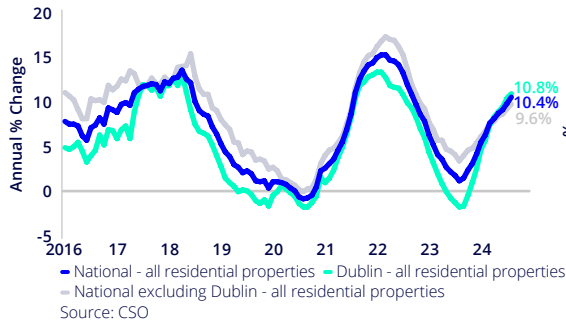


Housing Update

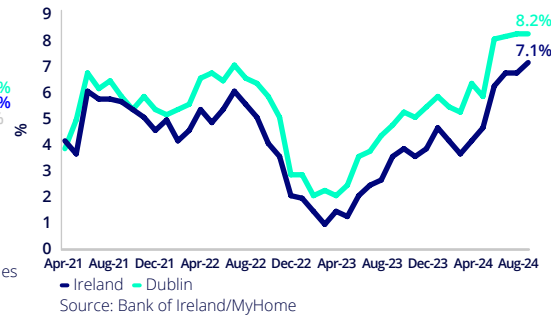
October 2024

Pricing

House Prices



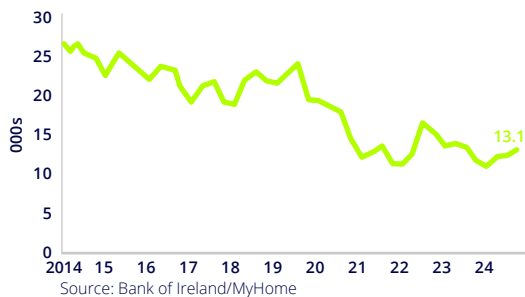
Median Gap between Asking and Transaction Price



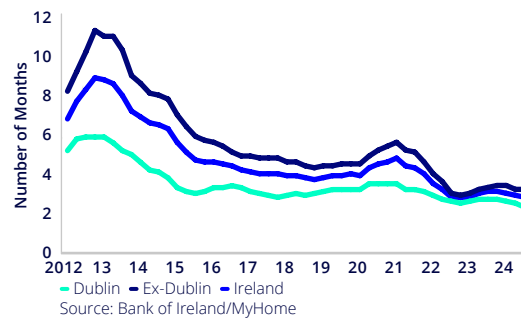
- Residential property prices increased by 10.4% year-on-year (y-o-y) in August 2024.
- Prices in Dublin rose by 10.8% and outside Dublin by 9.6%.
- MyHome data shows that asking prices increased by 7.5% y-o-y in Q3.
- The market is tight and the median gap between asking price and sale agreed has risen to 7% nationally.
- One in seven properties are selling for 20% above asking.

Housing Availability

Stock of Properties Listed for Sale



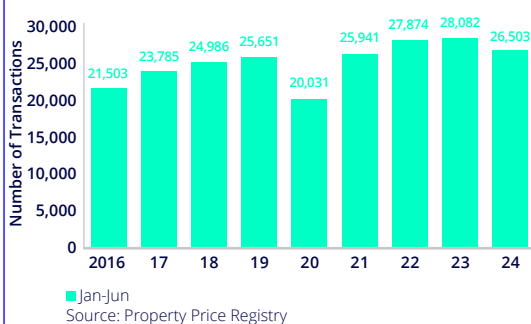
Average Time to Sale Agreed (Rolling 4-Quarter Average)



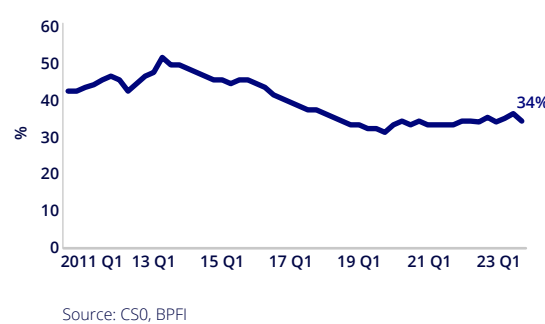
- The number of properties listed for sale on MyHome was 13,100 in September, close to historic lows.
- Well down on the levels above 20,000 pre-pandemic.
- Property is selling at an exceptionally quick pace.
- Average time to sale agreed is 12 weeks, close to all time lows.
- Some signs more stock is coming to market with MyHome data showing new instructions for sale were up 2% in Q3.

Transactions

Residential Property Transactions



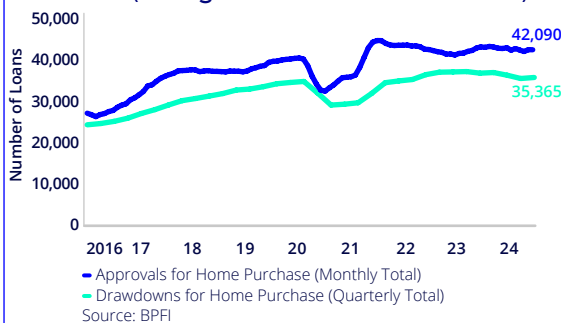
Estimated % of Cash Buyers (Households Only)



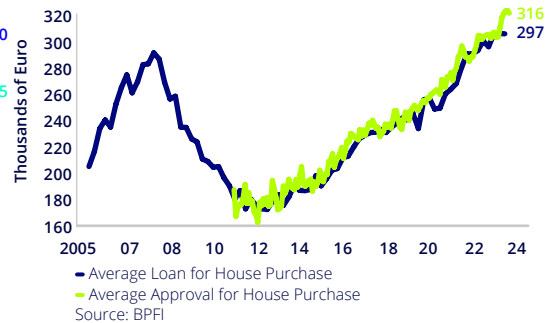
- Limited stock for sale is hampering activity, despite robust demand.
- There were about 26,500 transactions in the first half of this year, down about 5.5% on H1 2023.
- Some better signs for Q3, with early indications that transactions might be around flat y-o-y.
- Cash buyers estimated around one-third of household purchases, relatively consistent in recent years.

Mortgage Market

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



Average Mortgage Drawdown and Approval for House Purchase



- 34,071 mortgage approvals in the first eight months of 2024, down 1.2% y-o-y.
- 21,087 approvals (61.9%) were for first time buyers, whose approvals are up 0.6% y-o-y.
- There was 18,529 (-9.1% y-o-y) drawdowns in H1. There are signs of improvement in Q2, with first time buyer drawdowns of 6,300 (€1.825bn), the highest Q2 drawdowns for this segment since 2007.
- Average approval of €316,000 points to further house price gains going forward.

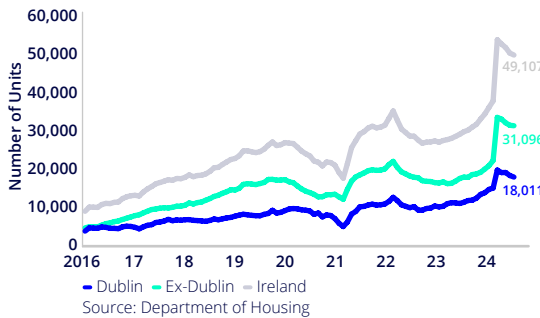
Housing Update

October 2024

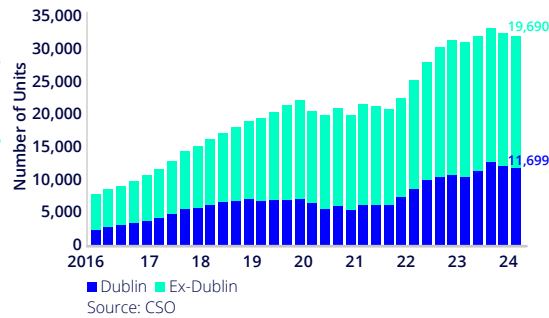


Residential Construction Activity

Housing Starts (Rolling 12-Month Total)



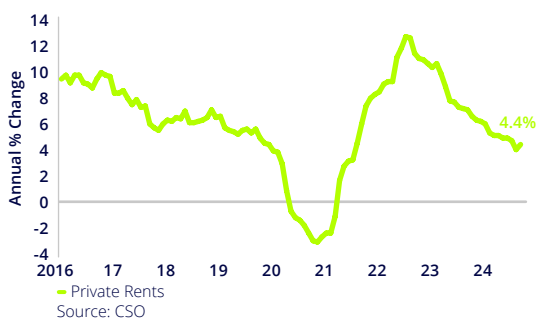
Housing Completions (Rolling 4-Quarter Total)



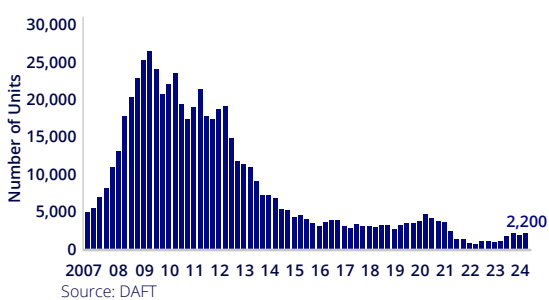
- 12,730 new dwelling completions in the first half of 2024, down 8.6% y-o-y.
- Reflects a weakening of housing starts at the start of 2023 when affordability was stretched.
- 37,622 housing starts in the first eight months of the year, up c.75% y-o-y.
- Starts inflated by homebuilders trying to get ahead of the expected waiver on development levies.
- Expect completions to rise from c.32,000 in 2023 to mid 40,000's by 2026.

Rental Market

Rents



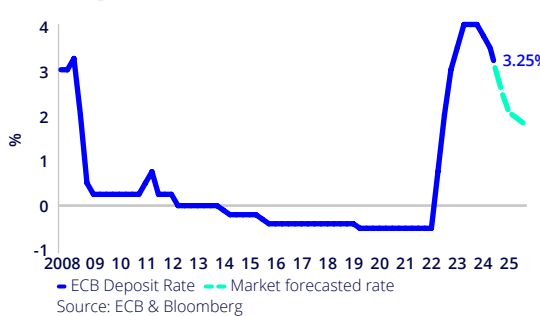
Available Rental Stock



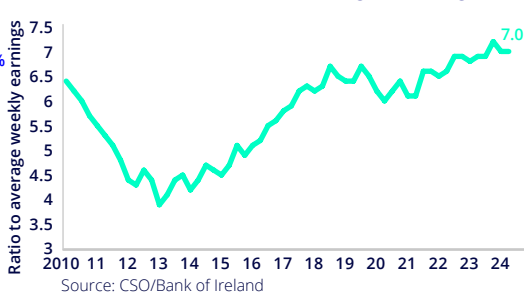
- The increase in private rents has moderated considerably and came in at 4.4% y-o-y in September 2024.
- The rental market remains very tight with limited supply of new rental homes.
- DAFT.IE data shows historically low stock for rent in August, just 2,200 units.
- Over 1,300 of these are in Dublin meaning the rental stock is particularly low outside the capital.

Affordability

ECB Deposit Rate



Median House Purchase / Average Earnings



- The ECB has now cut rates 3 times since it began to ease policy in June.
- The deposit rate has been cut by 75bps in total to 3.25% at the October meeting and the main refinancing rate has been cut by 110bps to 3.4%.
- The market view is that the ECB is likely to continue to cut rates over the next year.
- Average annual earnings are currently €50,000, seven times the median house price is €350,000.

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