An Roinn Airgeadais
Department of Finance

Housing and Property Sector Chartpack

June 2022

Prepared by the Economics Division

Department of Finance

www.gov.ie/finance

Introduction

Given the important implications which developments in the property and construction sector can have for the economy, the Department of Finance actively monitors developments in this sector on an ongoing basis. The Housing and Property Sector Chartpack sets out some of the key indicators used by the Department for this purpose. Each section of the Chartpack examines a different component of the sector, including residential property prices and rents, affordability metrics, construction sector activity, property market transactions and mortgage market activity. The publication of the Chartpack is intended to provide a useful source of information on the sector and to make these indicators accessible to a wider audience. Note, while housing and property data updates are frequent, this Chartpack contains all updates to available data at the date of publication.

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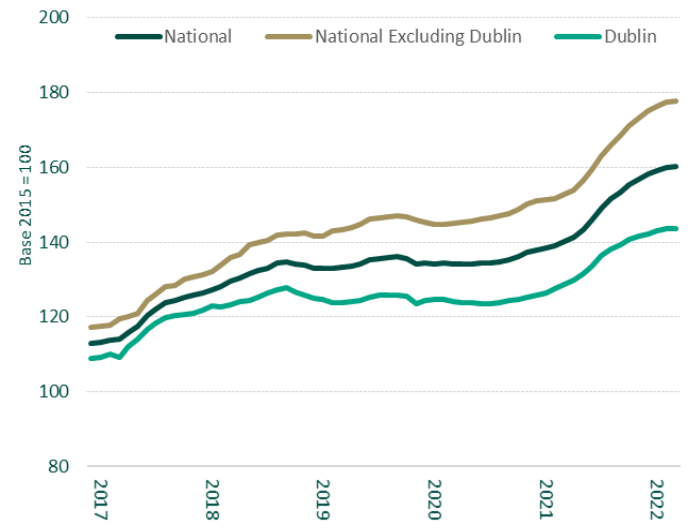
Section 1: Residential Property Price and Rent Developments

Figure 1.1 CSO Residential Property Price Index (RPPI) month-on-month



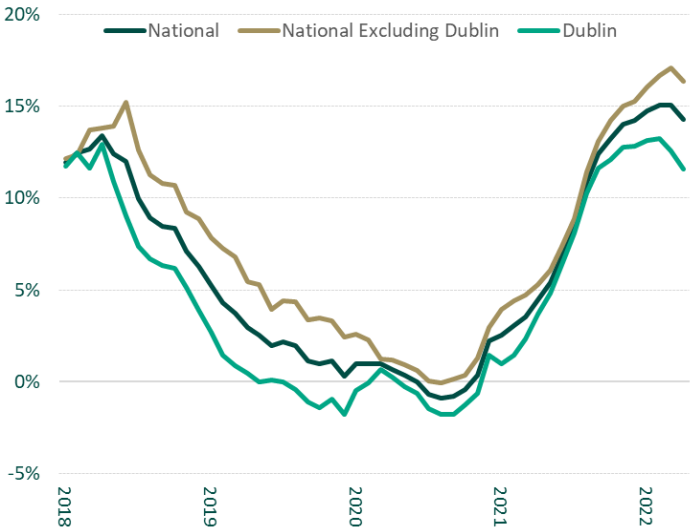
Latest developments:

- Between March and April 2022, the national residential property price index increased by 0.1%.
- In Dublin prices remained unchanged from April.
- Prices outside of Dublin increased 0.2% over the month.

Notes: The latest three months of data are provisional and subject to revisions.

Source: CSO
Last updated: June 2022 **Next update:** July 2022

Figure 1.2 CSO RPPI Year-on-Year Change

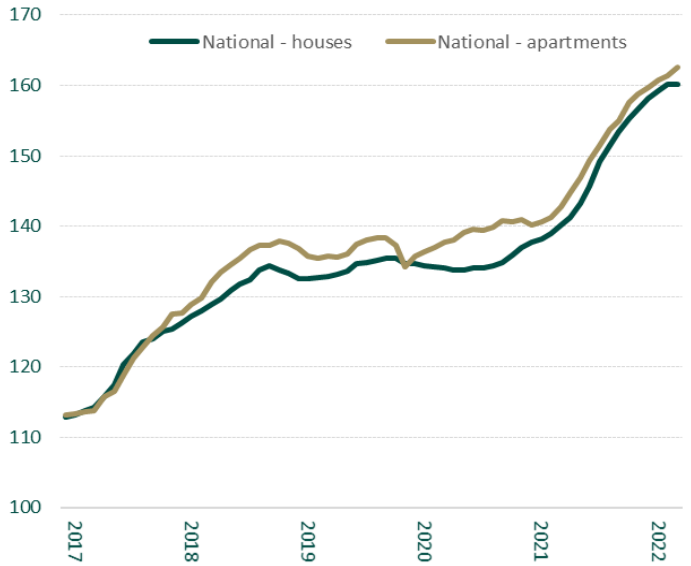


Latest developments:

- In the year to April 2022 residential property prices increased by 14.2%, a moderation in the rate from recent months.
- In the year to April 2022, the residential property price index in Dublin increased by 11.5%, compared to the increase in the index of 3.7% in the 12 months to April 2021.
- Prices in the rest of Ireland excluding Dublin were up 16.4%, compared to an increase of 5.3 % in the 12 months to April 2021.

Source: CSO
Last updated: June 2022 **Next update:** July 2022

Figure 1.3 CSO RPPI by Housing Type

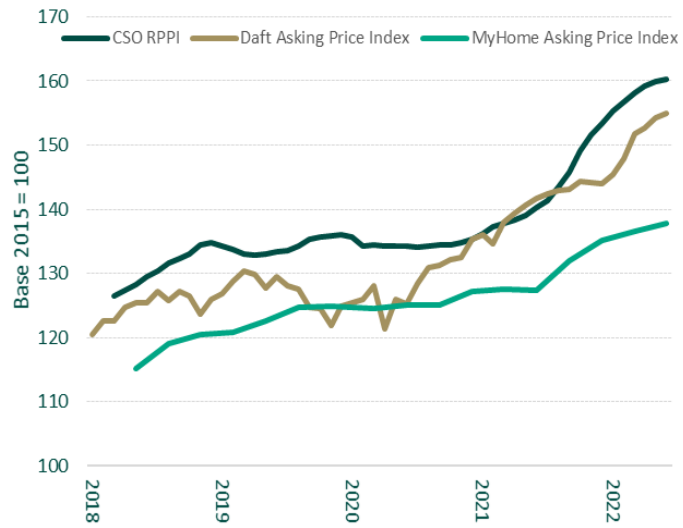


Latest developments:

- Between March and April house prices increased by 0.1%.
- Nationally, apartment prices increased by 0.7% between March and April. In Dublin, apartment prices also increased by 0.6% over the month.
- Nationally excluding Dublin, house prices have increased 16.4% over the year.
- Dublin house prices are up 11.3% over the year.
- Dublin apartment prices increased by 12.8% over the year.

Source: CSO
Last updated: June 2022 **Next update:** July 2022

Figure 1.4 Comparison of Property Price Indices

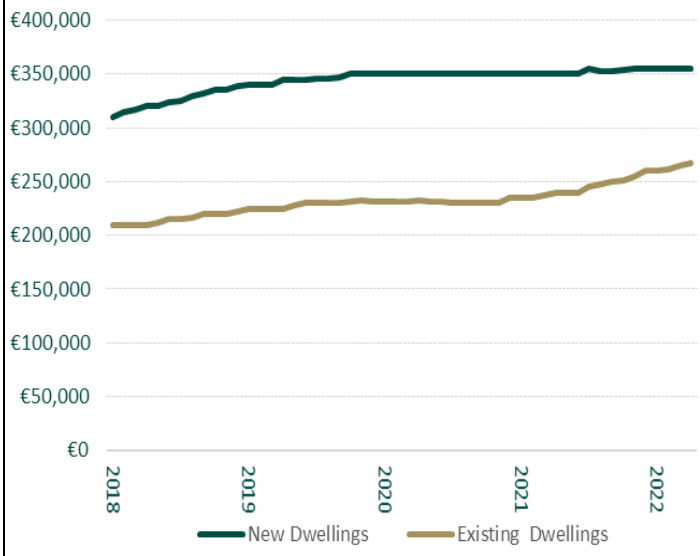


Latest developments:

- The latest CSO data shows there has been a 14.2% increase in property prices in April 2022 compared to April 2021.
- According to the Daft.ie Q2 2022 House Price Report asking prices in the first quarter of 2022 were 9.5% higher than a year previously.
- The MyHome.ie Q1 2022 property report shows there has been a 12.3% increase in asking prices between Q1 2021 and Q1 2022.

Note: The MyHome and Daft.ie index has been recalculated to make 2015 the base year.
Source: CSO, Daft.ie, MyHome.ie
Last updated: June 2022 **Next update:** July 2022

Figure 1.5 Rolling 12 month Median Sales Price



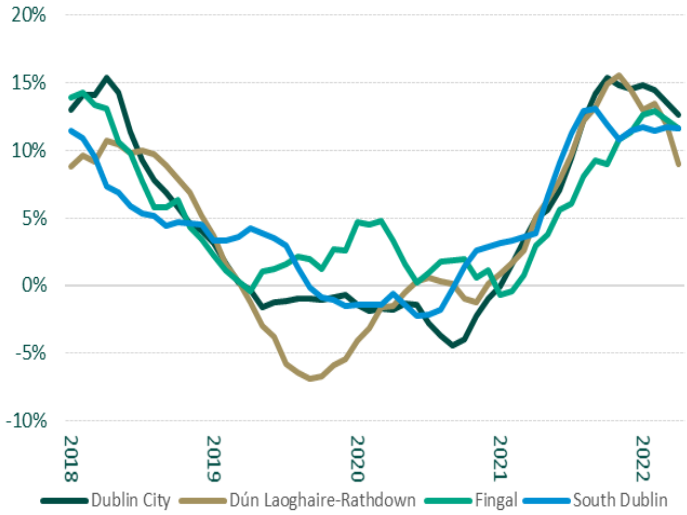
Latest developments:

- The 12 month rolling median market transaction price was €288,000 nationally in April 2022.
- The 12 month rolling median price of a new dwelling was €355,000 in April 2022.
- The 12 month rolling median price of a second hand dwelling was €267,000 in April 2022.

Note: The estimated median price is not quality adjusted and cannot account for the location or the physical characteristics of the properties.

Source: CSO
Last updated: June 2022 **Next update:** July 2022

Figure 1.6 Dublin House Prices Year-on-Year Change



Latest developments:

- Across the Dublin regions, Dublin City house prices experienced the largest annual increase in the 12 months to April 2022 increasing by 12.7%.
- The lowest rate of annual growth across the Dublin regions was in Dún Laoghaire-Rathdown, where in the 12 months to April 2022 house prices increased by 9%.

Note: The regional indices only reflect changes in house prices and do not take into account apartment prices.

Source: CSO
Last updated: June 2022 **Next update:** July 2022

Figure 1.7 Change in Regional House Prices Since Trough

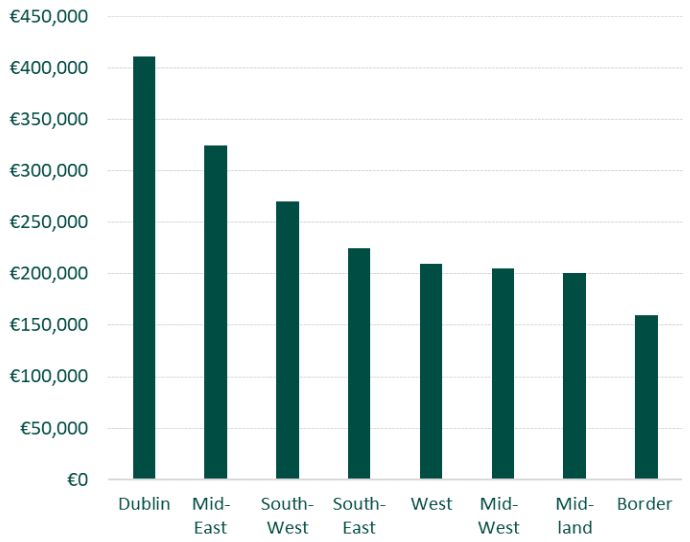
Latest Developments:

- House prices in Dublin have increased by 123.8% and in the Midland Region have increased by 141.8% from the trough in the market.
- The Mid-West region has seen the slowest growth in house prices, increasing 108.2% from the bottom of the market.

Note: The regional indices reflect changes in house prices only and do not take into account apartment prices.

Source: CSO
Last updated: June 2022 **Next update:** July 2022

Figure 1.8 The 12 Month Rolling Median Transaction Price by Region



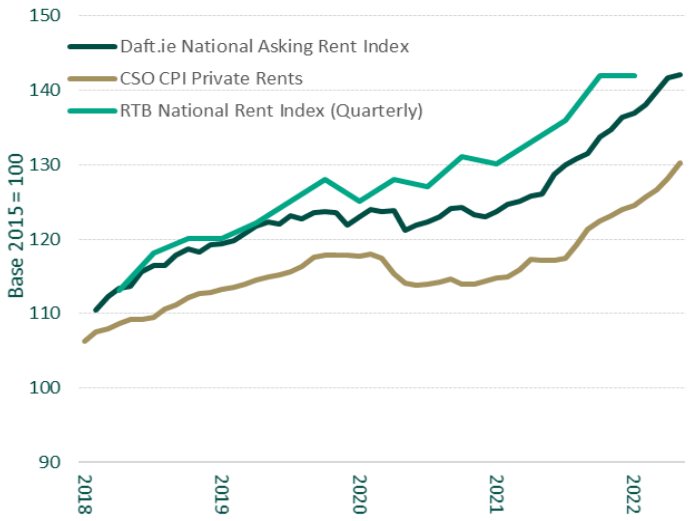
Latest developments:

- Significant variation in transaction prices across the country.
- Highest 12 month rolling median transaction price in April 2022 was in Dublin, at €411,000.
- The lowest 12 month rolling median transaction price in March 2022 was in the Border region at €160,000.

Note: The estimated median price is not quality adjusted and cannot account for the location or the physical characteristics of the properties.

Source: CSO
Last updated: June 2022 **Next update:** July 2022

Figure 1.9 Rent Indices

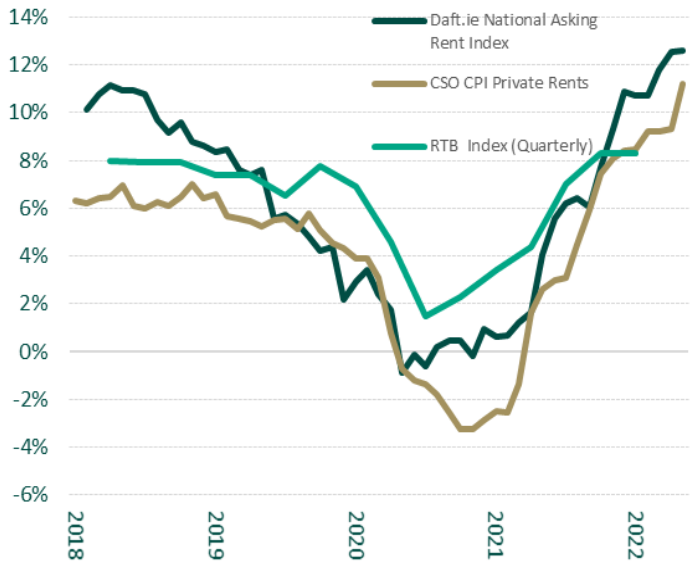


Latest developments:

- The RTB rent index is the most comprehensive source of rent prices in Ireland.
- Nationally, average rents decreased by 0.3% between Q3 2021 and Q4 2021 according to the RTB index*.
- The RTB national standardised average rent in Q4 2021 was €1,415 per month.
- Nationally the average asking rent was €1,567 in Q1 2022 according to the Daft Rental Price Report Q1 2022.

Note: *Note that RTB data is not seasonally adjusted. Also seasonal patterns are evident in the RTB data when interpreting quarter on quarter changes.
Source: CSO, Daft, RTB
Last updated: June 2022 **Next update:** July 2022

Figure 1.10 Rent Indices Year-on-Year Change

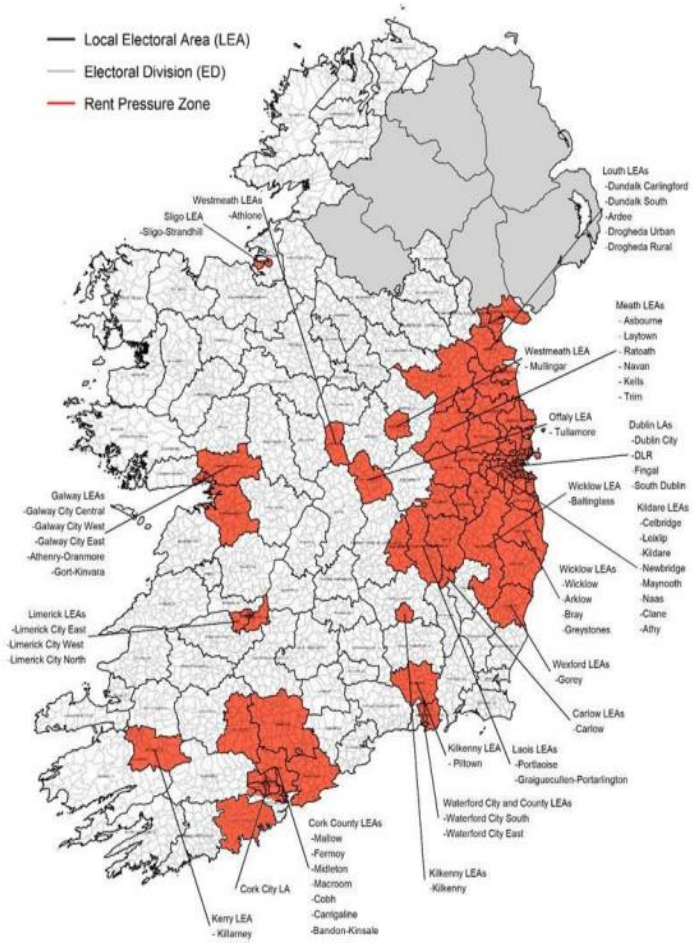


Latest developments:

- According to the RTB index, rents increased by 9% in Q4 2021 compared to Q4 2020.
- CSO CPI Private Rent inflation was approximately 11.2% higher in May 2022 compared to May 2021.
- Asking rents were 11.7% higher on an annual basis in Q1 2022, according to the Daft Rental Price Report Q1 2022.

Source: CSO, Daft, RTB
Last updated: June 2022 **Next update:** July 2022

Figure 1.11 Rent Pressure Zones



Latest developments:

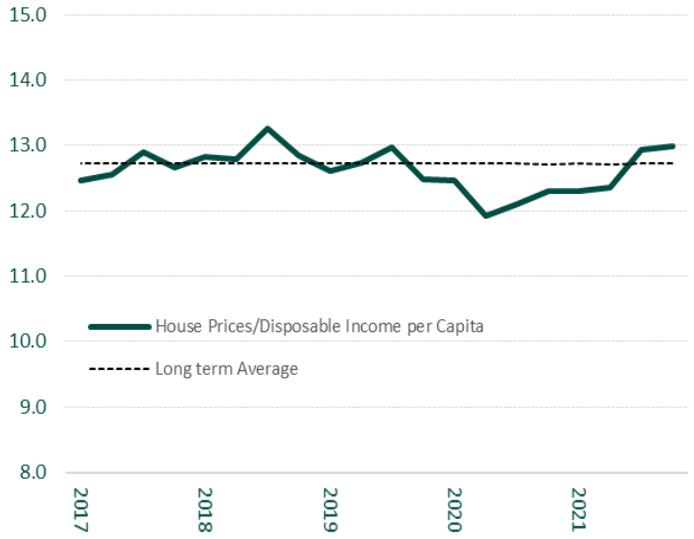
- National standardised average rent in Q4 2021 increased annually by 9%, to €1,415 per month.
- From December 11th 2021, when setting the rent at the start of a tenancy in a RPZ or when carrying out a rent review in a RPZ, rent increases are capped at 2% per year on a pro rata basis, where HICP inflation is higher.
- As of May 2022 HICP inflation stood at 8.3%.

The two criteria required to be classified as an RPZ are:
(1) The annual rate of rental growth in an area must have exceeded 7% in 4 of the last 6 quarters.
(2) The average rent in an area must exceed the relevant national standardized average in that quarter.

From June 2019 there are three different standardized average rents to be used when assessing an area:
(1) Dublin areas will remain compared to the national standardized average rent.
(2) The GDA excluding Dublin will be compared to the national standardized average rent excluding Dublin
(3) The rest of the country outside the GDA and Dublin will be compared to an outside GDA standardised average rent.
Source: RTB
Last updated: April 2022 **Next update**: Q3 2022

Section 2: Affordability Metrics

Figure 2.1 House Price/ Disposable Income per capita



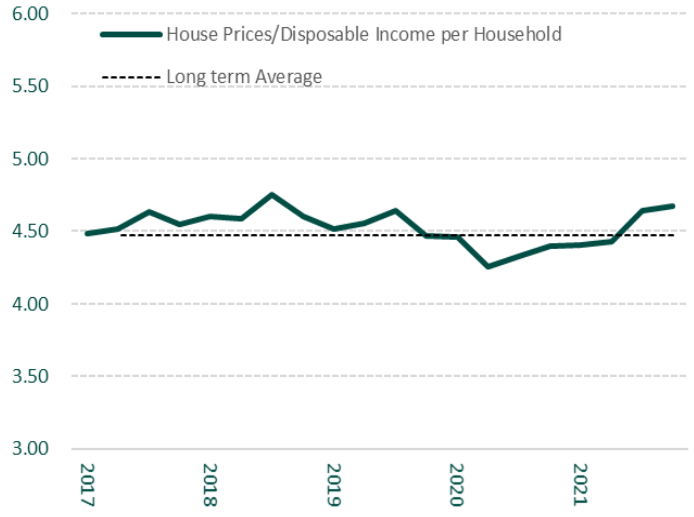
Latest developments:

- Average house prices were 13 times average disposable income per capita in Q4 2021.
- This is slightly above the long term average of 12.72.

Notes: House Price series is based on CSO average house price in Q2 2017, which is then indexed to the CSO House Price Index and the PRTB/ESRI Index. The long term average is for the period 1999Q4-2021Q4.

Source: CSO, ESRI/PRTB – pre 2017
Last updated: April 2022 **Next update:** Q3 2022

Figure 2.2 House Price/Disposable Income per household



Latest developments:

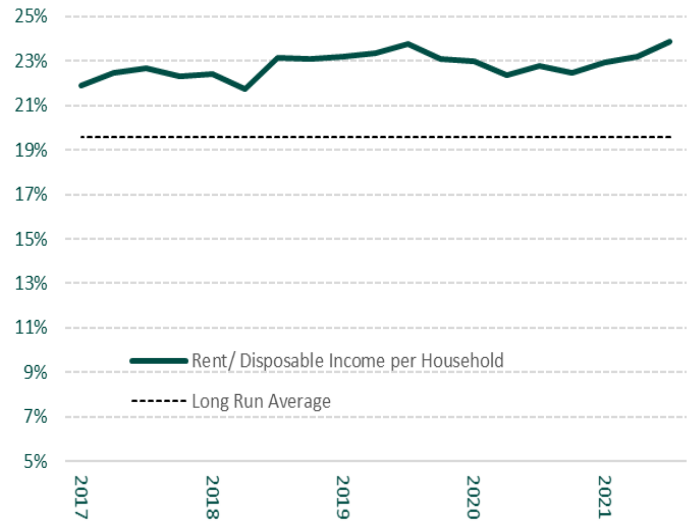
- Average house prices were 4.7 times average gross disposable household income in Q4 2021.
- The ratio is now above the long term average of 4.5.

Definition: House Price/ Disposable Income per household

Notes: House Price series is based on CSO average house price in Q4 2017, which is then indexed to CSO House Price Index and the PRTB/ESRI Index. The long term average is for the period 1999Q4-2021Q4.

Source: CSO, ESRI/PRTB – pre 2017
Last updated: April 2022 **Next update:** Q3 2022

Figure 2.3 Average National Rent/Disposable Income per Household

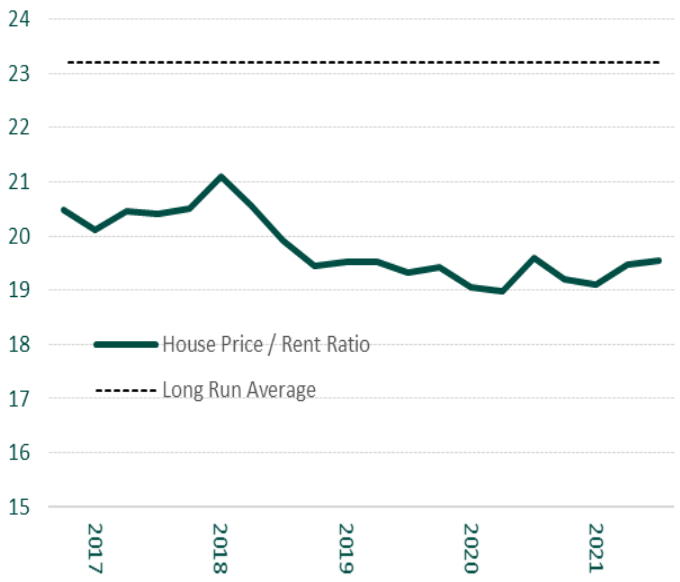


Latest developments:

- Rents accounted for approximately 23.9% of household disposable income in 2021 Q4.
- The Rent to Income ratio increased throughout 2021 after the fall off seen during more severe public health restrictions.

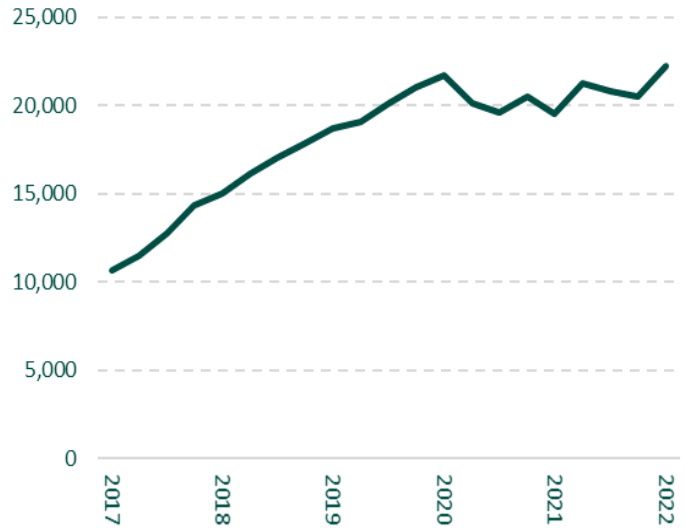
Note: Long term average estimated for period 2002Q1-2021Q4.

Source: CSO, RTB.
Last updated: April 2022 **Next update:** Q3 2022

Figure 2.4 House Price/Rent Ratio	
	**Latest developments:** • House prices are approximately 19.6 times average annual rents in Q4 2021. • The ratio showed a slight uptick in Q4 2021, however, the ratio is still below the long term average of 23.2. **Note**: Long term average is for period 2002Q1-2021Q4. **Source**: CSO, RTB. **Last updated**: April 2022 **Next update:** Q3 2022

Section 3: Construction Sector Activity

Figure 3.1 Rolling 4 quarter completions

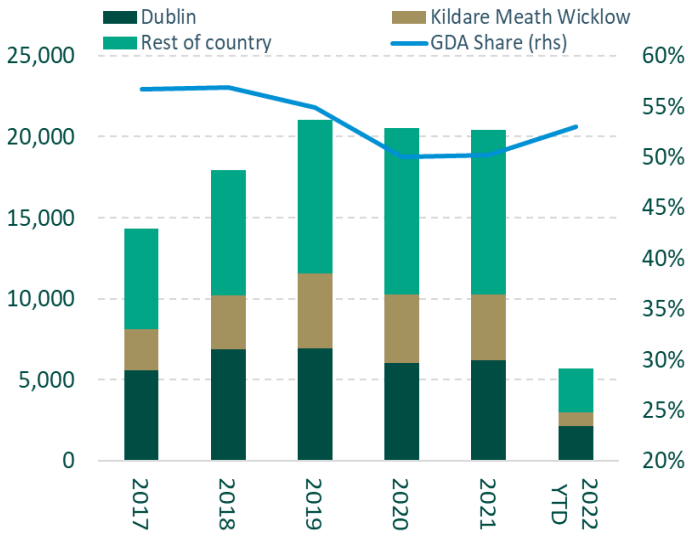


Latest developments:

- In the 12 months to end March 2022, there were 22,219 new home completions. This represents a 14% increase on the 12 months to end March 2021.
- In Q1 2022 there were 5,669 new completions, 45% increase on Q1 2021 when there were stringent public health restriction in place. Compared to pre-pandemic levels, completions are 15 per cent higher than in Q1 2020.

Source: CSO
Last updated: April 2022 **Next update:** Q2 2022

Figure 3.2 Completions by Region

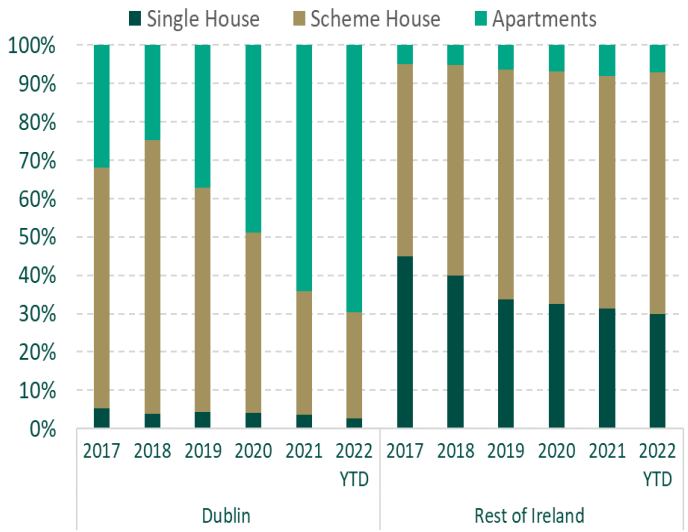


Latest developments:

- Completions in the 12 months to March 2022: Dublin 7,391, Kildare, Meath and Wicklow 4,219, ROC 10,609.
- Home completions in Dublin in the 12 months to March 2022 (7,391) were 38% higher than the 12 months to March 2021 (5,370).
- In Kildare, Meath and Wicklow completions (4,219) increased by 6% in the 12 months to March 2022, while the rest of the country (10,609) saw a 4% increase in completions.

Source: CSO
Last updated: April 2022 **Next update:** Q2 2022

Figure 3.3 Housing Completions by type



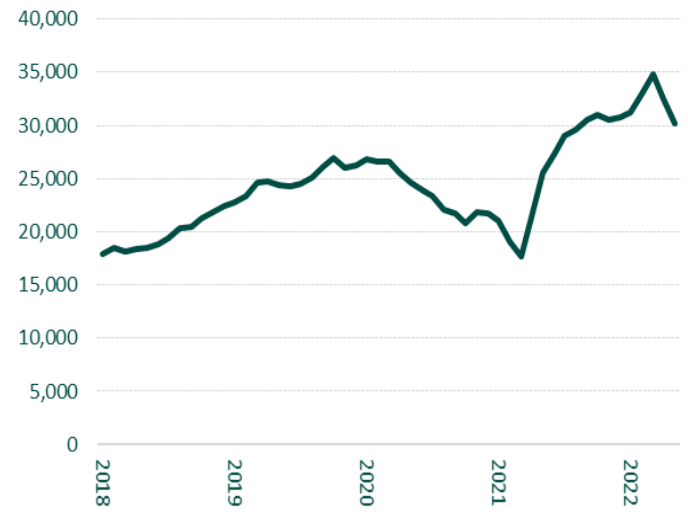
Latest developments:

- In Q1 2022, apartments accounted for 70% of total completions in Dublin.
- In Q1 2022, 28% of residential units built in Dublin were scheme houses.
- Outside of the Dublin region 30% of residential units completed in Q1 2022 were individual houses, 63% were scheme houses and 7% were apartments.

Definition: "Single House" is where connection is provided to separate detached house. "Scheme House" is where connection is provided to two or more houses. "Apartments" is where all customer metering for the block is centrally located.

Source: CSO
Last updated: April 2022 **Next update:** Q2 2022

Figure 3.4 Rolling 12 month housing commencements

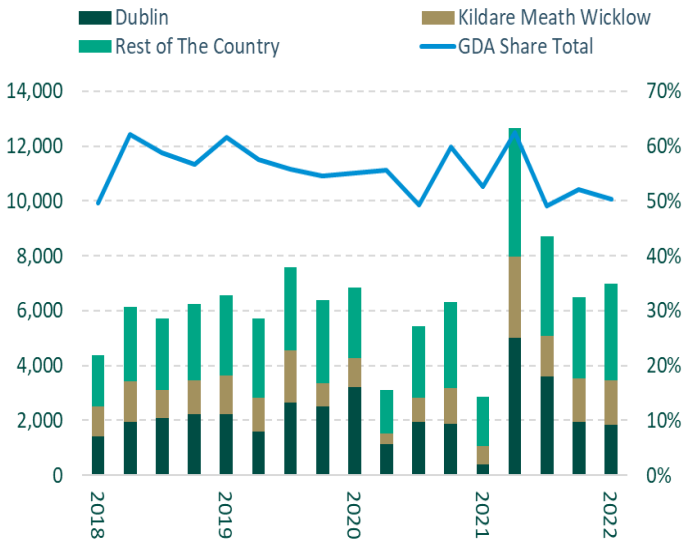


Latest developments:

- 30,232 units were commenced in the 12 months to May 2022 and 12,089 commencement notices since the beginning of the year.
- This represents the 9th consecutive month in a row in which the 12 month total housing commencements have surpassed 30,000 units.
- In Dublin, there were 10,470 units commenced in the 12 months to May.

Source: DHLGH
Last updated: June 2022 **Next update:** July 2022

Figure 3.5 House commencements by region, Quarterly

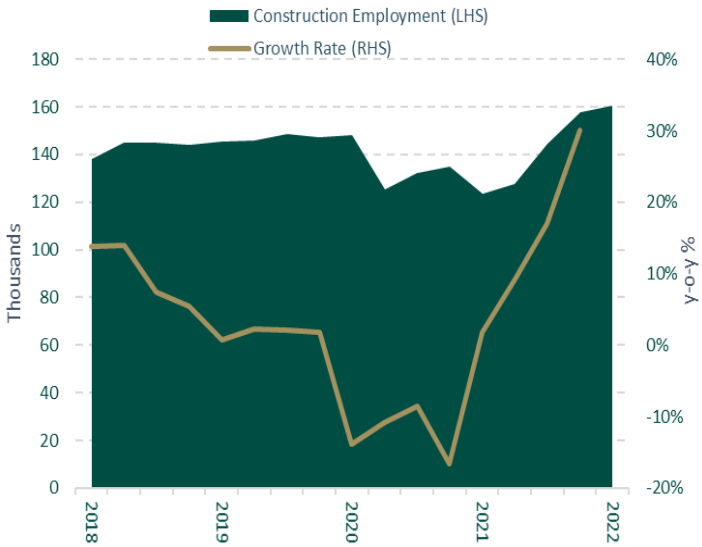


Latest developments:

- In the 12 months to May 2022, 56% of all commencement notices were in Dublin and the surrounding commuter counties.
- In the 12 months to May 2022, there were 10,470 commencement notices in Dublin, 22 per cent higher than the 8,549 commencements in the 12 months to May 2021.
- Outside the Greater Dublin Area, there were 17,000 commencements in the 12 months to May 2022. This is 14% higher than the 12 months to May 2021 (14,946).

Source: DHLGH
Last updated: June 2022 **Next update:** July 2022

Figure 3.6 Construction Sector Employments



Latest developments:

- The seasonally adjusted number of people in employment in the construction sector in Q1 2022 was 160,700. This represents a 30% increase from the 123,600 workers employed in Q1 2021.
- This is the highest number of people working in construction since Q3 2008.
- Construction sector employment as of Q1 2022 accounted for 6.3% of total employment.

Source: CSO
Last updated: May 2022 **Next update:** Q3 2022

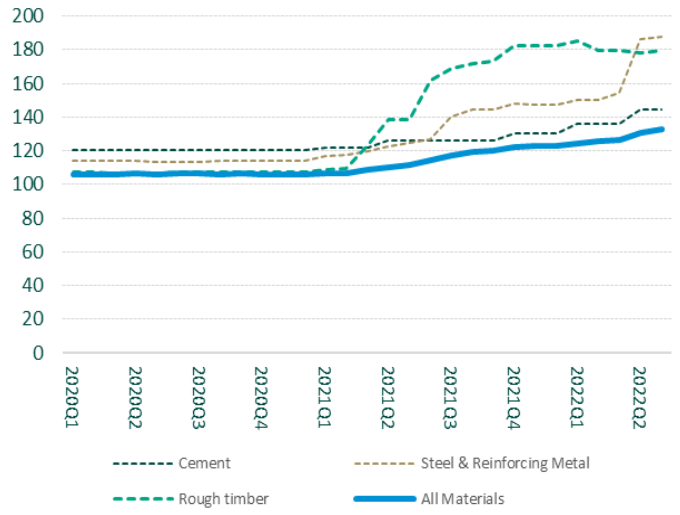
Figure 3.7 Average Weekly construction wages

Latest developments:

- Wages in the construction sector have increased by 9% between Q1 2021 and Q1 2022 to an average of €881 per week.
- In comparison wages across all sectors have increased by 2.3% over the same period, to €880 per week.
- Since Q1 2018, average weekly construction earnings have increased by 17.9% in comparison to 18.2% for all sectors.

Source: CSO Earnings and Labour Costs Survey
Last updated: May 2022 **Next update:** Q3 2022

Figure 3.8 Cost of construction materials

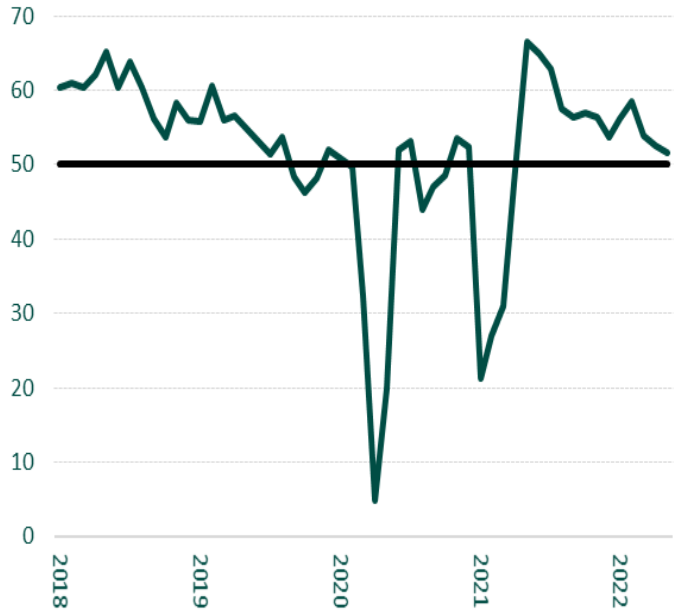


Latest developments:

- The wholesale price of all building and construction materials (excluding VAT) increased by 19.2 per cent in the 12 months to May 2022.
- Over the same time period, structural steel and reinforcing metal (a broad category to include all types of construction steel and metal) increased in price by 50.5 per cent.
- Price inflation in other construction materials include 29.3 per cent for rough timber, 14.6 per cent for cement, 12.2 per cent for electrical fittings and 20.4 per cent for plaster.

Source: CSO Wholesale Price Index
Last updated: June 2022 **Next update:** July 2022

Figure 3.9 BNP Paribas Real Estate Purchasing Managers Index (PMI) for the Construction sector



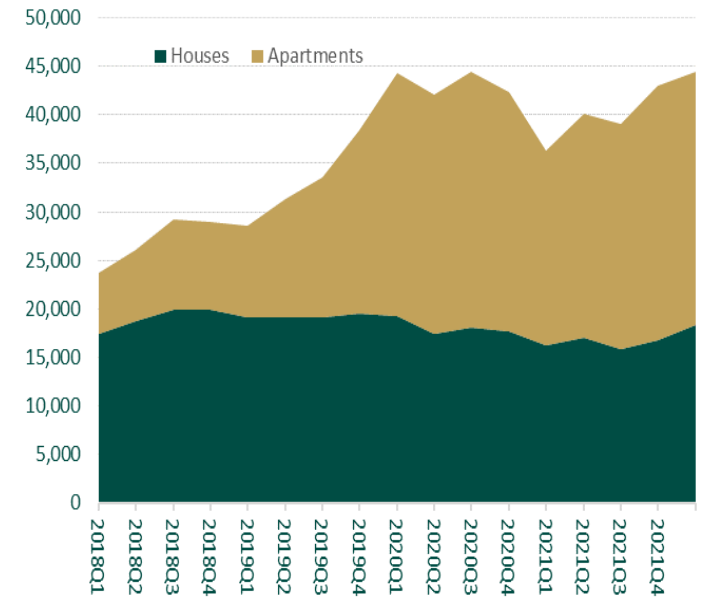
Latest developments:

- Construction activity as measured by the Construction PMI has shown an expansion for 13 consecutive months.
- The Construction PMI was 51.5 in May. The index noted there was an increase in employment as firms sought to rebuild capacity. However, construction firms continued to face severe delivery delays due to material shortages, shipping issues, the war in Ukraine and Brexit.

Methodology:
This PMI surveys selected companies which provide an advance indication of what is happening in the construction sector by tracking variables such as output, new orders, employment and prices across the construction sector. A reading of >50(<50) indicates expansion (contraction).

Source: BNP Paribas Real Estate
Last updated: June 2022 **Next update:** July 2022

Figure 3.10 Rolling 4 quarter Planning permissions



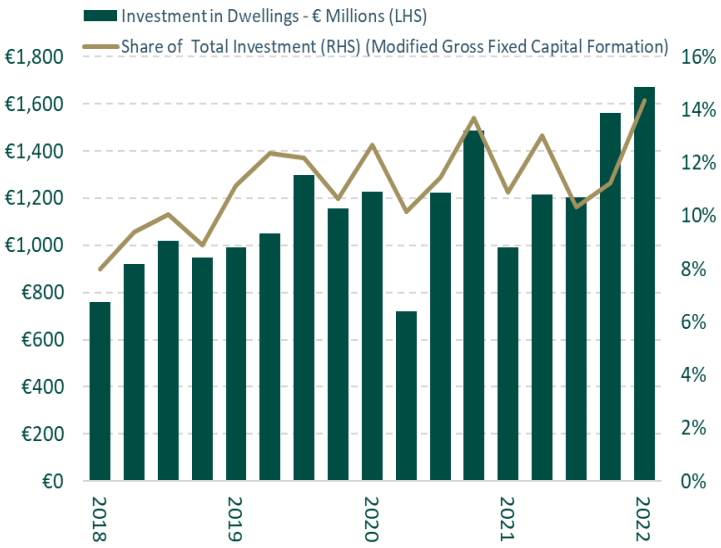
Latest developments:

- 44,491 units were granted planning permission in the 12 months to end March 2022.
- Of these planning permissions granted, 26,174 were for apartments and 18,317 were for houses.
- More planning permissions were granted for houses than apartments in Q1 2022, the first time this has occurred since Q3 2019.

Note: Planning permissions based on data for new build units only. Figures for extensions and renovations have been excluded.

Source: CSO
Last updated: June 2022 **Next update:** Q3 2022

Figure 3.11 Investment



Latest developments:

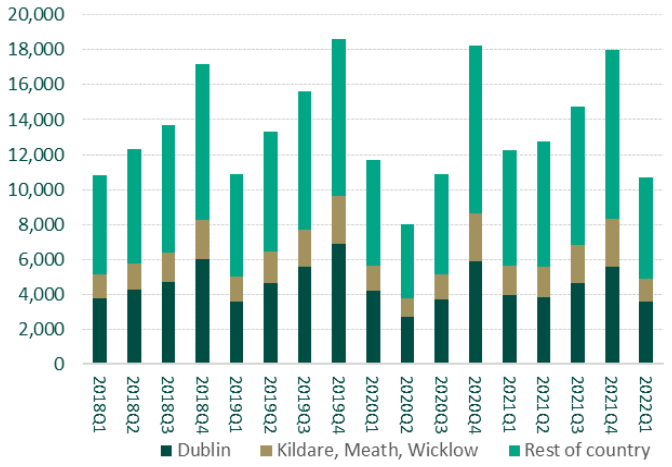
- Investment in the construction of new dwellings stood at €1,671 million in Q1 2022, 68% higher than Q1 2021. This is the highest level of investment in one quarter since Q1 2009.
- Investment in new dwellings made up approximately 14.3% of all investment* in Q1 2022.

***Note: Investment equates to 'Modified' Gross Domestic Fixed Capital Investment as it removes the distortionary impact of R&D-related intellectual property imports and aircraft leasing and better captures domestic investment activity.**

Source: Quarterly National Accounts, CSO
Last updated: June 2022 **Next update:** Q3 2022

Section 4: Property Market Transactions

Figure 4.1 Quarterly Market Transactions

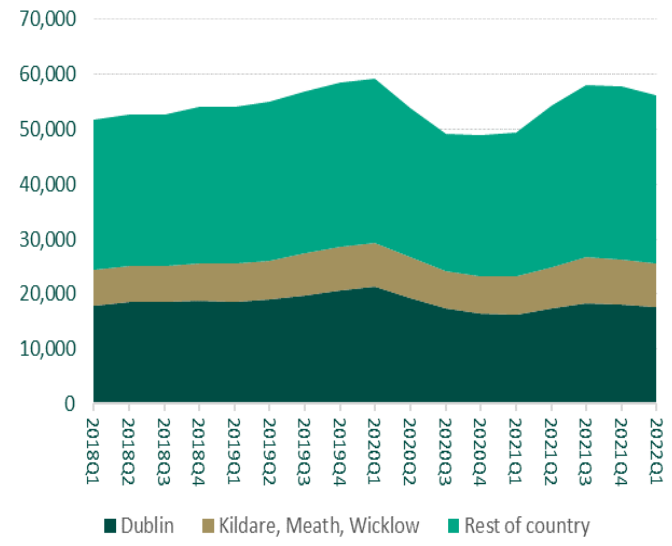


Latest developments:

- Transactions in Q1 2022 were 10,710, a decrease of 17 per cent nationally compared to Q1 2021.
- Transactions in Q1 in Dublin were 3,567, a decrease of 9% on Q1 2021. Transactions in Kildare, Meath and Wicklow were 1,354, a decrease of 20% on Q1 2021, while in the rest of the country transactions were 5,789, a decrease of 13% over the same time period.

Source: CSO RPPI
Last updated: May 2022 **Next update:** August 2022

Figure 4.2 Four Quarter Residential Property Trans.



Latest developments:

- At 56,227, transactions were 14% higher in the 12 months to Q1 2022 compared to the 12 months to Q1 2021.
- Transactions were 9% higher in Dublin, 14% higher in Kildare, Meath and Wicklow the 12 months up to Q1 2021.

Source: CSO RPPI
Last updated: May 2022 **Next update:** August 2022

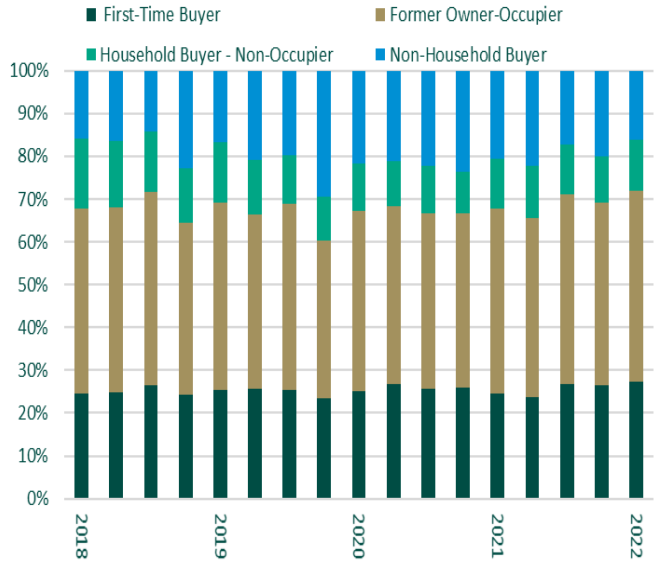
Figure 4.3 Regional Breakdown of Transactions

Latest developments:

- In Q1 2022, Dublin accounted for 28% of all transactions. While Kildare, Meath and Wicklow accounted for 14% of transactions with the rest of the country accounting for the remaining 58% of all transactions in Q1 2022.
- The chart shows that the regional breakdown of transactions has been relatively steady across all regions of the country.

Source: CSO RPPI
Last updated: May 2022 **Next update:** August 2022

Figure 4.4 Proportion of Residential Market Buyers



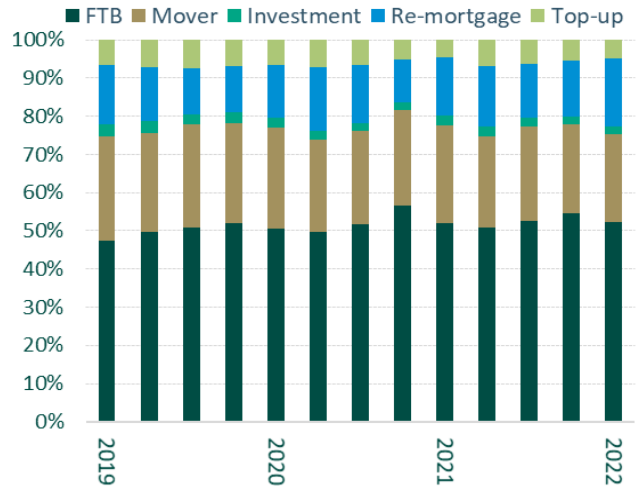
Latest Developments:

- Former owner occupiers represent the largest share of the market, accounting for 45% of all transactions in Q1 2022.
- The share of first-time buyers (FTB) has increased from 21% in Q1 2016 to 27% in Q1 2022.
- Non-Household purchasers (e.g. private firms and public sector institutions) accounted for 16% of market transactions in Q1 2022.
- Household buyer –non occupiers accounts for 12% of residential market buyers. This share has fallen from a high of 23% in Q1 2014.

Source: CSO RPPI
Last updated: May 2022 **Next update:** August 2022

Section 5: Mortgage Market Activity

Figure 5.1 No. of Mortgages Drawn Down

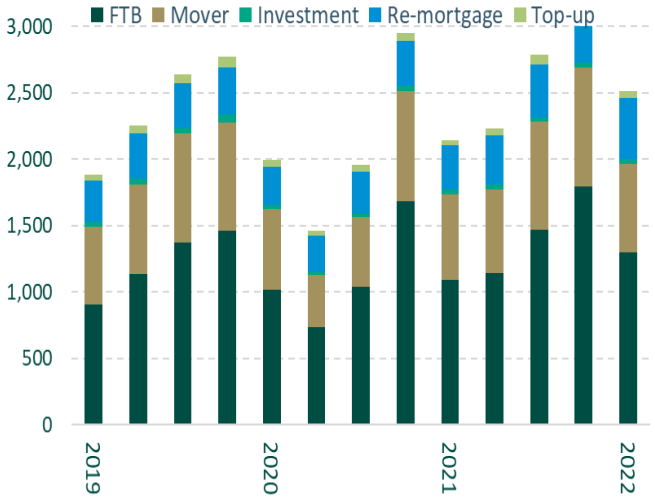


Latest developments:

- The number of mortgage drawdowns for home purchase in Q1 2022 (7,654) was 5% higher than the 7,294 drawdowns for home purchase in Q1 2021.
- Composition of mortgage drawdowns in Q1 2022: FTB 52%, Movers 23%, Investment 2%, Re-mortgage 18% and Top-up 5%.
- Approximately 68% of all mortgages drawn down for **purchases** were by first-time buyers in 2021.

Source: BPFI – Data from BPFI member institutions.
Last updated: April 2022 **Next update:** Q3 2022

Figure 5.2 Value of Loans Drawn down

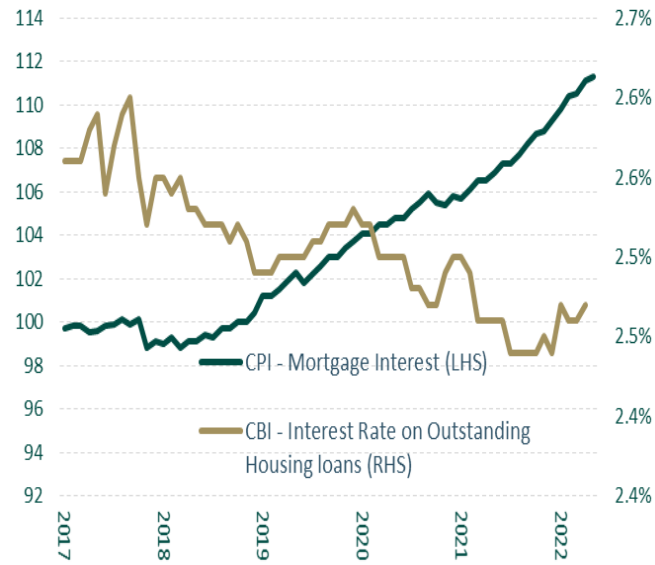


Latest developments:

- The value of mortgage drawdowns for house purchases in Q1 2022 (€1,998m) increased by 13% compared to Q1 2021.
- Composition of value of all mortgage drawdowns in 2021: FTB 52%, Movers 27%, Investment 1%, Re-mortgage 18% and Top-up 2%.
- Approximately 65% of the value of all mortgages drawn down for **purchases** were by first-time buyers in Q1 2021.

Source: BPFI – Data from BPFI member institutions.
Last updated: April 2022 **Next update:** Q3 2022

Figure 5.3 Mortgage Interest Rates

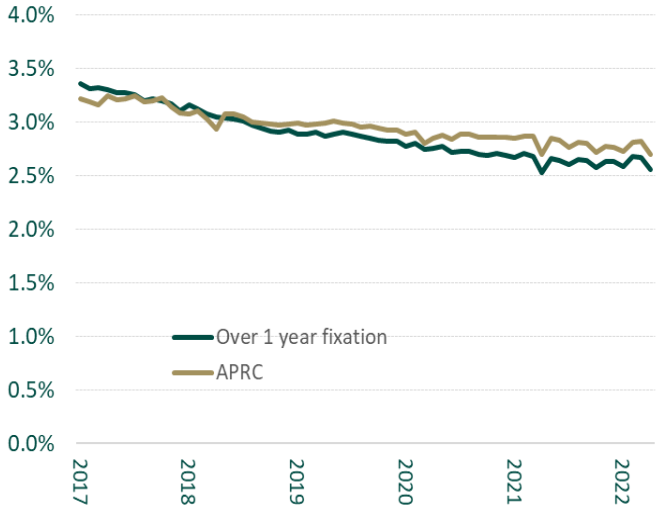


Latest developments:

- The average mortgage interest rate on the stock of outstanding housing loans with original maturity over 5 years was approximately 2.5% in January 2021.
- This figure disguises compositional differences between those on standard variable rates and tracker mortgages.

Source: Central Bank, CSO.
Last updated: June 2022 **Next update:** July 2022

Figure 5.4 Interest Rate on New Housing loans



Latest developments:

- The average mortgage interest rate agreed on new housing loans is 2.6% as of April 2022.
- This is an increase on the 2.5% recorded in April 2021, which was the lowest prevailing rate of interest on new housing loans since the beginning of the data set in 2003.

Source: Central Bank.
Last updated: June 2022 **Next update:** July 2022

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