

Thursday 14<sup>th</sup> October, 2021

For immediate release

### **CSO House Price Index - Double-Digit Growth Likely To Taper - IPAV**

Commenting on today's CSO Residential Property Price Index for August IPAV, the Institute of Professional Auctioneers & Valuers, said the double-digit growth evident in today's figures across 15 of the 20 market cohorts captured is likely to abate somewhat towards the end of the year.

Pat Davitt, IPAV Chief Executive said, increasing supply, although far from sufficient, is now tapering the high level of growth seen in today's figures and levelling off.

"However, special properties and those in coastal regions are likely to continue to command strong prices. This is evident with a 15.3pc increase in the South East in today's figures."

And he said Bord Pleanála's decision to insist that two developments, in Dublin and Galway, were to be reserved for individual buyers over institutional investors is to be welcomed.

"Institutional investors have a place in the market but this decision brings a greater balance to the equation enabling individual buyers compete in a market with a deep shortage of supply," he said.

However, he said there were still "major impediments" in the way of building more affordable homes.

"It is disappointing we did not see any move in this week's Budget to reduce the 13.5 pc VAT rate on new housing for owner-occupiers or extend the Help-to-Buy scheme to include second-hand homes. This was a missed opportunity," he said.

He said issues with planning, taxation, the supply of services are delaying the delivery of housing and increasing the cost of delivery. There needs to be a fundamental re-appraisal of these issues to address the supply side problems in the market.

**Ends**