

Wednesday 15th March 2023

House Prices - Volumes Not Yet Back To Pre Pandemic Levels Despite Increased Demand- IPAV

Commenting on today's CSO Residential Property Price Index for January, IPAV, the Institute of Professional Auctioneers & Valuers, said that while the number of dwelling purchases in January was up 4.4pc year-on-year, at 3,675 it is not yet at the pre-pandemic level of January 2020 (3,691).

The numbers are still very small given the pent up and growing demand for homes which unpublished research by the Housing Commission set up by Minister for Housing concluded may be up to 62,000 homes per year until 2050.

Pat Davitt, IPAV's Chief Executive said current feedback from auctioneers indicates that prices may, in fact, be moving upwards again.

"This would not be altogether surprising given the level of demand," he said.

And he said we're now in a very difficult environment for aspiring home owners.

"Acquiring a mortgage is becoming more difficult for many first-time buyers and the situation is now exacerbated with rapidly increasing interest rates, more stringent stress testing by banks along with lender caution likely to arise from the demise of SVB in the last week," he said.

He said two things need to happen with housing to stop the situation "spiralling into even greater difficulty."

"We need to see all strands of housing policy being co-ordinated by Government with the input of all stakeholders and we need to see housing policy being de-politicised," he said.

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