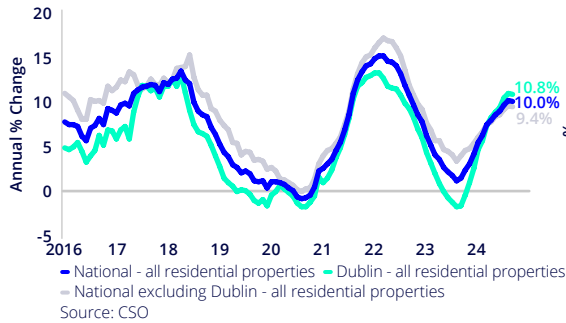


Housing Update

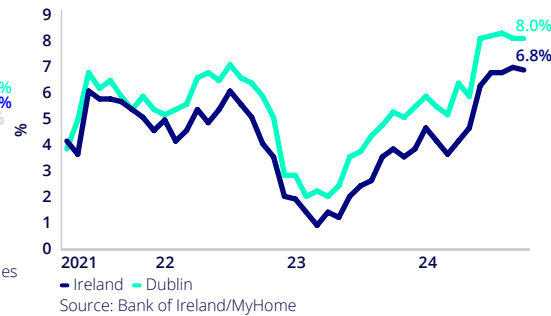
November 2024

Pricing

House Prices



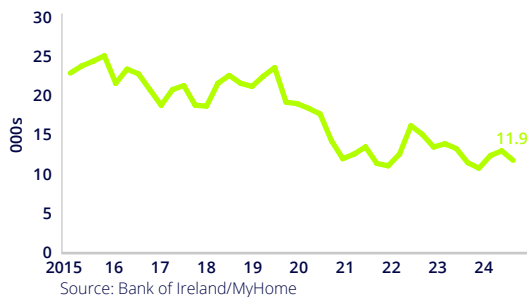
Median Gap between Asking and Transaction Price



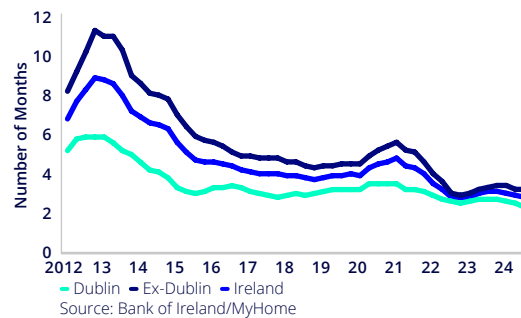
- Residential property prices increased by 10.0% year-on-year (y-o-y) in September 2024.
- Prices in Dublin rose by 10.8% and outside Dublin by 9.4%.
- Momentum in prices with a monthly increase of at least 0.9% in each of the four months to September.
- The market is tight and the median gap between asking price and sale agreed has risen to just under 7% nationally and to 8% in the capital.

Housing Availability

Stock of Properties Listed for Sale



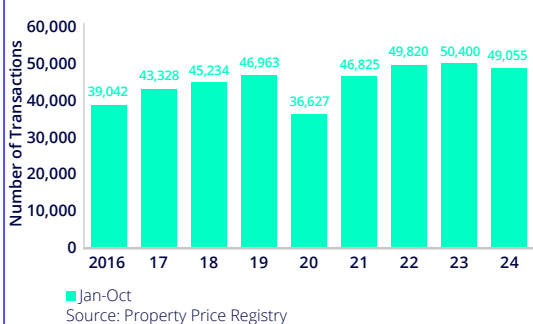
Average Time to Sale Agreed (Rolling 4-Quarter Average)



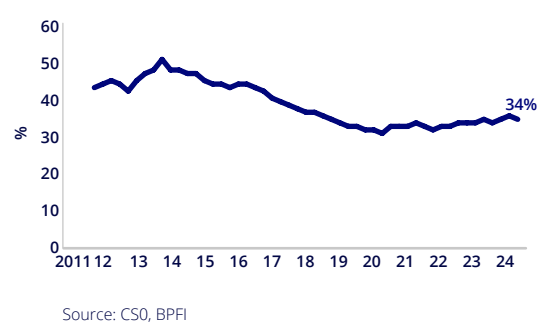
- The number of properties listed for sale on MyHome was 11,900 in November, near historic lows and also reflecting the usual winter trough.
- Well down on the levels above 20,000 pre-pandemic.
- Property is selling at an exceptionally quick pace.
- Average time to sale agreed is 12 weeks, close to all time lows.
- Some signs more stock is coming to market with MyHome data showing new instructions for sale were up 2% in Q3.

Transactions

Residential Property Transactions



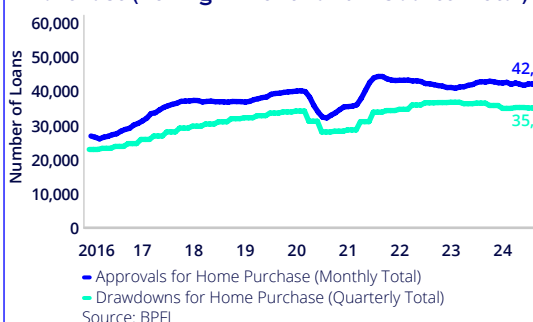
Estimated % of Cash Buyers (Households Only)



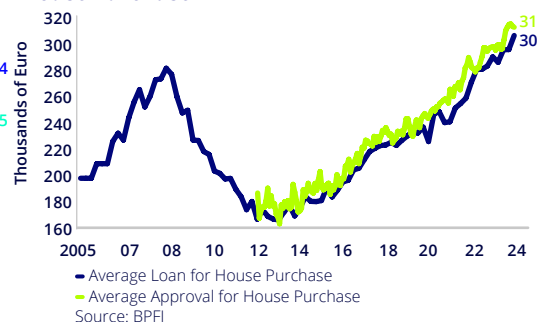
- Limited stock for sale is hampering activity, despite robust demand.
- There were about 49,055 transactions in the first ten months of this year, down less than 3% on the same period of last year.
- Data for October is encouraging and showing a bounceback, with transactions up on October 2023.
- Cash 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



- 38,516 mortgage approvals in the first three quarters of the year, down 0.3% on Jan-Sept 2023.
- Approvals activity has improved over the past three months, compared to a weaker first half. Average approval for house purchase increased to €315,700 in September, up 5.3% on the year.
- There was 30,303 (-5.3% y-o-y) drawdowns the first three quarters. First time buyers activity in volume terms was more or less flat y-o-y in Q3 while mover purchasers were weak. Switching activity is picking up again.
- Average approval (and drawdowns) are increasing, pointing to further upward moves in house prices.

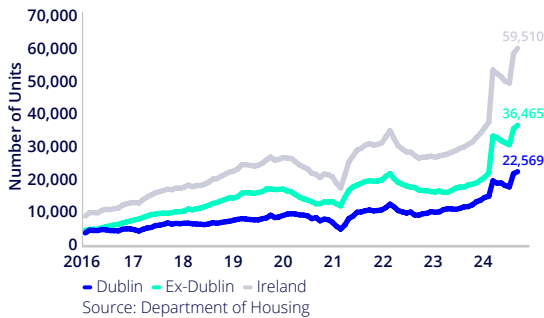
Housing Update

November 2024

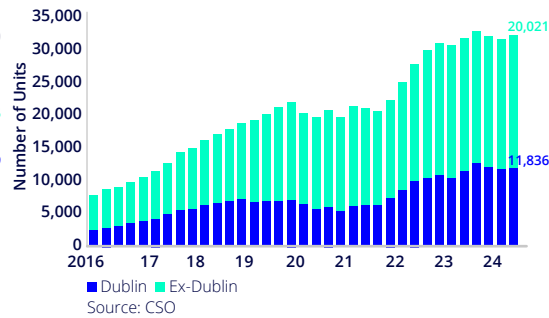


Residential Construction Activity

Housing Starts (Rolling 12-Month Total)



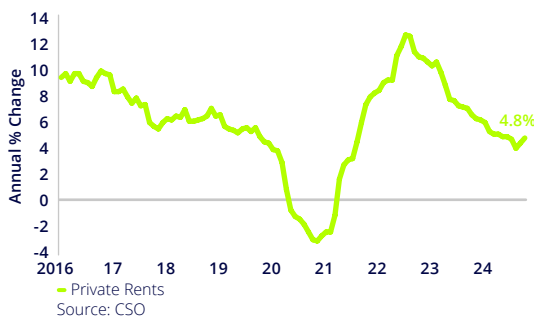
Housing Completions (Rolling 4-Quarter Total)



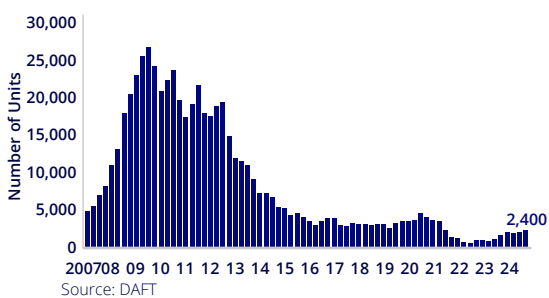
- 21,634 new dwelling completions in first three quarters of the year, down 3.1% on same period of 2023.
- Supply is picking up moving through 2024 and, usually, Q4 delivers the most units of any quarter in any given year.
- 53,256 housing starts in the first ten months of the year, up c.100% y-o-y.
- Starts in April and September were inflated by planned expiries of waivers on development and water levies. This has taken the 12-month rolling starts level to near 60,000, but timeframe for completion of these units is not clear.
- Expect completions to rise from c.32,000 in 2023 to mid 40,000's by 2026.

Rental Market

Rents



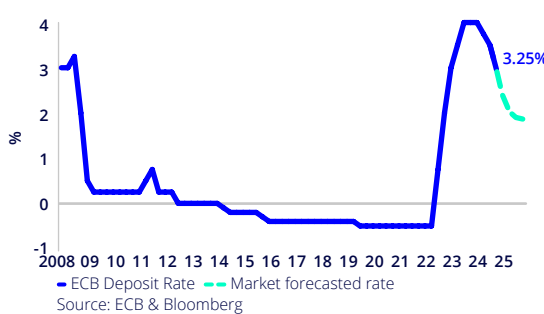
Available Rental Stock



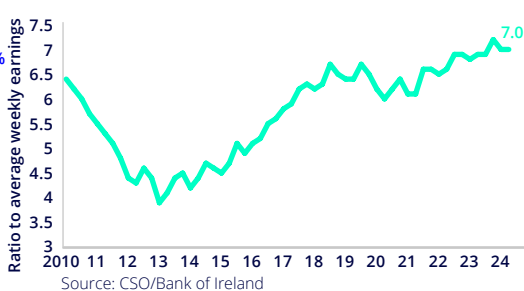
- While rental inflation has moderated compared to 2022, annual private rent inflation has ticked up in October, to 4.8% year-on-year.
- The rental market remains very tight with limited supply of new rental homes.
- Stock for rent is increasing slightly, but remains at low levels compared to demand. DAFT.ie data shows just 2,400 homes for rent in November.

Affordability

ECB Deposit Rate



Median House Purchase / Average Earnings



- ECB is set to continue its easing cycle as average inflation across the zone has eased back towards target (2.0% y-o-y in October) while economic growth has been sluggish (0.9% y-o-y in Q3).
- The deposit rate has been cut to 3.25% and the main refinancing rate has been cut to 3.4%.
- Markets have fully priced in another 25bps cut at the December meeting and further cuts during 2025.
- Average annual earnings are currently €50,000, seven times the median house price is €350,000.

Contact Us

economics@boi.com

Conall MacCoille

Group Chief Economist
+353 87 788 4264

Patrick Mullane

Senior Economist
+353 87 682 5130

Mark Leech

Head of Media Relations
+353 87 905 3679

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