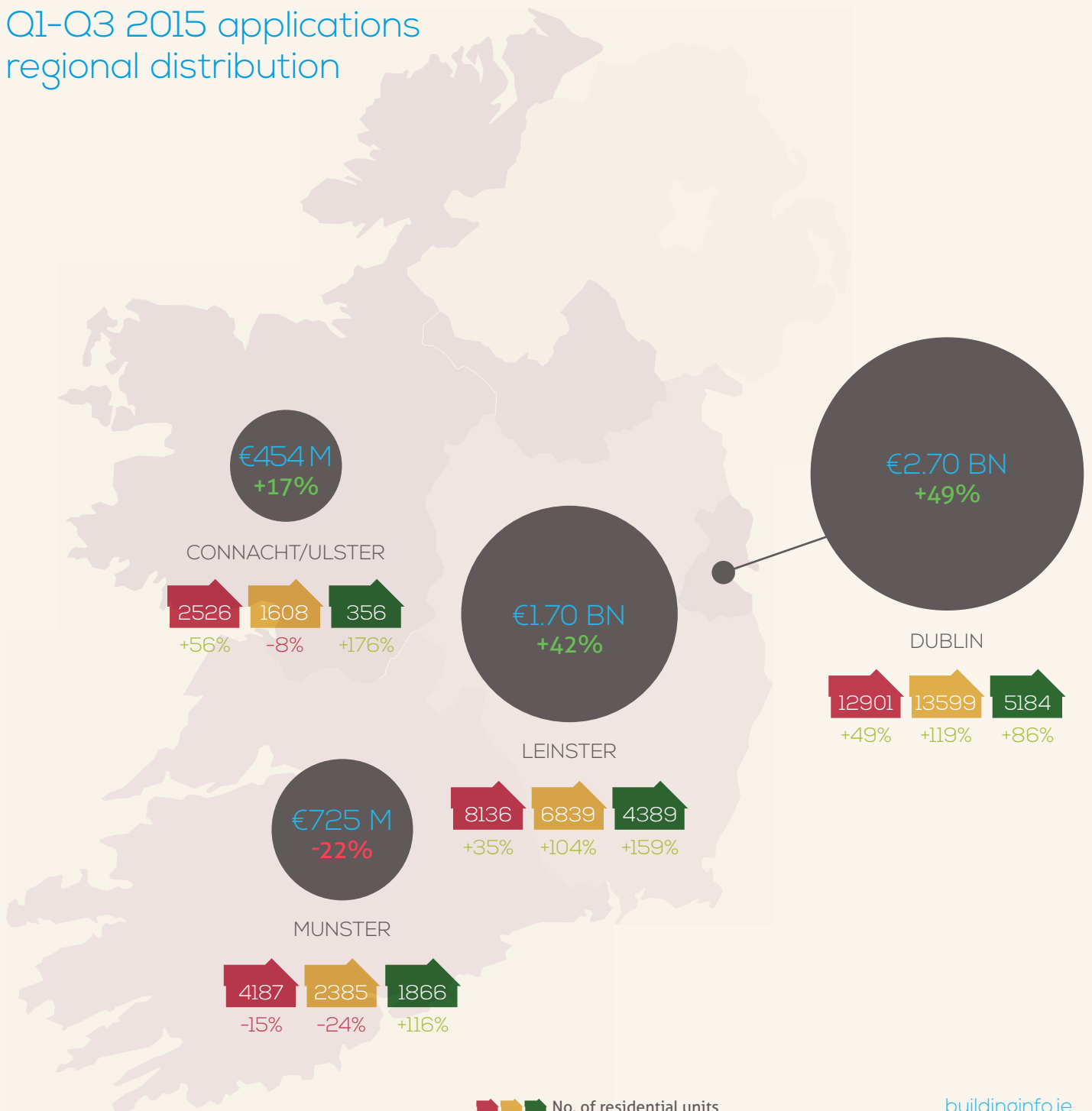
Average time from application to commencement

SECTOR OUTLOOK

The continued increase in Applications and Granted Permissions backed up by strong demand in the sector suggests a positive outlook. Although Commencements have increased significantly, the slow Application to Commencement duration is still having a calming impact.



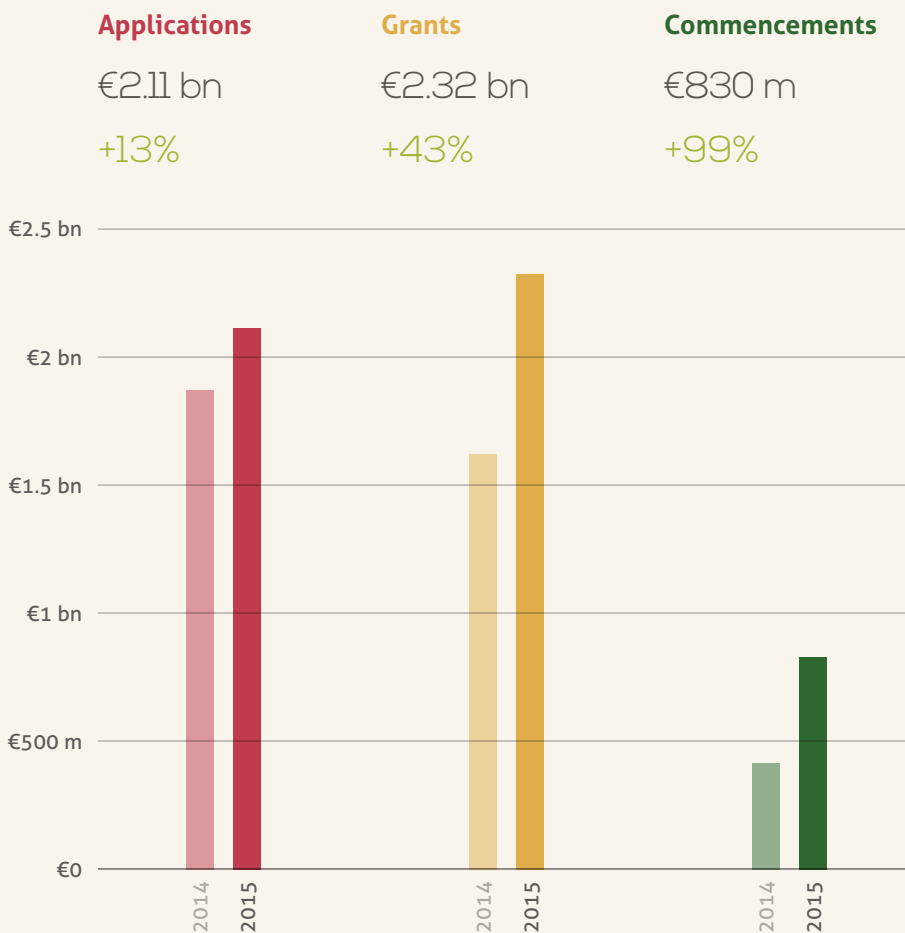
Q1-Q3 2015 applications regional distribution



COMMERCIAL & RETAIL

The first 9 months of 2015 has seen increases in the Commercial & Retail sector across new Project Applications, Granted Permissions and Commencements when compared to the same period in 2014.

Funding trend comparison Q1-Q3 2014 - Q1-Q3 2015



The value of Applications grew nationally by +13% to €2.11bn when compared to 2014. Granted Permissions increased +43% to €2.32bn and Commencements saw a +99% increase to €830m during the same period.

Regionally, growth in Applications is seen in Leinster up +56% to €223m, Dublin up +15% to €1.43bn and Munster up +8% to €291m. A -26% decrease in Connacht / Ulster to €159m complete the national Applications figures.

An increase in the value of Commencements in the Commercial & Retail sector is seen across all regions when compared to 2014. Dublin saw a growth rate of +127% followed by Leinster at +99%, Munster at +43% and Connacht / Ulster at +53% when compared to the first 9 months of 2014.

Average time from application to commencement



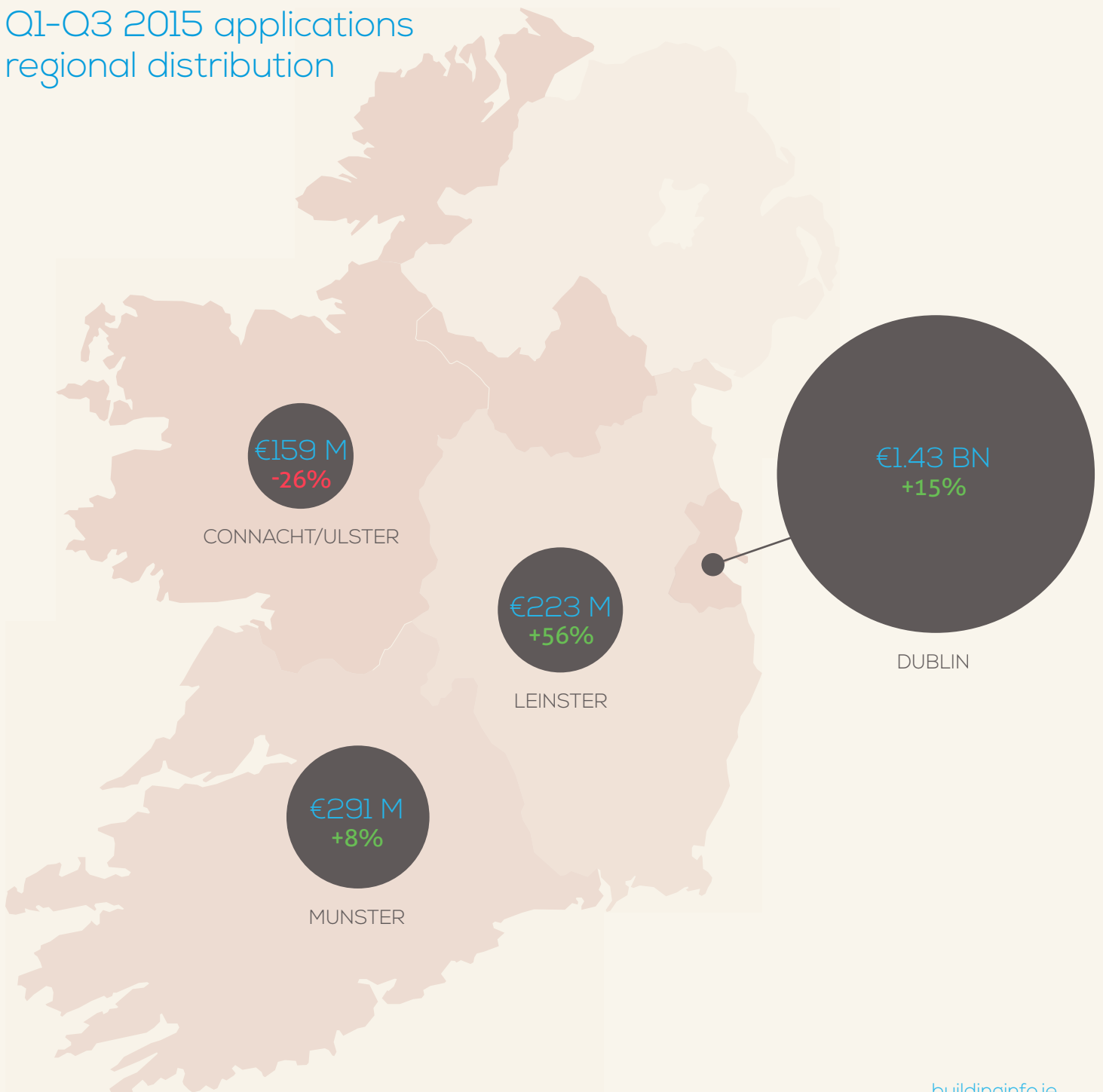
The Commercial & Retail sector includes projects such as offices, shops, hotels, bars & restaurants

SECTOR OUTLOOK

Modest growth rates in Applications are alongside strong growth in both Granted Permissions and Commencements. This sector will continue to offer significant value into 2016.



Q1-Q3 2015 applications regional distribution



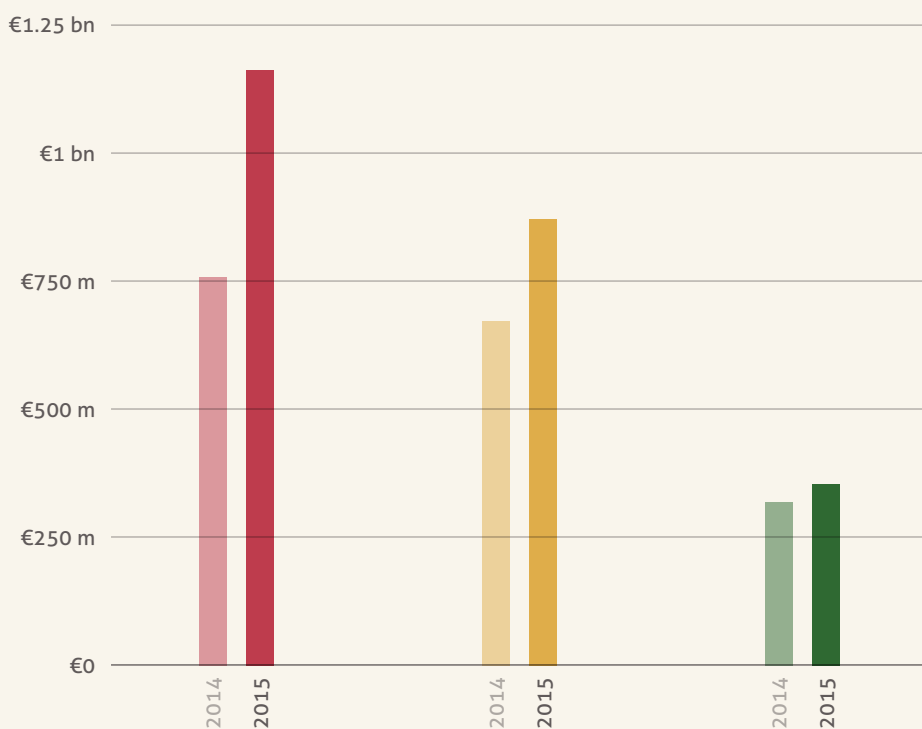
MEDICAL



The Medical sector has seen an improvement compared to the last index. All 3 metrics are now recording growth during the first 9 months of 2015. The rise in applications is largely due to the Application for the National Children’s Hospital.

Funding trend comparison Q1-Q3 2014 - Q1-Q3 2015

Applications	Grants	Commencements
€1.16 bn	€870 m	€354 m
+53%	+30%	+12%



The value of Applications in the Medical sector has increased +53% to €1.16bn during the first 3 quarters of this year when compared the same period in 2014. The value of Granted Permissions are now +30% higher than last year at €870m. Commencement values show a small increase of +12% at €354m.

On a regional basis Dublin shows a +201% increase in the value of Applications followed by a +40% increase in Leinster and a +8% increase in Connacht / Ulster, however a fall of -31% in the value of Applications in Munster have been recorded when compared to 2014.

Increases in the value of Commencements in 3 regions, Leinster (+35%), Munster (+159%), Connacht / Ulster (+19%) and the decrease of -24% in Dublin sees the value of Commencements grow +12% nationally by comparison to the first 9 months of 2015.

Average time from application to commencement

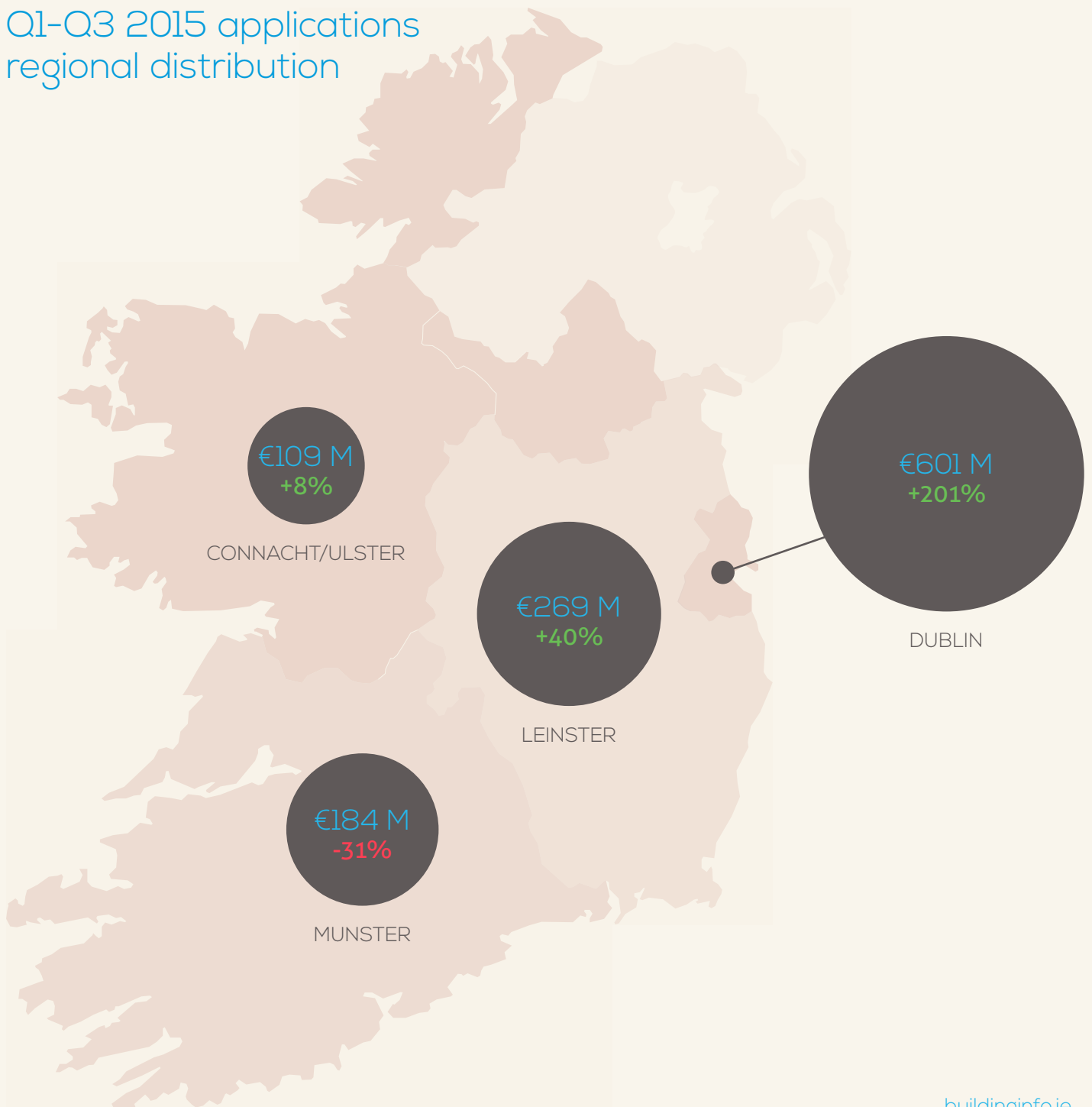


SECTOR OUTLOOK

We see a return to a more positive outlook in the Medical sector in the medium term. New Applications have increased +53% and Commencements have increased again slightly +12%.



Q1-Q3 2015 applications regional distribution

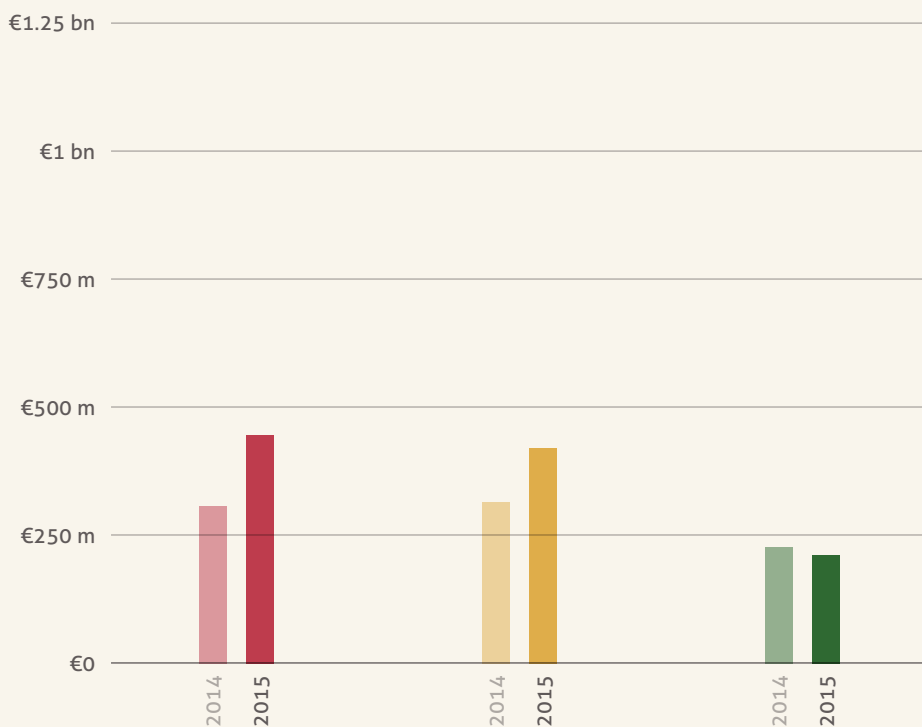


EDUCATION

An increase in the value of Applications and Granted Permissions sees the Education sector compare well against 2014. A decrease is recorded in the value of Commencements when compared to Q1 - Q3 2014.

Funding trend comparison Q1-Q3 2014 - Q1-Q3 2015

Applications	Grants	Commencements
€446 m	€421 m	€211 m
+45%	+34%	-7%



The value of new Applications submitted has increased nationally +45% to €446m when compared to the first 9 months of 2014. Granted Permissions have increased by +34% to €421m and the value of Education projects Commenced has fallen by -7% to €211m over the same period in 2014.

Regionally, Dublin sees the most significant increase in the value of Applications up +201% followed by a +36% increase in Munster and +34% in Connacht / Ulster when compared to 2014. Leinster sees a decrease of -43% over the same period.

The value of Education project Commencements has fallen nationally by -7% to €211m. Dublin (-4%), Munster (-16%) and Leinster (-13%) all are recording falls. The value of Commencements in Connacht / Ulster grew by +26% when compared to the first 9 months of 2014.

Average time from application to commencement



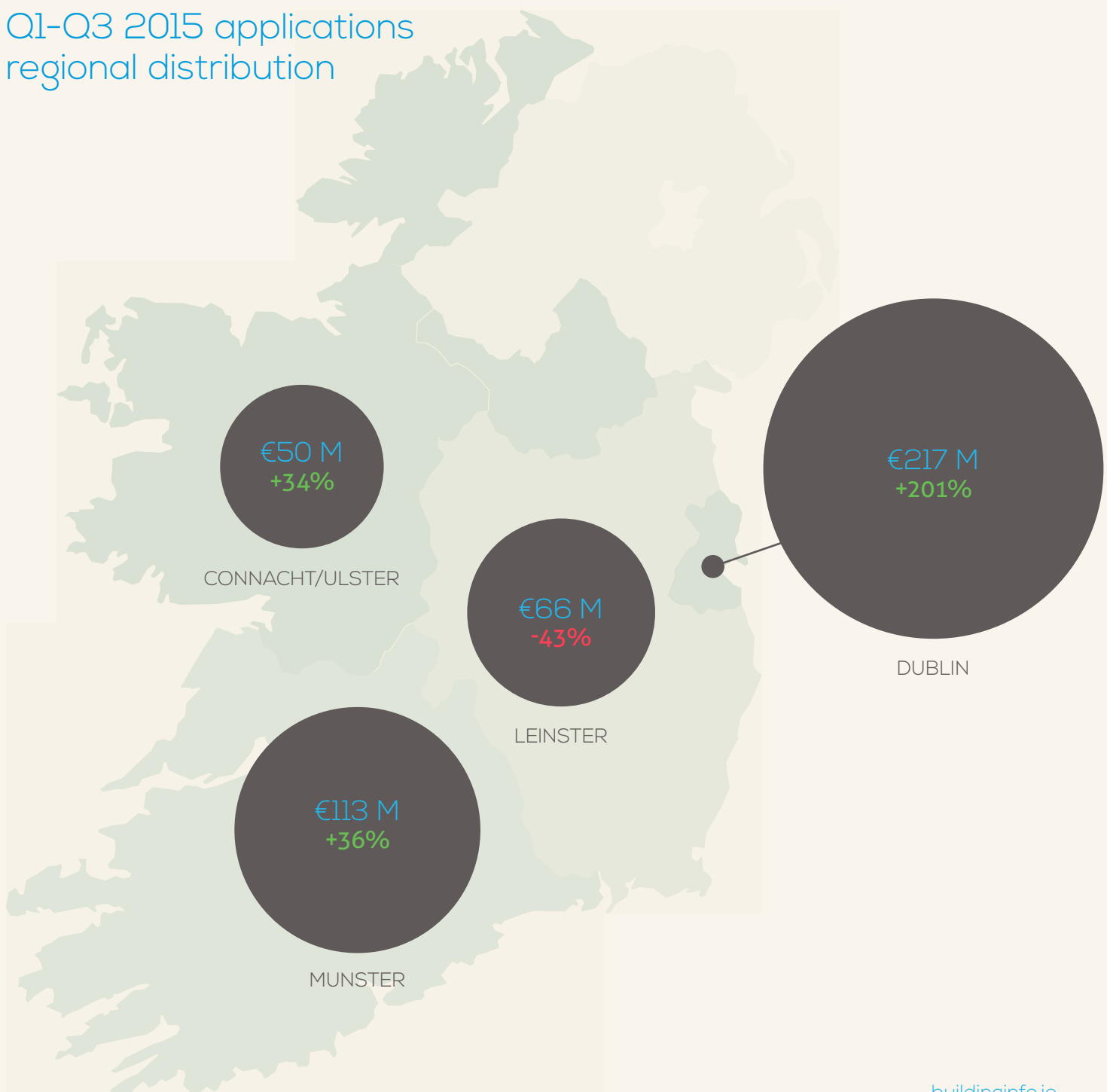
The Education sector includes projects such as universities, schools & pre schools

SECTOR OUTLOOK

The outlook remains neutral for the Education sector. Despite consistent growth in both new Applications and Granted Permissions, the value of Commencements is still down on 2014. Education has the quickest Application to Commencement turnaround time (49 weeks) and next year could yet show positive signs.



Q1-Q3 2015 applications regional distribution



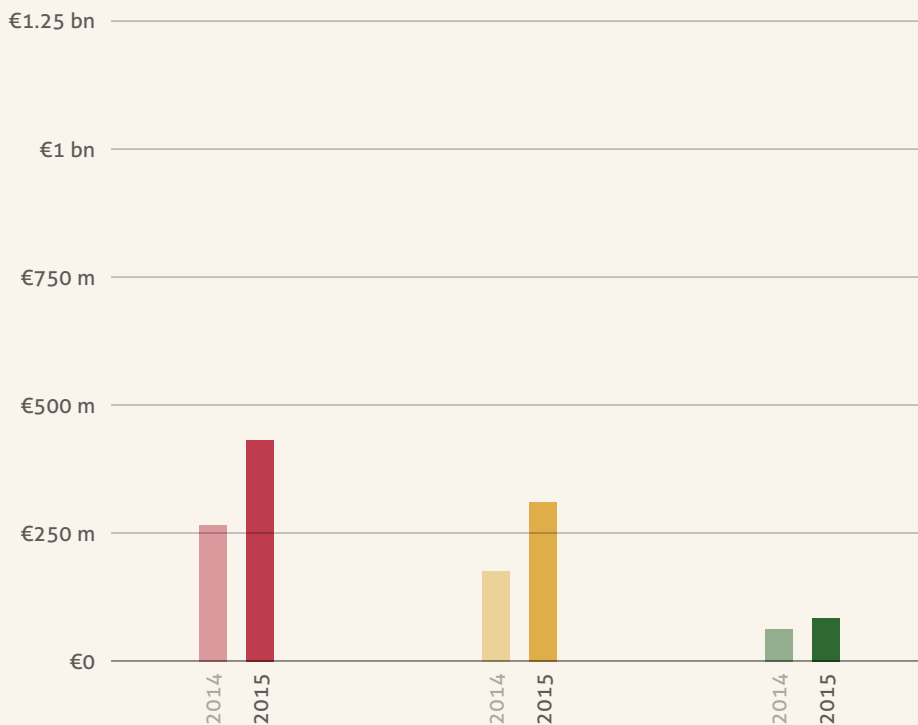
AGRICULTURE



New Applications, Granted Permissions and Commencements have increased in the Agriculture sector during the first 9 months of this year compared to 2014.

Funding trend comparison Q1-Q3 2014 - Q1-Q3 2015

Applications	Grants	Commencements
€432 m	€311 m	€84 m
+62%	+77%	+33%



The value of new Applications in the Agriculture sector increased +62% to €432m in the first 3 quarters of this year. Granted Permissions also grew by +77% to €311m during the same period. In contrast to Q2, Agriculture project Commencements grew by +33% to €84m when compared to 2014.

A significant increase in the value of Applications was seen in all regions with Leinster up +97%, Connacht / Ulster up +63% and Munster up +45%.

Nationally the value of Agriculture project Commencements grew by +33% to €84m. Leinster saw a modest increase of +7% and Munster grew by +27% to €30m. Connacht / Ulster is still showing strong growth in the Agriculture sector with a rise of +75% to €30m when compared to the first 9 months of 2014.

Average time from application to commencement



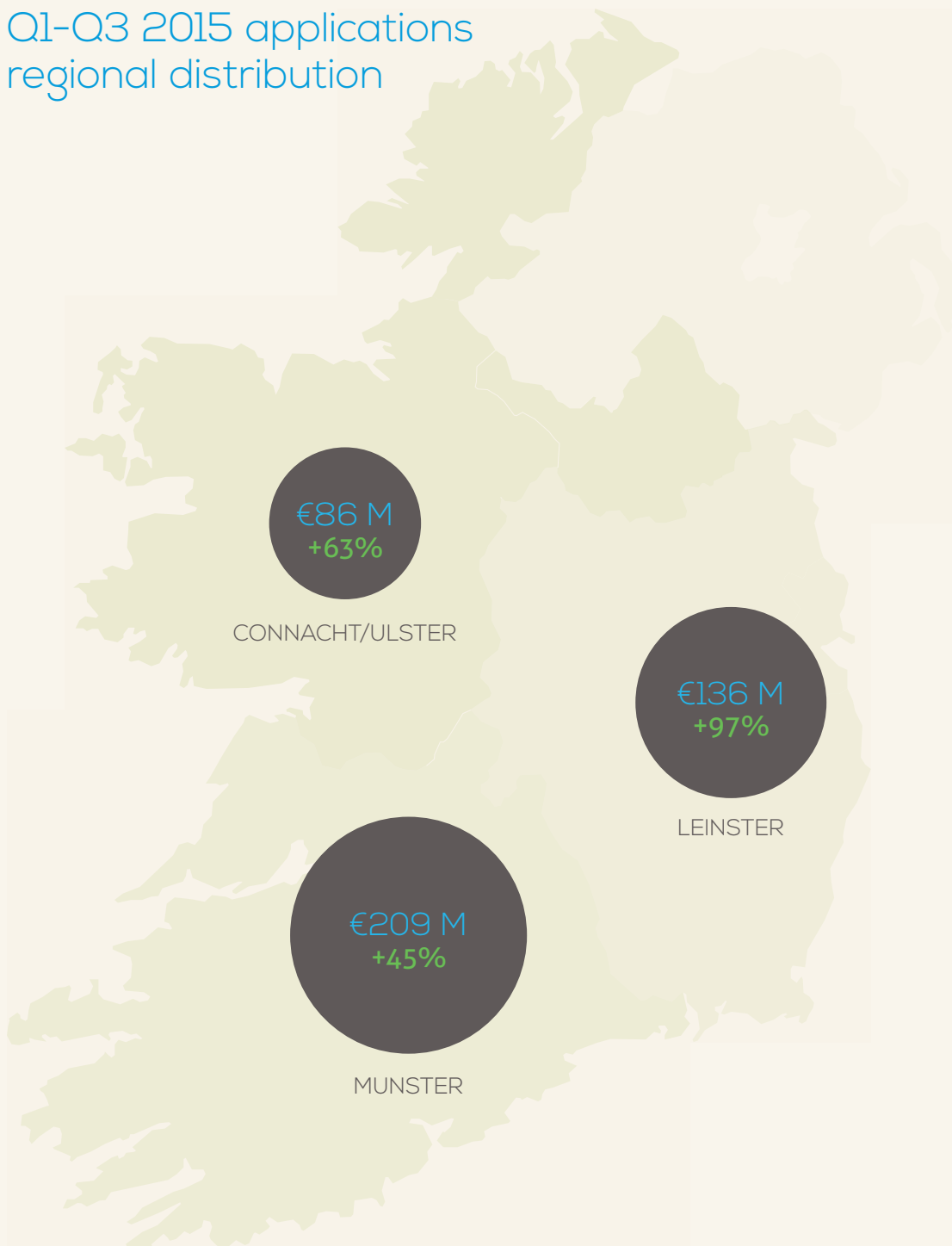
The Agriculture sector includes projects such as dairy units, poultry houses & slatted sheds

SECTOR OUTLOOK

Following from our previous index, the outlook for the Agriculture sector remains strong when compared with the first 9 months of 2014. The increase in all 3 metrics coupled with a short Application to Commencement duration continues the trend of lasting growth.



Q1-Q3 2015 applications regional distribution



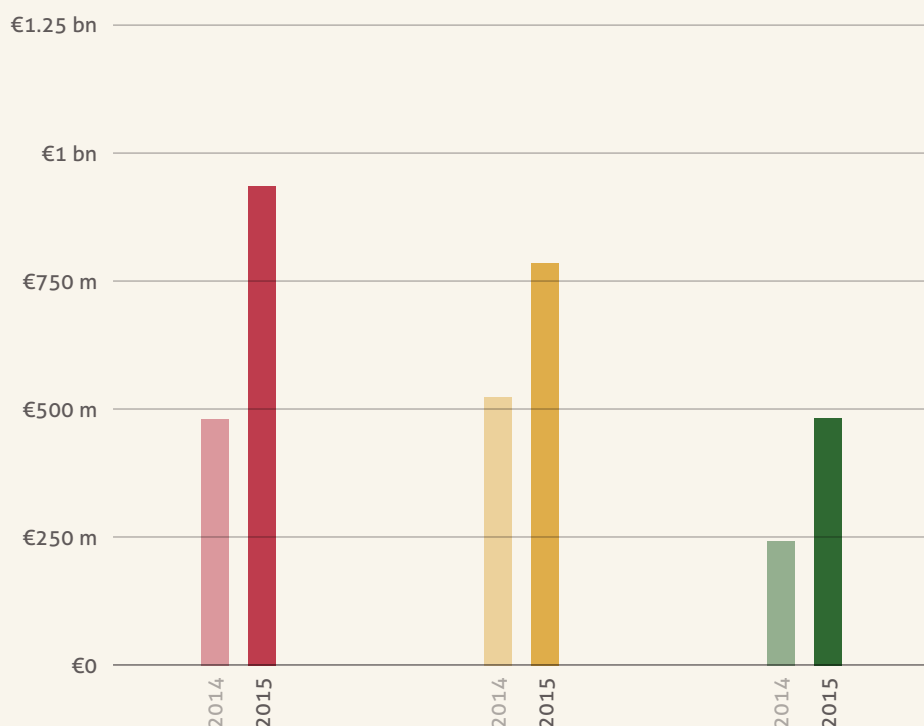
INDUSTRIAL



The Industrial sector continues its strong performance since the beginning of the year with increases in value of new Applications, Granted Permissions and Commencements when compared to the first 9 months of 2014.

Funding trend comparison Q1-Q3 2014 - Q1-Q3 2015

Applications	Grants	Commencements
€935 m	€784 m	€482 m
+95%	+50%	+99%



The value of new Applications increased nationally by +95% to €935m. Granted Permissions are now up +50% to €784m on the first 9 months of 2014. Commencements have also increased by +99% to €482m when compared to the same period last year.

At a regional level we see increases in the value of Applications in all areas. Connacht / Ulster saw an increase of +211%, Munster +75%, Dublin +68% and Leinster increasing by +78% when compared to the same period in 2014.

Nationally, Industrial Commencements have increased +99% to €482m when compared to the same period in 2014 despite a decrease in Commencements in Leinster (-74%). A large increase in Munster to €207m continues to lift the national average.

Average time from application to commencement



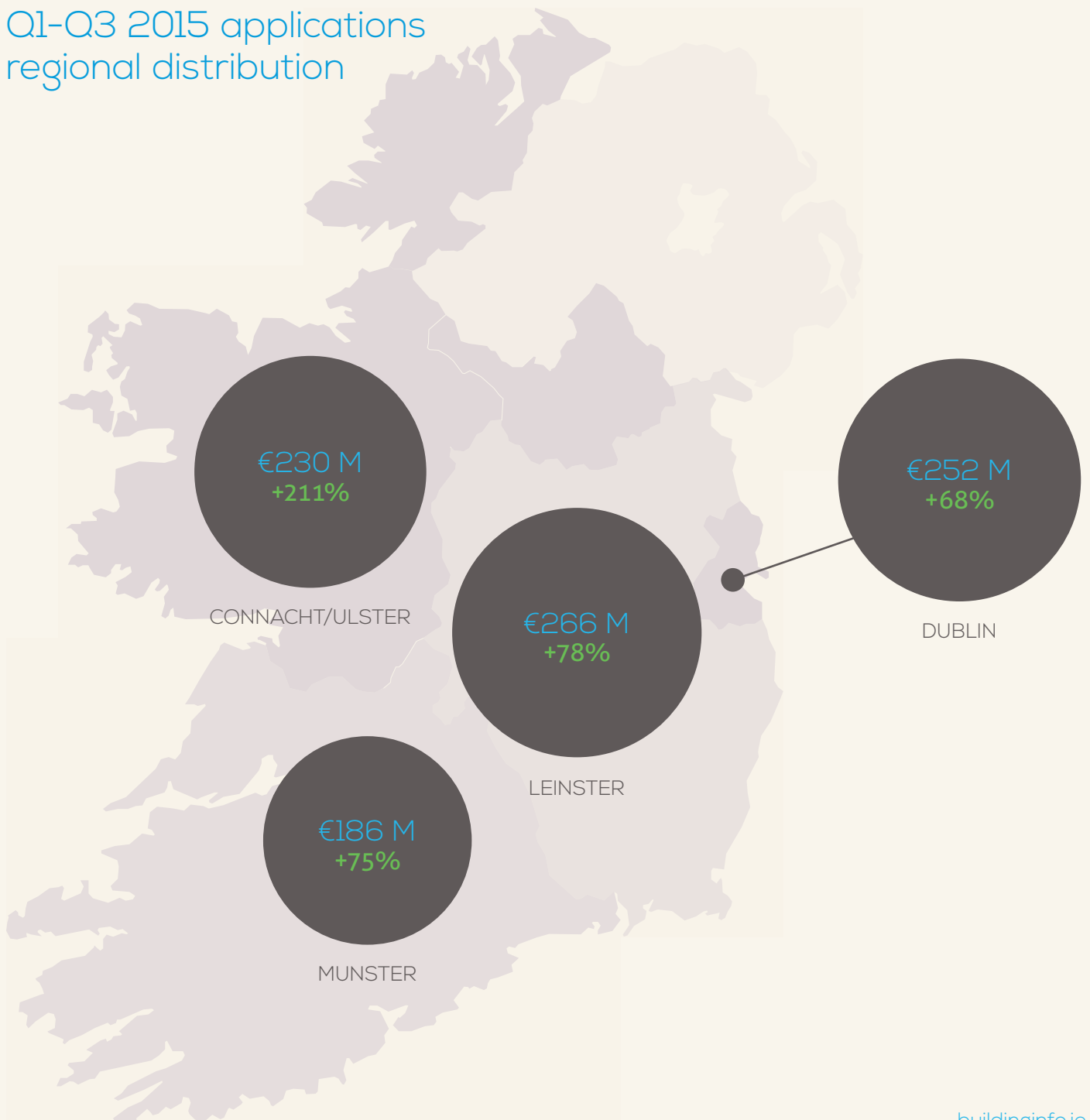
The Industrial sector includes projects such as factories, warehouses & industrial units

SECTOR OUTLOOK

A significant increase in the value of Applications, Granted Permissions and Commencements during the first 9 months of 2014, coupled with the shorter than average Application to Commencement duration, sees the outlook for the Industrial sector continue to grow.



Q1-Q3 2015 applications regional distribution



SOCIAL

The Social sector continues to see a significant decrease in the value of Applications, Granted Permissions and Commencements when compared to the first 9 months of 2014.

Funding trend comparison Q1-Q3 2014 - Q1-Q3 2015



The value of Applications in the Social sector has decreased by -35% to €609m when compared to the same period in 2014. Granted Permissions have decreased in value to €595m (-23%) with Commencements also down by -12% to €196m nationally when compared to Q1-Q3 2014 figures.

At a regional level the value of Applications fell -55% in Dublin, -55% in Leinster, and -8% in Munster with Connacht / Ulster the only region to show an increase at +38% (up to €150m).

A +155% increase in Commencements in Munster bucks the national trend. Social sector Commencements declined in value by -57% in Leinster, by -87% in Connacht / Ulster and by -24% in Dublin when compared to the first 9 months of 2014.

Average time from application to commencement

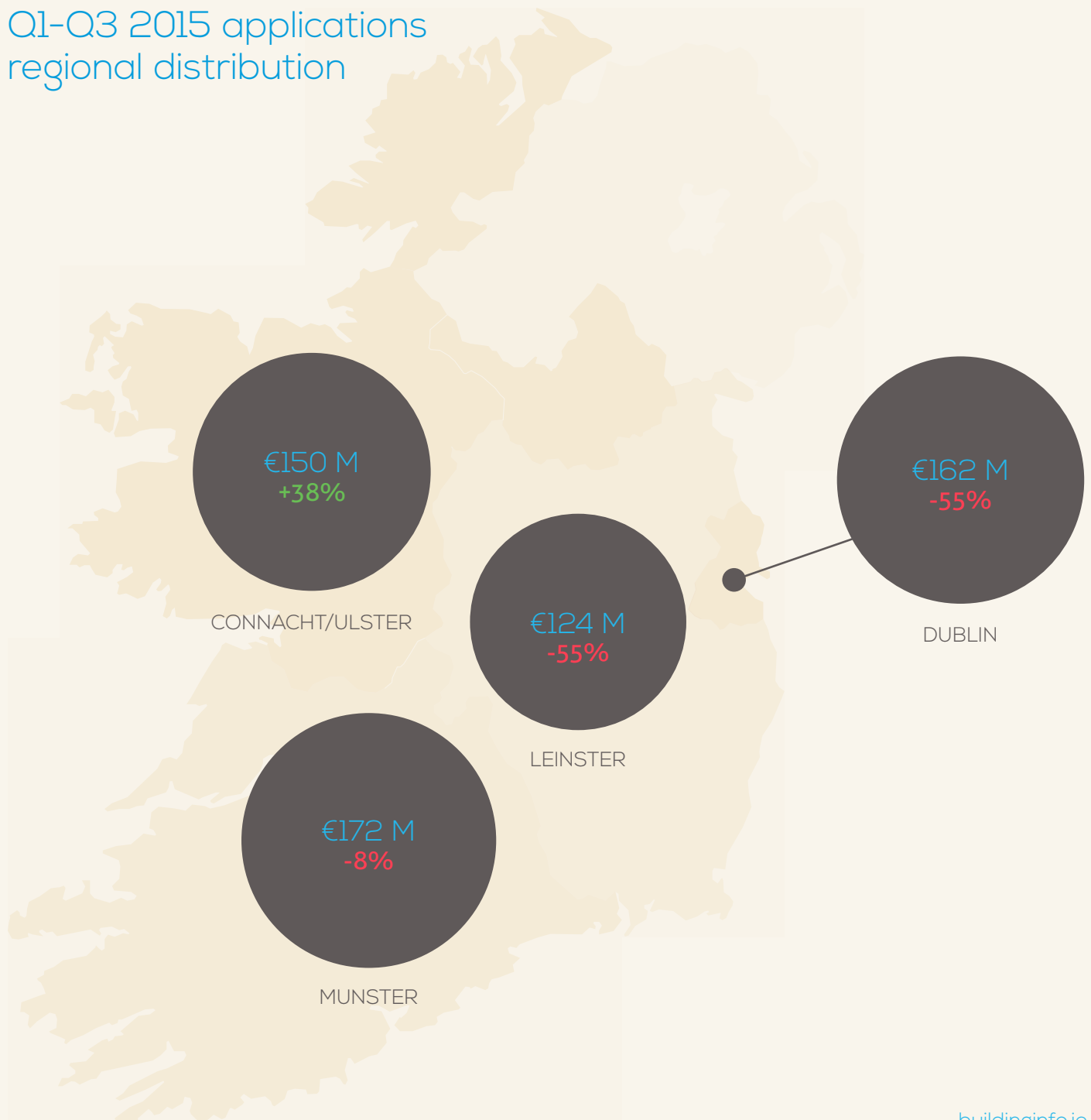


SECTOR OUTLOOK

There are few positive signs in the Social sector as we approach the end of 2015. Nearly all indicators point to a continued decline into 2016.



Q1-Q3 2015 applications regional distribution



For full details on all projects aggregated to produce The Building Information Index visit www.BuildingInfo.ie and register for our free access all areas trial.



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Methodology: www.buildinginfo.ie measures the actual (estimated) monetary value of every construction project per sector. The data contained in the Building Information Index is aggregated by Building Information from real time planning and project information. Projects with a value of less than €200k were omitted from this index.

Disclaimer: The Building Information Index is prepared from information that is provided by local authorities under planning and building control regulations. We believe that the index is collated with care from data available at the time of publishing, but we do not make any statement as to its accuracy or completeness. We reserve the right to vary our methodology and to edit or discontinue the indices, or analysis at any time. Persons seeking to place reliance on any information contained in this index for their own or third party commercial purposes do so at their own risk.

About the author: Danny O'Shea is Managing Director of Building Information Ireland and Residential Construction research consultancy Link2Plans. Building Information Ireland is the portal for every current planning application, approval and commencement in the country. Previously Danny was Managing Director at Riverside Manufacturing (Ireland). Danny holds a Diploma in Computing (1986) and an MBA from DKIT (2006) and has been involved in systems development, management, innovation and online development for the past 25 years.



For further information

call +353 (0)1 905 3200

email info@buildinginfo.com

Building Information Ireland

Rosemount House,
Northern Cross, Malahide Road,
Dublin 17, Ireland