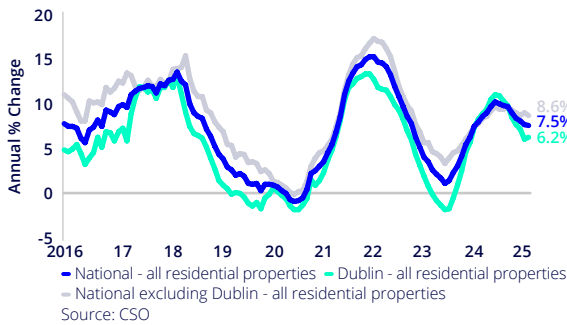


Housing Update

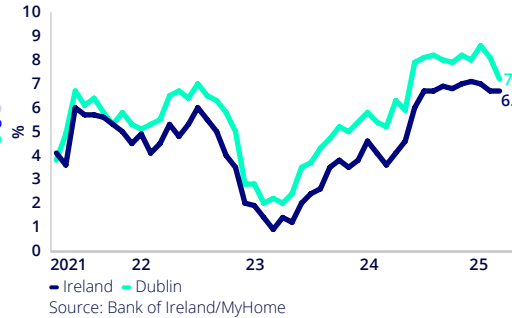
June 2025

Pricing

House Prices



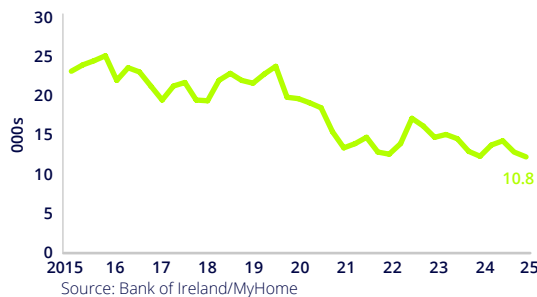
Median Gap between Asking and Transaction Price



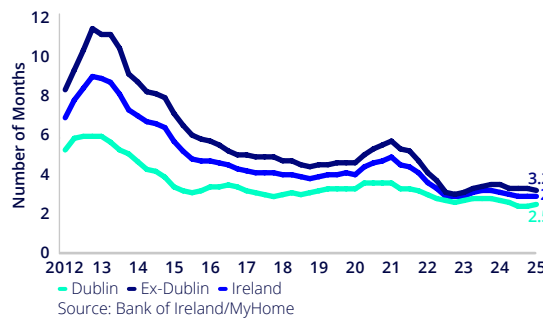
- Residential property prices increased by 7.5% year-on-year (y-o-y) in April.
- Prices in Dublin rose by 6.2% and outside Dublin by 8.6%.
- MyHome data shows asking prices increased by 8.1% y-o-y in Q1, implying continued house prices gains into 2025.
- Activity in the early part of the year can be slower and price pressures usually ease back, but we are seeing monthly gains pick up again with a 0.3% gain in April.

Housing Availability

Stock of Properties Listed for Sale on MyHome



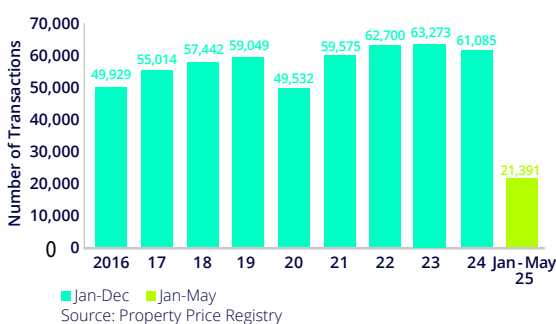
Average Time to Sale Agreed (Rolling 4-Quarter Average)



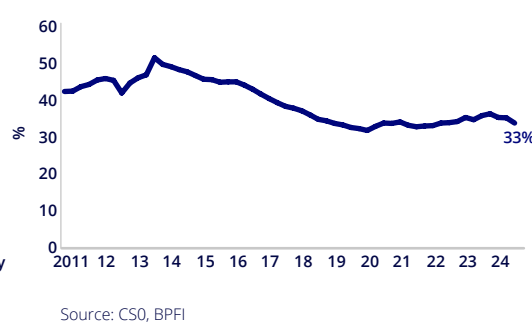
- The number of properties listed for sale on MyHome was 10,800 in March, a historic low.
- Well down on the levels above 20,000 pre-pandemic.
- Property is selling at an exceptionally quick pace.
- Average time to sale agreed is 11 weeks in Q1, again close to record lows.

Transactions

Residential Property Transactions



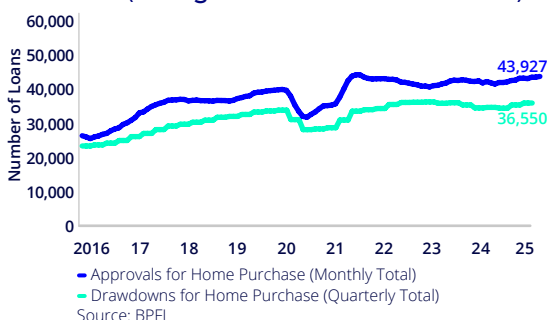
Estimated % of Cash Buyers (Households Only)



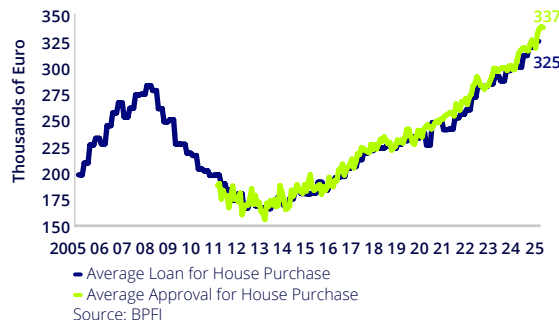
- Limited stock for sale is hampering activity, despite robust demand.
- There were about 61,000 transactions in 2024, down about 3% from 2023. Transactions in the first five months of the year are down only marginally.
- A lack of property for sale is holding back the market, particularly amongst movers.
- Cash buyers have been relatively steady in recent quarters and account for around one in three household purchases.

Mortgage Market

Mortgage Approvals and Drawdowns for Home Purchase (Rolling 12 Month and 4 Quarter Total)



Average Mortgage Drawdown and Approval for House Purchase



- There were 9,190 drawdowns in Q1 2025, up 10% y-o-y.
- FTB drawdowns were up 8.3%, movers up 9.2% on the year but it should be noted that Q1 2024 was poor, boosting the year-on-year comparison. There has also been a pick up in remortgaging activity, which is up 19%. The average loan for house purchase was just under €325,000 in Q1, up 8%.
- There was 21,079 mortgage approvals in the first five months of 2025, up 7.4% y-o-y. Approvals for house purchase were up 3.5% with the average approval up 6.7% yoy to €337k. There has been a strong uptick in remortgaging interest as the interest rate environment has softened.

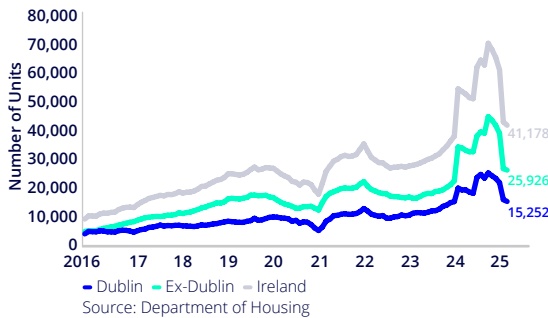
Housing Update

June 2025

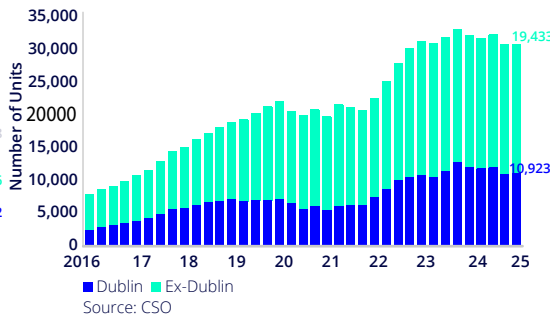


Residential Construction Activity

Housing Starts (Rolling 12-Month Total)



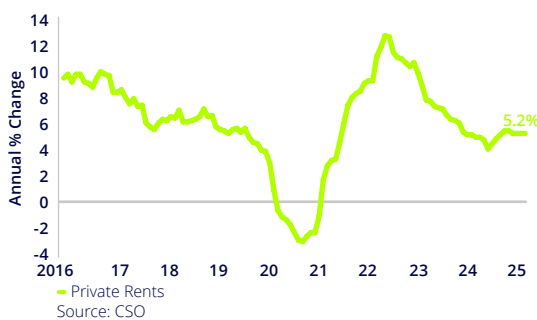
Housing Completions (Rolling 4-Quarter Total)



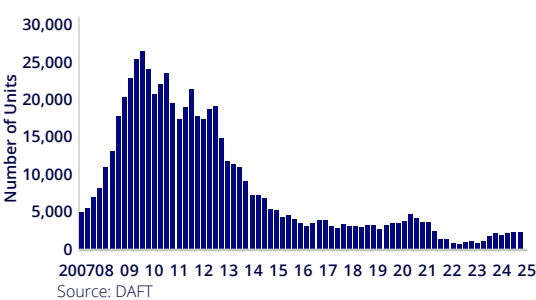
- 5,938 completions in Q1 2025, up 2% on the year.
- House completions were up down 2% on the year, to 4,157 while apartment completions rebounded, up 13%. Total completions over the 12 months to Q1 was circa. 30,400, well short of housing demand.
- Completions do not appear to be accelerating in line with the surge in housing starts, which were artificially inflated to 69,000 last year due to temporary waivers.
- Housing starts have slowed in 2025, not unexpectedly, given the surge in 2024. Jan-May 2025 saw 4,969 starts compared to a waiver boosted 32,851 for the same period in 2024 but also well down on the 12,987 recorded in 2023.

Rental Market

Rents



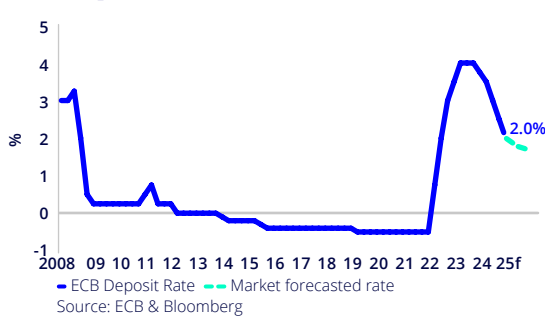
Available Rental Stock



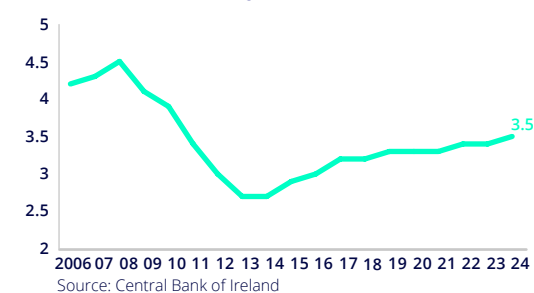
- Rental inflation has been running steadily at an annual rate above 5% since November of last year, coming in at 5.2% in May.
- The rental market remains very tight with limited supply of new rental homes.
- Stock for rent is increasing slightly, but remains at low levels compared to demand. DAFT.ie data shows just 2,300 homes for rent in May of 2025. The report also points to a limited supply of private rentals coming to market.

Affordability

ECB Deposit Rate



Median First Time Buyer's Loan-to Income Ratio



- The ECB cut rates again at their June meeting, by 25bps, taking the deposit rate to 2% (main refinancing rate 2.15%). The ECB has now cut rates by a cumulative 200bps since the start of last summer.
- Increased geopolitical tensions and changes in US trade policies have increased uncertainty but the market thinks the ECB is close to the end of its easing cycle, with just one more 25bps cut fully priced in.
- First time buyers have an increasing appetite for credit with central bank data showing 1/3 of FTBs had a loan-to-income ratio of 3.75-4.0 in 2024 compared to 1/4 in 2023.

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