

Tuesday 22nd November, 2022

Landlords Still Fleeing Despite Record High Rents – IPAV

Responding to the latest Daft.ie Rental Report for Q 3 2022 showing the highest annual inflation recorded, IPAV, the Institute of Professional Auctioneers & Valuers said the flood of private landlords from the market is at a critical stage and though late in the day, the latest measures under consideration by the Government to stem the tide and improve the availability of properties are eagerly awaited.

Pat Davitt, IPAV Chief Executive said: “While the Daft.ie Rental Report does not give a complete picture as to the availability of properties, it is certainly indicative of the trend in terms of availability. “Residential Tenancies Board data shows 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. Again while not a complete picture it does indicate that private landlords are voting with their feet, primarily because they cannot sustain the current situation, despite record high rents,” he said.

Though we’re in a crisis situation the Government must resist any urge to further regulate because it would exacerbate the situation, he said.

“The regulatory and deeply onerous taxation burden on private non-institutional landlords is largely responsible, with those confined to lower rents and having their properties undervalued for resale to other investors by reason of the current rent controls, is making private landlords run for the exit gates.”

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.

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 main findings of this study are set out below.

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