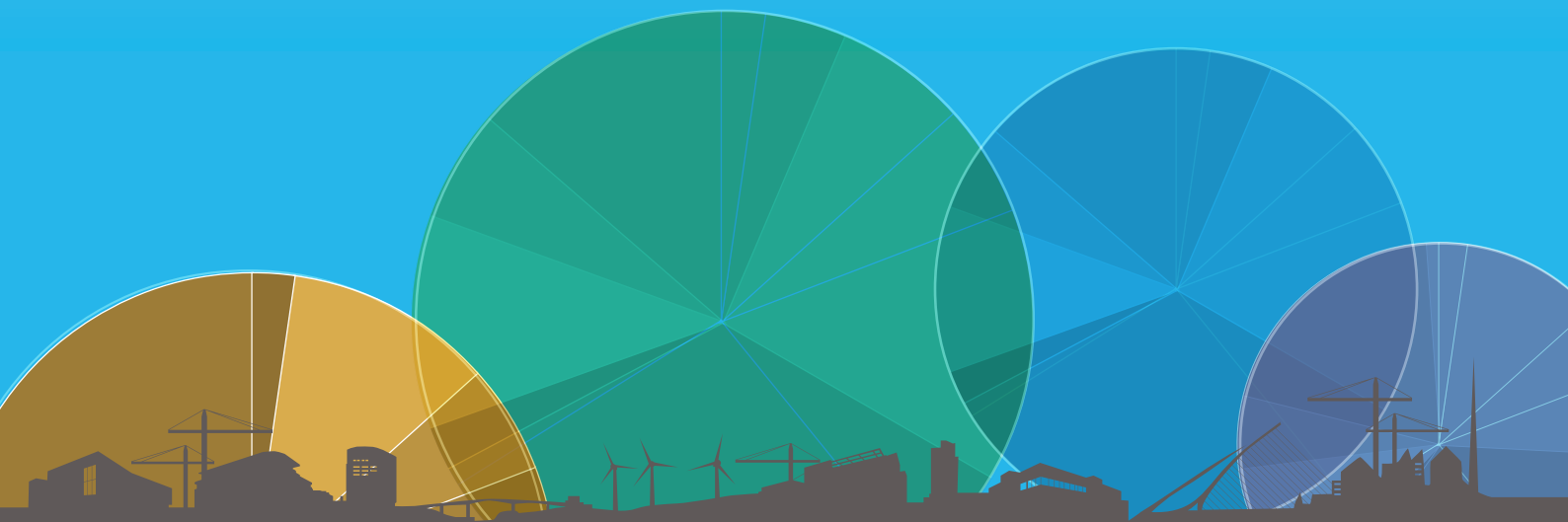


BUILDING INFORMATION INDEX

Q1 2015

A detailed analysis of recent trends
in the Irish construction industry



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

With the construction sector emerging from a sustained period of contraction, 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 quarter 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 (Civil will follow in later publications).

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.

Value of Construction Project Commencements falls by 20% in first quarter of 2015

The value of construction project Commencements in the first three months of 2015 has fallen by -20% when compared to the same period 2014.

The estimated value of actual construction activity for the first three months of 2015 fell by €333m from €1.692bn in the first quarter of 2014 to €1.359bn in the same period in 2015. Out of the 7 sectors for which the Building Information Index provides data, 5 of these sectors recorded a fall. The Residential sector saw the most significant drop, falling by €174m from €874m in the first quarter of 2014 to €700m in the first quarter of 2015. Education also suffered a major decrease, falling by -68%. By comparison, there was a significant increase of +54% in the value of Industrial construction projects started in the first three months of 2015, rising from €100m in the first three months of 2014 to €154m in 2015.

Value of Applications up +42%

Despite the fall of -20% in the value of construction project Commencements, the value of construction project Applications recorded a significant increase in the first quarter of 2015, rising by +42% to €3.646bn when compared to same period in 2014. The Building Information Index reveals that the best performing sectors for the first three months of 2015 for Applications were Residential (+91%) and Commercial & Retail (+59%) with Social recording the biggest fall (-78%) followed by Education (-15%).



Danny O'Shea
CEO

Building Information Ireland



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THE BIG PICTURE

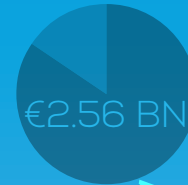
Regional Applications

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

Leinster (€1.3bn) is the largest region narrowly piping Dublin (€1.29bn) followed by Munster (€716m) and then Connacht / Ulster (€326m). Leinster, Dublin and Munster returned increases of +155%, +36% and +7% respectively year on year whereas Connacht / Ulster showed a decrease of -22% for the same period.

Funding source Q1 2015

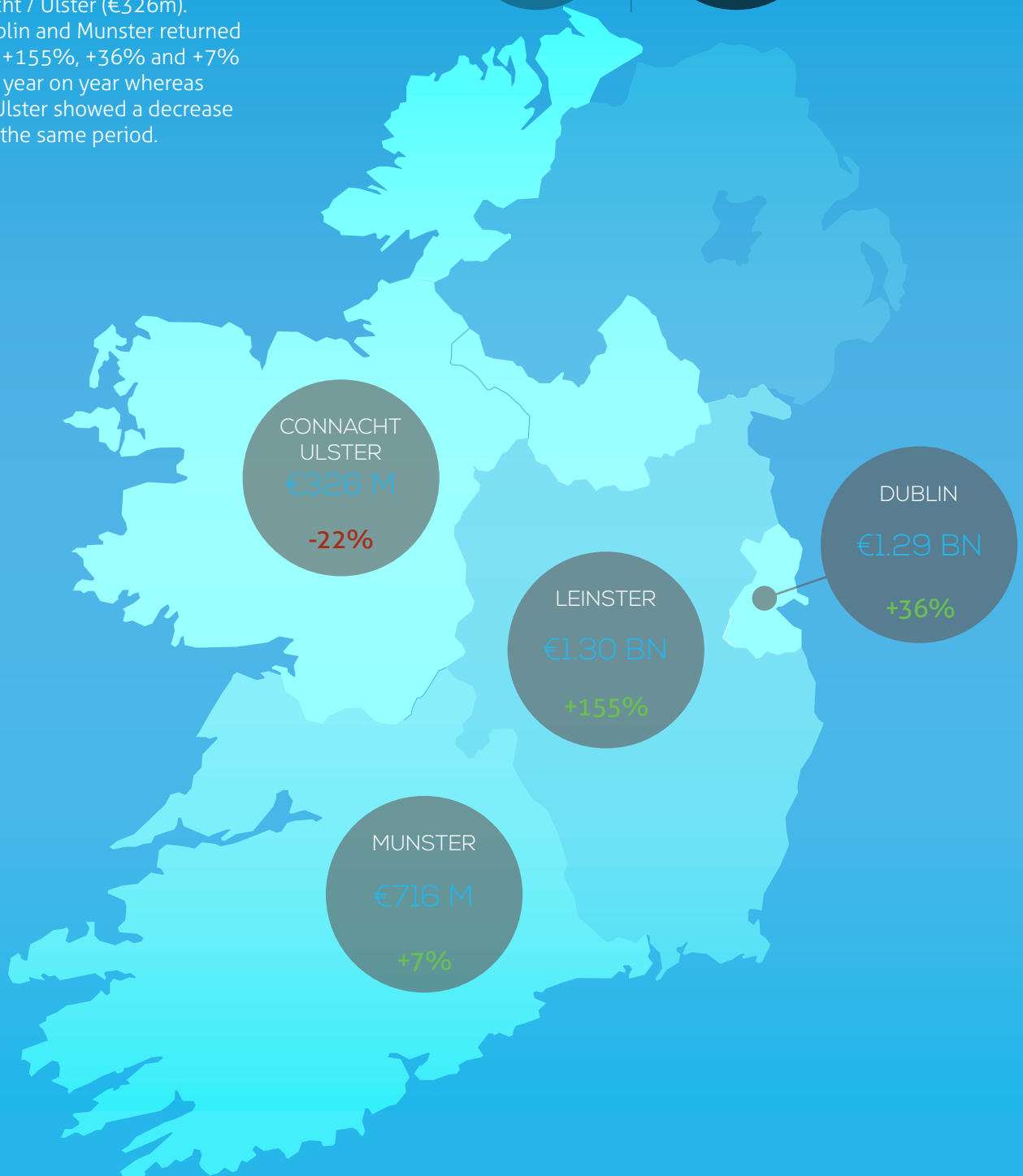
2014



2015

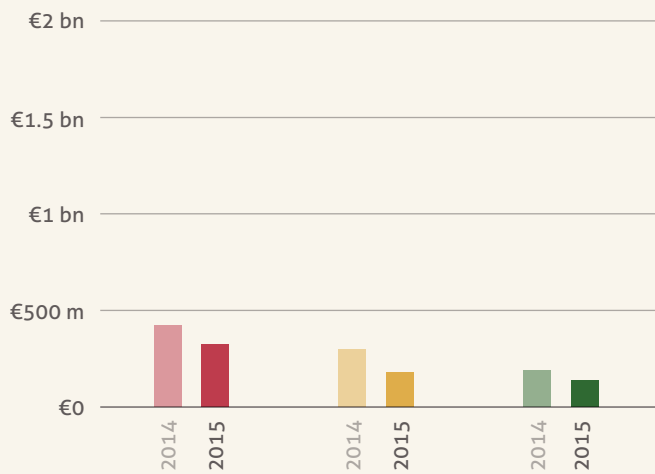


2015
94.25% Private
5.75% Public



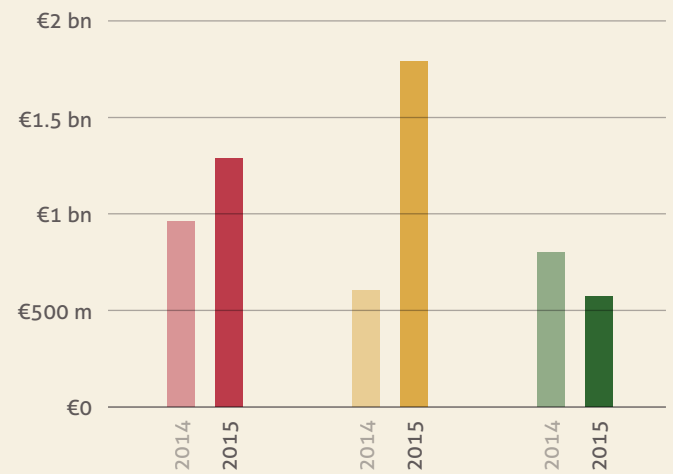
Connacht/Ulster

Applications	Grants	Commencements
€326 m	€180 m	€139 m
-22%	-40%	-26%



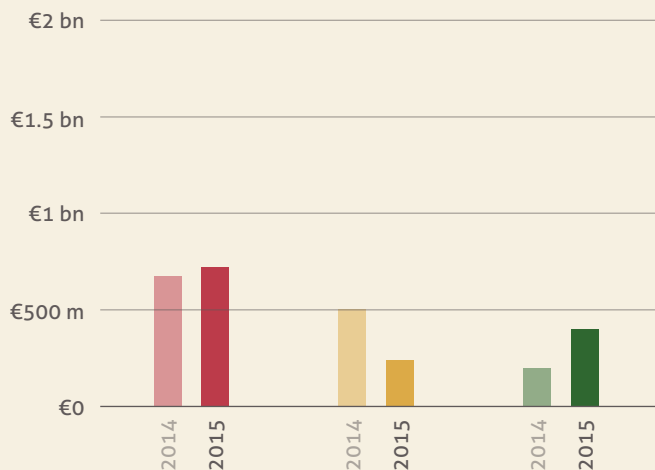
Dublin

Applications	Grants	Commencements
€1.29 bn	€1.79 bn	€575 m
+36%	+197%	-28%



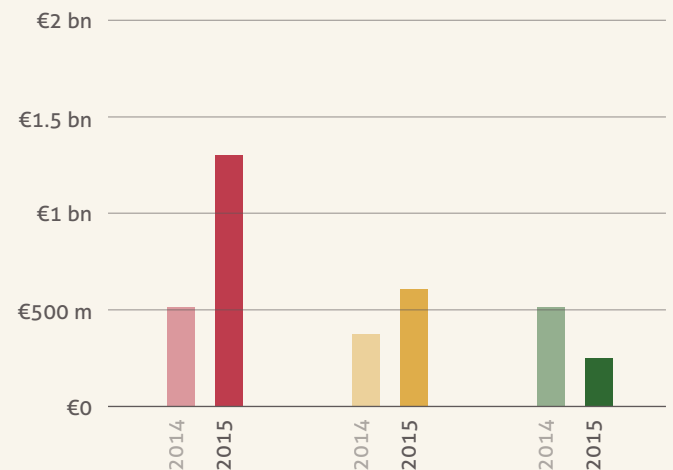
Munster

Applications	Grants	Commencements
€716 m	€234 m	€399 m
+7%	-53%	+106%



Leinster

Applications	Grants	Commencements
€1.30 bn	€606 m	€246 m
+155%	+64%	-52%



RESIDENTIAL



The sector saw an increase in Applications and projects Granted Permission in Q1 2015 when compared to Q1 2014. However the value and number of units of projects actually commenced decreased.

Funding trend comparison Q1 2014 - Q1 2015

Applications

€2.25 bn

+91%

Grants

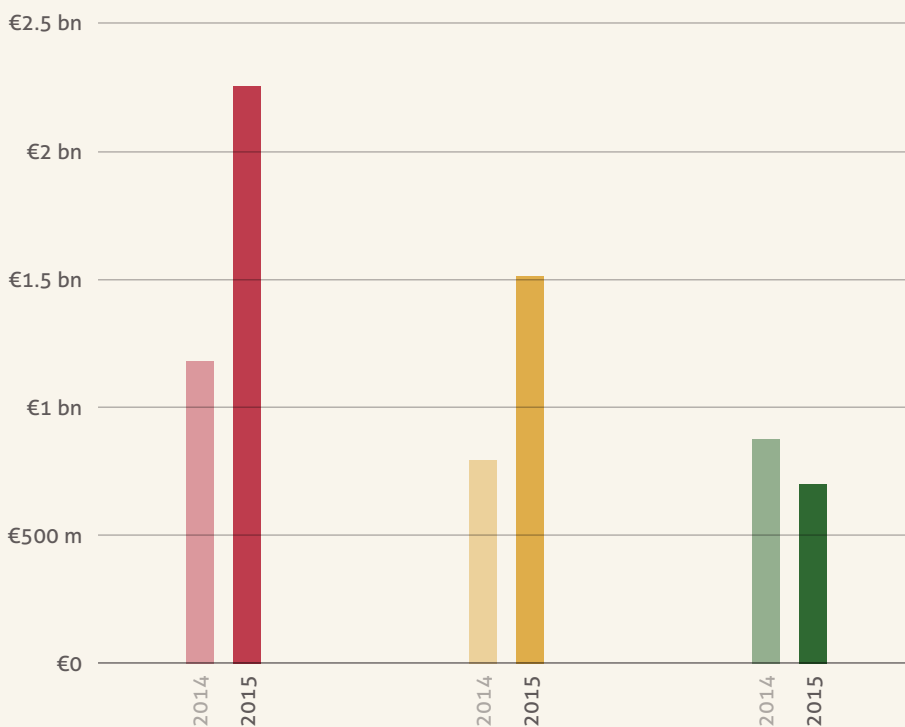
€1.51 bn

+90%

Commencements

€700 m

-20%



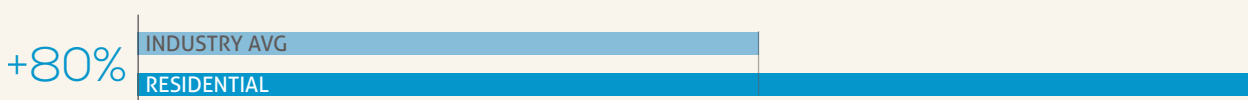
The value of Applications for Residential Developments increased in value +91% to €2.25bn when compared to Q1 2014. The value of Residential Developments Granted Permission increased +90% to €1.51bn compared to Q1 2014. The value of Residential Development Commencements fell -20% to €700m compared to Q1 2014.

The regional breakdown shows that Dublin and Leinster had substantial increases in Applications and Granted Permissions but both recorded drops in Commencements, with Connacht / Ulster also showing a reduction.

Munster was the only region to show an increase in Residential Development Commencements in Q1 2015 compared to Q1 2014 (+146%) whereas the other 3 regions each showed decreases; Dublin (-27%), Leinster (-45%) and Connacht / Ulster (-42%). Overall Q1 2015 displayed a decrease of -20% compared with Q1 2014.

Residential projects take the longest average time to reach Commencement. They typically are more likely to apply for an extension of duration at the planning stage.

Average time from application to commencement

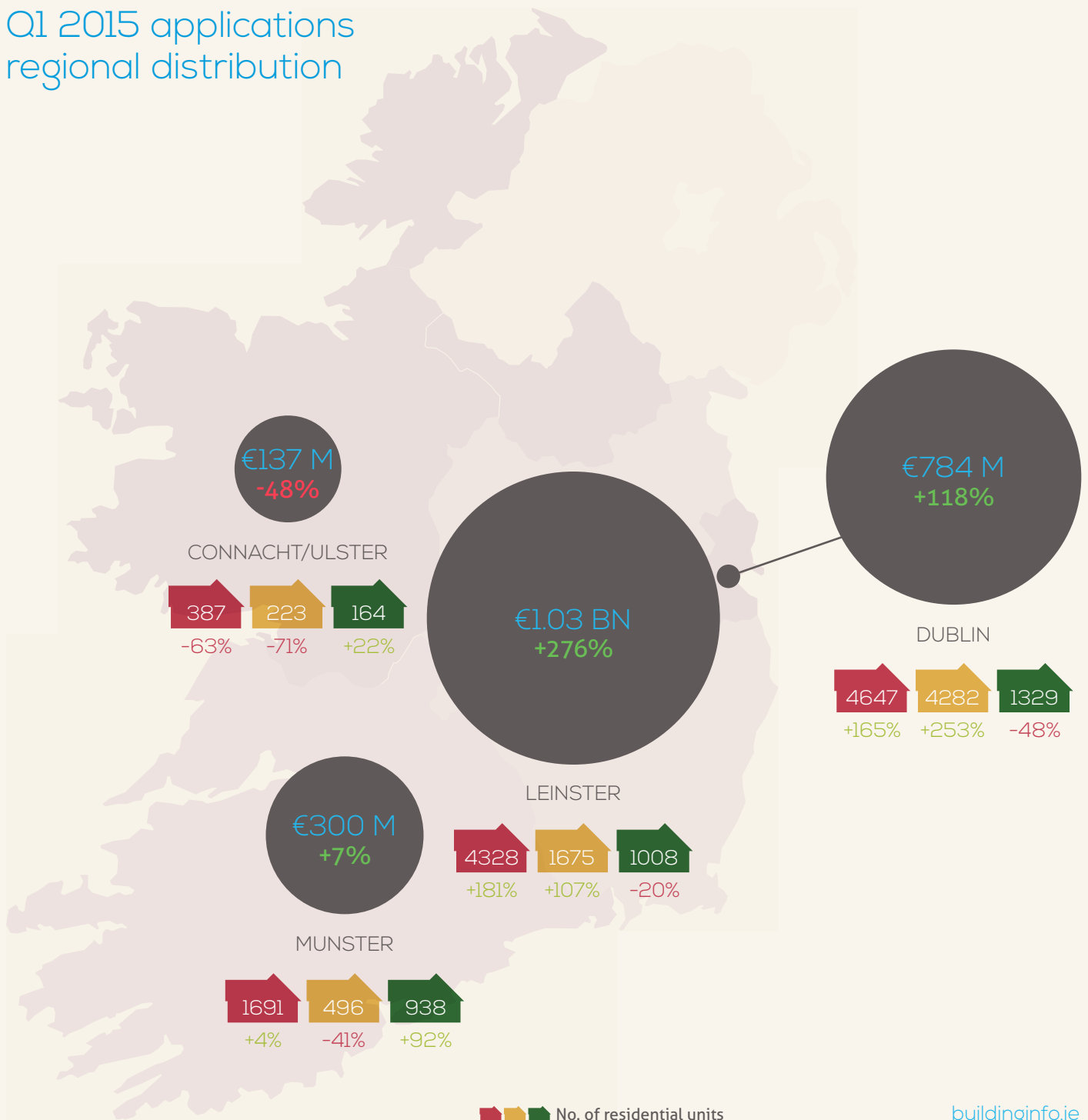


SECTOR OUTLOOK

The increased quantity and value of Applications and Granted Permissions signifies that a strong pipeline of work may come on stream in the future. However our research shows that Residential projects take approximately 80% longer to commence than the average construction project, so that increase may take some years to have any impact.



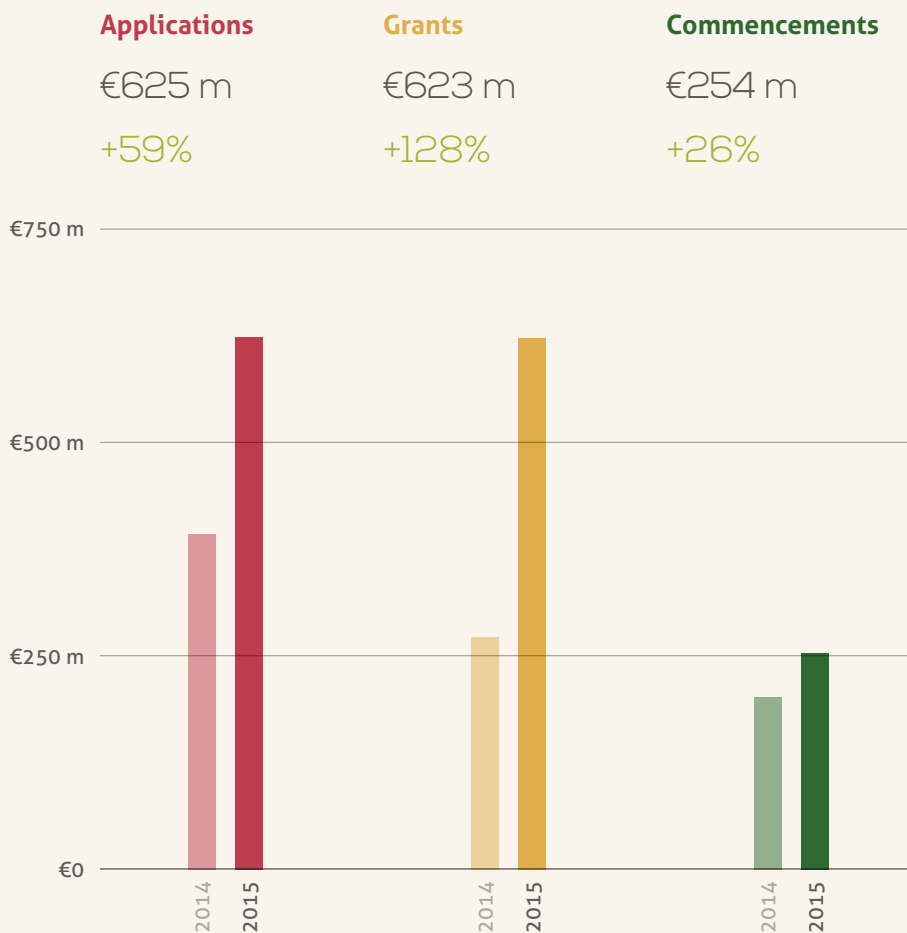
Q1 2015 applications regional distribution



COMMERCIAL & RETAIL

The Commercial & Retail sector saw an increase in the value of project Applications, Granted Permissions and Commencements in Q1 2015 when compared to Q1 2014.

Funding trend comparison Q1 2014 - Q1 2015



The value of Applications in the Commercial & Retail sector increased nationally +59% to €625m when compared to Q1 2014. The value of Commercial & Retail Granted Permissions increased +128% to €623 compared to Q1 2014. The value of Commercial & Retail Commencements grew +26% to €254m compared to the same period last year.

The regional breakdown shows that all regions recorded an increase in the value of Applications. Leinster, Dublin, Connacht / Ulster and Munster are up +86%, +74%, +27% and +23% respectively.

The value of Commercial & Retail sector Commencements in Q1 2015 also showed growth across all regions compared to the previous year. Munster, again, showed the highest growth rate of +259%. Dublin showed a modest growth of just 3% year on year however this region recorded almost 54% of the whole country's Commercial & Retail activity in Q1 2015. Leinster and Connacht / Ulster both recorded steady increases in Commencements in Q1 2015 of +19% and +26% respectively.

Average time from application to commencement

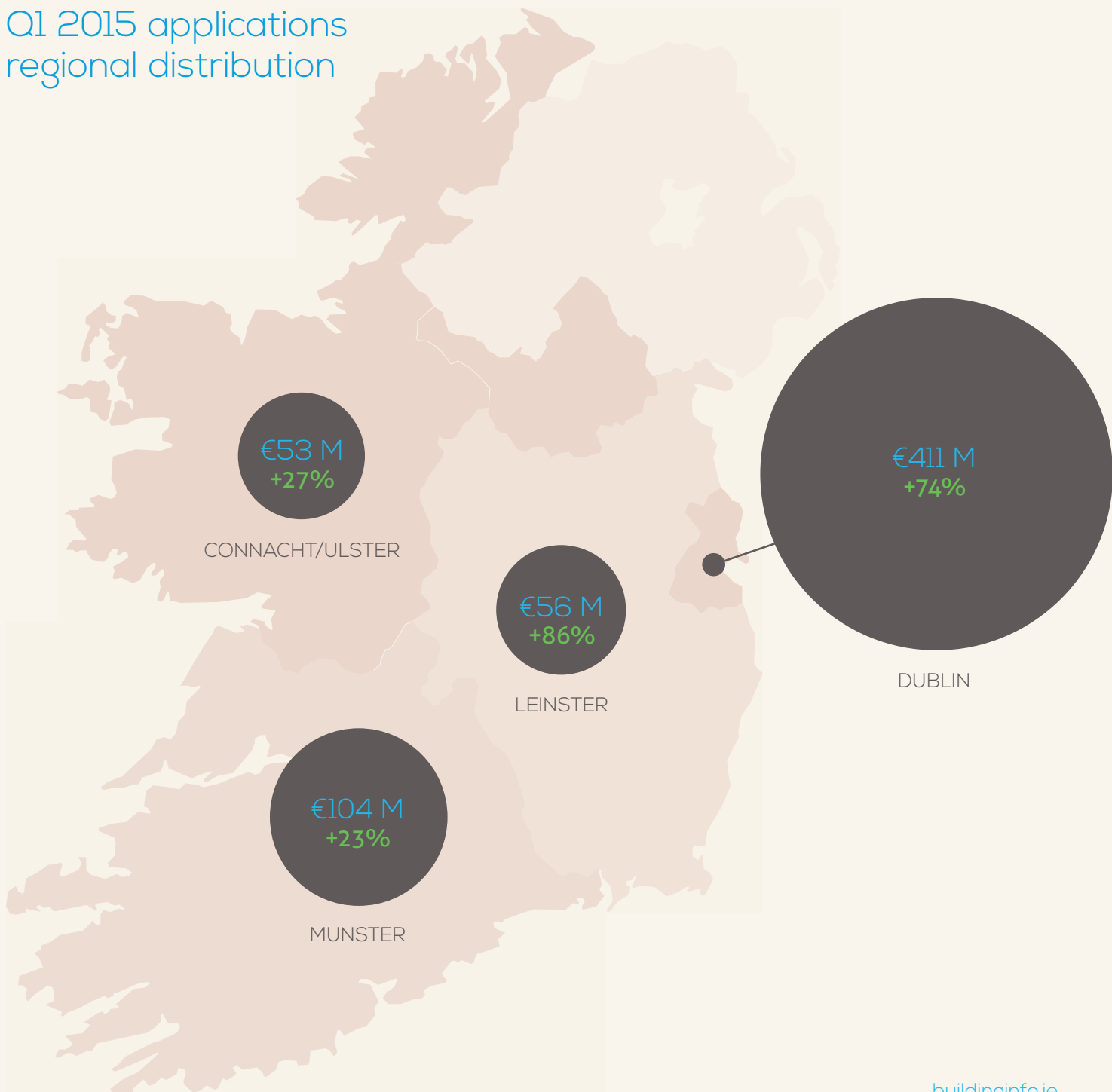


SECTOR OUTLOOK

We expect to see continued significant growth in activity in this sector. All the indicators are positive and there are no obvious delays to developments going to site. The Commercial & Retail sector boasts the strongest short to medium term growth outlook of all sectors investigated.



Q1 2015 applications regional distribution



MEDICAL



The Medical sector saw an increase in Applications and projects Granted Permission in Q1 2015 when compared to Q1 2014, with a decrease in Commencements.

Funding trend comparison Q1 2014 - Q1 2015



The value of Applications in the Medical sector increased nationally +30% to €279m when compared to Q1 2014. The value of Medical projects Granted Permission increased +14% to €205m compared to Q1 2014. The value of Medical project Commencements decreased -34% to €147m compared to Q1 2014.

The regional breakdown shows that 3 regions recorded an increase in the value of Applications Leinster, Connacht / Ulster and Munster and up +167%, +59% and +6% respectively with Dublin recording a decrease -31%.

In terms of Medical sector Commencements, Connacht / Ulster showed year on year growth of +20% in Q1 2015. Munster also showed a modest year on year growth of +9% in Q1 2015 with declines showing in the other regions; Dublin (-55%), Leinster (-42%). Overall Q1 2015 displayed a decrease of -34% compared with Q1 2014.

Average time from application to commencement



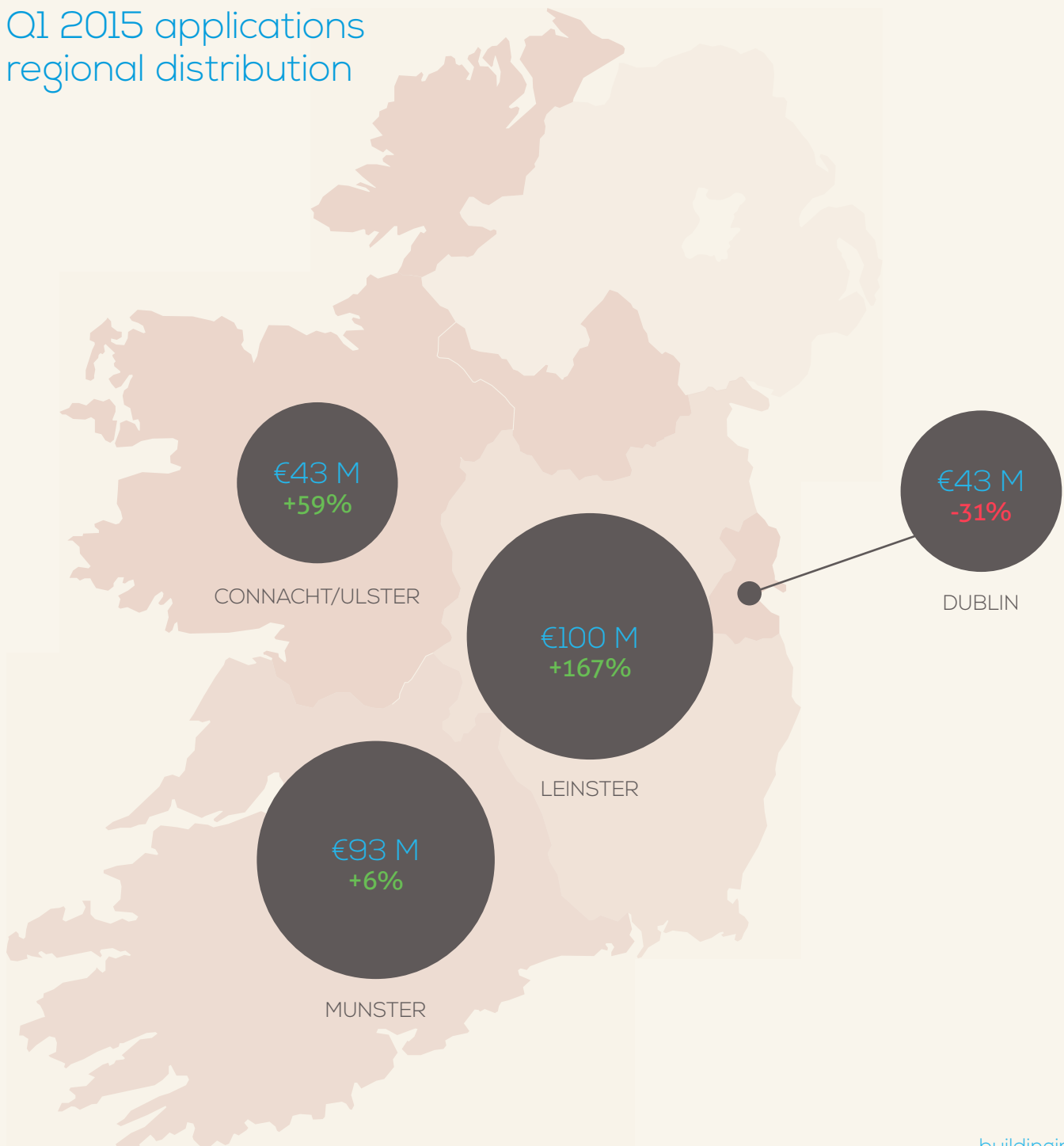
The Medical sector includes projects such as hospitals, medical centres & care homes

SECTOR OUTLOOK

The medium term prospect shows no real change in activity levels in the Medical sector on a national level. Typically projects in this sector take less (-14%) than the average industry time to commence, so Q2 2015 figures will be telling, given the increase in Applications and Granted Permissions in Q1 2015.



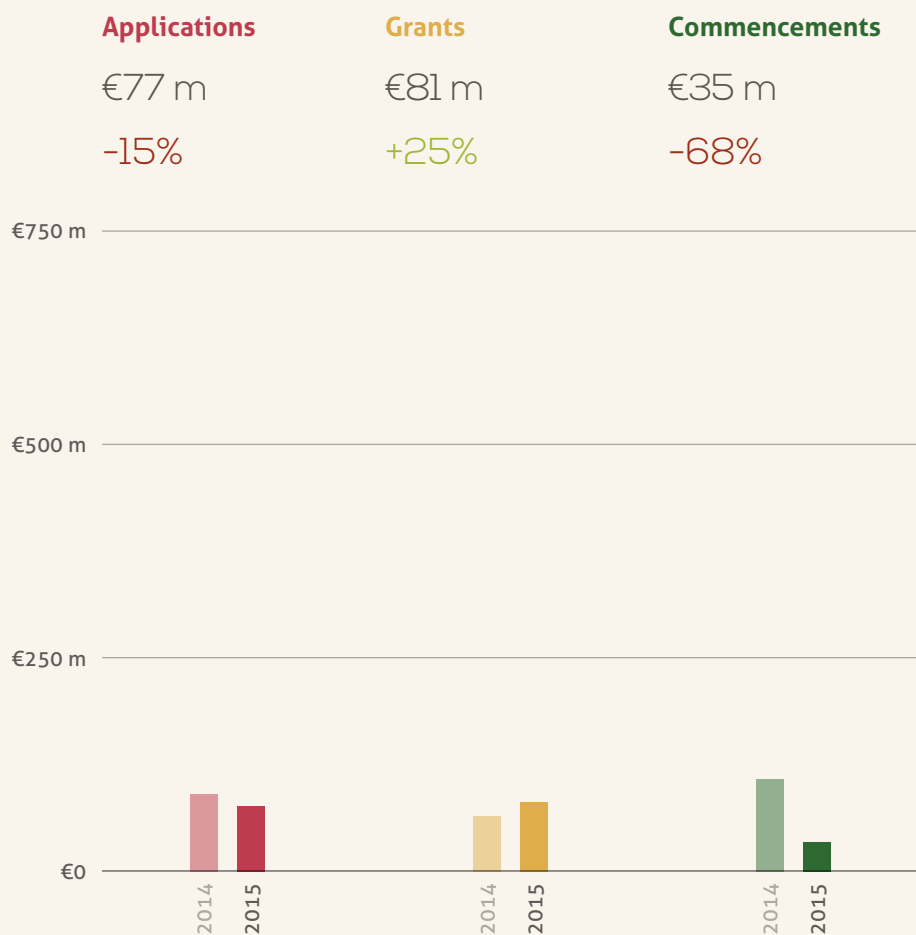
Q1 2015 applications regional distribution



EDUCATION

The Education sector saw a decrease in Applications and Commencements in Q1 2015 when compared to Q1 2014, with an increase in projects Granted Permission.

Funding trend comparison Q1 2014 - Q1 2015

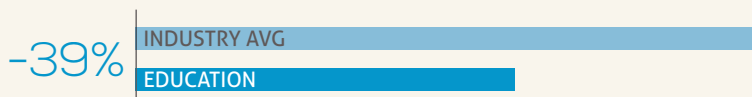


The value of Applications in the Education sector decreased nationally -15% to €77m when compared to Q1 2014. The value of Education projects Granted Permission increased +25% to €81 compared to Q1 2014. The value of Education project Commencements decreased -68% to €35m when compared to the same period last year.

The regional breakdown shows that Connacht / Ulster and Munster recorded an increase in the value of Applications up +45% and +33% respectively. Dublin and Leinster recorded decreases of -64% and -2% respectively.

Connacht / Ulster showed strong growth in Education project Commencements in Q1 2015 compared to Q1 2014 (+78%). All other regions recorded significant decreases in activity year on year: Dublin (-86%), Leinster (-72%) and Munster (-66%). Overall Q1 2015 displayed a decrease of -68% compared with Q1 2014.

Average time from application to commencement



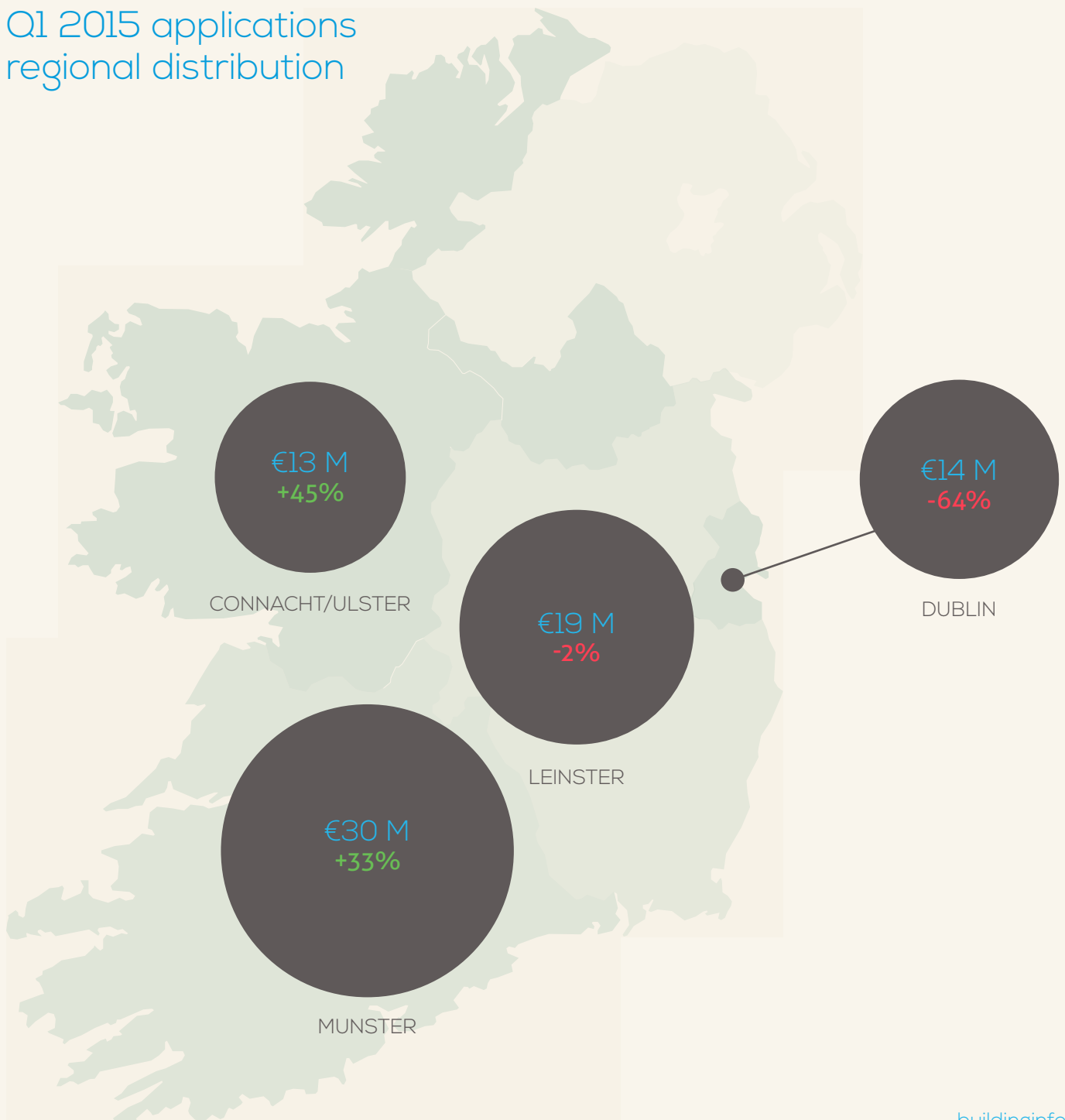
The Education sector includes projects such as universities, schools & pre schools

SECTOR OUTLOOK

The medium to long term prospect appears to be negative in the Education sector given the reduced level of Applications and Commencements. However projects in this sector have the quickest turnaround time to Commencement, so this sector has the ability to change relatively quickly.



Q1 2015 applications regional distribution

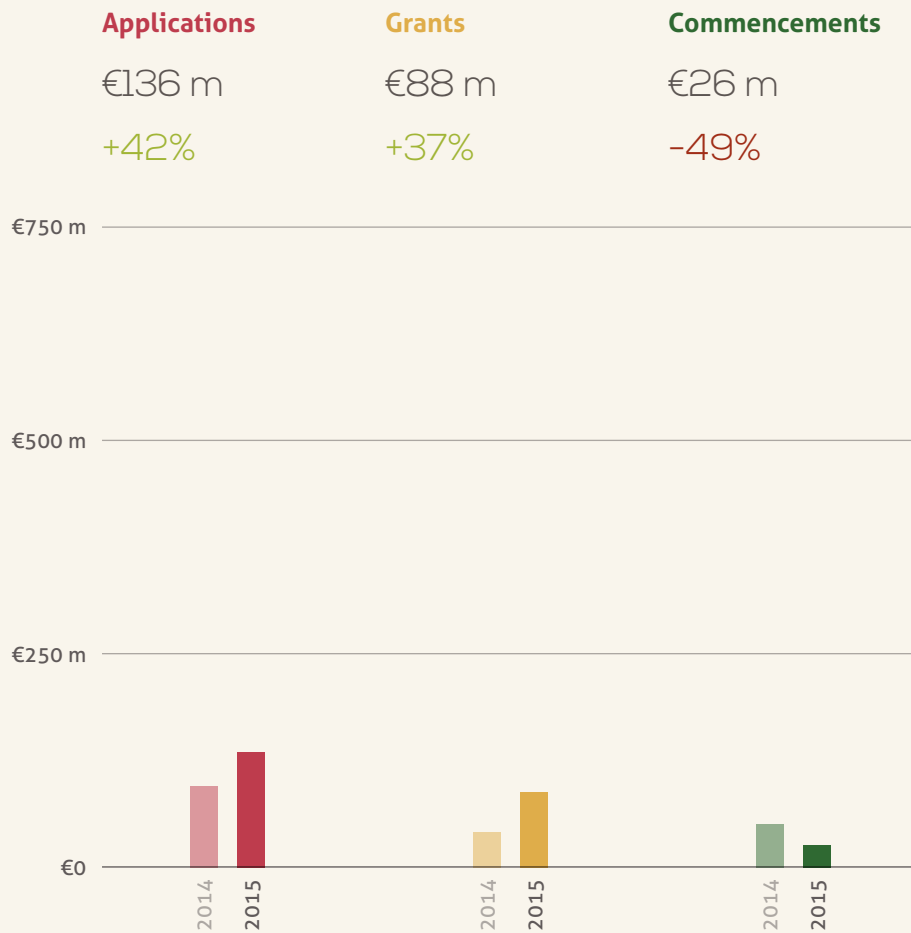


AGRICULTURE



The Agriculture sector saw an increase in Applications and projects Granted Permission in Q1 2015 when compared to Q1 2014, with a decrease in Commencements in the same period.

Funding trend comparison Q1 2014 - Q1 2015

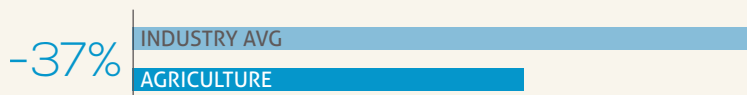


The value of Applications for the Agriculture sector increased in value +42% to €136m when compared to Q1 2014. The value of Agriculture sector Granted Permissions increased +37% to €88m compared to Q1 2014, and the value of Agriculture sector Commencements fell -49% to €26m in the same period.

The value of Applications increased in Connacht / Ulster +150% and Munster +50%. Leinster showed no change year on year (Dublin being part of the Leinster region for Agriculture).

In terms of Agriculture project Commencements Connacht / Ulster shows marginal growth when comparing Q1 2015 with Q1 2014, while the other 2 regions, Munster and Leinster recorded a declines of -40% and -80% respectively.

Average time from application to commencement



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

SECTOR OUTLOOK

Despite the fall off in Q1 2015 Commencements, the outlook for the Agriculture sector is positive given the increase in Applications and Granted Permissions, and the relatively short time duration from Application to Commencements (-37% compared to Industry Average).



Q1 2015 applications regional distribution

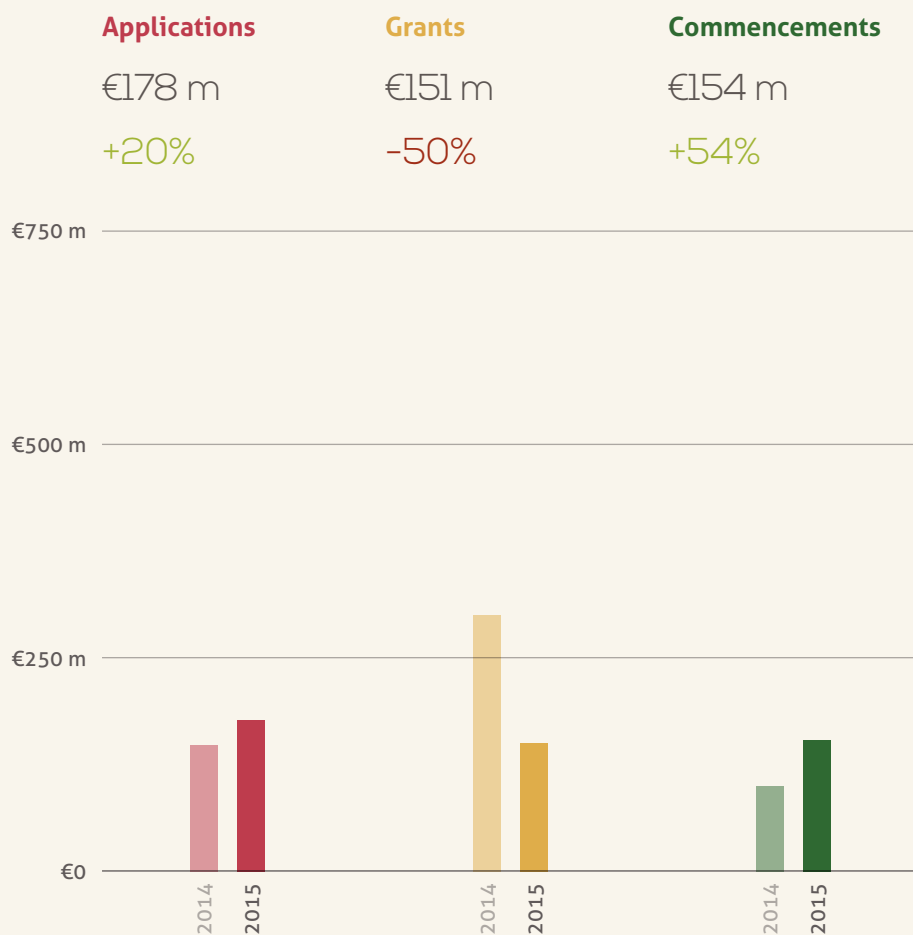


INDUSTRIAL



The Industrial sector saw an increase in Applications and Commencements in Q1 2015 when compared to Q1 2014, with a decrease in Granted Permissions.

Funding trend comparison Q1 2014 - Q1 2015

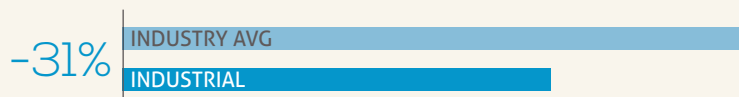


The value of Applications for Industrial developments showed a national increase of +20% (to €178m) in Q1 2015 compared with Q1 2014. There was a significant drop in the volume of Granted Permissions (-50%) to €151m, while the value of Industrial sector Commencements increased to € 154m (+54%).

On a regional basis, Munster showed the largest growth in Industrial Applications (+144%) with Connacht / Ulster also up (+61%). Interestingly the east showed a decline in Applications with Dublin down -56% and Leinster down -26%.

Industrial project Commencements showed significant growth in Munster, which accounted for over 75% of the overall activity for the entire country. The other regions all showed some decline in year on year Q1 Commencements with the overall national figure being +54%.

Average time from application to commencement



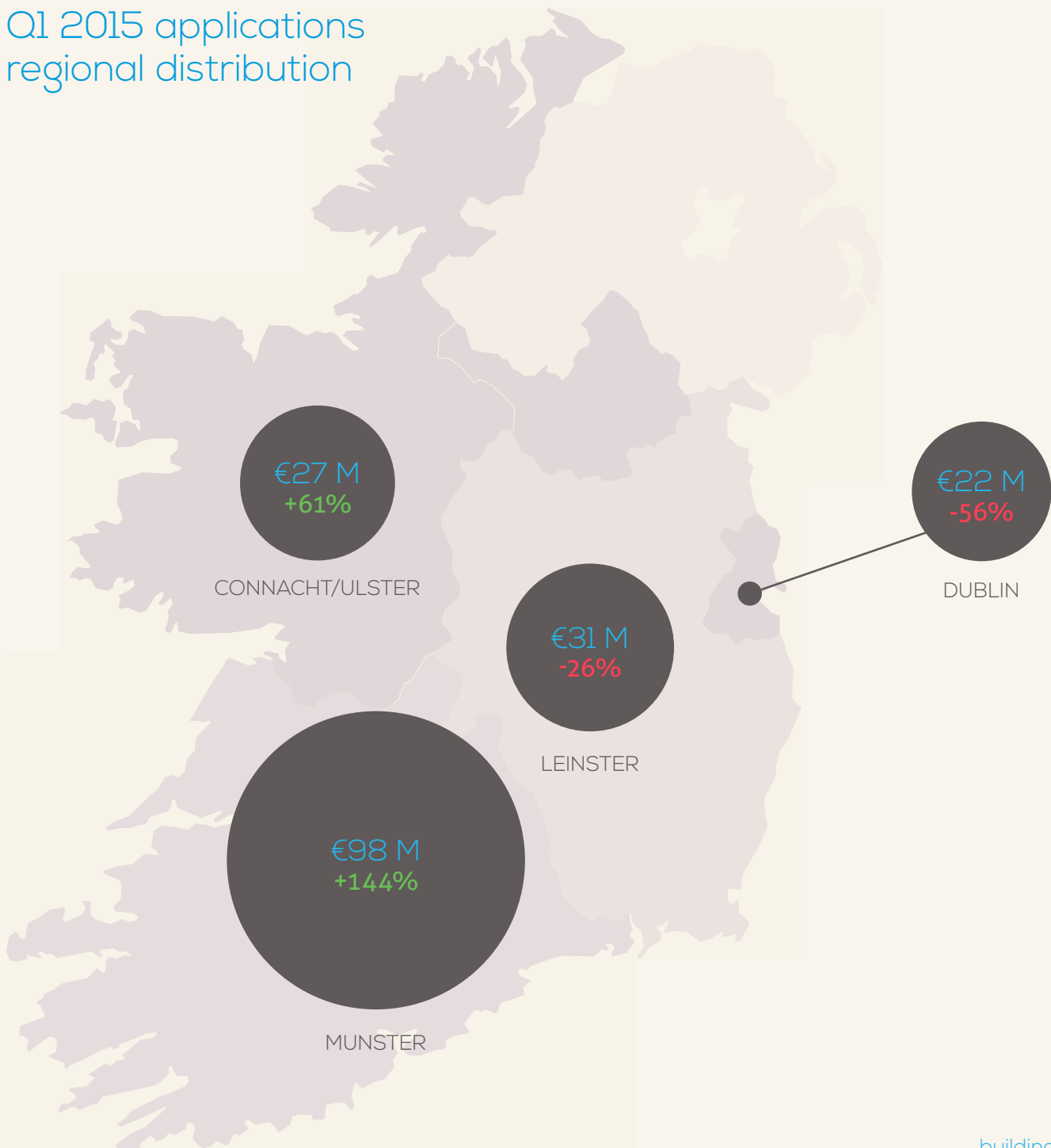
The Industrial sector includes projects such as factories, warehouses & industrial units

SECTOR OUTLOOK

The short to medium term outlook for the Industrial sector is neutral. While it is a fast moving sector, the pipeline of Applications and Granted permissions is mixed.



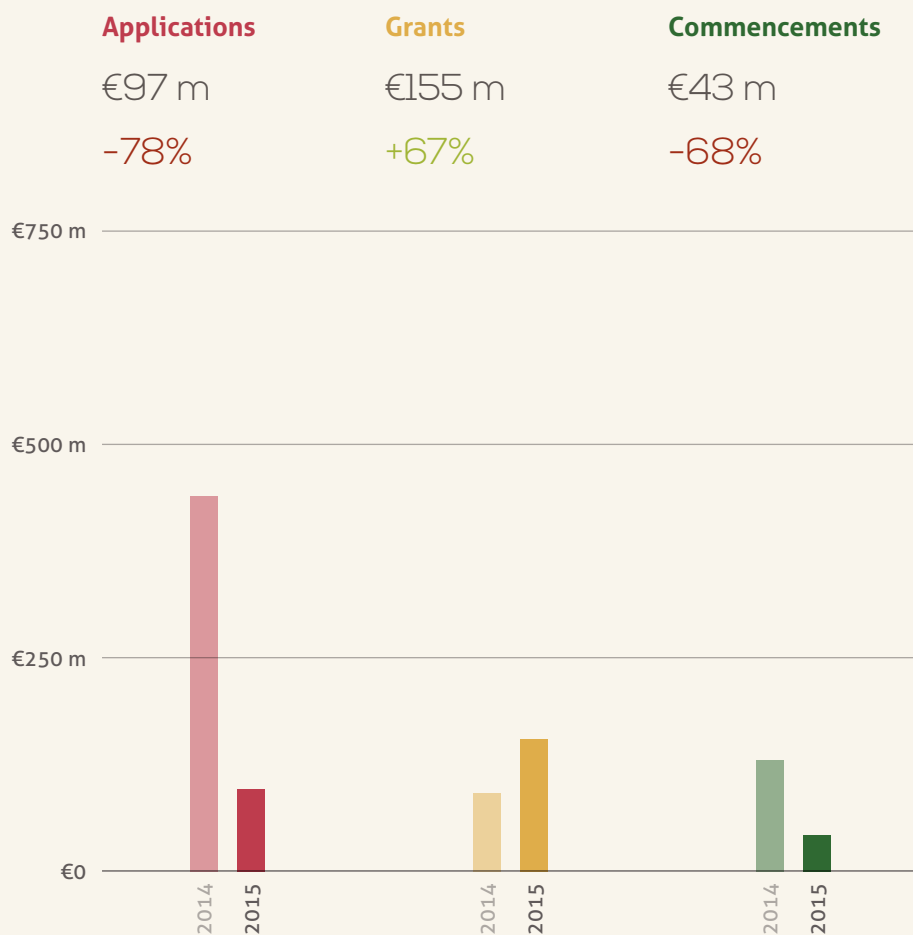
Q1 2015 applications regional distribution



SOCIAL

The Social sector saw a decrease in the value of project Applications and Commencements in Q1 2015 when compared to Q1 2014. Projects Granted Permission in this sector increased in the period.

Funding trend comparison Q1 2014 - Q1 2015

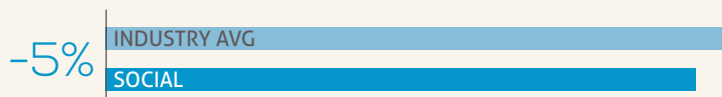


The value of Applications in the Social sector decreased nationally down -78% to €97m when compared to Q1 2014. The value of Social project Commencements decreased -68% to €43 compared to Q1 2014. The value of Social projects that were Granted Permission increased +67% to €155m when compared to Q1 2014.

The regional breakdown shows that all regions recorded a decrease in the value of Applications with Dublin, Munster, Leinster, and Connacht / Ulster down -88%, -74%, -69%, -57% respectively.

All regions also recorded a decrease in Commencements for Q1 2015 compared to Q1 2014. Worst affected was Connacht / Ulster (-94%) with Dublin, Leinster and Munster all showing decreases of -6%, -86% and -68% respectively.

Average time from application to commencement



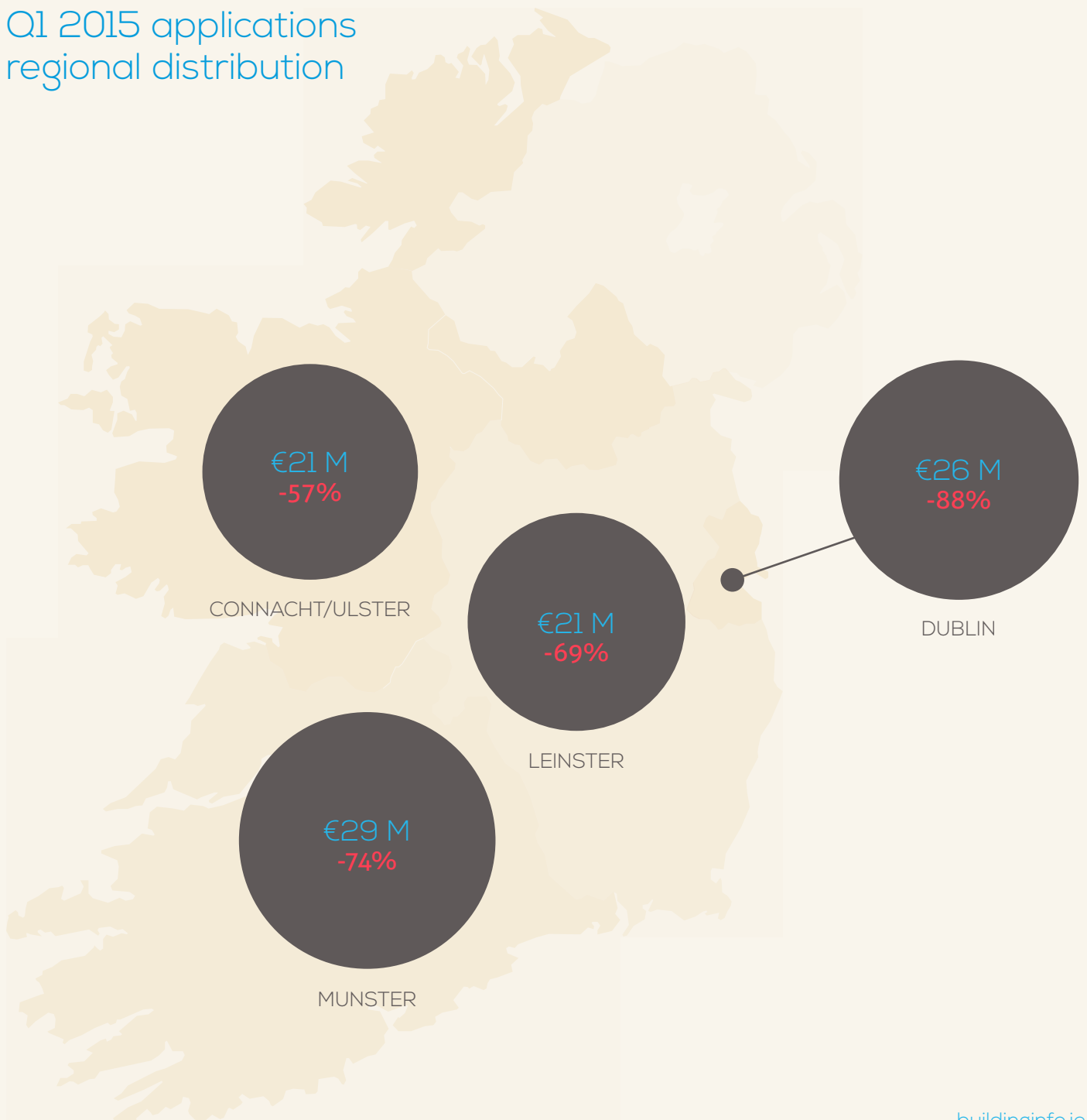
The Social sector includes projects such as sports developments, community projects, churches & public buildings

SECTOR OUTLOOK

The information for the Social sector displays a negative outlook. Despite the increase in Granted Permissions nationally the rest of the indicators are poor. With the pace of Social projects going to site being steady, it is unlikely to improve significantly in the short term.



Q1 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.

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