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[DAFT.IE](#) - NOW MORE EVIDENCE TO SUGGEST GOVERNMENT SHOULD HEED EUROPEAN COMMISSION WARNING ON DANGERS OF RENT CONTROLS

IPAV, the Institute of Professional Auctioneers & Valuers, today said it welcomed the fact that Daft.ie, a snapshot of the total market, in its latest analysis of rents for Quarter 1 2017 agrees with the Institute's already publicly stated position that rent controls are having unintended consequences in the market.

Pat Davitt, IPAV's Chief Executive, says rent controls failed to take into account the fact that many landlords who were happy with their tenancies did not raise rents to market levels. "We have said, and I repeat - rent controls are leading to increases in non-designated areas."

Mr Davitt said on the basis of market intelligence from IPAV members he expects the RTB (Residential Tenancies Board) must be seeing a very large uplift in the numbers of rent increase notices lodged with it since the Rent Pressure Zones were introduced.

"These would involve substantial increases in rents in many instances," he said. "The blanket introduction of such rent controls was a mistake, they appear to have been based on new tenancies only, without regard to examining what proportion of landlords were charging headline rents and what proportion were charging lower rents."

Mr Davitt called on the Government to heed the European Commission which has warned that rent controls have had a destabilising impact on housing markets in other EU countries.

And he pointed to a comprehensive study by DKM Economic Consultants for the RTB (formerly the PRTB) in September 2014 which concluded that rent regulations would see the impact falling disproportionately hard on the very people they are intended to assist. "That study predicted that rent controls would see more private landlords leave the market and, sadly, that is what is happening."

However, he said Minister Coveney's initiative last week to release 2,000 hectares of land, controlled by city and county councils and other public bodies, and make it available to private developers and housing associations, to provide at least 50,000 new homes is a very positive intervention. "The supply deficit is so critical that it has to be prioritised above everything else in housing policy," he said.

IPAV has on many occasions called on Minister Coveney and the Government to fastrack the promised detailed analysis of building input costs, given the centrality of the issue to housing supply.

Ends

Note to editors: IPAV is the only representative body in Ireland which solely caters for the professional and educational requirements of auctioneers and valuers practicing throughout Ireland. Established in 1971, it has over 1,100 members nationwide. For further information see www.ipav.ie .