


**EMPLOYMENT LAND  
SUPPLY STUDY FOR  
NEWRY, MOURNE  
AND DOWN  
DISTRICT COUNCIL**



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# 1

## EXECUTIVE SUMMARY

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# 1. EXECUTIVE SUMMARY

## 1.1 INTRODUCTION

We have been instructed by the Newry, Mourne and Down District Council (NMD) to complete an update of the baseline evidence contained within the 'Employment Land Supply for Newry, Mourne and Down District Council' previously completed by CBRE in August 2022.

The Local Development Plan (LDP) is required to ensure there is an ample supply of suitable land available to meet the economic development needs in the District over the plan period to 2035. It should offer a range and choice of sites in terms of size and location to promote flexibility and provide for the varying needs of different types of economic activity. The Regional Development Strategy 2035 (RDS) provides an Employment Land Evaluation Framework (ELEF) to enable planning authorities to identify robust and defensible portfolios of both strategic and locally important employment sites in their LDPs.

The key areas we have been requested to address are as follows:

- **INDUSTRIAL MARKET**
- **ENTERPRISE CENTRES**
- **OFFICE MARKET**
- **UNDEVELOPED LAND RECOMMENDATIONS**
- **COUNCIL OWNED ASSET SCHEDULE**
- **FLEXIBLE OFFICE MARKET**
- **EMPLOYERS NEEDS IN CURRENT ECONOMIC CONDITIONS**
- **PRIME SITES**
- **INVEST NI LAND HOLDINGS**

### 1.1.1 Industrial Market

Within the study area there is limited availability of warehouse/industrial space. The largest unit currently available is approximately 7,154 sq m (77,000 sq ft) situated in Ballynahinch. There is currently no new build warehousing being marketed within the NMD council area.

### 1.1.2 Enterprise Centres

Each of the Enterprise Centres are fit for purpose and provide much needed space and support for start-up business. We would raise concern over tenants being in occupation for more than 5 years, these centres should have constant turn of businesses and tenants as they grow and move on. Support is required for tenants to move on from Enterprise Centres and also support should be given to the Enterprise Centres to help them expand and provide much needed "grow on" space.

### 1.1.3 Office Market

There is limited good quality office accommodation throughout the Newry, Mourne and Down District Council area. Most of the available office space is situated within the town centres, above retail units on the high street, most of this space which would be defined as Grade B/C space. With regards to Grade A office accommodation, we feel that Newry should be a focus for new office development.

Whilst it is challenging to gauge demand, the city will not appear on the Foreign Direct Investment radar until there are Grade A buildings that can be physically inspected.

#### **1.1.4 Undeveloped Land Recommendations**

The total identified undeveloped employment land in Newry, Mourne and Down Council area is 160.18 Ha (396 Acres). It would be our opinion more land should be zoned at the appropriate time in the LDP process in the prime locations where land has been developed over the past 3 years. We would also note that the majority of this land is Invest NI land which has been readily available for Invest NI clients.

The challenge remains that much of the zoned land is not readily available for purchase or lease either for potential owner occupiers/potential tenants or developers to construct new space.

#### **1.1.5 Council Owned Asset Schedule**

The council has a wide range of assets within its control ranging from playing fields to car parks. It is our opinion that the car parks, especially within Newry city centre offer potential for development to assist the council with its regeneration aspirations. We would recommend further studies are required on the asset schedule including a further review on Car Parks and the existing Council office accommodation.

#### **1.1.6 Flexible office market**

Despite speculation of the future of the office it is expected that the flexible office market will continue to accelerate as companies look to remain agile and reduce capital expenditure on fit outs etc. Within the district there are a few small-scale serviced office providers, and more recently global player Regus have opened a centre in Newry. In the future, we would expect demand for flexible space to continue to grow especially given the rise in home working and hybrid working models. There is potential for existing (and new) council offices to be used to facilitate this growing trend.

#### **1.1.7 Employers needs in Current Economic Conditions**

Prior to Brexit and Covid 19 the supply and standard of warehouse and office accommodation was in our opinion considered inadequate and this position has not changed in the last 5 years. Whilst there are lands zoned that would support current occupational requirements the issue remains of development viability and access to be able to actually acquire said lands either through a purchase or leasing.

#### **1.1.8 Prime sites**

Within the council area there are a number of prime sites suitable for office, mixed-use and warehouse/industrial development. Some of these sites are within the control of the Council and a review should be undertaken with the aim to bring these sites to the market by way of a development brief. As an example the Canal Bank car parks would be sites that are ripe for development, subject to further due diligence and the necessary consents.

### **1.1.9 Invest NI land holdings**

The Invest NI land holding has reduced considerably in the last 4 years. Whilst they have a significant land holding within the district. Our understanding is it represents 23.7% of the identified undeveloped employment lands so in our view Invest NI is not a barrier to development as there are substantial other zoned industrial/employment land. i.e. they do not have a monopoly situation on land within the council area.

## 1.2 RECOMMENDATIONS

Following our review of the various market sectors, land zonings, asset registers and existing properties we would make the following recommendation to Newry, Mourne and Down District Council:

- Establish a council working group to understand ownership of the zoned employment lands within the district and engage with these owners to understand the issues and challenges around land being released to the market for development, for example investigate are sites being land banked. Are there mechanisms within the council's remit whereby incentives can be granted to owners/developers to make development viable, such as reduced/subsidised planning fees, reduced rates on completion for a time bound period, the removal of vacant rates on speculative schemes for a timebound period, guaranteed turnaround time for planning applications for new warehouse/industrial development. Whilst we appreciate that these mechanisms may be outside of the councils scope of powers it is our opinion that they should be an advocate for the incentives quoted above.
- Support and assistance to be given to the districts Enterprise Centres to help them expand their business model so that they can create new start up units and "grow on" space. This assistance could come in the form of a partnership between the Council and the Enterprise Centre whereby the Council develops new space which in turn is then run by the Enterprise Centre or alternatively there may be other funding sources available which could assist the local enterprise centres, such as the Northern Ireland Investment Fund.
- There are well known issues around developing Grade A offices within the provincial towns of Northern Ireland whereby end values of schemes are less than the cost of construction. This issue will persist for the foreseeable future. Therefore, if the Council aspires to see Grade A development within the district then interventions are required. Such interventions can be in many different forms and are not necessarily council led interventions. By way of an example an intervention could consist of the council disposing of land by way of a development brief at a nil cost but with a positive condition to construct Grade A offices within a certain time limit. It is likely that in addition to this further financial assistance will be required to plug the viability gap.
- It is our opinion that some further studies are required to assist the Council to make strategic decisions regarding some of their own assets. These studies include a car park study to ascertain what the base line level of car parking within the main population centres are and what is required by the general public. The purpose of this car park study is to establish if any car parks (especially those in city centre waterfront locations) are surplus to requirements. An office accommodation study of existing council owned offices to ascertain future use/repurposing potential following the Councils planned relocation to the new Newry Civic Centre.



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# 2

## **SPECIFICATION & BACKGROUND**

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## 2. SPECIFICATION & BACKGROUND

### 2.1 SPECIFICATION

We have been asked by Newry, Mourne and Down District Council to provide an audit of zoned developed and undeveloped lands, office and industrial accommodation including total size of accommodation location, type, value, quality, demand for such and fitness for purpose, in the Newry, Mourne and Down District Council area.

### 2.2 BACKGROUND TO THE REQUIREMENT

The Local Development Plan (LDP) is required to ensure there is an ample supply of suitable land available to meet the economic development needs in the District over the plan period to 2035. It should offer a range and choice of sites in terms of size and location to promote flexibility and provide for the varying needs of different types of economic activity.

The LDP Team currently monitor zoned employment land across the District to identify amongst other things the amount of undeveloped employment land (i.e. supply).

The Council has also developed a database of all Council owned assets and has undertaken a GIS exercise to map the public sector estate and other data around land vacancy within the District.

The Ulster University Economic Policy Centre (UUEPC) completed a review of Employment Space Demand for the District for the plan period up to 2035.

Having established what the District's needs (i.e. demand) may be over the duration of the plan period the LDP team now requires a full and robust understanding of the 'supply' of assets in the District that will be able to be matched against the projected 'demand'.

This will enable the Plan Team to apply the methodology set out in the Regional Development Strategy Employment Land Evaluation Framework (RDS ELEF) in support of any policies brought forward in the LDP.

A study is therefore required that will further refine the information in the NMD Employment land monitor and the Councils Asset Strategy database with regard to potential capacity and provide an overall assessment of the suitability and fitness for purpose of these assets to meet anticipated future economic needs over the plan period.

### 2.3 AREA OF STUDY

In order to undertake this requirement, we are going to examine different sectors of the market as follows:

#### ■ OFFICE MARKET

A review of the office market and availability in the 2 main population centres of Newry and Downpatrick together with the local and small towns as proposed by the draft Plan Strategy.<sup>1</sup>

#### ■ INDUSTRIAL MARKET

Review of the Industrial market and availability in each of the 2 main population centres of Newry

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<sup>1</sup> Newcastle, Warrenpoint/Burren, Kilkeel, Ballynahinch, Saintfield, Killyleagh, Castlewellan and Crossmaglen.

and Downpatrick together with the local and small towns as proposed by the draft Plan Strategy.

■ **ENTERPRISE CENTRES**

Analysis of the 2 Enterprise Centres to include their fitness for purpose, and tenant mix and future requirements/demand taking into consideration the Ulster University Economic Policy Centre - Employment Space Demand Study 2022-2035.

■ **UNDEVELOPED INDUSTRIAL LAND RECOMMENDATIONS**

Review undeveloped land as set out by the planning department and comment on its suitability for development.

■ **COUNCIL OWNED ASSET SCHEDULE**

Review of the council owned asset schedule with recommendations for further study.

■ **FLEXIBLE OFFICE MARKET COMMENTARY**

Background and review of the flexible office market within the study area.

■ **CURRENT ECONOMIC CONDITIONS**

Review of the impact to date of both Covid and Brexit on the business space market.

■ **PRIME SITES COMMENTARY**

Review of a number of prime sites within the study area.

■ **REVIEW OF INVEST NI LANDS**

Review of the Invest NI land holdings within the study area.

■ **RECOMMENDATIONS**

We have provided several recommendations for the Council to consider.

## **2.4 ORGANISATIONAL BACKGROUND**

Newry, Mourne and Down District Council is one of the 11 Super Council's formed in Northern Ireland in 2015. Newry and Mourne District Council merged with Down District Council in May 2015 to form Newry, Mourne and Down District Council which also includes a portion of legacy Banbridge Council Area.

## **2.5 BACKGROUND AND BRIEF HISTORY OF NEWRY, MOURNE AND DOWN DISTRICT COUNCIL**

Newry, Mourne and Down District Council has a population of around 182,074 (Census, 2021) and a coastline of approximately 100 miles. The Newry, Mourne and Down District Council has 41 elected members, these members represent seven district electoral areas including, Crotlieve, Downpatrick, Newry, Rowallane, Slieve Croob, Slieve Gullion and The Mournes.



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# 3

## **INDUSTRIAL MARKET COMMENTARY**

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### **3. INDUSTRIAL MARKET COMMENTARY**

Within the Newry, Mourne and Down District Council Area we have analysed the two main population centres of Newry City and Downpatrick Town together with the local and small towns of Newcastle, Warrenpoint/Burren, Kilkeel, Ballynahinch, Saintfield, Killyleagh, Castlewellan and Crossmaglen.

#### **3.1 INTRODUCTION**

We have reviewed the current industrial stock in Newry and Downpatrick together with the local and small towns taking consideration of the current industrial availability, vacancy levels, demand, location, and quality of accommodation.

#### **3.2 DEMAND**

The demand for industrial accommodation within all regional towns across Northern Ireland comes from a mixture of local and corporate occupiers who will usually choose a location based on their type of business, supply networks to and the availability of skilled staff within the area.

With regards to unoccupied industrial stock – demand, size, quality, and location all play a part in determining the likely causes for vacancy.

Over the last year the demand for good quality warehouse space in Northern Ireland has increased significantly while supply has decreased. Limited new build industrial property has been developed over the last 20 years, unless on a design and build (D&B) basis for an end user. There have been several D&B examples over the past 5 years of this including units for Amazon in Titanic Quarter, Consintino & Sysco at Nutts Corner and DFS at Mallusk, rental levels on these warehouse units have been in excess of £6 per sq ft with the more recent deals at around £10 per sq ft.

To date there still has been limited speculative development throughout Northern Ireland as rental levels are still not strong enough to make development viable. Average construction costs, excluding VAT, professional fees, developer's profit and site costs currently equate to £90- £100 per sq. ft. For a feasible development rents in the region of £9.00 - £11.00 per sq. ft. would be required, with the market rate at £5.00/£7.00 per sq. ft, this figure is increasing slowly due to the limited availability.

In the last 5 years demand for industrial warehouse space throughout the UK including Northern Ireland has increased considerably partly due to the surge in online sales.

Over the past 2 years there has been an increase in enquires for large new build warehouse space in excess of 17,871 sq m (300,000 sq ft), to date none of these have been agreed or progressed, partly due to the lack of suitable options.

#### **3.3 OWNERSHIP**

The industrial accommodation within Newry City and Downpatrick Town and the local and small towns are owned by a mixture of local landlords/investors and owner occupiers. Limited new industrial stock has been developed in the NMD district within the last 20 years.

### **3.4 AVAILABILITY & QUALITY**

We have completed an analysis into the current availability & quality of industrial accommodation within each of the three sub-sectors.

#### **Availability**

Appendix A, provides an availability schedule of warehouse accommodation in

- Newry;
- Downpatrick; and
- Smaller settlements.

#### **3.4.1. NEWRY**

##### **Accommodation Type and Quality**

The vacant industrial space, currently on the market To Let in Newry equates to 615.3 sq m (6,623 sq ft) of accommodation. The smallest unit currently available is 185.8 sq m (2,000 sq ft) 21 Shepherd's Way, Newry with the largest unit available of 429.5 sq m (4,623 sq ft) at 67a Rathfriland Road, Newry.

There is currently a low supply of units available around 140-836 sq m (1,507-9,000 sq ft) with no large warehouse units available in the range of 929 – 2,230 sq m (10,000-24,000 sq ft).

All of the units are second hand with no new build developments being marketed.

##### **Rental Levels**

Industrial rents in Newry range from £6.49 per sq ft to £7.00 per sq ft with rents for a number of units above £5.00 per sq ft.

#### **3.4.2. DOWNPATRICK**

##### **Accommodation Type and Quality**

There is currently no vacant warehouse space on the market To Let within the general Downpatrick area.

## Rental Levels

We would predict Industrial rental levels within Downpatrick to range from £6.00 per sq ft to £9.00 per sq ft for new build standalone warehouse accommodation located in Downpatrick.

### 3.4.3. TOWNS AND VILLAGES

#### Accommodation Type and Quality

When reviewing industrial accommodation within the local and small towns we have found 9,081 sq m (97,753 sq ft) available to let. 7,223 sq m (77,750 sq ft) of this can be located at 51 Lisburn Road, Ballynahinch which is a large manufacturing/industrial facility. The remaining accommodation ranges in size from 49 sq m (525 sq ft) at Mount Pleasant Trekking Centre, Castlewellan to 1,364 sq m (14,678 sq ft) at 111 Old Belfast Road, Ballynahinch. There is only one location (Castlewellan) with space available under 186 sq m (2,000 sq ft) we anticipate demand for in these areas from local businesses.

#### Rental Levels

Industrial rent levels in the small settlements in the Newry Mourne and Down district range from £2.33 per sq ft in Saintfield to £6.67 per sq ft in Castlewellan.

## 3.5 CONCLUSION

Across the council area there is currently a total of 9,696.8 sq m (104,376 sq ft) of industrial/warehouse space available on the market To Let. The largest unit available is 7,223 sq m (77,750 sq ft) in Ballynahinch. There is a reasonable supply of smaller units in the 167-465 sq m (1,800-5,000 sq ft) size range (4 properties available) which are suitable for growing businesses.

No speculative developments are currently being marketed in the Newry, Mourne and Down Council area.

Within the smaller settlements we believe that the market is better suited for smaller business units and that there is currently adequate land zoned to accommodate such developments. If a scheme of small business units was delivered in these smaller settlements it would be our opinion that demand would be good.

Overall, we would comment that despite Newry being a major centre there is limited warehouse space currently available within the council area. Newry has seen a good level of development of new warehouse units for owner occupiers within the Carnbane area over the past 3 years. As these units are owner occupied we cannot comment on rental levels.

## 3.6 FITNESS FOR PURPOSE

The current existing stock is generally fit for purpose given the high occupancy levels, however the market is in effect being held back by the lack of new space coming to the market for all business sizes. We would suggest that larger accommodation is needed to support companies and to attract new occupiers. Within the area there are currently no larger developments being marketed on a design and build basis, which is a concern considering the amount of zoned employment land and



NEWRY, MOURNE AND DOWN DISTRICT COUNCIL

also detrimental when trying to attract new occupiers to the district. Further consideration should be given at the appropriate Local Policies Plan stage.

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# 4

## **REVIEW OF ENTERPRISE CENTRES**

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## 4. REVIEW OF ENTERPRISE CENTRES

Enterprise Northern Ireland was formed in 2000 to represent 28 Local Enterprise Agencies, who support start up business. Enterprise Northern Ireland has a network of local Enterprise Agencies, these support small business and community enterprises.

Enterprise Northern Ireland represents the interests of Local Enterprise Agencies and lobbies on behalf of small business.

Within the Newry, Mourne and Down area there are 2 main Enterprise Centres:

- Down Business Centre, Downpatrick
- Newry & Mourne Enterprise Agency

Each of the enterprise centres provide support through assistance with business plans, grant funding and further growth.

### 4.1 DOWN BUSINESS CENTRE

Down Business Centre was established in 1986 as the local enterprise for the Down District council area. The company is a not-for-profit organisation and works for the benefit of the local community by supporting new and existing small business and by playing an active part in business development at local, regional, and national levels.

The business centre is located just outside Downpatrick on the main Belfast Road. The Centre is approx. 3,161 sq m (34,025 sq ft) of accommodation including workspace units and office suites, workshop units range in size from c.11 sq m (118 sq ft) to 93 sq m (1,000 sq ft).

The centre is made up of 35 no. business units, 17 no. office suites and 25 storage container units which were added in 2023.

#### Tenancies

Tenancy agreements consist of a mix of short-term and long-term agreements.

Down Business Centre key findings:

- Long term Tenants have been in occupation.
- The average occupancy term is currently 5 years.
- Rents for the workshop units are approximately £5.50 per sq ft including services but excluding rates. (some workshop units are let at £7 per sq ft)
- Rents for the office units are approximately £10 per sq ft plus electric and rates.
- There is currently good demand for workshop units of around 93 sq m (1,000 sq ft).
- There is a waiting list of 30 parties for the storage containers.
- Occupancy currently at 100%

### **Tenant Mix**

There is a wide mix of tenants within the Business centre including service industries, food industry, engineering, IT companies and healthcare companies.

G. Lowden previously occupied 7 units within Down Enterprise centre, they vacated approximately 18 months ago and all 7 units have been relet again.

A number of tenants within the centre have more than 1 unit and a number of the existing tenants have rented the new storage units for additional space.

## **4.2. NEWRY & MOURNE ENTERPRISE AGENCY**

Newry & Mourne Co-operative and Enterprise Agency (NMEA) was established in 1972 with the primary objective of promoting jobs and creating wealth in the Newry & Mourne area, it was the first enterprise agency to be established in Northern Ireland. Today the Enterprise agency consists of five business centres and incubation centres. Each of the sites consist of units ranging from 46 sq m (495 sq ft) to 465 sq m (5,000 sq ft). Office space ranges from 9 sq m (100 sq ft) to 93 sq m (1,000 sq ft). At the date of our report each of these centres are 98% occupied, tenancy agreements are on flexible terms with most tenants occupying under monthly licence agreements.

The five locations are as follows:

### **Win Business Park Newry**

Located in the Centre of Newry the centre is approx. 11,148 sq m (120,000 sq ft) with a mixture of office and warehouse units. Approximately 25% of the tenants have been in occupancy for 20 years. Tenant turnover is approximately 10% each year. Rents are approximately £4.30 per sq ft, per annum

### **Warrenpoint Enterprise Centre**

Located just outside Warrenpoint, 500 yards from Warrenpoint Harbour office with a mixture of office units and warehouse units, the centre is approx. 1,672 sq m (17,997 sq ft).

### **Flurrybridge Enterprise Centre**

Located midway between Newry and Dundalk at Junction 20 on the A1/N1 Dublin to Belfast corridor. The site provides 5,574 sq m (60,000 sq ft) of workspace in the form of 29 industrial units and 5 office units. Rents are approximately £5- £5.20 per sq ft.

### **Binnian Enterprise Centre Kilkeel**

Located in the harbour area of Kilkeel providing 1,858 sq m (20,000 sq ft) of Modern workspace. This centre is a partnership between Newry & Mourne Co-op and Enterprise Agency and Kilkeel Development Association.

### **Forkhill Enterprise Centre**

Located 9 miles south of Newry and 4 miles north of Dundalk the centre provides 650 sq m (7,000 sq ft) of retail and office workspace.

### 4.3 FITNESS FOR PURPOSE

In our opinion both business centres are generally fit for purpose, they provide important start-up and growth space for small and new businesses. The centres provide accommodation on flexible terms which is important to new business.

### 4.4 CONCLUSION

Both Enterprise Agencies (Down Business Centre and Newry & Mourne Enterprise Agency) are currently fully occupied and are experiencing high levels of enquiries with demand for workshop units, both agencies have detailed that they have waiting lists for units, with a strong demand for units of 93-186 sq m (1,000-2,000 sq ft).

As with Enterprise Agencies across Northern Ireland a high percentage of tenants have been in occupation for long periods of time with many tenants remaining in enterprise agencies for more than 10 years, a number of the tenants also have multiple units as their business grows they take on additional units within the park. It is often the lack of alternative larger space that prevents tenants from moving on along with the costs associated with moving.

Enterprise Agencies provide invaluable support to tenants in relation to applying for grants, funding etc that is not available outside of these business centres.

While the enterprise centres are full, they cannot provide space and support to new and growing businesses to allow them to start and grow.

Both centres have expressed interest in expanding their offering, taking into consideration the Ulster University Employment space demand study, and in our opinion the current level of demand would support expansion of these centres, however like many centres it is difficult for them to expand without support. Build costs are continuing to increase and rental levels do not support development.

In an ideal situation, business would move on from Enterprise centres within say 5 years to allow new businesses to move in and grow. The Enterprise Centre model is now a business model which relies on retaining tenants for income.

For tenants moving on from Enterprise Centres there are a number of issues to be considered, the lack of alternative space available within their chosen area, the cost of moving and the support and assistance provided by Enterprise Centres is not available within traditional Business Parks.

It is our opinion that the Enterprise Centres should be provided with assistance and support which allows them to expand their operations and deliver much needed "grow on space". It is not a case of replicating the existing offering but expanding on what has proven to be a successful formula for supporting and growing businesses.

In our opinion 'grow on space' would consist of workshop/warehouse type units of around 186-465 sq m (2,000-5,000 sq ft). It would make sense for these units to be located close to the existing business centres as for many occupiers a move to a different location could be detrimental to retaining staff. Consideration could be given to similar enterprise centres in several locations throughout the council area.

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# 5

## **OFFICE MARKET COMMENTARY**

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## 5. OFFICE MARKET COMMENTARY

Within the Newry, Mourne and Down District Council Area we have analysed the two main population centres of Newry and Downpatrick and local and small towns - Newcastle, Warrenpoint/Burren, Kilkeel, Ballynahinch, Saintfield, Killyleagh, Castlewellan and Crossmaglen.

### 5.1 INTRODUCTION

We have reviewed the current office stock in each of the two main population centres of Newry and Downpatrick and the local and smaller towns and villages by taking consideration of the current office availability, vacancy levels, demand, location and quality of the office stock.

### 5.2 DEMAND

The demand for offices within all regional towns across Northern Ireland comes primarily from Small and Medium Sized Enterprises (SME's) serving the local area rather than large corporate occupiers, unlike the Belfast City Centre office market which has a 5-year average office uptake of approx. 22,967.3 sq m (22,967 sq ft) (CBRE NI Research).

With regards to unoccupied office stock – demand, size, quality, and location all play a part in determining the likely causes for vacancy.

At the time of writing March 2025, there is a general trend of companies encouraging a return to office, moving away from the hybrid working model introduced during the Covid-19 Pandemic. 2024 saw a take-up of 32,324 sq m (847,984 sq ft), the largest take-up since 2020, which recorded an office take up in Belfast City Centre of 13,091 sq m (140,911 sq ft), a record low.

Many occupiers are carrying out strategic reviews of their operational properties to ascertain if they need space designed more towards the encouragement of bringing their employees back to the office, for example, providing more space for amenities and break out and collaborative working space. Pre-Covid office design was about pushing design densities so that a building could accommodate more people, post-Covid we will see office design be less about density and even more about the user experience, reducing touch points and providing facilities that help staff remain safe such as enhanced cycle facilities etc. In recent years we have seen appetites for Well/Green buildings to accommodate for corporations ESG targets of becoming Net-zero by 2050.

Well/Green buildings are buildings that put the welfare and wellness of the occupant at the forefront of the overall building design.

### 5.3 OWNERSHIP

Most of the office accommodation within each of the two main population centres and of the local and small towns is owned by local landlords and investors who hold the property mainly for the rental income from the retail on the ground floor, often there is no appetite to spend considerable capital expenditure on the first floor office in a market with limited demand. Larger office developments such as those in Newry are in the ownership of larger investment companies however once again the limited demand for offices in regional towns across Northern Ireland leads to reluctance from landlords to refurbish offices with no strong prospect for a tenant.

### 5.4 AVAILABILITY & QUALITY

We have completed an analysis into the current availability & quality of office accommodation within the two main population centres and local and small towns.

Most of the available office space within the NMD Council area is situated within the city/town centres, above retail units on the high street. This accommodation is generally dated and of poor-quality requiring capital expenditure to bring it up to a modern standard. Within the NMD Council area there is limited Grade A office accommodation.

From our market knowledge and requirements for office space we know that this type of compact, cellular space is not desirable to employers who seek an innovative, modern, motivational work environment.

Appendix B, provides an availability schedule of office accommodation in:

1. Newry
2. Downpatrick
3. Local and Small Towns (as per section 2.3)

#### 5.4.1. NEWRY

Newry is a city in Northern Ireland and has a population of 28,530 people, recorded in the 2021 Census.

##### Accommodation Type and Quality

The total available office stock figure for Newry is currently around 985.5 sq m (10,608 sq ft) of traditional and serviced space, ranging in size from around 9 sq m (97 sq ft) to 323.4 sq m (3,481 sq ft). In a report completed in August 2024 by CBRE NI for NMD the total available office accommodation for Newry was 1,474 sq m (15,867 sq ft) (Newry Office Market – Update Report – August 2024).

The office accommodation within Newry consists of a mixture of second-hand accommodation and terraced buildings, which would require capital expenditure to make it suitable for occupation, to modern office accommodation such as that of Carnbane Business Park. Most of the office accommodation is located within Newry City Centre in the prime retail core or on the outskirts of the city in small business parks.



## Rental Levels

Office rents in Newry range from £5.31 per sq ft for poor quality accommodation to £13.23 per sq ft better quality accommodation, this accommodation is economical when considering the comparison of similar offices in Belfast City Centre which would demand a rent of approximately £10.00 - £15.00 per sq ft for similar accommodation. Brand new Grade A office accommodation in Belfast City Centre is achieving rentals of £26.00 per sq ft however, Newry does not have the same quality of product. Serviced Offices in Newry demand a rent ranging from £32.89 to £47.22 per sq ft with Regus asking £150.00 to £200.00 per desk, per month. Typical rates in Belfast range from £300.00 - £500.00 per desk, per month depending on quality and location.

### 5.4.2 DOWNPATRICK

Downpatrick is a small town approximately 30 miles from Newry, recorded a population of 11,545 in the 2021 Census.

#### Accommodation Type and Quality

Downpatrick has relatively low levels of available office space with approximately 734 sq m (7,902 sq ft) of office accommodation currently vacant and on the market. Available accommodation ranges from 43 sq m (469 sq ft) offices at 2 English Street, Downpatrick to 325 sq m (3,546 sq ft) on English Street, Downpatrick. This includes 2 offices which are currently on the market for sale.

Most of the vacant office accommodation is located on English Street, with offices also located on Irish Street, Market Street and Church Street.

Within Downpatrick, smaller offices are located within the town centre or in detached office buildings, these offices are usually Grade C in classification. While better quality Grade B offices are located outside the town in Down Business Centre, providing a range of serviced office space.

#### Rental Levels

Office rents in Downpatrick range from £7.90 per sq ft for a first and second floor office to £25.60 per sq ft for a 48 sq m (529 sq ft) ground floor office unit. Much of the accommodation within Downpatrick would be classed as Grade B or C. This accommodation is reasonable when considering the comparison of similar offices in Belfast City Centre which would demand a rent of £12.50 to £15.00 per sq ft for Grade B space.

### 5.4.3 LOCAL AND SMALL TOWNS

The local and small towns analysed were Newcastle, Warrenpoint/Burren, Kilkeel, Ballynahinch, Saintfield, Killyleagh, Castlewellan and Crossmaglen.

#### Accommodation Type and Quality

Currently the total available office stock throughout these towns is approx. 309 sq m (3,330 sq ft). Office units vary in size from 81 sq m (872 sq ft) to 99 sq m (1,069 sq ft) within these towns and villages.

The office accommodation available was across three of the towns namely Newcastle, Castlewellan and Warrenpoint/Burren. There were no available options in the other selected towns.

It remains that there is a lack of good quality office accommodation available within these towns,

however demand is not conducive to developing Grade A offices.

### Rental Levels

Office rents in Warrenpoint/Burren range from £7.48 per sq ft, Newcastle office rents range from £750.00 per month which equates to £10.32 per sq ft to £16.25 per sq ft and in Castlewellan office rents range from £950.00 per month which equates to £10.66 per sq ft.

## 5.5 CONCLUSION

As reported in 2024, (CBRE Newry Office Demand Report) the majority of available office space within the NMD District Council area is situated within the town and village centres, above retail units on the high street, most of this space which would be defined as Grade B/C space. This is the case in most regional towns throughout Northern Ireland and not unique to NMD District Council area.

Both Newry and Downpatrick have limited small offices available which would appeal to the local SME market, the demand for larger office suites and buildings is more challenging to correlate. The difficulty is that due to limited Grade A supply in the main towns means that potential large-scale occupiers/FDI companies do not consider the location in the first place due to the lack of availability.

The same challenges that were evident in the provincial office market in 2020 (and to a lesser extent in Belfast) still persist today.

The main issue is still centred around the viability of schemes, put simply speculative office development does not stack up given the current cost of construction and the level of rent that occupiers are prepared to pay to an investor/developer in provincial markets. Unfortunately, the level of return versus the level of risk of speculative development will make the majority, if not all schemes unviable at present.

It would appear that demand exists in Newry from locally owned and national companies, however with rents still hovering around the £10 to £12 per sq ft per annum level, the market requires some innovative solutions if speculative development is to be viable. The concern for a city like Newry is that existing occupiers may struggle to expand within the leasing market unless they are prepared to either construct their own building or be prepared to pay a rent that supports new development.

This total lack of suitable quality supply will not help the city attract Foreign Direct Investment, the majority of which will locate in Belfast where the supply issue is less of a challenge.

In this post Brexit era, cities like Newry have the potential to be a landing pad for numerous companies who trade between the UK and Europe, however this all depends on suitable product being available.

Newry should also be seen as a potential location as a hub for a central government function as this could act as a stimulus to the market by providing new accommodation in the city, provide further regeneration which in turn could attract further investment.

In terms of a solution to provide new office development the council could provide a wrapper on a scheme whereby they guarantee a minimum level of rent on a new building to remove a large portion of the risk for a developer. However, given the relatively low rents this type of scheme is unlikely to suit NMD Council's risk appetite. To a lesser extent the removal of vacant rates on new development until an occupier is found could also assist the market by removing a significant barrier to development.

Whilst the traditional banks are not providing finance for speculative schemes the likes of the Northern Ireland Invest Fund have provided finance to enable schemes to commence on site.

To conclude it is our opinion that demand exists in Newry for quality office space, however a number of challenges exist as detailed and until these are overcome, we will continue to see a lack of investment unless major steps are taken by the relevant authority.

## **5.6 FITNESS FOR PURPOSE**

The office accommodation in each of the towns in our opinion is not currently fit for purpose, much of the accommodation is in poor order and requiring significant investment to bring it up to standard, however the rents in the provincial towns do not support the viability of such an investment.

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# 6

## **LAND USE COMMENTARY**

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## **6. LAND USE COMMENTARY**

### **3**

We have been provided with the NMD Council Economic Land Monitor (2020) and the 2023 Update which have been assessed to consider the fitness for purpose and suitability of employment lands within the district for future economic development.

The Newry, Mourne and Down Economic Land Monitor has been prepared by the Local Development Plan (LDP) Team. It relates to the availability of land for economic development across the District in those sites zoned (existing and proposed) for industrial/ economic purposes in the two extant Development Plans (Ards and Down Area Plan and Banbridge, Newry and Mourne Area Plan).

Our previous report provided our commentary on each of the employment lands based on our market knowledge and also taking into consideration the Ulster University Employment Space Demand Study 2018-2030.

The sites were colour coded, Green, Amber and Red, with Green being prime lands which we feel there would be a strong market for. Amber being lands which have current and future potential demand. Red are lands which we see having limited demand for development in the short term.

Having reviewed the update of land developed from the previous report and the UUEPC report (Employment Space Demand 2022-2035), more employment land will be required in order to meet forecasts contained in the Lichfield Review of Employment Strategy.

More detail can be shown in the table below which highlights the prime locations.

## 6.1 SUMMARY OF EMPLOYMENT LANDS

Detailed below is a summary table showing the individual undeveloped lands together with our opinion of how these lands should be prioritised for development. A detailed assessment of each site can be viewed in the 2022 version of this report.

As previously stated the sites have been colour coded, Green, Amber and Red, with Green being prime lands which we feel would be suitable for development. Amber being lands which have current and future potential development suitability. Red are lands which we see being less suitable for development in the short term.

Red lands are not necessarily lands which should be de-zoned but would benefit from improvements to secure their future use.

LOCATION	UNDEVELOPED AREA HA (2020)	UNDEVELOPED AREA HA (2023)	CBRE Recommendation	PRIORITY
Carnbane/Cloughanramer Road (Zoning NY63), Newry	50.79	46.58	Site part developed. With a number of live applications. Well located prime industrial lands, Invest NI land take up has been historically slow due to the need to be an Invest NI client.	
Carnbane Business Park (Zoning NY65), Newry	2.29	0.99	Majority of site has now been developed. Remaining portion is part of Invest NI land holding. Land is fit for industrial/warehouse development.	
Craigmore Road (Zoning NY67), Newry	10.31	10.31	Considering the ease of access to the A1 Road and surrounding uses in the area this site is an ideal industrial location for development. Land is fit for industrial/warehouse development	
Chancellors Road (Zoning NY69), Newry	18.54	18.54	Considering the ease of access to the dual carriageway from this location we would believe this is a prime industrial area within Newry. Infrastructure upgrading required. Land fit for purpose subject to access.	
Loughway Zoning (NY70), Newry	3.06	2.10	This is an existing industrial estate in Newry. It is noted that part of the undeveloped land has planning for a storage and	

NEWRY, MOURNE AND DOWN DISTRICT COUNCIL

			distribution warehouse. Land fit for purpose	
Carbane Industrial Estate - Main Portion, Newry*	3.28	3.10	This is an existing industrial estate in Newry and fit for purpose.	
Down Business Park (COU 12), Downpatrick***	18.28	5.10	The area is ideal for the expansion of the existing Business Park. The remainder of the site may be suitable for a second phase of the Down Enterprise Centre which is at capacity subject to Invest NI being agreeable to the development of the lands in this way.	
Ballydugan Road, Downpatrick*	0.06	0.06	Due to its location within the business park the undeveloped land should remain zoned as an area of existing economic development. It is noted that a planning application was granted in 2021 for a valeting area on this site.	
Lisburn Road, Ballynahinch*	0.96	0.90	The undeveloped land is well located with ease of access to the main road network. It would be our view that this is a suitable location for the development of further small industrial/warehouse units.	
Warrenpoint Harbour Estate*	0.20	0.20	It is located within Warrenpoint Harbour which is one of Northern Ireland's major ports and Regional Gateway and the lands, whilst a small site are well suited for industrial/warehouse use.	
TOTAL	107.77	87.88		
Damolly (Zoning NY68), Newry	2.86	2.86	The area has a mix of retail and industrial uses within the vicinity. There was previously a planning application submitted for a retail park on the site which was subsequently withdrawn. We are aware of an historic scheme for 70 no. industrial/ business units and it is our opinion that this is a good use for the site but higher value uses may also be suitable such as residential given its proximity to neighbouring residential.	
Carnbane North (Zoning NY62), Newry	2.28	2.28	Previous outline planning for 5 warehouse units	

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			granted in 2010. Potentially a strategic industrial sites, although access issues need to be understood and addressed. Land is fit for industrial/warehouse development.	
Carnbane Road/Tandragee Road (Zoning NY64), Newry	2.89	2.89	Potentially a strategic industrial site, although access issues need to be understood and addressed. Land is fit for industrial/warehouse development	
Newry Road (Zoning CM10), Crossmaglen	0.55	0.55	Land is suitable for a small industrial development as per planning. May be limited demand for some uses due to the neighbouring recycling centre.	
Moor Road - The Harbour (KL 19), Kilkeel	13.92	13.92	CBRE are of the opinion that the southern portion of the site has the potential to be used for harbour related industries such as storage and distribution and the potential expansion of Binnian Park Business Centre. The northern portion may be suitable for a residential development. At present there is considerably more land zoned than what is required by the market.	
Upper Dromore Road/Burren Road (WB24), Warrenpoint /Burren	13.14	12.95	Considering neighbouring uses and ease of access to Warrenpoint Harbour the subject lands are well suited for logistics / manufacturing uses. However there has been limited take up or demand for lands in this location.	
Milltown West (WB26), Warrenpoint / Burren	0.69	0.69	The subject undeveloped lands are only accessible via the Industrial Estate. In order to develop the lands issues regarding access will need to be resolved. Some of the lands are currently inaccessible due to the presence of playing fields which are also zoned for economic use.	
Cloonagh Road and Brannish Road (DK 15), Downpatrick	8.62	8.50	Considering the surrounding uses in the area this site is an ideal industrial location for future requirements in the area.	
Old Belfast Road (BH 17), Ballynahinch	4.94	4.45	Considering the location of the site in relation to the	



NEWRY, MOURNE AND DOWN DISTRICT COUNCIL

			main road network, the proposed Ballynahinch bypass and the proposed park and ride we feel it should remain zoned for industry. The site would be well suited for development of a business park. Land is fit for purpose	
Annsborough IPA, Annsborough (AH03)	0.89	0.89	Lands are fit for purpose and would be suited for expansion of the existing businesses.	
Ardglass IPA, Ardglass (AS03)	1.46	1.46	Considering the surrounding land uses and proximity to Ardglass Harbour we are of the opinion that this portion of undeveloped land provides an opportunity for the expansion of the current industrial offering in the area.	
Shrigley IPA 1, Shrigley (SY03)	2.89	2.89	Considering the surrounding land use and occupiers we are of the opinion that this site would be suitable for small light industrial units, however there is limited demand within this area.	
Killough Road (DK 14), Downpatrick	7.59	7.59	Considerable lands are available nearby at Down Business Park, which is Invest NI land (opposite side of road). An alternative option is required for those who cannot locate within the Invest NI site in Downpatrick, therefore lands are fit for purpose. Limited demand/uptake for industrial lands in this area.	
Crossmaglen Mixed Uses, Cullaville Road (CM11)	1.75	1.75	The land could be suitable for a small industrial development, however, may be limited for some uses due to neighbouring residential dwellings.	
TOTAL	64.47	63.67		
Carnbane South (Zoning NY66), Newry	0.97	0.7	The land is located in a strategic location for Norbrook and forms part of their holding.  Lands are fit for purpose.	
Newcastle Road (KL 20), Kilkeel	2.06	2.06	Fit for purpose, however limited demand and take up for Industrial land within this area.	
Moor Road / Newcastle Road West (KL 21), Kilkeel	0.27	0.27	The undeveloped portion of the site would suit a small trade counter style building.	

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			Land is fit for purpose, however limited demand in this area.	
Moor Road / Newcastle Road East (KL 22), Killeel	3.54	3.54	Limited demand for Industrial land within this location.	
Newry Road, (NN06), Newtownhamilton	0.46	0.46	Land is fit for purpose, however limited demand for industrial development in this location.	
Crossgar COU11, Crossgar**	1.35	0.3	Location is rural and, in our opinion, land is not fit for purpose for industrial development other than expansion of the existing occupier.	
Ballyhornan IPA 1, Ballyhornan (BH02)	1.25	1.1	Land currently vacant with old industrial units. It would be our view this area is not suitable for modern industrial development due to its remote location.	
Ballyhornan IPA 2, Ballyhornan (BH02)	0.24	0.2	Land predominately vacant with old industrial units. It would be our view this area is not suitable for modern industrial development due to its remote location.	
TOTAL	10.14	8.63		

\*These sites are existing Employment Sites in the extant area plans.

\*\* Sites identified as part of ADAP Countryside Proposals.

## 6.2 CONCLUSION

Having reviewed the undeveloped employment land within the district approx. 22.2 hectares (54.86 acres) have been developed in the intervening 3 years, these lands are mainly Invest NI Lands in Newry and Downpatrick. The take up of these lands demonstrates the demand for land which is accessible. The take up of lands have been from the green category which have been classified as the most suitable lands for development.

Our view would be that additional lands should be zoned in areas around the existing green category areas such as Newry at the Local Policies Plan stage.

Over the past 5 years we have seen a number of large requirements for land of 12-16 ha (29.7-39.5 Acres), throughout Northern Ireland large parcels of Zoned lands are limited.

In our experience across Northern Ireland we have found that whilst there is an abundance of undeveloped zoned employment land that this land is not readily available on the open market, ie these form part of larger land banks or are being held in the hope that a higher alternative use value would be realised. In addition to this there still remains viability issues around the development of industrial/warehouse schemes by property developers where typically end values are still less than the cost of construction.

In many of the smaller towns and villages there is limited demand for large scale warehousing and therefore do not require a significant land bank of undeveloped employment lands. We would note that it is our opinion that there would be demand for smaller business units similar to the Enterprise Centre model, which provides small units of 46-93 sq m (495-1,000 sq ft) and support for new business to grow.

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# 7

## **REVIEW OF COUNCIL OWNED ASSETS**

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## **7. REVIEW OF COUNCIL OWNED ASSETS**

There has been no further review into the Council owned assets from the previous report in 2022. We refer you to the 2022 version of this report.

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# 8

## **FLEXIBLE OFFICE MARKET COMMENTARY**

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## 8. FLEXIBLE OFFICE MARKET COMMENTARY

An assessment of current availability and future provision and demand of flexible or shared workspace across the district

Technological advances, evolving economies, and structural changes in the labour market are all transforming the way businesses are organised and the types of workspaces they require. Organisations seek agile workplace strategies for their portfolios that put efficiency, people and experience at the heart of their real estate decision making. Flexible office solutions, combined with traditional leasing models, are a key strategy tenants are exploring to deliver real estate agility.

### Flexible Offices: What do we mean?

‘Flexible offices’ (also referred to as Flex space, Flex sector and Flex) has become a catch-all term to encompass those businesses offering occupiers a mix of office space and ancillary services with terms ranging from as short as a day to terms extending indefinitely.

Broadly speaking, the sector can be split into five different formats – traditional serviced and short term/ managed offices on the one hand, and newer formats – co-working, incubators and accelerators – on the other.

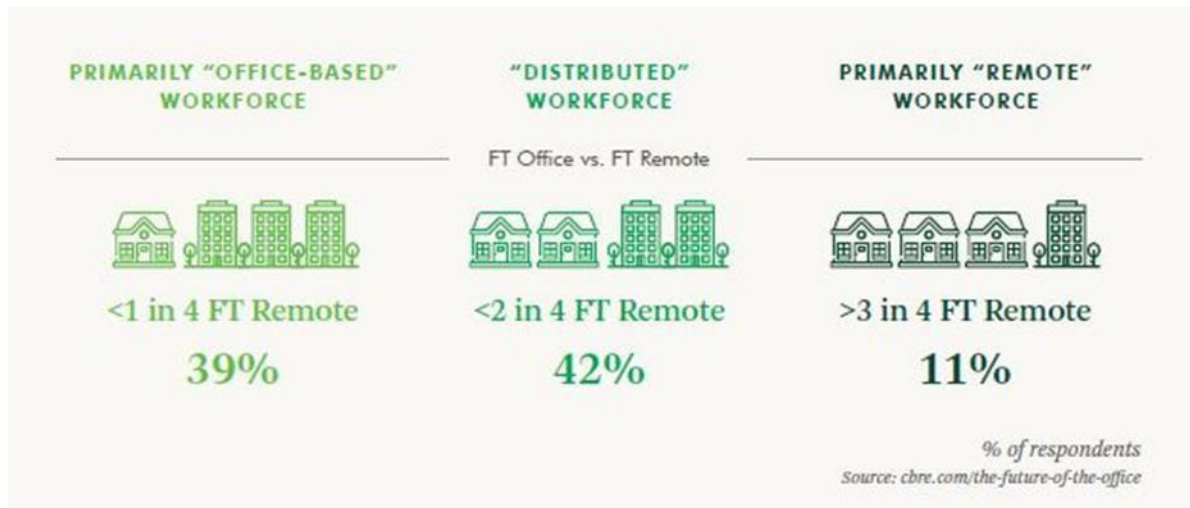
Increasingly, hybrid versions have emerged incorporating co-working space with managed or serviced offices to capture a greater range of occupiers. The range of offer has been driven by growing occupier requirements.

As these formats converge, it becomes more meaningful to talk about flexible offices as a broad and largely interchangeable set of products rather than treating them individually, not least because of the ease of reconfiguring space from one format to another or simply altering the terms of design of otherwise conventional office space.



### Flexible Offices – Post Covid Response

Remote work desires are (and have been) growing. Organizations are preparing to meet employee demand for remote work, and future competition for talent will take place over the battlegrounds of not just flexible work policies, but also flexible work support such as stipends, home office equipment, and technologies. Organizations will also need to focus on maintaining and strengthening their culture for remote employees.



### The office is here to stay as well

The physical office still has a role to play even in a more mobile future, but it will be designed to support flexibility and choice. Companies will rethink the role of a single HQ in favour of a broader ecosystem of work sites that may include regional offices, coworking spaces, and home to support increasing and ongoing mobility.



### Newry, Mourne and Down Flexible Market

The Flex market in NMD is primarily centred around a number of Serviced Business Centres in Newry to include Granite Exchange on Kildare Street; 30 Monaghan Street; and The Hub with addresses at Margaret Street, St Colman’s Park and Abbey Yard Studios. More recently Global brand Regus have opened a centre on Kilmorey Street. We have provided within our Appendices’ a table showing current availability of offices and meeting rooms – please note that several of the centres do not openly advertise their availability – Regus for example ensure that you must make an enquiry with them.

## CONCLUSION

Despite speculation over the future of the office, it is expected that post COVID-19 will continue to accelerate already growing trends, resulting in a better office that focuses on sustainability, wellness and technology.

Although the COVID-19 pandemic and rise in home working had led some onlookers to question the future of the office, we expect that the increase in working from home will be driven by the older demographic, while millennials will continue to demand high quality work environments - driving the war on talent.

Despite enforced work from home strategies in 2020-2022, it appears, companies in most sectors are slowly making a return to the office (at least 2 to 3 days per week) and to start rebuilding their businesses in a new, agile way, mitigating capital expenditure and avoiding long-term commitments.

Ultimately, while COVID-19 has delivered an unimaginable period for Flex, the occupier and investor and operators alike; Flex's key attraction for occupiers in unprecedented times is offering a hedge against uncertainty. There are other important reasons that we examine in this commentary, which lead us to expect a resurgence in this sector.

As the return to the offices continues, surveys conducted by CBRE and corporate analysis affirm that COVID-19 was not a threat that destroyed the Flex sector, rather a justification for its continued growth.

CBRE occupier clients have confirmed that post Covid-19 the need for flexibility remains present.

CBRE firmly believe that occupiers will want more not less, and they will continue to pay a premium for it. In particular, CBRE's corporate clients are telling us Flex-space will be needed more not less as it delivers agility and the ability to try new work settings and new ventures. There is also the cost benefit of avoiding capex. In the medium term we expect it to be used to help with:

- Collaboration
- Decentralised operations
- Resilience
- Disaster Recovery Strategies

Within the NMD district that during the Covid pandemic several sectors have suffered it is our opinion that the Flex office market has rebounded strongly for the reasons highlighted above and evidenced by the Global leader – Regus opening a centre in Newry. We believe that provincial towns will benefit as much as Belfast given the rise for working closer to home, the desire to reduce commuting times and strive for a better work/life balance. The market in NMD is still in its infancy but with Covid accelerating trends we expect to see the Flex market continue to grow in the medium term. We would also hope to see the development of a Grade A office building within the district and whilst viability issues exist, the development of an office building can be assisted by the council making a site available and from funding from the Belfast Regional City Deal.



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# 9

## **CURRENT ECONOMIC CONDITIONS**

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## **9. CURRENT ECONOMIC CONDITIONS**

Since 2020 there have been countless challenges impacting the Financial and Property markets, Covid 19 and Brexit have not been the only factors to consider. Interest rates have increased along with inflation which negatively impacts economic growth.

The earlier than expected general election helped bring a level of certainty, albeit the long wait for the budget was unnerving, especially given the down beat narrative, particularly around the need to fund the large public finance black hole. Some of the measures introduced in the 2024 Autumn Budget will be challenging for businesses, particularly the additional National Insurance contributions effective from April 2025.

The Northern Ireland position on the protocol has still not been made clear or fully published to allow business to fully benefit.

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# 10

## **PRIME SITES COMMENTARY**

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## 10. PRIME SITES COMMENTARY

There has been no further review into the Prime Sites & Main Growth Areas from the previous report in 2022. Please refer to the 2022 version of this report.

### a. NEWRY INDUSTRIAL LANDS

Taking consideration of the Ulster University Employment Space Demand Report 2022-2035 and our property market knowledge we are of the opinion that there should be a heavy focus on industrial/warehouse development with the NMD District with a primary focus on the Newry area. Areas such as the industrial lands at Carnbane and those areas directly off the A1 are ripe for development for servicing manufacturing and storage and distribution companies.

### b. CONCLUSION/RECOMMENDATIONS

In terms of next steps, it is our opinion that the council could look to bring those sites under the control of the council to the market by way of a development brief. A strategy review also needs to be carried to ascertain the feasibility of each scheme and whether they can command a capital receipt. It may be a case that sites are offered at nil cost to the developer with a positive condition that a particular scheme is delivered within a prescribed timescale. The longer term benefit of having these sites developed and regenerated should deliver an increased capital receipt via rates contribution to the council.

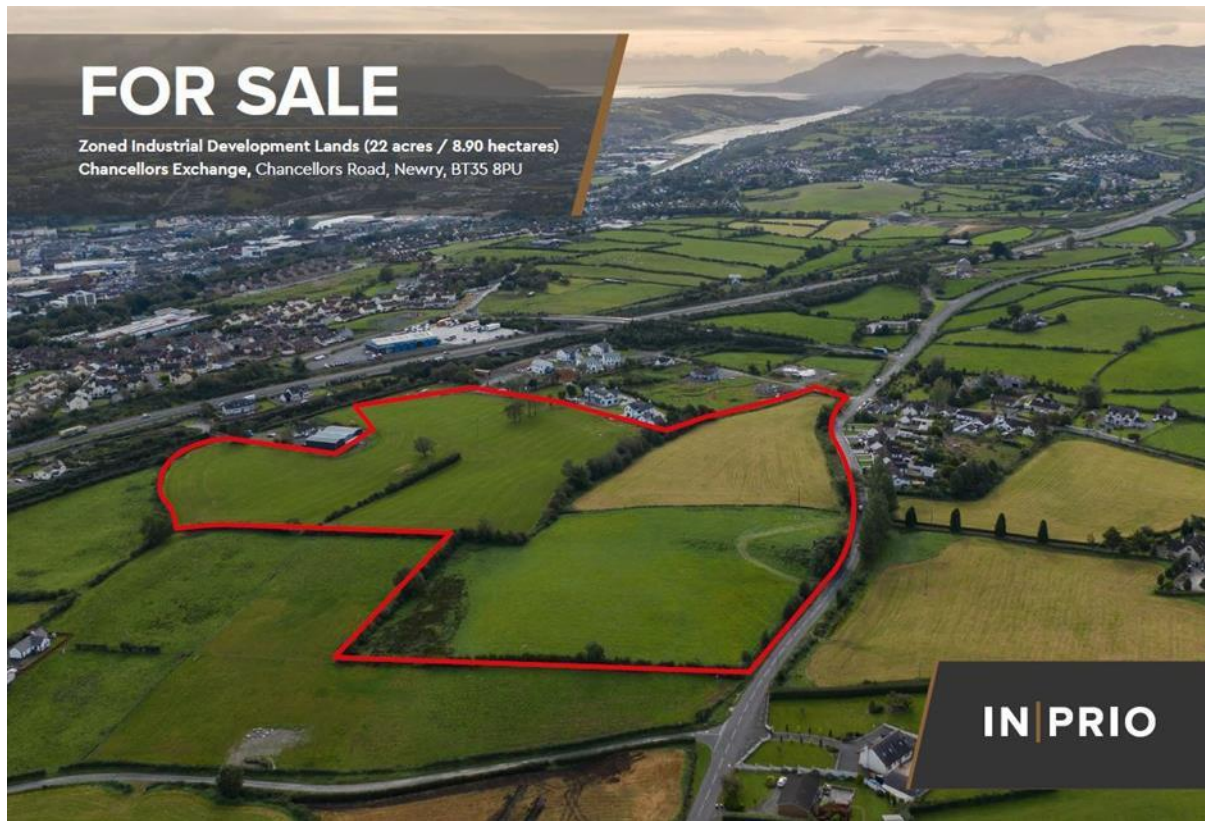
Those sites not under the control of the council obviously impact on the range of interventions that could be made. For example, within Carnbane there are approximately 125 acres of undeveloped

employment lands, this includes Invest NI lands extending to approximately 27 acres.

Within this area we believe more zoned lands are required to meet future requirements, despite being zoned for employment use it is not readily available, however the Invest NI Lands have been successfully developed over the last 5 years as these lands are readily available.

NEWRY, MOURNE AND DOWN DISTRICT COUNCIL

It is also interesting to note that there was two bidders on the Chancellors Road Employmentlands which are being marketed by In Prio. The lands extend to approximately 22 acres. These landsform part of NY69 under the area plan references.



These lands have been purchased by Savage & Whitten, who received planning permission in January 2024 for a new build warehouse for their own occupation.

Whilst no intervention is required for the likes of the Chancellors Road site it is our opinion that the council could exert its influence to ensure that zoned employment lands are actually available for this use. The council should be engaging with land owners to understand their long term plans on sites and whether there is an opportunity for council to encourage and support development.

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# 11

## REVIEW OF INVEST NI LANDS

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## 11. REVIEW OF INVEST NI LANDS

Within the NMD Council area Invest NI land holdings include approximately 37.99 hectares. Located in the following 3 locations:

- Carnbane Business Park, Shepherds Way, Newry (NY63, NY65 & PART NY66) – 25.16 hectares available
- Down Business Park, Belfast Road, Downpatrick (COU12) – 5.10 hectares available
- Killough Industrial Park, Killough Road, Downpatrick (DK15) – 7.73 hectares available

These areas have been provided by NMD council and vary from areas which Invest NI are stating as available areas, this is because Invest NI will mark a site as no longer available if they are in discussions with a party on land, however the land is still undeveloped and therefore included within these figures.

Invest NI Lands are only available for purchase by Invest NI clients, to become an invest NI client certain criteria must be met as follows –

The business must: -

- Sell outside of Northern Ireland,
- Be actively pursuing growth plans and will contribute to increasing productivity and innovation in Northern Ireland,
- There are also criteria in relation to turnover, (turnover over £250,000 pa), volume of sales outside NI (25%) and growth potential.

There are no issues with the quality or location of the Invest NI employment lands but the same challenge exists with how these lands can be brought forward for development by owner occupiers or developers as a number of our local operators will not meet the Invest NI criteria.

The Invest NI Undeveloped lands represent approximately 23.7% of the total undeveloped identified employment lands. This has been calculated by taking the undeveloped Invest NI lands as a percentage of the total undeveloped identified lands within the study area.

Since our previous report the available land in Carnbane Industrial Estate has reduced, it would be our concern that more industrial lands will be required in this locality.

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# 12

## APPENDICES

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# A

## WAREHOUSE SCHEDULE

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ADDRESS	SIZE (SQ FT)	£/SQ.FT.	QUOTING RENT	BROCHURE LINK
<b>NEWRY</b>				
67a Rathfriland Road, Newry, BT34 1LD	4,623	£6.49	£30,000	<a href="https://media.propertypal.com/f/p/998445/3231752/Brochure.pdf">https://media.propertypal.com/f/p/998445/3231752/Brochure.pdf</a>
21 Shepherd's Way, Newry, BT35 6EE	2,000	£7.00	£14,000.00	<a href="https://media.propertypal.com/f/p/959672/3178347/ry-21-shepherds-way-carnbane-industrial-estate.pdf">https://media.propertypal.com/f/p/959672/3178347/ry-21-shepherds-way-carnbane-industrial-estate.pdf</a>
<b>TOTAL</b>	<b>6,623</b>			
ADDRESS	SIZE (SQ FT)	£/SQ.FT.	QUOTING RENT	BROCHURE LINK
<b>LOCAL and SMALL TOWNS</b>				
Adjacent To, 30 Castlewellan Road, Newcastle, BT33 0JY	1,800			<a href="#">Adjacent To, 30 Castlewellan Road, Newcastle</a>
111 Old Belfast Road, Ballynahinch, BT24 8UY	14,678			<a href="https://media.propertypal.com/f/p/999785/3233198/111-Old-Belfast-Road-Ballynahinch-BT24-8UY.pdf">https://media.propertypal.com/f/p/999785/3233198/111-Old-Belfast-Road-Ballynahinch-BT24-8UY.pdf</a>
51 Lisburn Road, Ballynahinch, BT24 8TT	77,750	£4.50	£350,000	<a href="https://media.propertypal.com/f/p/970399/3222168/51-Lisburn-Road-Ballynahinch.pdf">https://media.propertypal.com/f/p/970399/3222168/51-Lisburn-Road-Ballynahinch.pdf</a>
Spacious Storage Facilities At, Laurelbank Road, Saintfield, BT24 7LS	3,000	£2.33	£7,000	<a href="https://media.propertypal.com/f/p/984808/3217423/jP-xmbC3ZUaNxqbO5LJoYw.pdf">https://media.propertypal.com/f/p/984808/3217423/jP-xmbC3ZUaNxqbO5LJoYw.pdf</a>
Mount Pleasant Trekking Centre, 15 Bannanstown Road, Castlewellan, BT31 9BG	525	£6.67	£3,500	<a href="#">Mount Pleasant Trekking Centre, 15 Bannanstown Road, Castlewellan</a>
<b>TOTAL</b>	<b>97,753</b>			

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# B

## OFFICE SCHEDULE

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ADDRESS	SIZE (SQ FT)	£/SQ.FT.	QUOTING RENT	BROCHURE LINK
<b>NEWRY</b>				
Offices, 52 Armagh Road, Newry, BT35 6DN	378	£13.23	£5,000	<a href="https://media.propertypal.com/f/p/534650/3083279/P-AVDVfwUEKCLaDyfaJR7g.pdf">https://media.propertypal.com/f/p/534650/3083279/P-AVDVfwUEKCLaDyfaJR7g.pdf</a>
41a Monaghan Street, Newry, BT35 6AY	500	/	£115 per week	<a href="https://media.propertypal.com/f/p/611911/3018536/Brochure%2041A%20Monaghan%20Street%20-%20Updated.pdf">https://media.propertypal.com/f/p/611911/3018536/Brochure%2041A%20Monaghan%20Street%20-%20Updated.pdf</a>
41a The Mall, Newry, BT34 1AN	764	£7.85	£6,000	<a href="https://media.propertypal.com/f/p/989414/3220847/Brochure.pdf">https://media.propertypal.com/f/p/989414/3220847/Brochure.pdf</a>
11b Trevor Hill, Newry, BT34 1DN	690	£9.42	£6,500	<a href="#">11b Trevor Hill, Newry</a>
7 Trevor Hill, Newry, BT34 1DN	1,715	£6.41	£11,000	<a href="#">7 Trevor Hill, Newry</a>
6 Marcus Square, Newry, BT34 1AY	3,481	£5.31	£18,500	<a href="https://media.propertypal.com/f/p/917908/3110665/external.pdf">https://media.propertypal.com/f/p/917908/3110665/external.pdf</a>
30 Rathfriland Road, Newry, BT34 1JZ	3,080	£8.12	£25,000	<a href="https://www.propertypal.com/30-rathfriland-road-newry/980254">https://www.propertypal.com/30-rathfriland-road-newry/980254</a>
<b>TOTAL</b>	<b>10,608</b>			

ADDRESS	SIZE (SQ FT)	£/SQ.FT.	QUOTING RENT	BROCHURE LINK
<b>NEWRY - SERVICED</b>				
Office A, 1st Floor, 3-5 Railway Avenue, Newry, BT35 6BA	97	/	£50 per week	<a href="#">1st Floor, 3-5 Railway Avenue, Newry</a>
Office A, 1st Floor, 3-5 Railway Avenue, Newry, BT35 6BA	210	/	£90 per week	<a href="#">1st Floor, 3-5 Railway Avenue, Newry</a>
Room 101, 15 Merchants Quay, Newry, BT35 6AH	200	£42.50	£8,500	<a href="#">15 Merchants Quay, Newry</a>
Room 105, 15 Merchants Quay, Newry, BT35 6AH	228	£32.89	£7,500	<a href="#">15 Merchants Quay, Newry</a>
Room 201, 15 Merchants Quay, Newry, BT35 6AH	180	£47.22	£8,500	<a href="#">15 Merchants Quay, Newry</a>
<b>TOTAL</b>	<b>915</b>			

ADDRESS	SIZE (SQ FT)	£/SQ.FT.	QUOTING RENT	BROCHURE LINK
<b>DOWNPATRICK</b>				
69 Church Street, Downpatrick, BT30 6EH	2,291	£87.30	For Sale - £200,000	<a href="#">69 Church Street, Downpatrick</a>
2 English Street, Downpatrick, BT30 6AB	469			<a href="#">2 English Street, Downpatrick</a>
11 English Street, Downpatrick, BT30 6AB	3,546	£59.22	For Sale - £210,000	<a href="#">11 English Street, Downpatrick</a>
First Floor Premises, 8-10 Irish Street, Downpatrick, BT30 6BP	1,076	£7.90	£8,500	<a href="#">First Floor Premises, 8-10 Irish Street, Downpatrick</a>
Unit 7, 49-51 Market Street, Downpatrick, BT30 6LR	520	£25.96	£13,500	<a href="https://media.propertypal.com/f/p/932522/3139555/aed6cdaf74757381ab56db42b1193e67.pdf">https://media.propertypal.com/f/p/932522/3139555/aed6cdaf74757381ab56db42b1193e67.pdf</a>
<b>TOTAL</b>	<b>7,902</b>			

ADDRESS	SIZE (SQ FT)	£/SQ.FT.	QUOTING RENT	BROCHURE LINK
<b>SMALLER TOWNS AND VILLAGES</b>				
24a Duke Street, Warrenpoint, Newry, BT34 3JY	1,069	£7.48	£8,000	<a href="https://media.propertypal.com/f/p/984338/3213672/3pda0XqjyEiukskPGsJBFA.pdf">https://media.propertypal.com/f/p/984338/3213672/3pda0XqjyEiukskPGsJBFA.pdf</a>
19 Dundrum Road, 'The Courtyard', Newcastle, BT33 0BG	872	/	£750 per month	<a href="#">19 Dundrum Road, 'The Courtyard', Newcastle</a>
29a Central Promenade, Newcastle, BT33 0AA	320	£16.25	£5,200	<a href="#">29a Central Promenade, Newcastle</a>
48 Main Street, Castlewellan, BT31 9DJ	1,069	/	£950 per month	<a href="https://media.propertypal.com/f/p/967022/3204985/rMBVX6KMo0We-eQ0jQKTOg.pdf">https://media.propertypal.com/f/p/967022/3204985/rMBVX6KMo0We-eQ0jQKTOg.pdf</a>
<b>TOTAL</b>	<b>3,330</b>			