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House Prices - Supply May Be Better Than Figures Suggest IPAV Says

Responding to the Daft.ie Q4 House Price Report, IPAV, the Institute of Professional Auctioneers & Valuers, said the drop in supply of homes on the market with only 11,500 homes listed for sale on Daft.ie on December 1st, may not be as dramatic as the figures would seem to suggest, given changing vendor behaviours.

Pat Davitt, IPAV's Chief Executive said: "Agents are reporting in the back end of the year more stock has come on the market, which is stemming house price inflation in the latter quarter of the year from the highs of the Summer period.

"They are also reporting that many vendors no longer want to market their properties on portals, there is less need to because agents have eager mortgage approved and cash buyers on their books for properties that come to market."

And he predicts more sales off market in 2022.

Another factor is agents are advertising on social media channels.

He said there is also a lessening need for sellers to want to place advertising boards on their properties.

"In the current market vendors know they can sell their homes without having to wait on those who have not been vetted as buyers as ready to go by agents and some of whom who may not be intending to buy but are perhaps researching the market."

He said increasingly people are relying on their agents to assess the potential of prospective buyers and they like the privacy that affords them.

IPAV said in September more stock was coming on the market and predicted it would result in a tapering of house price inflation.

Mr Davitt said PSRA sales figures indicate that almost 54,000 sales have been completed this year up to the 17th December. He said this indicates that sales figures for 2021 should finish very close to the 2019 sales figures and that the 2020 drop of about 15,000 in these figures has recovered.

"While not enough to satisfy present demand it does represent a real improvement on 2020 and with increasing supply we expect it will keep house price inflation from spiralling upwards, which would be in no one's interest in the longer term," he said.

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