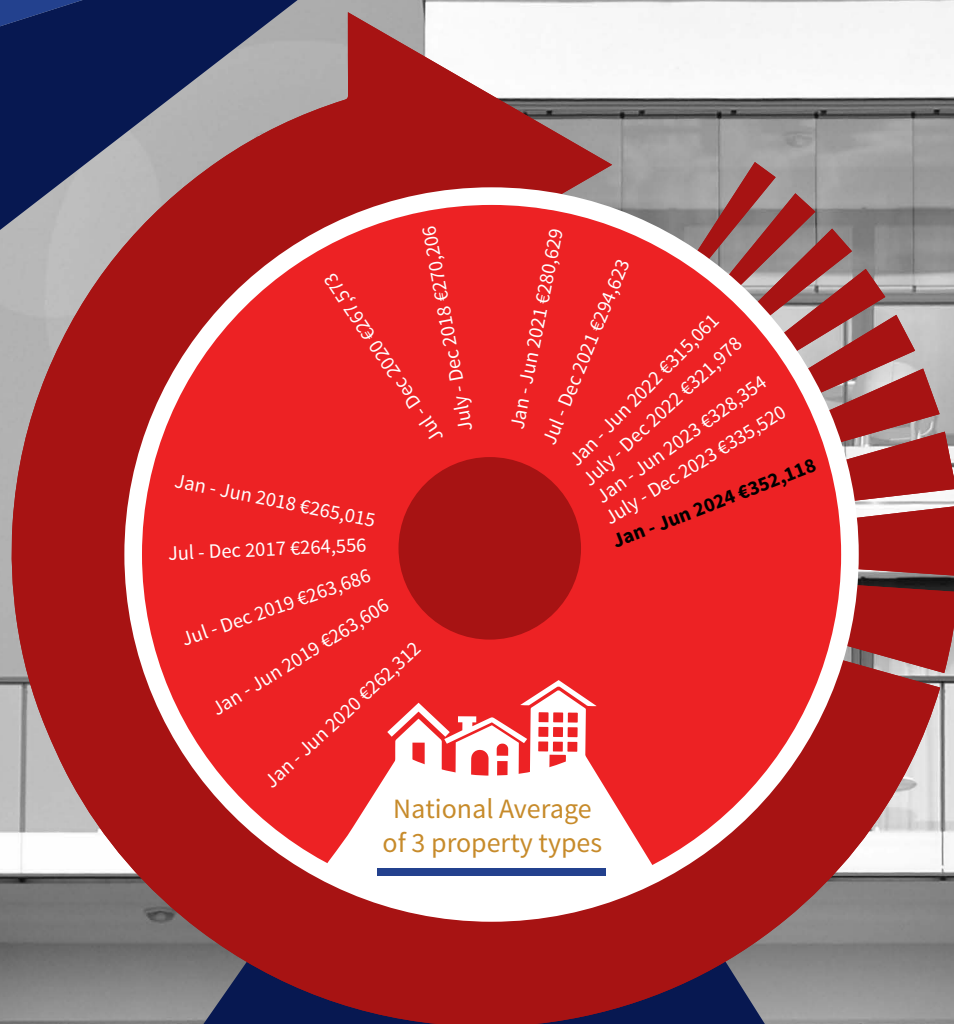


IPAV Residential Property Price Barometer

Results for January – June 2024



Most Recent Average Price
Jan - June 2024 €352,118

Apartment Lead the Way in New Price Trend

by Pat Davitt IPAV Chief Executive



With our growing population, now estimated at 5.38 million, rising by 98,700 in the year to April 2024 according to the latest CSO figures published in August, and a severe and pent-up lack of supply of homes, prices have continued to edge higher.

In mid-2023 evidence emerged that prices were attempting to correct from the highs of the previous year but by September that had begun to change, and since then they've been on an upward trajectory with prices for the first six months of 2024 up over 5% on those of the latter half of 2023.

But within that there is a bigger story. A new trend emerging in the latest set of figures is that apartments are experiencing higher levels of increases than houses, and this is nationwide, with the exception of Dublin. The four highest increases in the entire Barometer were all in respect of apartments: Westmeath at 14.44%; Offaly at 13%; Donegal at 12.69% and Kilkenny at 12.33%.

The rationale for this change is likely to be multi-faceted. The scarcity of both new and second-hand houses is a key factor. More affordable prices, especially for apartments in rural Ireland, have not been taken full advantage of previously. Prices are still quite low and people are beginning to realise there is value there. Clearly the price rises in this Barometer are coming from a low base.

A recent study by Savills found growth in the Irish population between 2015 and 2023 exceeded the delivery of new homes by a ratio of nearly four to one, with Ireland being an outlier in terms of the severity of the housing supply issue. Ireland's ratio was 80% worse than that of the UK.

We see that institutional/commercial investors are beginning to move outside of the Greater Dublin Area seeking properties

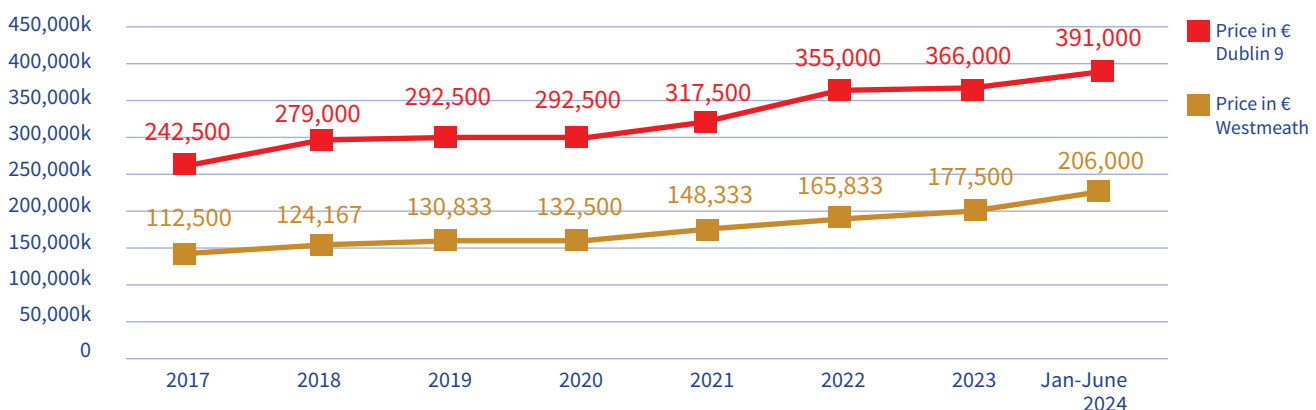
that can command market rents, as opposed to those with capped rents. This is creating more competition in the marketplace with the investor winning in bidding wars as they can place these properties in the rental market. We have seen evidence of this in the most recent Daft.ie report. It presents another obstacle for the first time buyer attempting to acquire a home.

Increasingly more people realise that paying a mortgage is cheaper, often substantially so, than paying rent and provides greater long-term security. And there is the issue of people realising that property prices are showing no signs of dropping, as they did during the financial crash. The dynamics are very different. Members also report the prevalence of non-nationals buying homes.

Over the first six months of 2024 the scarcity of housing is exacerbating challenges for both buyers and sellers. Many potential sellers are hesitant to put their properties on the market due to the difficulty in securing an alternative home. The lack of new homes has led to 67% of first-time buyers purchasing second-hand properties in 2023 and many more all over Ireland buying apartments as they are the cheapest and most affordable. The Help-to-Buy and the First Home schemes are very successful, they do not extend to second-hand home purchases, a gap that urgently needs to be addressed.

The Housing Commission, which reported in May, recommended the setting up of a time limited Housing Delivery Oversight Executive in legislation as a decision-making body responsible for coordinating the delivery of housing as the solution to the crisis. We need a new, whole of Government approach - for individuals and families, for the health of our economy into the future and for the cohesiveness of our society.

I want to thank IPAV members for your essential and consistent input into this Residential Property Price Barometer. The data you provide has ensured that, from its inception, this study has been proven to be one of the most reliable sources of market leading intelligence.



2 Bedroom Price Fluctuation in Westmeath and Dublin 9

Bottom fishing pays off for buyers of regional apartments as those in Longford and Roscommon double their money

By Donal Buckley



Call it bargain hunting or bottom fishing but the strongest price growth in the first six months of this year was seen in some of the counties which have offered the cheapest prices in the country and in the sector of their markets with the most affordable homes – that being apartments.

According to the House Price Barometer from the Institute of Professional Auctioneers & Valuers for the period January to the end of June, Donegal, Longford and Tipperary have seen some of the strongest price growth and they have consistently been offering some of the cheapest homes since this series began in 2017.

Donegal saw four-bedroom semis jump 11.59% to €242,000 which, despite proving the highest rate of increase, was still the fourth cheapest in the country. The Forgotten County, as it is also known, also scored strongest for acceleration in three-bedroom semi prices – up 10.16% to an average of €199,667 which is still the second cheapest in the country.

Donegal saw even faster price growth of 12.69% for two-bedroom apartments to an average of €131,000 which is the sixth weakest average house price among the 41 markets surveyed by the IPAV Barometer.

From an investor perspective an analysis of the Barometer explodes the myth that the most lucrative place to buy a property is in the sought after Dublin 4 area and that houses offer a better return to investors over apartments. In fact, the bargain hunters who bought apartments in the cheapest counties could have made the greatest profits over the seven years since the Barometer was launched in 2017.

Take the two-bedroom apartment market. Tipperary is currently the cheapest at €102,500 which is a 95.2% increase on 2017 levels. Longford is second cheapest at €106,000 and an investor who bought there during the first half of 2017 and

sold in the first half of this year would have more than doubled their money with a 103.8% increase in value.

In contrast in Dublin 4 two bed apartments are on average the most expensive in the country at €505,000 but their prices increase by a more modest 34.7% which is only a third of the growth rate achieved in Longford.

The gap is wider when it comes to semi-detached houses which also offered a poorer return than apartments.

Take four-bedroom semis. Roscommon offers the cheapest at €228,750 and these have risen by 38.6% since 2017. Over the same timespan those in Dublin 4 rose by only 3.8% to €1.35 million.

Roscommon is also the cheapest for three-bedroom semis and they rise by 37.6% over the seven years to €195,000. In contrast those in Dublin 4 practically stood still as they rose by only 0.26%. Even more interesting, when it comes to inflation and the consumer price index houses in Dublin 4 have effectively fallen in value over the seven years while many of those in the regions have held their value and some beat inflation.

In contrast some of the most expensive parts of Dublin showed some of the lowest rate of increase but then they have been at the top of price league for decades if not a century.

The more attractive affordability is a key factor boosting regional prices especially since Covid as it appears that the working from home trend also appears to be boosting demand as those employees who can avail of this perk can also avail of smaller deposits with which to make a down payment on a home having decided they no longer need to waste time accumulating larger deposits for homes in Dublin.

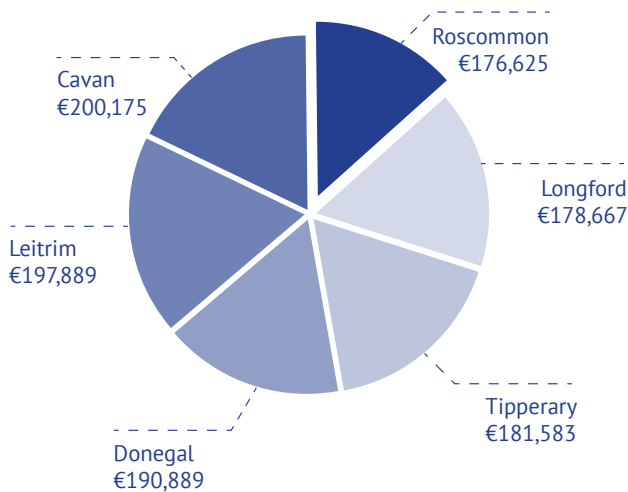
Two-bedroom apartments

The two-bedroom apartment sector showed the most vibrant price growth of all three sectors rising 5.9% on average across the 41 markets surveyed compared to 4.44% in three-bedroom semis and 4.75% in four-bedroom semis. Even more important is that as many as seven of the two-bedroom markets recorded growth of more than 10%. Interestingly four of the wider Dublin commuter belt counties were among the seven and these were likely to have been boosted by their affordability as well as their accessibility to motorways and rail services to Dublin.

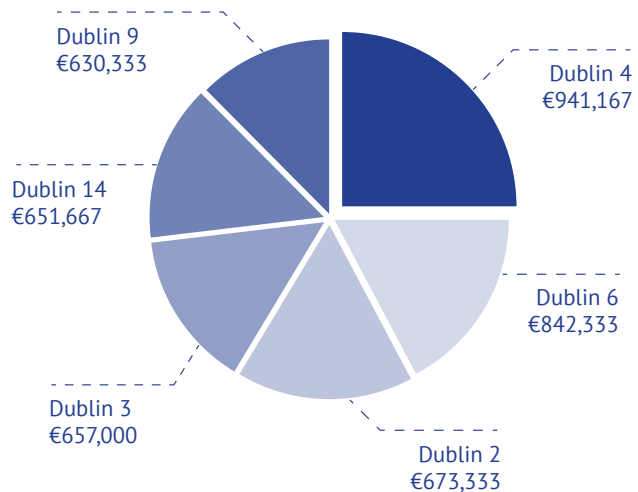
Top Six Least and Most Expensive Locations

Results for Q1 and Q2 2024

Least Expensive



Most Expensive



These figures are an average across the three property types – three and four-bedroom semi-detached houses and 2-bedroom apartments.

Westmeath led the way with a 14.44% jump to €206,000 followed by Offaly with a 13% jump to €150,667. Other wider commuter belt counties to see double digit growth were Kilkenny up 12.33% to €205,000 and Carlow up 10.29% to €142,000.

The other three counties to achieve double digit growth could be categorised as among the most affordable in the country. Two of these have moved into the six-figure bracket for the first time. Tipperary, despite it achieving a 10.81% rise, remains at the bottom of the Barometer table at an average price of €102,500. Longford prices rose 11.58% to €106,000 which is the second cheapest.

Donegal with a 12.69% increase to €131,000 is the sixth cheapest of the 41 markets. Roscommon's relatively healthy 7.74% price rise was sufficient to also bring it into the six-figure bracket but at €106,125 this western county is the third cheapest. Sligo with only a 4.35% price growth is fourth cheapest €120,000 followed by Cavan, with 4.6% growth, rose to €125,525.

In contrast it seems surprising that the slowest apartment price growth in the six months was seen in the inner commuter belt county of Kildare where prices improved by a modest 2.29% to what still seems a relatively affordable price of €253,334. Perhaps this modesty may be because of increased supply of new houses in the county which, with their higher BER ratings and larger floor areas, may be more appealing than second hand apartments.

Other counties in the inner commuter belt showed somewhat higher growth such as Meath, up 4.55% to €230,000 and Louth up 4.76% to €183,334.

Wicklow prices are higher than some areas of Dublin and they rose by 3.7% to €299,700.

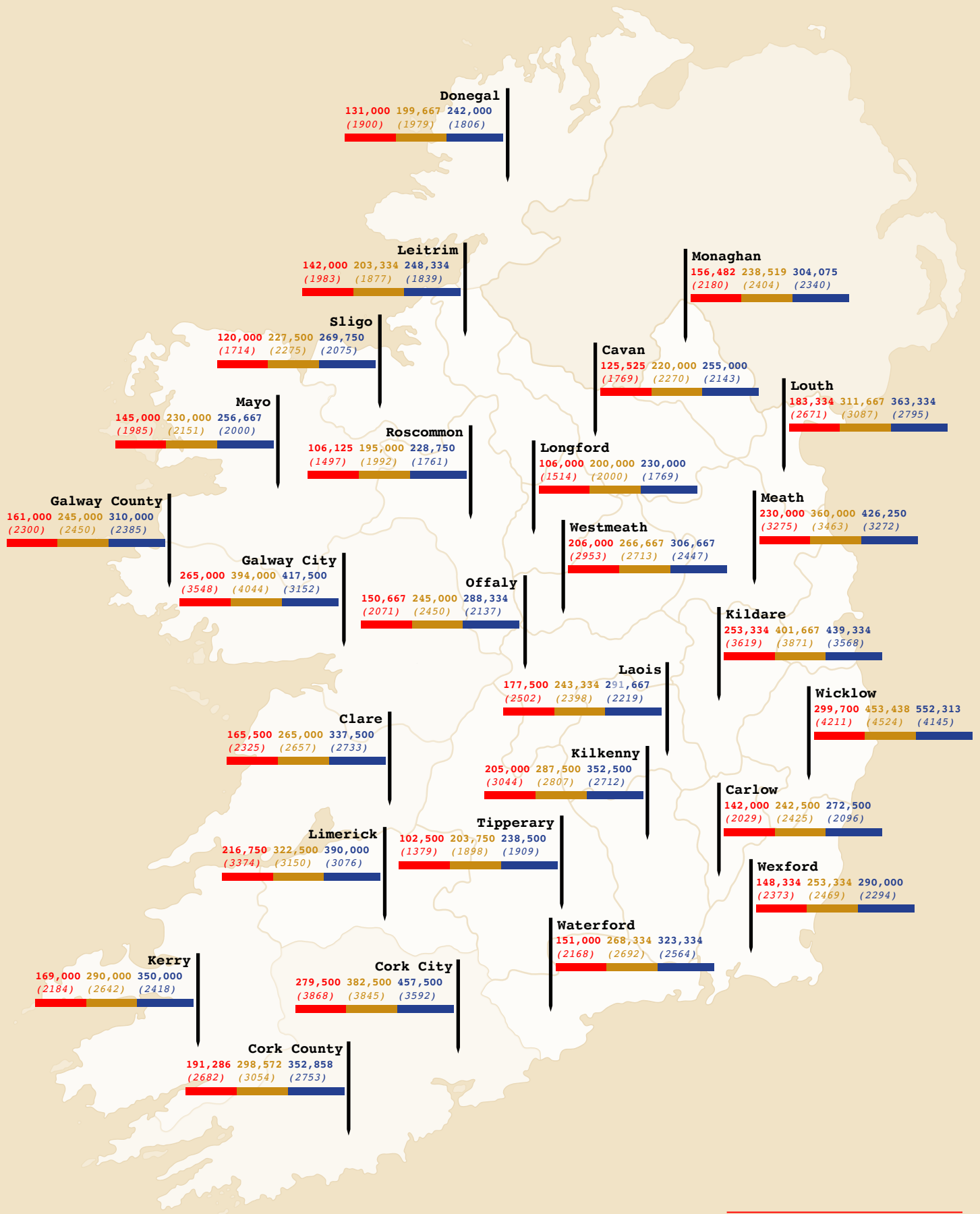
Four of the Dublin markets showed the weakest price growth for apartments: Both Dublin 2 and 18 prices rose by only 2.33% to €440,000 but nevertheless they are still the third most expensive in the country. South County Dublin, which includes much sought after areas such as Dun Laoghaire and Killiney, saw prices for apartments rise 2.49% to €411,000. Dublin 15, which offers the second cheapest apartments in Dublin, also saw a relatively weak rise of 2.51%. The cheapest apartments in the capital are in Dublin 24 which includes Firhouse, Tallaght and Jobstown, where they rose by 5.37% to €261,667.

Dublin 4 remains the most expensive for apartments and widened its gap on its nearest rival by rising 4.12% to €505,000. Its neighbouring Dublin 6 saw a more modest increase of 3.05% to €489,500. Dublin 14 apartments remained fourth most expensive with a 3.82% rise to €435,000. It was followed by Dublin 3 at €412,500 after a slightly more modest rise of 3.7%.

Nevertheless, despite such strong price growth, currently regional apartment prices are still way below the cost of building new high BER rated apartments, which is yet another reason why they are seeing a surge in prices.

Countrywide Price Breakdown

Price comparison across all counties



2 Bed Apt 3 Bed Semi 4 Bed Semi (Square Metre)

Countrywide Price Breakdown

Price comparison across all counties

Four-bedroom semis

In the four-bedroom semi-detached sector during the first half of this year the Barometer shows Donegal recorded the highest jump of 11.59% to €242,000 which was still the fourth cheapest four bed semi in the country. Longford scored second highest price growth rising 9.52% to €230,000, which is nevertheless the second lowest price for this size of home. Nevertheless, Longford four beds leapfrogged off the bottom of the table and over Roscommon where a 5.78% rise brought average prices for this Rossie house type to €228,750. Limerick and Waterford were also among the nine markets which saw four-bedroom prices grow by more than 6%.

Two Dublin markets also showed strong price growth in terms of this house type. Dublin 9, which includes Drumcondra, Santry and part of Glasnevin, saw four bed prices jump 7.28% to €810,000 while Dublin 6, which includes Rathmines and Ranelagh, recorded a 6.98% rise to an average of €1.15 million.

Both of those Dublin areas have traditionally been popular with landlords who converted larger houses into bed sit rentals and more recently to self-contained units. In recent years families have also been trading up to the larger period houses so perhaps this latest price buoyancy may reflect an upsurge in competition between these two types of buyers.

However, five Dublin markets saw four-bedroom prices at the bottom of the growth table as they recorded the weakest price growth. Dublin 12, which includes Walkinstown, managed only 1.56% rise to an average of €650,000. Dublin 1, which covers the north inner city, managed a 1.8% rise to €565,000. Dublin 15 which includes Blanchardstown and Mulhuddart, edged up 1.98% to €476,750 while North County Dublin, including Swords and Malahide, achieved a 2.56% rise to €668,334.

Despite Dublin 6's latest surge it still is ranked second to its neighbouring Dublin 4 which boasts the most expensive houses in the country with four bed semis rising 3.85% to €1.35m. Another neighbour, Dublin 2 covering the south inner city with its many Georgians, has the third most expensive at €880,000, followed by Dublin 3 which includes Clontarf at €845,000 and Dublin 14 at €833,334.

Three bedroom semi-detached

Donegal also saw the strongest price growth in the three-bedroom semi-detached sector rising 10.16% to €199,667 which is still the second cheapest three bed semi in the country.

Cavan boasted the second strongest price growth of 7.32% to €220,000. It was followed by Tipperary where prices rose by 5.84% to €203,750, which is still the fifth cheapest in the country. On the plus side Tipperary's stronger growth lifted it over Leitrim where a 5.17% increase to €203,334 brought its price to fourth cheapest in the country.

Sligo recorded the fourth strongest price growth of 5.81% to €227,500 followed closely by Laois with a 5.8% increase which brought it to an average of €243,334. The latter may be attributable to the affordability factor pushing Dublin-based employees farther out on the commuter belt when it comes to finding affordable homes.

As with the four-bedroom semis, the slowest growth rates for the three-bedroom prices was seen in a number of Dublin markets. In Dublin 4, three beds managed to climb only 1.03% during the six months which at an average of €977,500 left it short of the million-euro level but nevertheless these are still on average the most expensive three beds in the country.

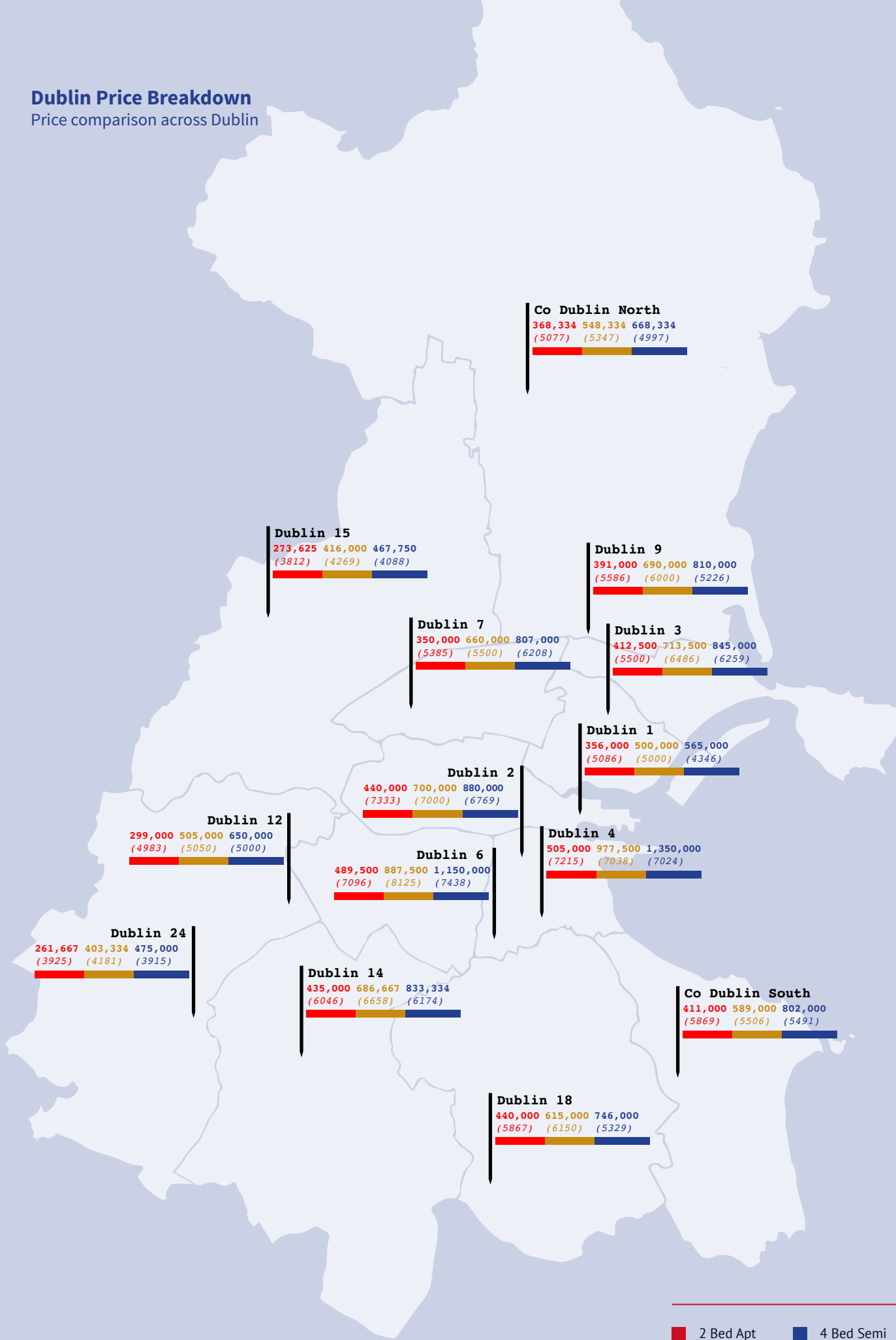
Dublin 12 rose by only 2.02% to €505,000 closely followed by third slowest Dublin 1 – up 2.04% to €500,000. Dublin 18, where supply has been helped by new a number of large developments in Cherrywood and Shankill, saw the fourth slowest growth of only 2.5% to €615,000. Dublin 15 prices grew by 2.72% to €416,000.

Dublin 6, where prices are second highest in the country at €887,500 continues to vie with its neighbour for top slot. It was followed by Dublin 3 at €713,500. In Dublin 2 three-bedroom semis fetch €700,000 while those in neighbouring Dublin 9 average €690,000.

At the lower end of the table Roscommon remains cheapest for three-bedroom semis at €195,000 and Longford is the third cheapest at €200,000.

Dublin Price Breakdown

Price comparison across Dublin





Paul McCartney, Editor



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The figures in the barometer are the average price achieved over a six month period, Jan to June 2024, completed by 108 selected members of IPAV throughout the 26 counties of Ireland. ©