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For immediate release

RTB DATA “SADLY UNSURPRISING” – IPAV

Responding to the latest RTB (Residential Tenancies Board) data showing the number of termination notices received by the organisation in the first half of this year rose by 58pc compared with the latter half of 2021, IPAV, the Institute of Professional Auctioneers & Valuers, said it was “sadly unsurprising, given the regulatory and deeply onerous taxation burden on non-institutional landlords.”

Pat Davitt, IPAV Chief Executive said it was an issue his organisation has been warning about for several years at this stage.

“The situation is getting worse, not better, with a plethora of further regulations this year, that are, we fully expect, contributing to the acceleration the RTB is now seeing,” he said.

“That said we do need more granular data on these figures.”

He said non-institutional or private landlords have seen an increasing diminution of their rights over a number of years without any balancing obligations on tenants.

“Nowhere is this more evident than in where a tenant receiving HAP (Housing Assistance Payment) stops paying rent. It results in the Local Authority immediately stopping its portion of the payment to the landlord and the landlord is left without any rental income. It can take a substantial period to get the property back with a strong likelihood of never recovering the loss,” he said.

In May IPAV jointly with the Irish Property Owners’ Association commissioned a study by economist Jim Power that concluded the rental market is in a state of crisis exacerbated with the exit of non-institutional landlords in significant numbers, reducing supply and putting upward pressure on rents.

The study found, amongst other issues, that:

- **The constantly changing and very challenging regulatory and taxation environment that treats private landlords very differently from institutional landlords, is largely responsible for private non-institutional landlords leaving the market;**
- **RPZs (Rent Pressure Zones) are creating a 2-tier rental market and leading to a situation where maintenance of quality accommodation is not economically justifiable and negatively impacting on capital values where the property is the subject of the RPZ rules;**
- **It is likely that landlords that historically charged rents under market rate and are confined to minimal increases arising from RPZ regulation are exiting the market in greatest numbers;**
- **These landlords are replaced in the market in part by new properties at much higher rents and owned by institutional landlords with no evidence available to confirm if any net additional new properties have come onto the rental system;**
- **Rent Pressure Zone regulation has prevented rents from falling as well as rising beyond the limits set.**

Ends