

IRISH RESIDENTIAL MARKET REVIEW

SUMMER 2022



INTRODUCTION

Over the past several months, there have been significant developments in the national housing market. Giving both cause for optimism and for alarm. Positively there has been an unmistakable easing in the rate of house price inflation. However, this encouraging sign is counterbalanced by an uptick in investors exiting the rental market in addition to a slowdown in construction activity.

MODERATION IN THE RATE OF PRICE GROWTH

There are clear signs indicating that the rate of house price growth is easing, with this evident across the country. The average value of second-hand homes in Ireland increased by 1.6% in the second quarter of 2022. This represented the slowest rate of quarterly growth in over a year.

UPTICK IN PROPORTION OF LANDLORDS LEAVING THE RENTAL MARKET

Worryingly, it appears the numbers of smaller landlords leaving the rental

market rose in quarter two. According to our vendor statistics 37% of vendors in quarter two were investors selling their property. This is of the highest proportions on record and indicates towards continued dysfunction in the rental market.

DROPOFF IN COMMENCEMENT ACTIVITY

Following an upsurge last year underpinned by the easing of public health restrictions, commencement activity has slowed. Having peaked at almost 35,000 units commenced in the twelve months to March 2022, the following months have recorded a steady decline, with significant issues surrounding building cost inflation hampering activity.

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