

For Immediate Release (29.06.18)

## DNG RESIDENTIAL MARKET REVIEW Q2 2018

### **ANNUAL RATE OF HOUSE PRICE INFLATION CONTINUES TO MODERATE**

According to the latest Residential Market Review issued by DNG, Ireland's leading Property Advisors, the annual rate of inflation in the residential property market continued to moderate in the year to June both in Dublin and Nationally. This is welcome news for buyers and the market as a whole, given the recent pace of price inflation seen in the residential market, particularly in Dublin.

#### Key Findings

- **Annual rate of house price inflation moderates for third consecutive quarter in Dublin, down from +11.1% in the year to September 2017, to +6.4% in the year to June 2018.**
- **Modest increase in the average value of a home in the capital during Q2 2018 at +0.5%**
- **Prices at the entry level to the market show the strongest rate of growth in the year to June, with apartments increasing +9% and all residential properties valued at less than €250,000 increasing by +10.8% over the same period.**
- **At a national level, the average price of a residential property increased by +3.4% in the first six months of the year, and by +6% in the twelve months to June 2018.**
- **Regional variations in growth rates across the country in the first half of year. In the Mid-East prices increased by +2% whereas in the Midlands prices rose by +5.9% on average.**

The latest DNG Residential Market Review, released today, reveals that the trend of moderation in house price inflation continues, with the average price of a home in Dublin increasing by +0.5%



#### PROPERTY ADVISORS

Head Office 30 Leeson Park, Ranelagh, Dublin 6 T 01 4912600 E info@dng.ie PSL No. 002049

Chairman Paul Newman FRICS FSCSI MIPAV Chief Executive Keith Lowe FRICS FSCSI MIPAV

Partners Pat Mullery MRICS MSCSI, David Horgan FCCA FMAAT, Michael Glynn MMil Grad, Susan Slevin MIPAV, Carol Strong MRICS MSCSI

Orla McMorroo MSCSI, Brian Dempsey MRICS MSCSI MIPAV, Deirdre O'Gara, Gemma Lanigan BA MIPAV



in the three months to the end of June, down from a rate of +1.9% during quarter one. On an annualised basis, the rate of price inflation fell to +6.4% in the year to June, down from +11.1% in the year to September 2017 and +9.4% in the year to the end of March, representing a significant move toward more sustainable house price inflation in the capital.

At a national level, the average price of a home increased by +3.4% in the first half of the year (H1), a slight acceleration on the rate of inflation seen in the second half (H2) of 2017 when prices increased by +2.5%. However, the annual rate of inflation in the year to June 2018 moderated to +6%, down from +7.8% in the year to December 2017 and the latest results from the DNG National Price Gauge mean that the annual rate of inflation nationally is now more in line with that recorded in Dublin.

Commenting on the results, Paul Murgatroyd, Director of Research and Business Development with DNG said “the figures released today show that the housing market in Dublin continues to show more stable and sustainable rates of growth in prices which is a welcome development, especially for those looking to buy. A combination of increased new housing supply in the capital, coupled with the stricter lending environment has kept recent rates of price inflation to a minimum.”

He continued “At a national level the rate of price inflation is also slowing on an annualised basis, and it is likely that in the year ahead prices outside the capital will be rising faster than in the Dublin market. This would not be surprising however, given the slower pace of recovery that has been evident outside Dublin in recent years. There will be an element of catch-up at play in the medium term.”

The latest DNG Residential Market Review also shows that prices in the Dublin apartment market are seeing the strongest rates of growth, with prices rising by +9% in the year to June. Again, there



#### PROPERTY ADVISORS

Head Office 30 Leeson Park, Ranelagh, Dublin 6 T 01 4912600 E info@dng.ie PSL No. 002049

Chairman Paul Newman FRICS FSCSI MIPAV Chief Executive Keith Lowe FRICS FSCSI MIPAV

Partners Pat Mullery MRICS MSCSI, David Horgan FCCA FMAAT, Michael Glynn MMII Grad, Susan Slevin MIPAV, Carol Strong MRICS MSCSI

Orla McMorrough MSCSI, Brian Dempsey MRICS MSCSI MIPAV, Deirdre O’Gara, Gemma Lanigan BA MIPAV



is an element of catch up at play here as apartments have been slower to recover earlier losses suffered during the downturn.

The Review also shows that at a national level, the half yearly rate of price inflation for all properties accelerated slightly in H1 compared to the second half of 2017, rising by +3.4% compared to +2.5% in H2 December 2017. There were however, regional variations in the rate of price growth across the country during the six months to June, with prices in the Midlands rising by +5.9%, whereas prices in the Mid-East rose by +2%. In the Border Region prices saw an average increase of +2.8% in the first six months of the year.

In addition, all property types saw stronger increase in prices in H1 2018 than in H2 2017, with apartments recording the largest rises, up +5.5% in H1 2018 and by +9.4% in the year to June. Smaller properties also saw the strongest increase in prices, with two bedroomed homes rising +5.8% in H1 and by +10% in the year to June 2018. Conversely, five bedroomed properties increased by +2.1% in H1 and 4.0% in the year to June.

## ENDS

### Contact Info

Media Queries and Interview Requests should be directed to:

### DNG Research

**Paul Murgatroyd**

**Director of Research and Business Development**

**Tel: 01 4912600**

**Mobile: 0876998884**

**Email: [paulmurgatroyd@dng.ie](mailto:paulmurgatroyd@dng.ie)**



### PROPERTY ADVISORS

Head Office 30 Leeson Park, Ranelagh, Dublin 6 T 01 4912600 E [info@dng.ie](mailto:info@dng.ie) PSL No. 002049

Chairman Paul Newman FRICS FSCSI MIPAV Chief Executive Keith Lowe FRICS FSCSI MIPAV

Partners Pat Mullery MRICS MSCSI, David Horgan FCCA FMAAT, Michael Glynn MMII Grad, Susan Slevin MIPAV, Carol Strong MRICS MSCSI

Orla McMorrough MSCSI, Brian Dempsey MRICS MSCSI MIPAV, Deirdre O'Gara, Gemma Lanigan BA MIPAV



**About the DNG Residential Market Review**

The DNG Residential Market Review includes three separate price measures for different housing market sectors, both Nationally and in Dublin. The DNG National Price Gauge measures the change in prices across the country aggregated at the NUTS III statistical level, comprising seven regions (Border, West, Mid-West, Midlands, Mid-East, South east and South West). Results are produced every six months in June and December. The DNG House Price Gauge measures movements in house prices across Dublin using a sample basket of properties which are revalued on a quarterly basis. The DNG Apartment Price Gauge measures the movement in apartment prices in Dublin on a quarterly basis using the same methodology.

**About DNG**

The DNG Group is a multi-disciplinary property advisory practice based in the capital. We are Ireland's premier agency with a branch network which extends to just under 75 branded offices located in virtually every major city and town in the country.

Our agency is the largest seller of residential property in the greater Dublin area. Our national franchise network contains some of the best agents in the business offering their superb local expertise with the backing of Ireland's premier property brand.

DNG are members of the Society of Chartered Surveyors Ireland and work to its strict codes and standards. We have also signed up to the NPSRA voluntary "Code of Conduct".

**PROPERTY ADVISORS**

Head Office 30 Leeson Park, Ranelagh, Dublin 6 T 01 4912600 E info@dng.ie PSL No. 002049

Chairman Paul Newman FRICS FSCSI MIPAV Chief Executive Keith Lowe FRICS FSCSI MIPAV

Partners Pat Mullery MRICS MSCSI, David Horgan FCCA FMAAT, Michael Glynn MMII Grad, Susan Slevin MIPAV, Carol Strong MRICS MSCSI

Orla McMorrough MSCSI, Brian Dempsey MRICS MSCSI MIPAV, Deirdre O'Gara, Gemma Lanigan BA MIPAV

