

**PAST, PRESENT, PROJECTIONS**

# Market Overview

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April 5th, 2022

# TOPIC

**ECONOMIC AND POLITICAL  
BACKGROUND**

**RESIDENTIAL MARKET**

**PRIVATE RENTAL SECTOR**

**CONCLUSION**

# AGENDA

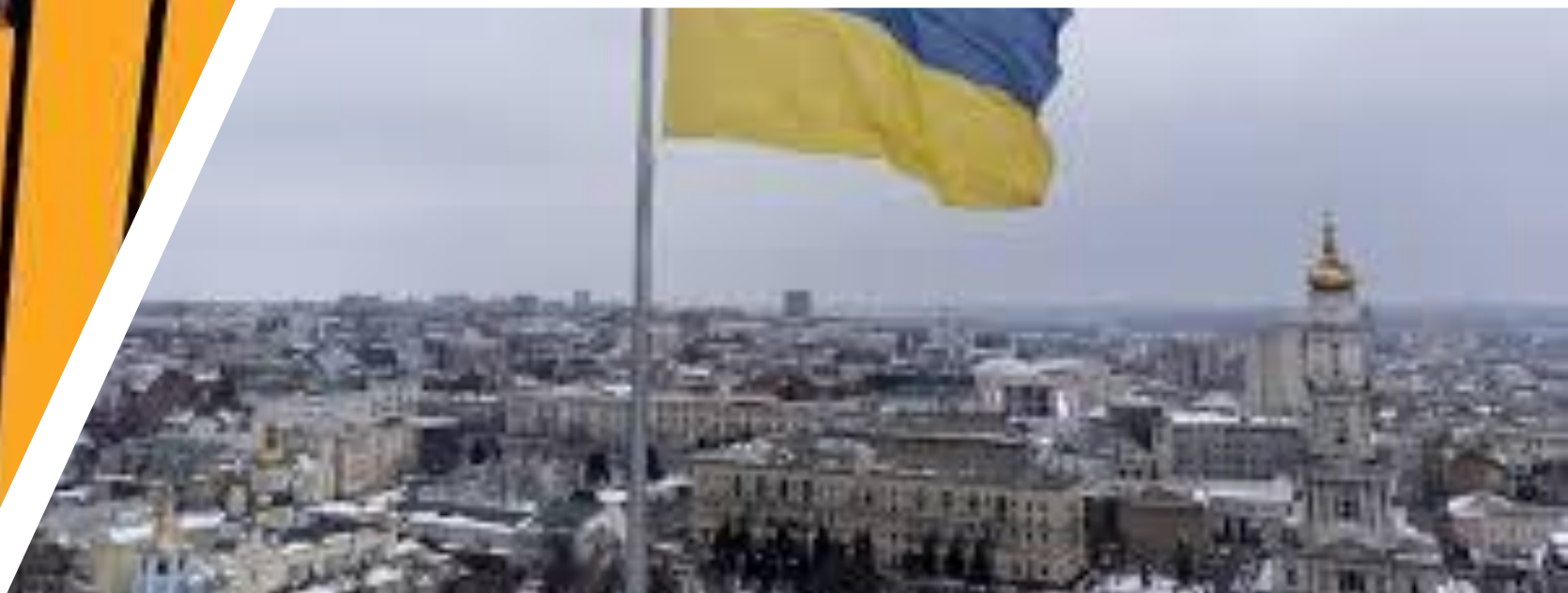
# Economic and Political Background

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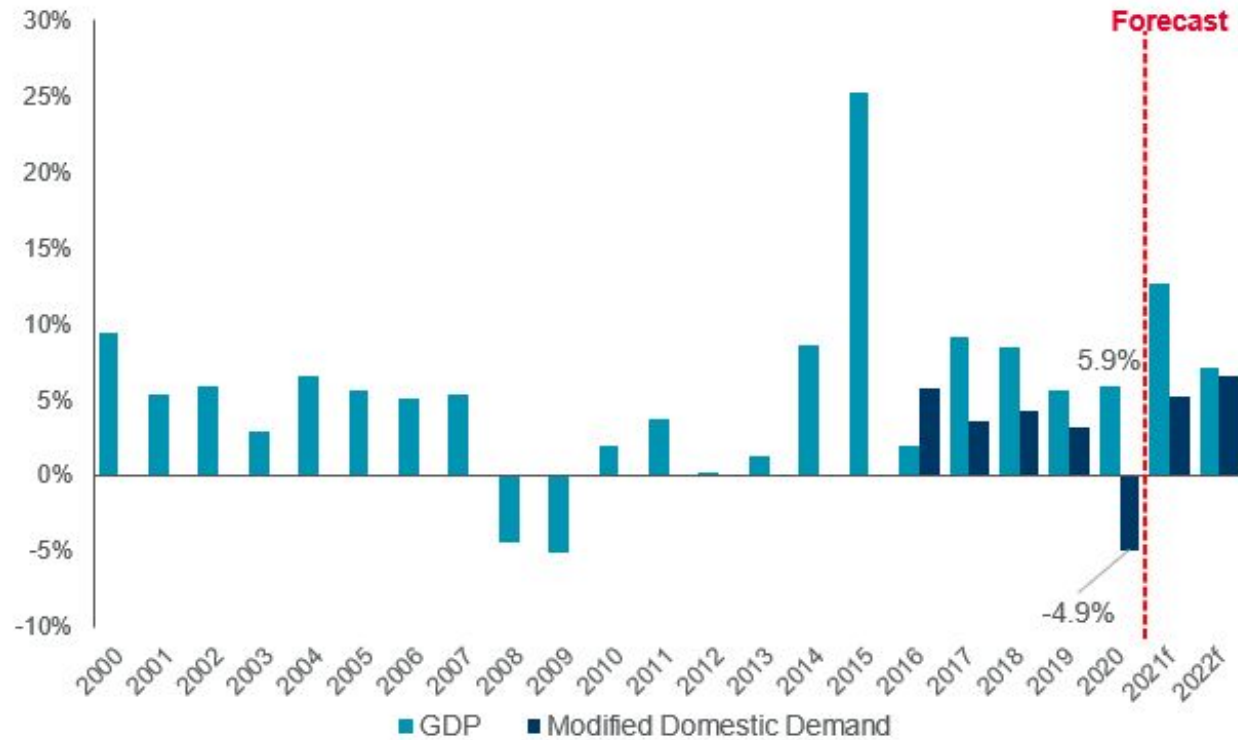
Banc Ceannais na h  
Central Bank of Ire

Eurosystem

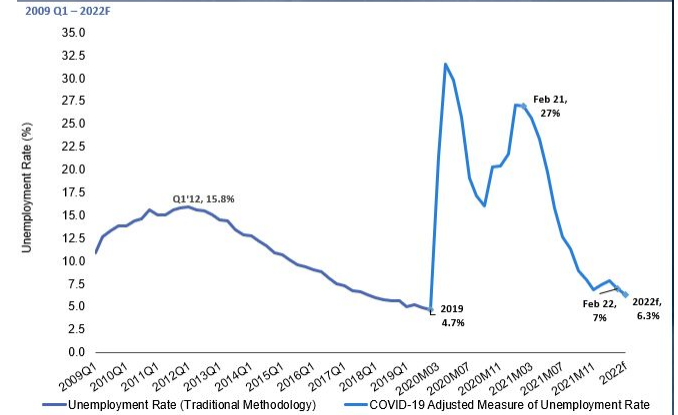


# GDP & MODIFIED DOMESTIC DEMAND

ANNUAL PERCENTAGE



## UNEMPLOYMENT RATE



## CONSUMER SENTIMENT INDEX







### LOAN TO VALUE (LTV) FOR PRINCIPAL DWELLING HOUSES (PDH)

PDH mortgages for non-first time buyers are subject to a limit of 80 per cent LTV.

For first time buyers of properties a maximum LTV of 90 per cent will apply.

These LTV limits should not be exceeded by more than 20 per cent of the euro value of all housing loans for second and subsequent PDH purposes, and not be exceeded by more than 5 per cent of the euro value of all housing loans for first time buyers, during an annual period.



### LOAN TO VALUE (LTV) FOR BTL MORTGAGES

BTL mortgages are subject to a limit of 70 per cent LTV.

This limit can only be exceeded by no more than 10 per cent of the euro value of all housing loans for non PDH purposes during an annual period.



### LOAN TO INCOME (LTI) FOR PDH MORTGAGES

PDH mortgage loans are subject to a limit of 3.5 times loan to gross income.

Taking effect on the 1<sup>st</sup> January 2018, the Central Bank has made revisions to the Loan-to-Income Allowances.

From this point on only 10 per cent of the value of new mortgage lending to second and subsequent buyers can be above the LTI cap, while 20 per cent of the value of new mortgage lending to first time buyers can be above the LTI cap.

Previously, the LTI limit was not to be exceeded by more than 20 per cent of the euro value of all housing loans for PDH purposes during an annual period.



Figure 1:  
Four Pathways  
to *Housing for All*

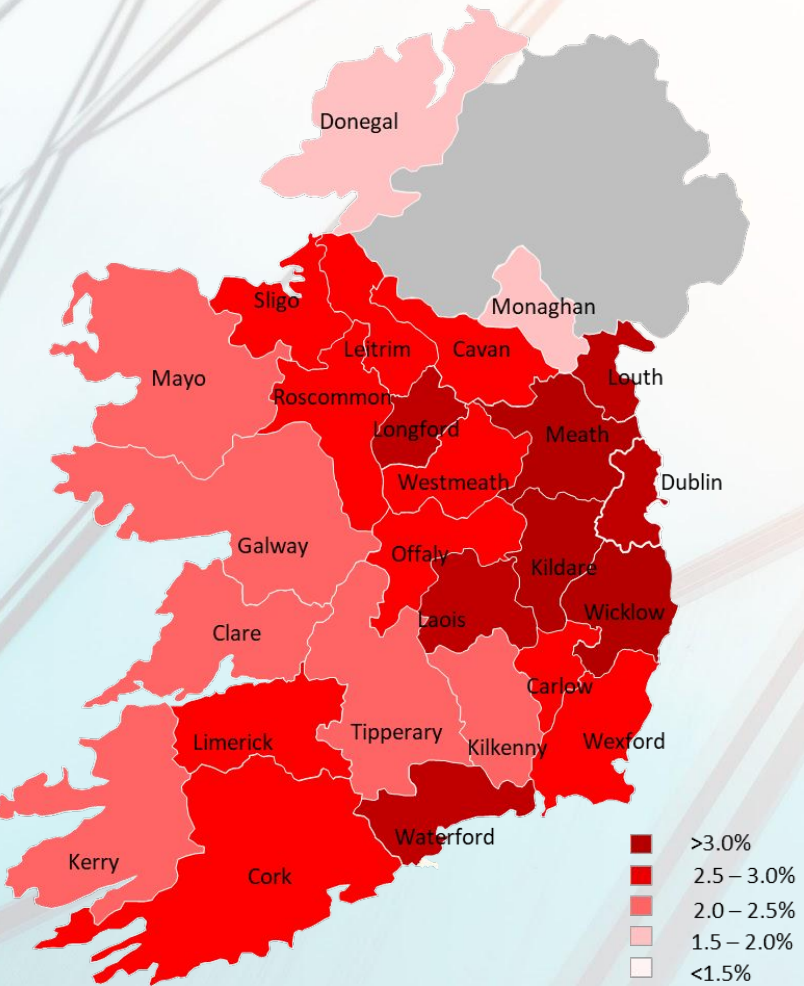
# Residential Market

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# MARKET ACTIVITY VOLUMES

2021



County	% of Housing Stock Sold
Kildare	3.8%
Wicklow	3.5%
Meath	3.3%
Waterford	3.3%
Laois	3.3%
Longford	3.3%
Louth	3.1%
Dublin	3.1%
Wexford	3.0%
Westmeath	2.9%
Leitrim	2.9%
Sligo	2.9%
Roscommon	2.9%
Carlow	2.9%
Cork	2.7%
Cavan	2.7%
Offaly	2.6%
Limerick	2.6%
Tipperary	2.5%
Clare	2.4%
Galway	2.4%
Kilkenny	2.4%
Mayo	2.3%
Kerry	2.2%
Donegal	2.0%
Monaghan	1.6%
State	2.8%

Ireland

54,600

(2.8% of private stock transacted)

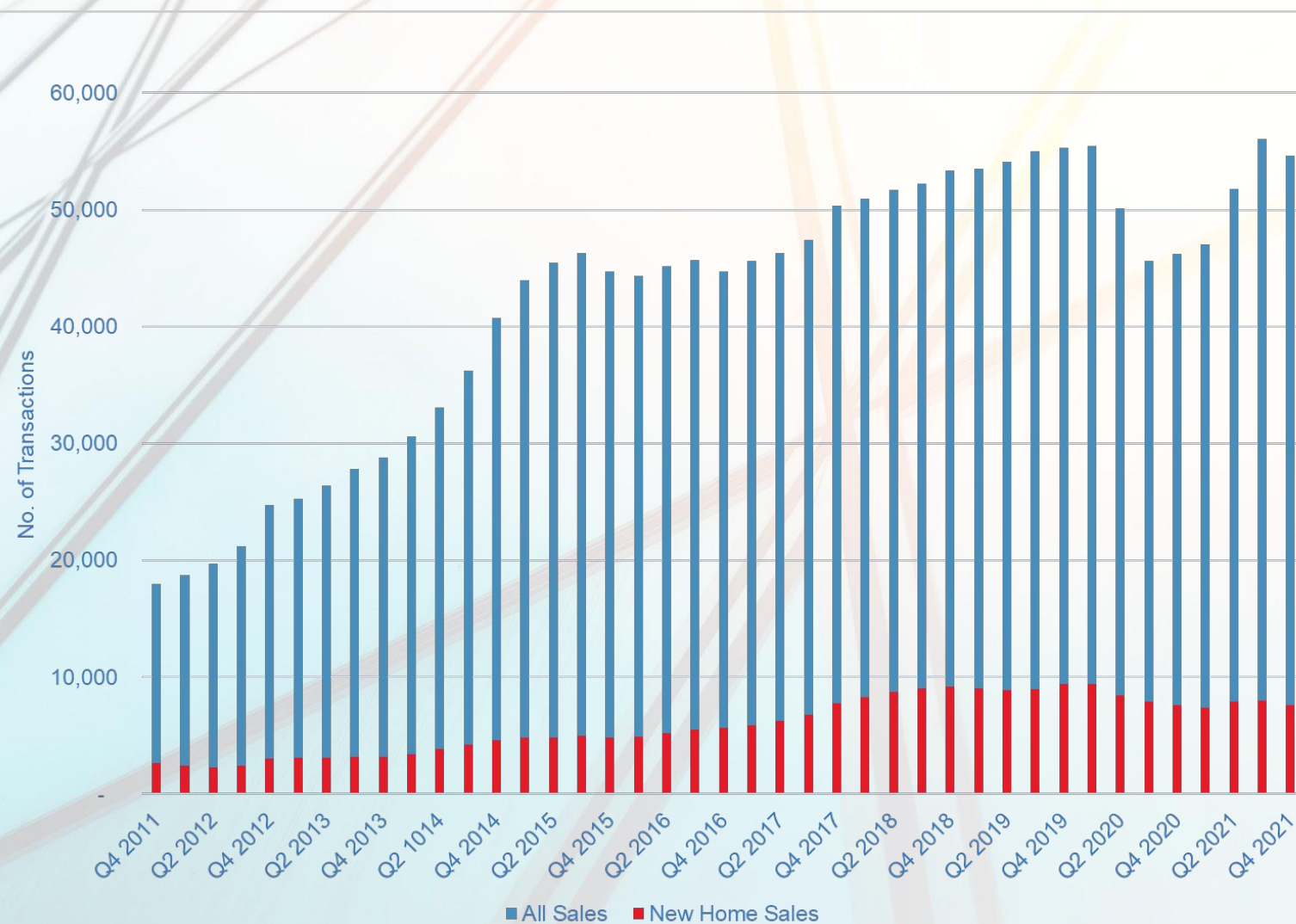
Dublin

15,700

(3.1% of private stock transacted)

# VOLUME OF SALES - ANNUALISED

Q4 2011 – Q4 2021



54,600

sales in Ireland\*  
annually to Q4 2021

+18% Y-O-Y



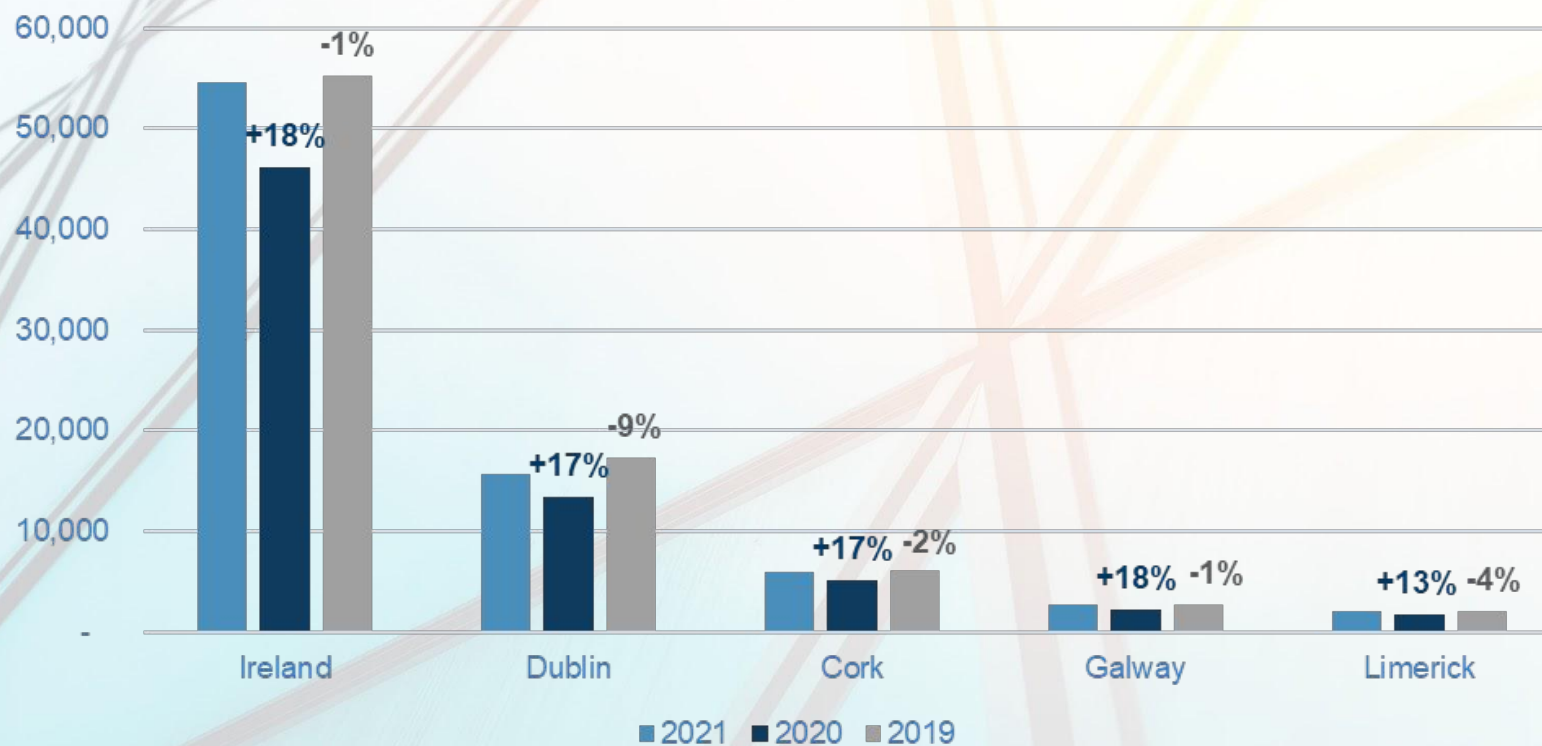
New Home Sales

+0.4% Y-O-Y

\*Excludes multi-family/block sales and rounded

# VOLUME OF SALES

2021 vs 2020, 2019



15,600

sales in Dublin\*  
in 2021

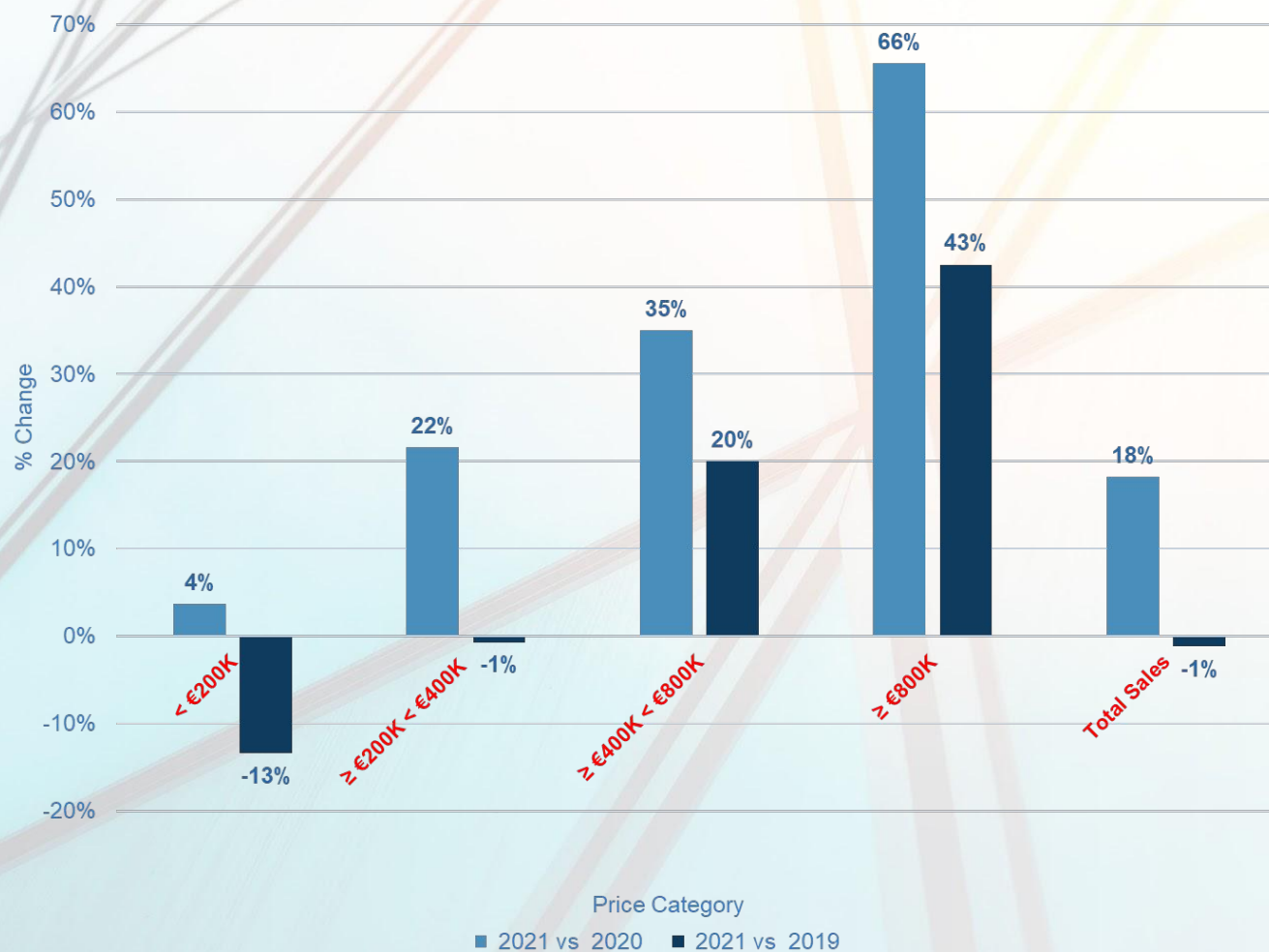


+18% Y-O-Y

\*Excludes multi-family/block sales and rounded

# VOLUME OF SALES – PRICE CATEGORY

2021 vs 2020 – 2021 vs 2019



Total Sales were up

**+18%**

for 2021 vs  
2020,

This compares to

**-1%**

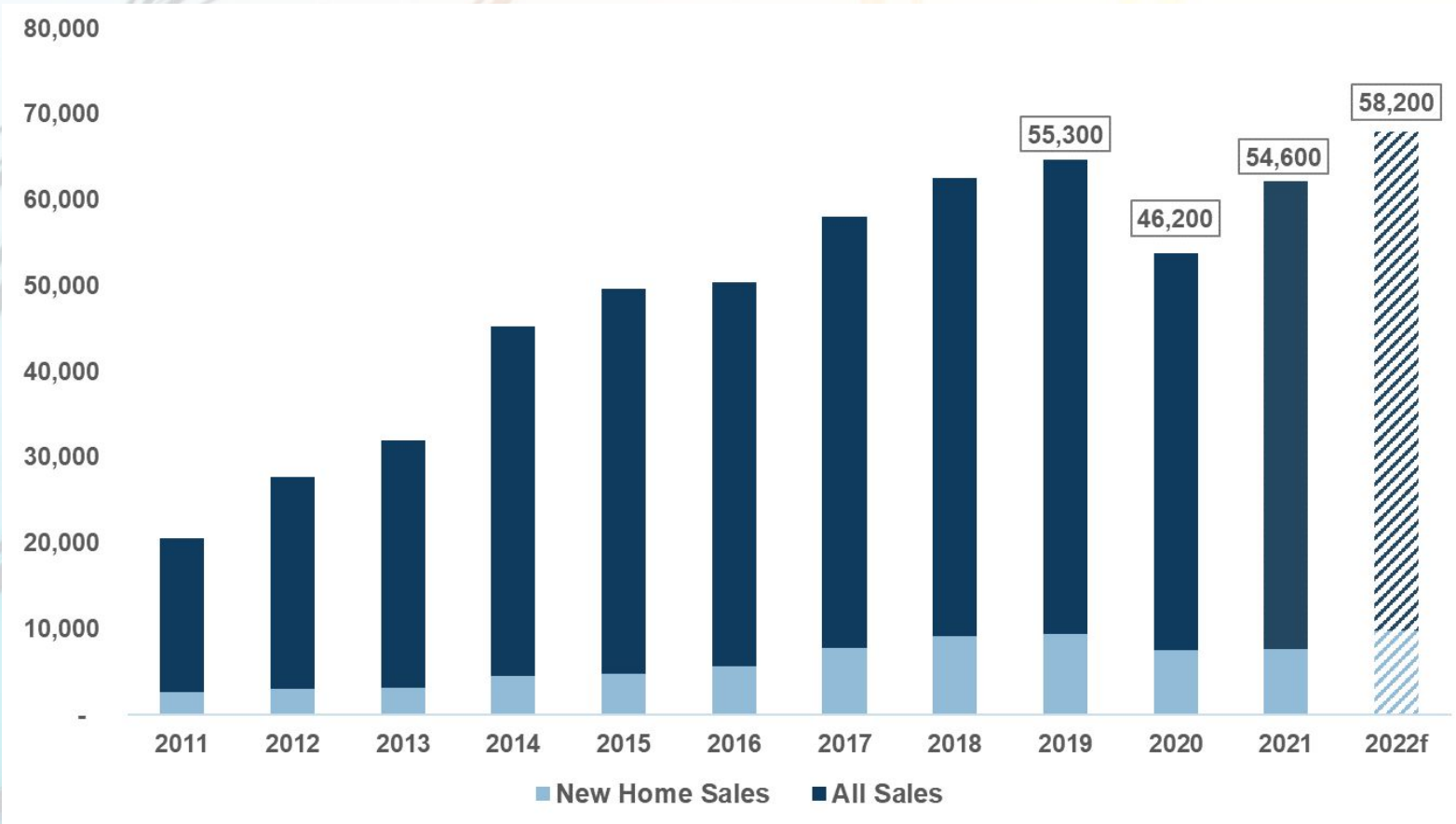
for 2021 vs  
2019

\*Excludes multi-family/block sales and rounded



# VOLUME OF SALES

2011 - 2022



Total Sales forecast to

**58,200**

for

2022

vs

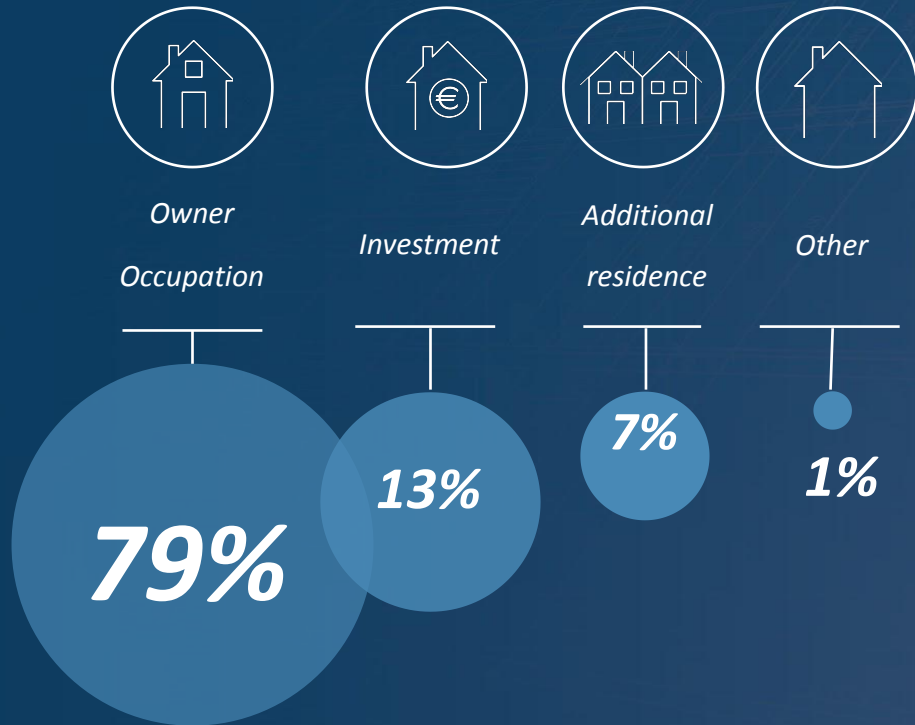
**54,600**



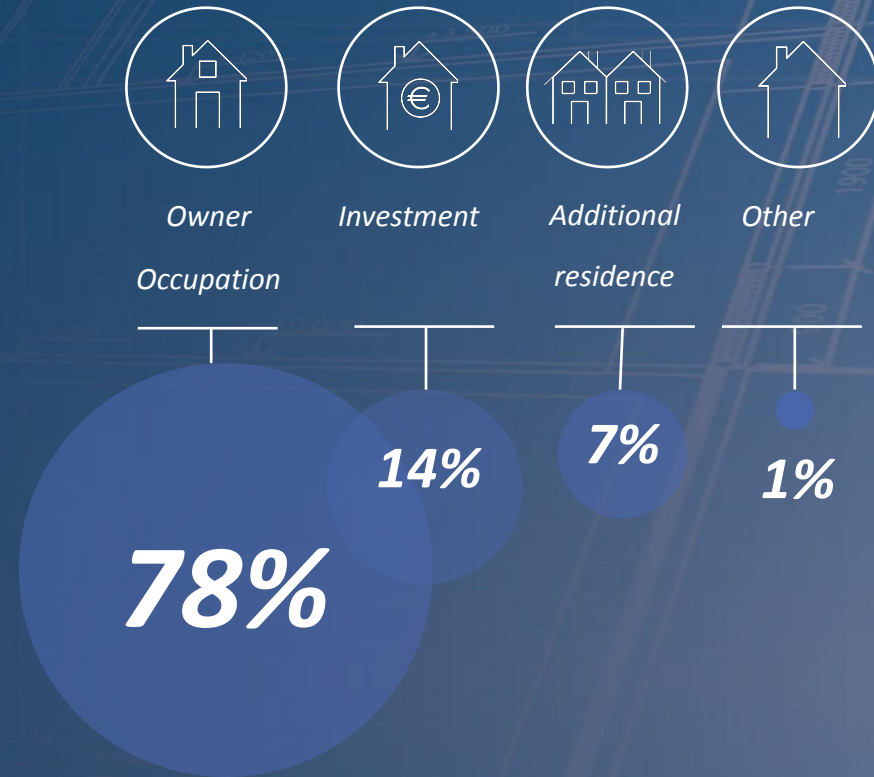
# PROFILE OF PURCHASER

2nd hand stock – Q1 2022

## Ireland



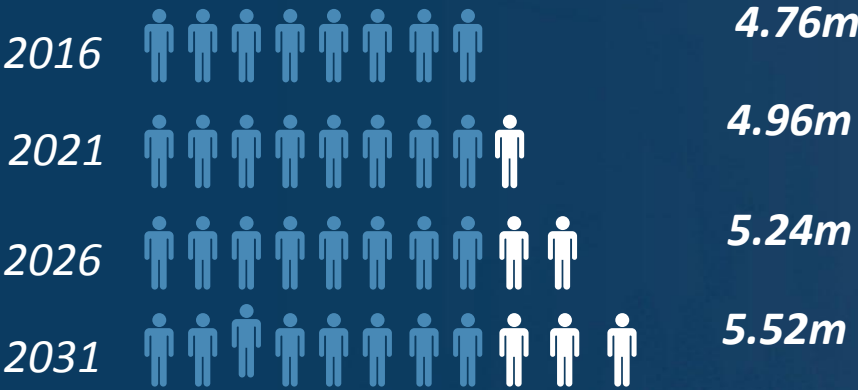
## Dublin



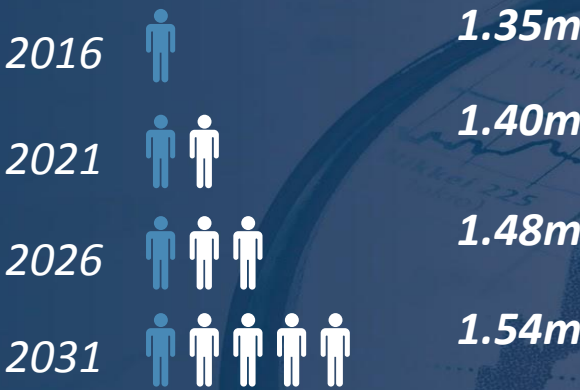
# FUTURE DEMAND

Demographic projections

## Ireland



## Dublin



# FUTURE DEMAND

## Demographic projections



### Ireland - Total

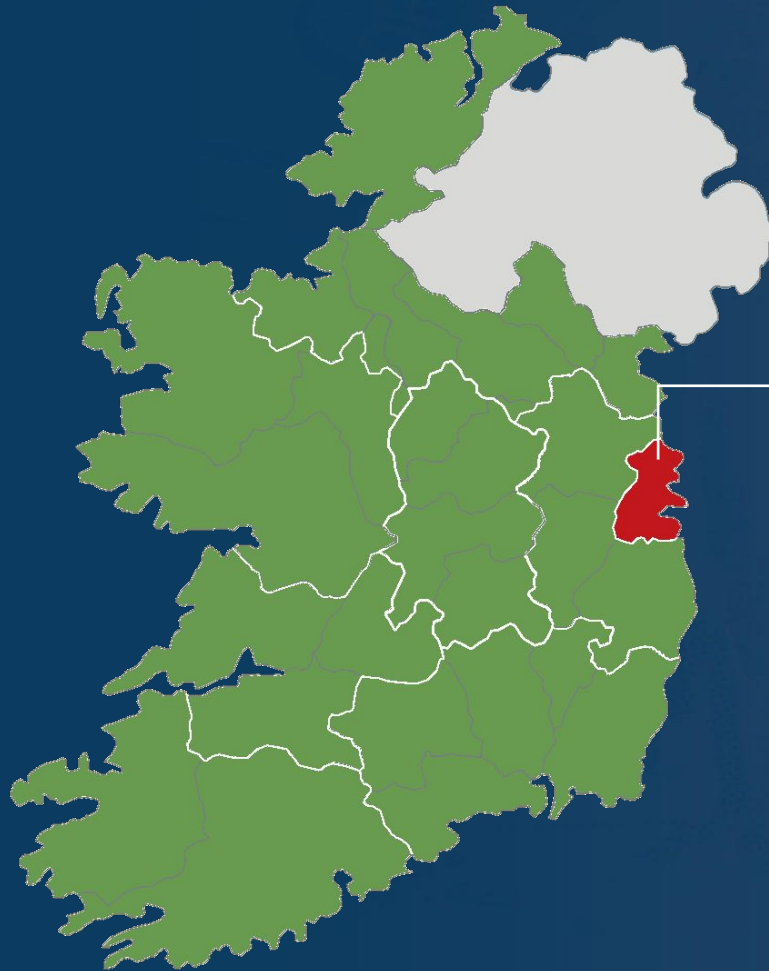


Year	Housing Demand
2022 - 26	30,900
2027 - 31	38,800
2032-2036	41,300



# FUTURE DEMAND

Demographic projections



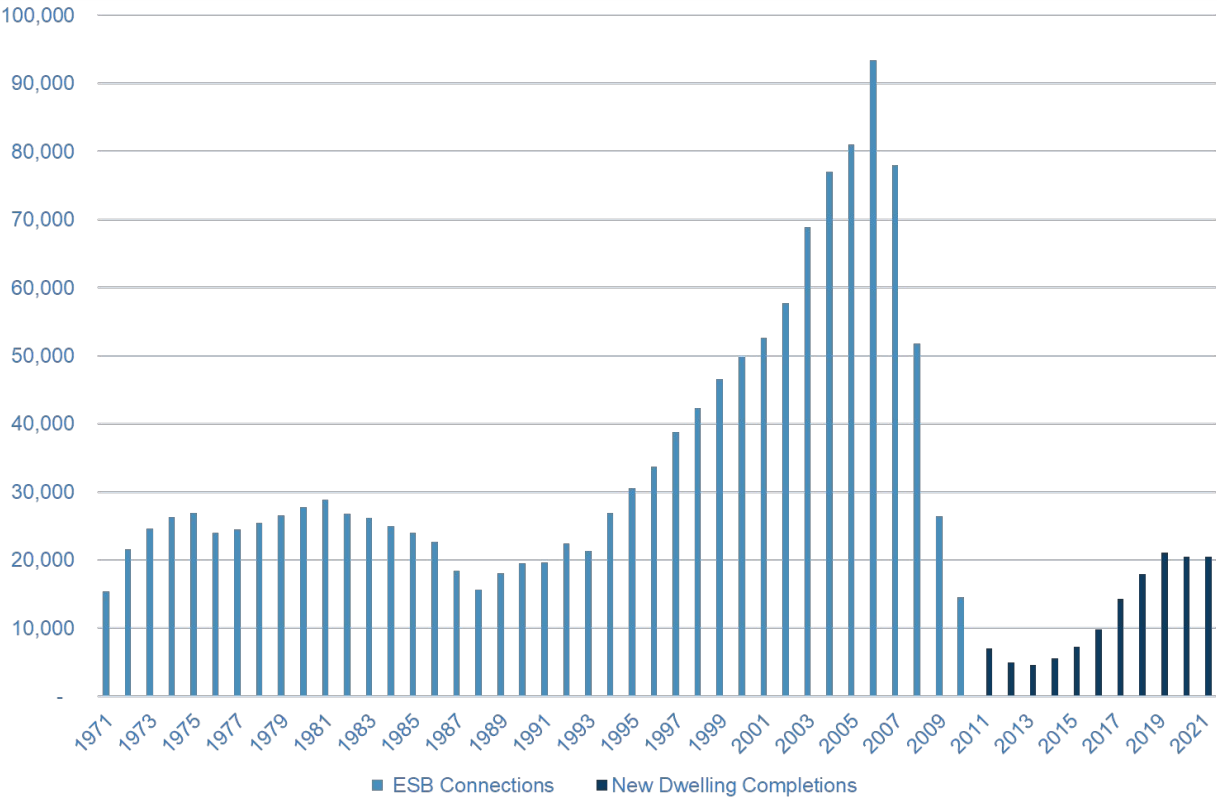
*Dublin*



Year	Housing Demand
2022 - 26	7,900
2027 - 31	9,600
2032-2036	9,800

# HOUSING COMPLETIONS

1971 – 2021



## New dwellings

**20,433** no. of new dwellings completed in 2021



**20,433**

new dwellings  
completed in 2021

down Y-O-Y by **0.5%**



**20,536**

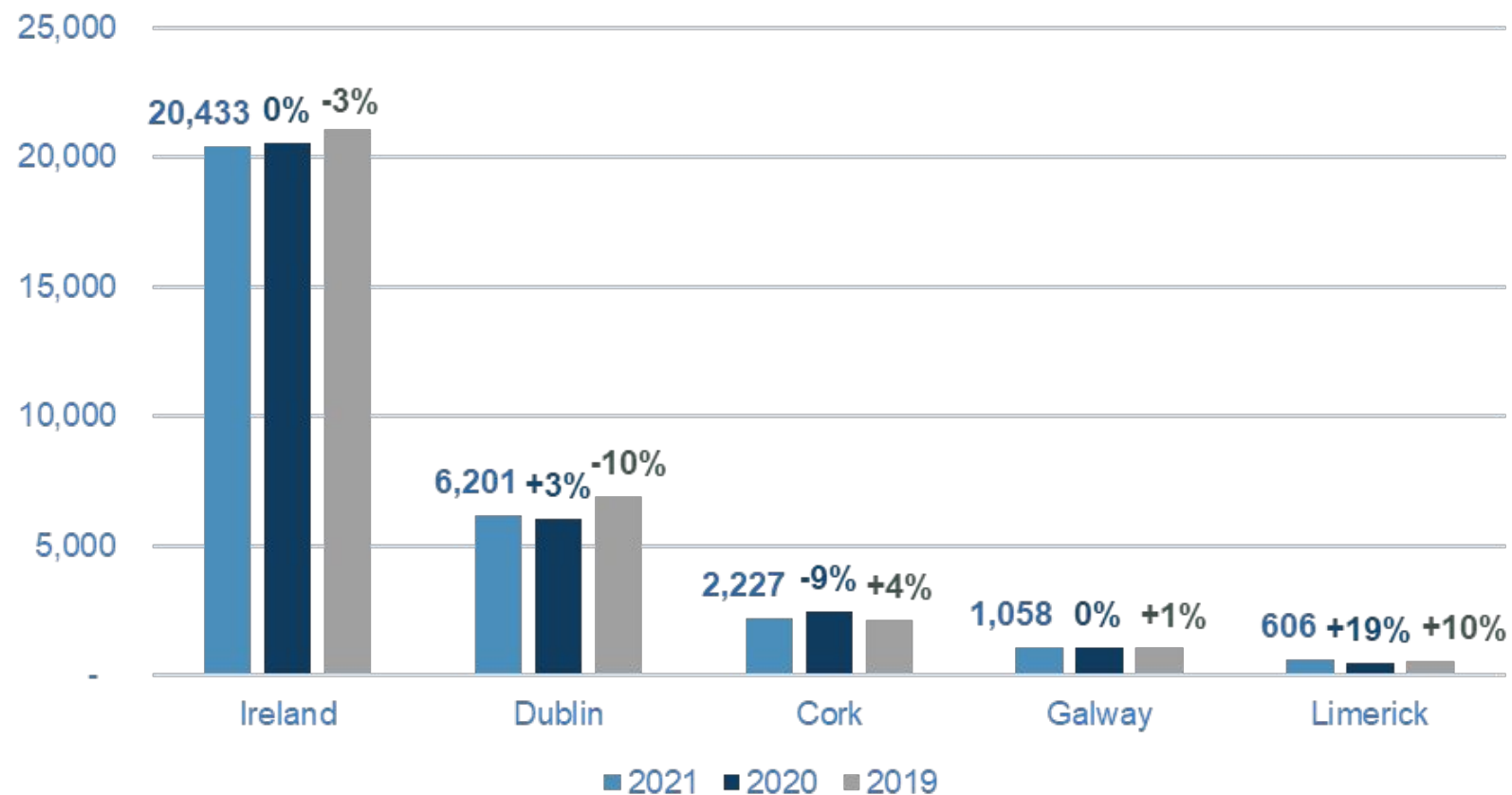
new dwellings  
completed in 2020

down Y-O-Y by **2.5%**



# NEW DWELLING COMPLETIONS

2021 v 2020, 2019



Source: CSO



Completions in  
Dublin are up from

**6,040**

in 2020

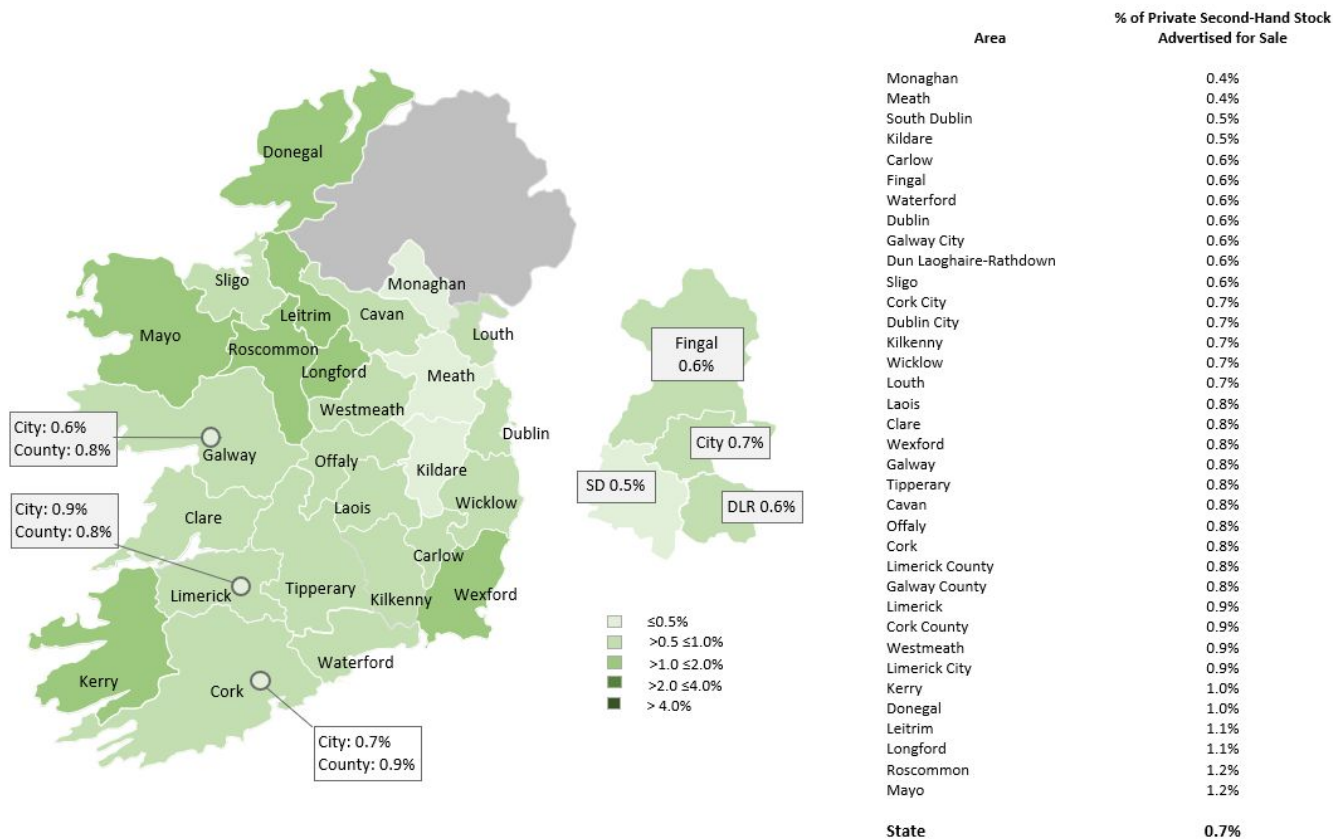
to

**6,201**

in 2021

# PRIVATE STOCK ADVERTISED FOR SALE

JANUARY 2022



0.7%

Total second-hand units advertised for sale represent 0.7% of total housing stock



14,400

second hand units  
advertised for sale in  
Jan 2022,

down -7% Y-O-Y

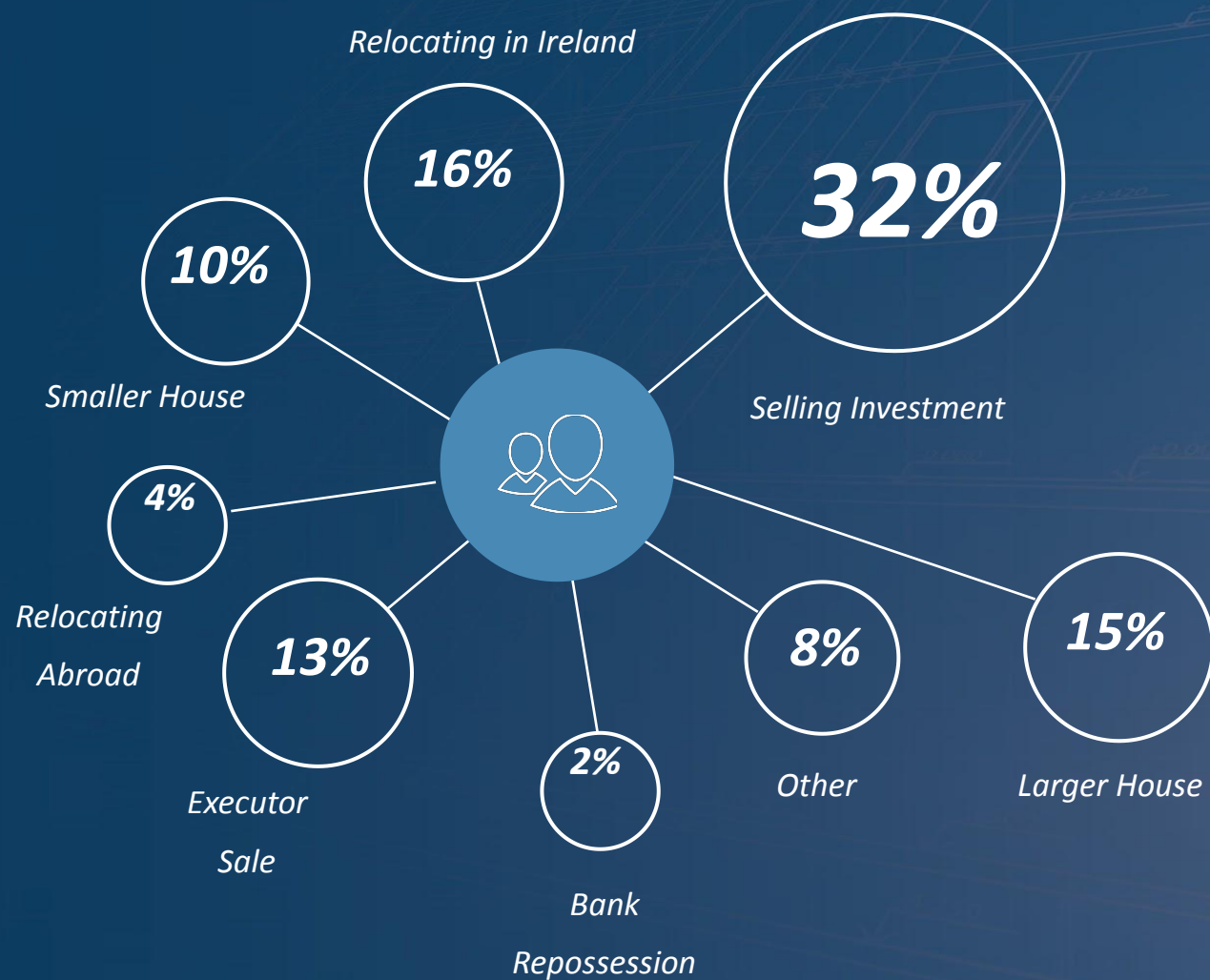
3,150

second hand units advertised  
for sale in Dublin,

up -1% Y-O-Y

# VENDOR ANALYSIS

Q1 2022

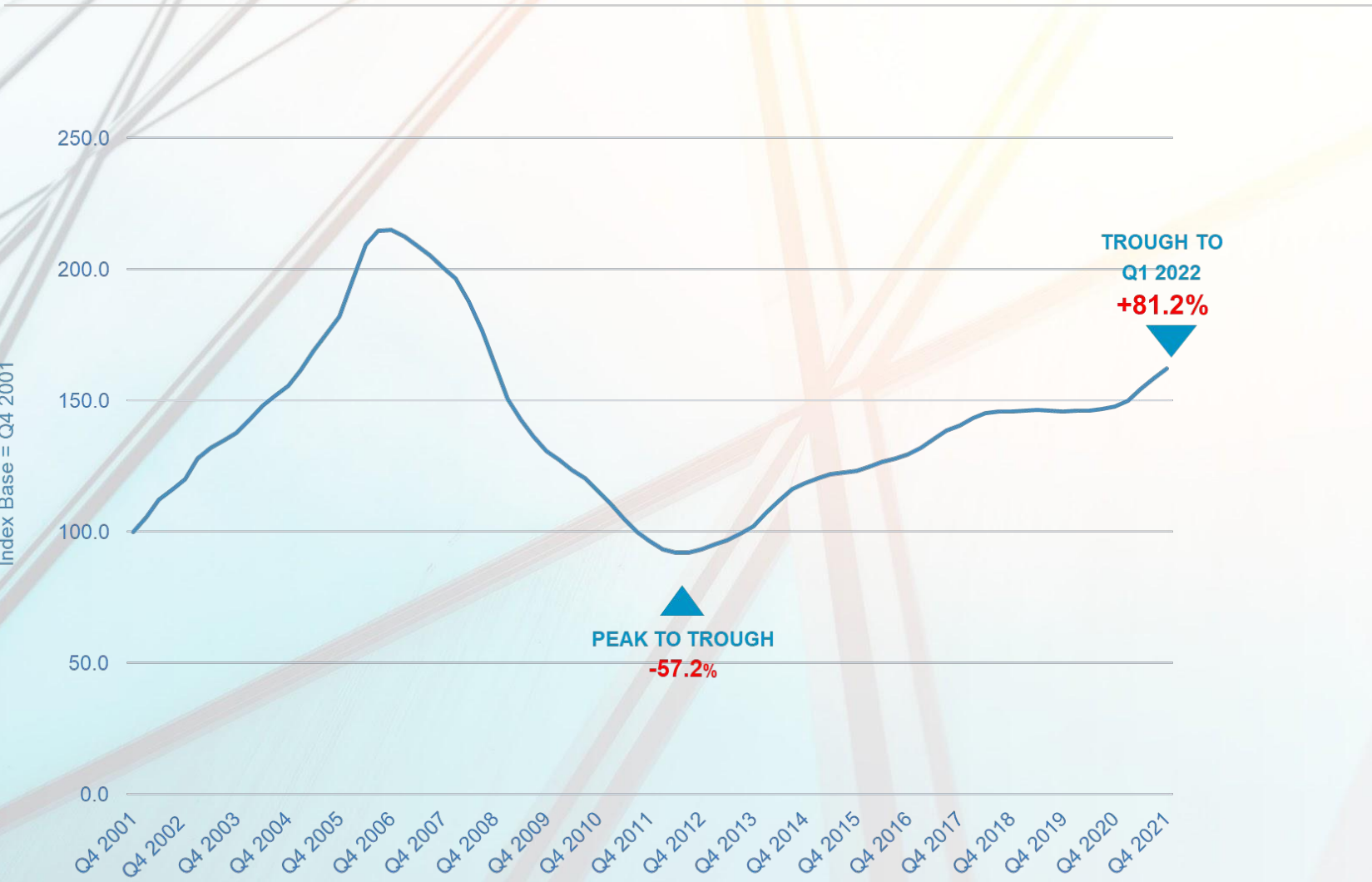


**32%**

of vendors  
"selling investment"

# ALL IRELAND BAROMETER

## Second-hand house prices



11.1%

House prices grew by 11.1% annually to Q1 2022

.....

Compared to a 2.6% rise annually to Q1 2021



2.8%

Prices increased by 2.8% in Q1 2022

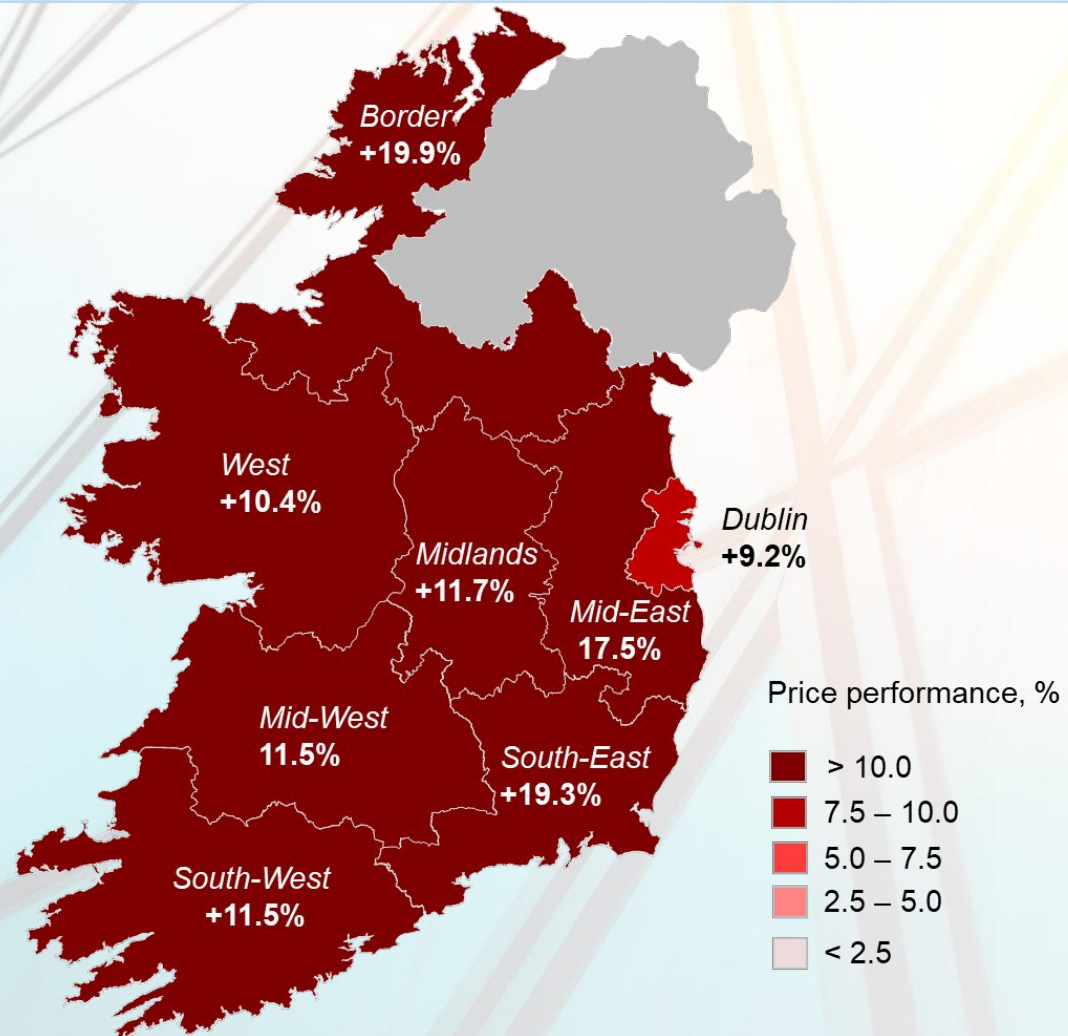
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Compared to a 1.5% rise in Q1 2021



# SECOND-HAND HOUSE PRICES

Q1 2021 – Q1 2022



Source: Sherry FitzGerald Research

Prices rose by

**9.2%**

in Dublin from

Q1 2021 to Q1 2022

.....

Compared to a

**13.6%**

increase outside of Dublin



# Private Residential Sector

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# RESIDENTIAL INVESTMENT

2021

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**€1.7bn in 2021**

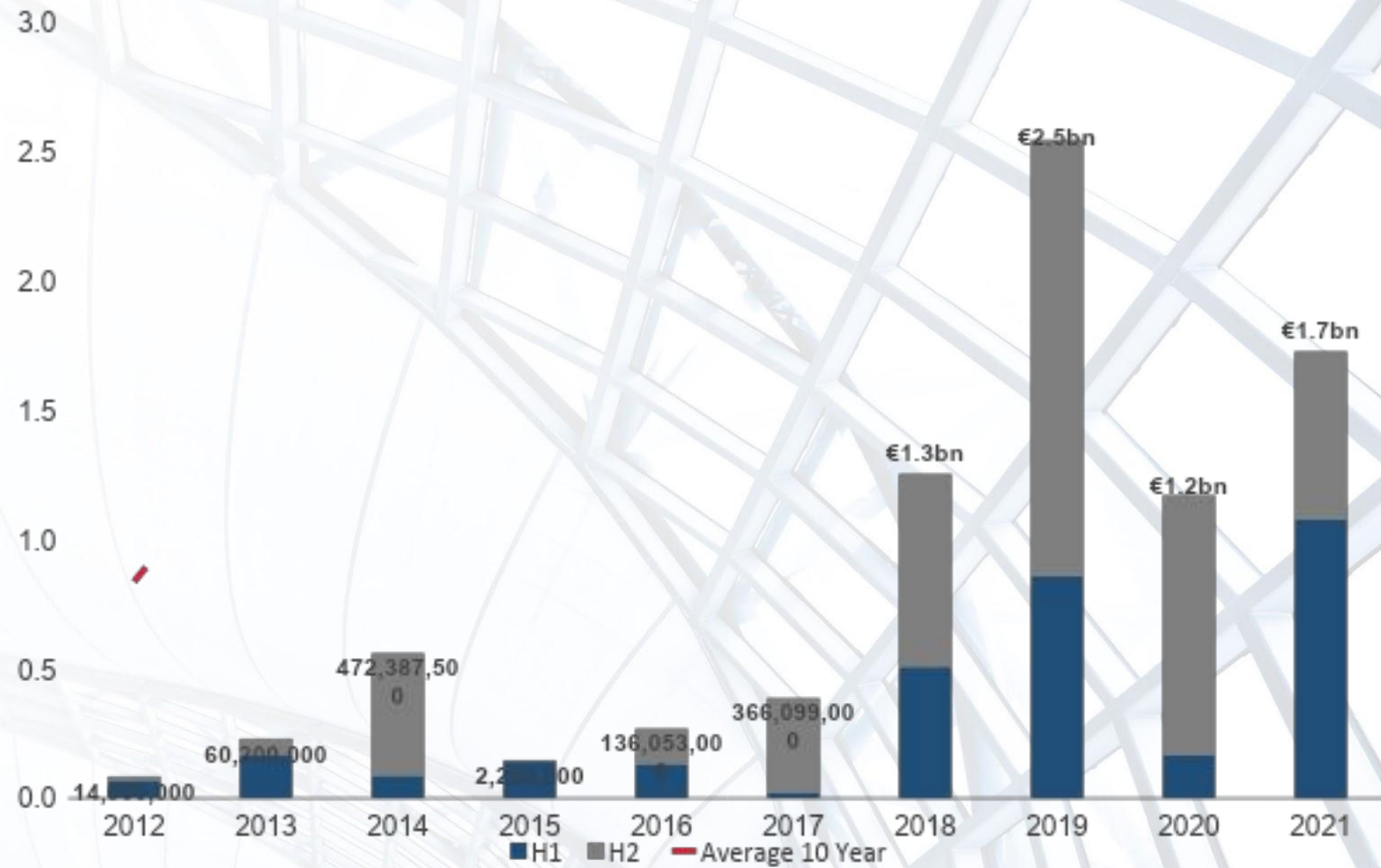
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Residential Investment  
€1.2bn in 2020



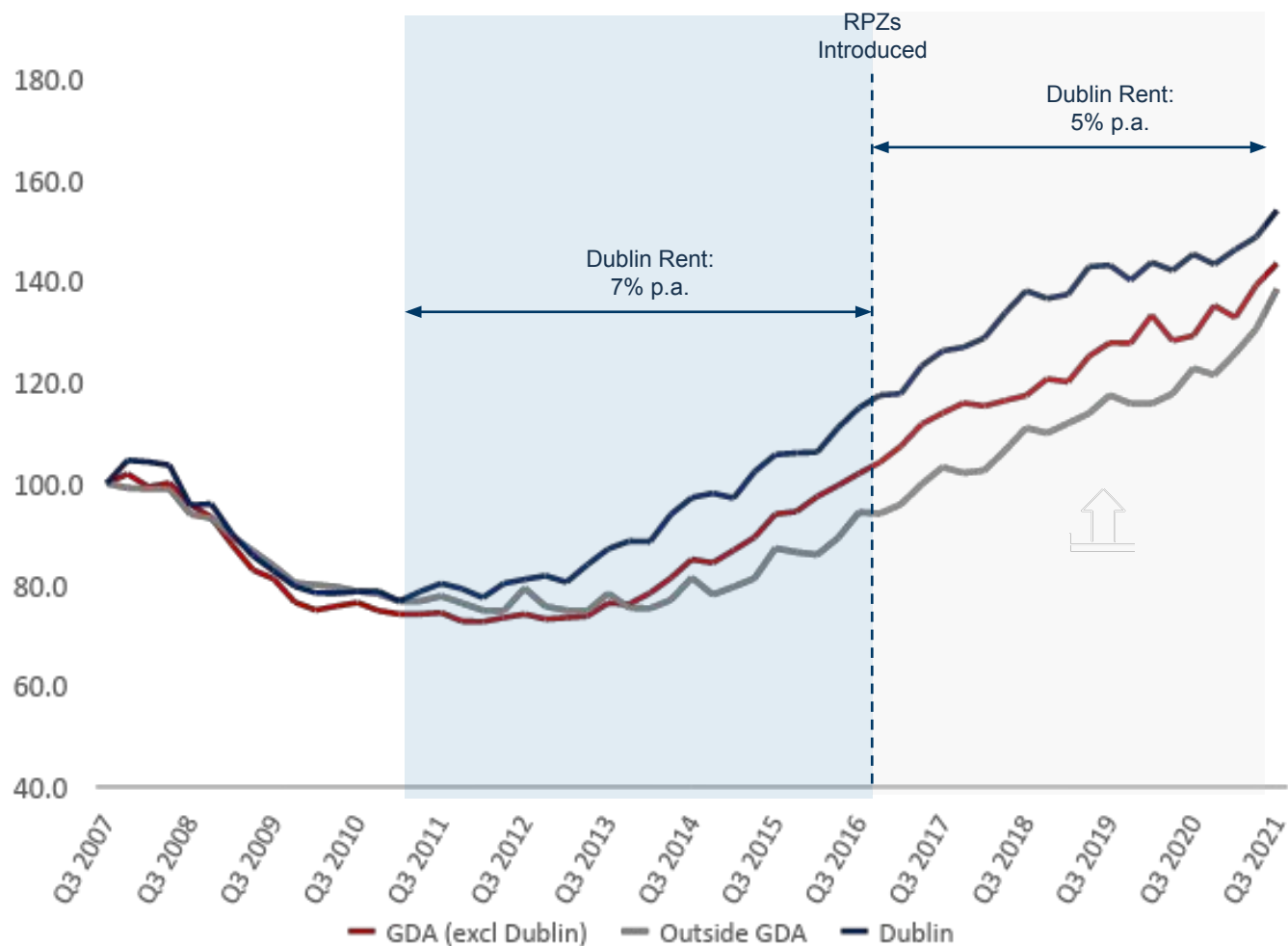
# RESIDENTIAL INVESTMENT – 10 YEAR TIME SERIES

2012 – 2021



# RTB INDEX – ALL PROPERTY INDEX

Q3 2007 – Q3 2021



Source: RTB

Dublin

€1,916

+3.6% QoQ and +6.0% YoY

Average Standardised Rents

GDA (excl. Dublin)

€1,444

+3.1% QoQ and +11.1% YoY

Average Standardised Rents

Outside the GDA

€1,070

+6.0% QoQ and +12.8% YoY

Average Standardised Rents

# Conclusion

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