

Q3 2016 Results

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Property report

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LACK OF HOUSING SUPPLY IS NOW HURTING TRANSACTIONS



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Angela Keegan

Managing Director
MyHome.ie

Our Q3 property report which is published in association with Davy shows that overall the property market in 2016 is on track to record a 5% price gain.

While this is along the lines we predicted at the start of the year the dramatic 5% surge in prices we witnessed over the summer did come as something of a surprise. However that surge was not sustainable and the market has clearly paused for breath and returned to modest growth as we head into autumn.

The dominant issue affecting the market continues to be the chronic lack of supply and this is reflected in the falling number of transactions, increased competition for the homes available and record 'sale agreed times'.

The Minister for Housing Simon Coveney has said he expects new homes will be delivered in Dublin for a sale price of about €260K once measures announced in the Government's housing strategy take effect.

Many of those measures, including a package for first time buyers, are widely expected to be announced in Budget '17. With that in mind MyHome.ie decided to conduct a survey to ascertain the views of visitors to our site ahead of the budget.

One of the key findings was that three out of four respondents don't expect to see any changes to the Central Bank's new lending rules. Another was that almost half of respondents believe the best way for government to address the housing crisis is to introduce measures to help homebuilding.

The findings provide much food for thought and we hope you will take some time to study them along with all the latest price movements and our analysis of the current property market.

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Lack of housing supply is now hurting transactions

Conall MacCoille,
Chief Economist, Davy Research

This quarter's MyHome housing market report shows a modest 0.4% gain in prices in the third quarter. However, this small gain follows the enormous 5.2% rise in the second quarter. The buoyancy in asking prices early in the year is now evident in transaction prices – up 0.5% in May, 1.5% in June and 2.5% in July. So the 'hot summer' we anticipated our last MyHome report has materialised. Heading into the autumn months we are seeing weaker asking price movements as activity cools following the busy summer trading period.

The big picture is that the lack of housing supply is now clearly hurting transactions. In the first eight months housing transaction volumes are down 5% on 2015, albeit with some recovery in August. Clearly, there are few constraints from the mortgage market, with €1.8bn of approvals in the three months to August. Instead growing numbers of borrowers are chasing a diminishing pool of homes listed for sale.

With political pressure growing to address the lack of housing supply we are now looking forward to Budget 2017, with not only a 'Help-to-Buy' scheme mooted, but also potentially measures to help reduce construction costs and reduce planning constraints by circumventing lengthy local authority procedures. Hence, in this quarter's MyHome report we have taken a special survey of visitors to the website, focusing on their expectations for the housing market.

Our survey shows most respondents still expect robust house price gains over the next 12 months. In total 39% expected price gains up to 5% and a further 44% of respondents expect price gains to exceed 5%. When asked, 54% of the survey respondents said they were aware of the proposed Help-to-Buy scheme and of those a majority expected a tax rebate for first time buyers. Only 11% respondents expected a government scheme to provide cheap loans to buyers, along the lines of the UK Help-to-Buy schemes.

Speculation has also intensified on whether the Central Bank of Ireland may relax mortgage lending rules, limiting the number of mortgages with high Loan-to-Income (LTI) and Loan-to-Income (LTI) ratio, following its review in November. We also asked visitors to the MyHome website whether they thought the Central Bank would loosen the mortgage lending rules. The answer was emphatically no, with a massive majority of 73% indicating they expected no change to the rules.

Our survey also asked 'what is the best way for government to address the housing crisis?' The most popular answer was 'measures to help homebuilding' with 48%. So following the disastrous Celtic Tiger years our survey respondents now clearly believe measures to stimulate housing supply, rather than loosening lending standard, is the best way to help the housing market. Only 11% of survey respondents opted for 'allow buyers to borrow more'. There was more support for tax reliefs for homebuyers, attracting 40% of survey respondents.

So looking ahead to 2017 we still believe Ireland's on-going economic recovery together with the on-going lack of housing supply should lead to price gains close to 5%. However, what has become clearer that the lack of homebuilding is now hold back transactions in the housing market. It remains to be seen whether the new measures in Budget 2017 will break the logjam.

MyHome.ie asking prices, Dublin and national

Table 1

	Price (€)	% change quarter-on-quarter	% change year-on-year
National (stock)	215,000	0.9%	4.7%
Dublin (stock)	297,000	0.4%	4.0%
National (new instructions)	232,000	0.4%	7.1%
Dublin (new instructions)	327,000	0.1%	4.6%

Source: MyHome.ie

Asking Prices rise marginally in third quarter

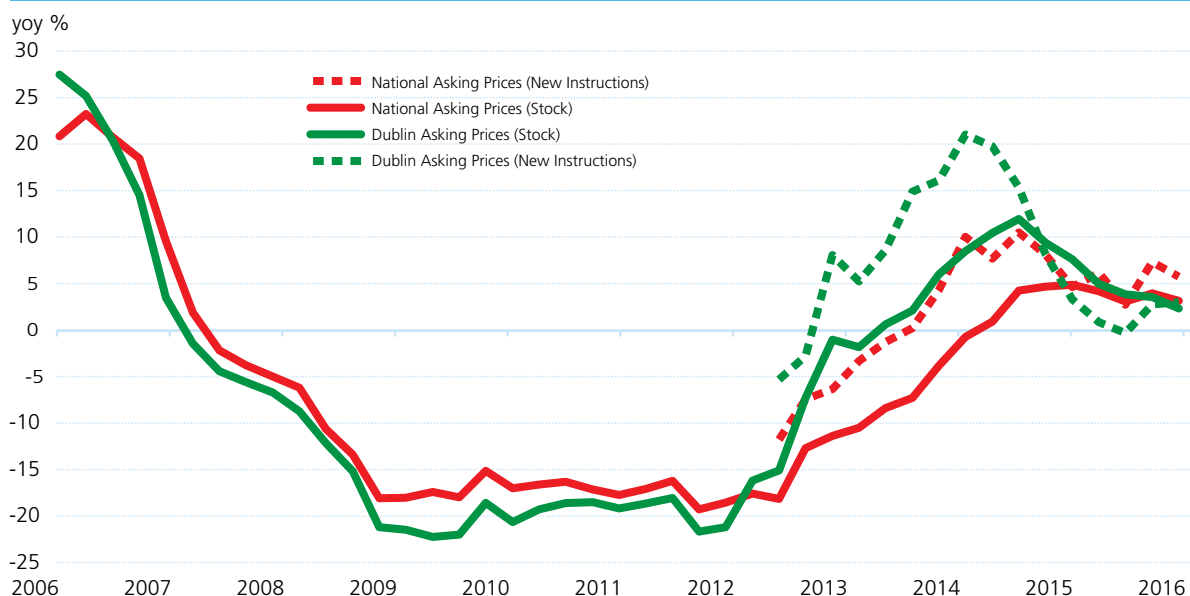
According to the latest MyHome data, the mix-adjusted price on the entire stock of properties for sales rose by 0.9% in Q3 2016, up 4.7% on the year. Our preferred measure is the price on the latest properties listed on the MyHome website. The mix-adjusted price on these properties rose by 0.4% in Q3 2016. However, this modest rise follows the enormous 5.2% gain in Q2 2016, and the price of newly listed homes is still up 7.1% on the year. Also, with the housing market free of distortions the seasonal pattern of prices softening towards the end of the summer is finally becoming apparent.

We had been a little concerned that the enormous rise in asking prices early in 2016 hadn't yet materialised into actual transaction prices. However, the publication of the new CSO index including cash buyers and mortgage transactions showed chunky price rises through the summer months. The new Residential Property Price Index (RPPI) rose by 0.5% in May, 1.0% in June and 2.5% in July. So the 'hot summer' for the Irish housing market we had anticipated in last quarter's report is now apparent in actual prices.



MyHome.ie asking prices, Dublin and national

Figure 1



Source: MyHome.ie

Regional House Price Inflation

	Ireland		United Kingdom		
National	5.0%	6.7%	Border	13.3%	12.4%
Dublin	4.2%	3.9%	Midlands	20.8%	19.4%
Dun Laoighaire Rathdown	1.3%	1.1%	West	3.4%	10.7%
South Dublin	-1.0%	2.5%	Mid East	8.5%	4.3%
Dublin City	1.6%	4.4%	Mid West	10.1%	6.8%
Fingal	4.4%	6.4%	South East	7.3%	6.3%
Ex Dublin	9.1%	11.2%	South West	10.5%	14.9%

Source: MyHome.ie

CSO index provides more detail on pace and regional variation in Ireland's recovery

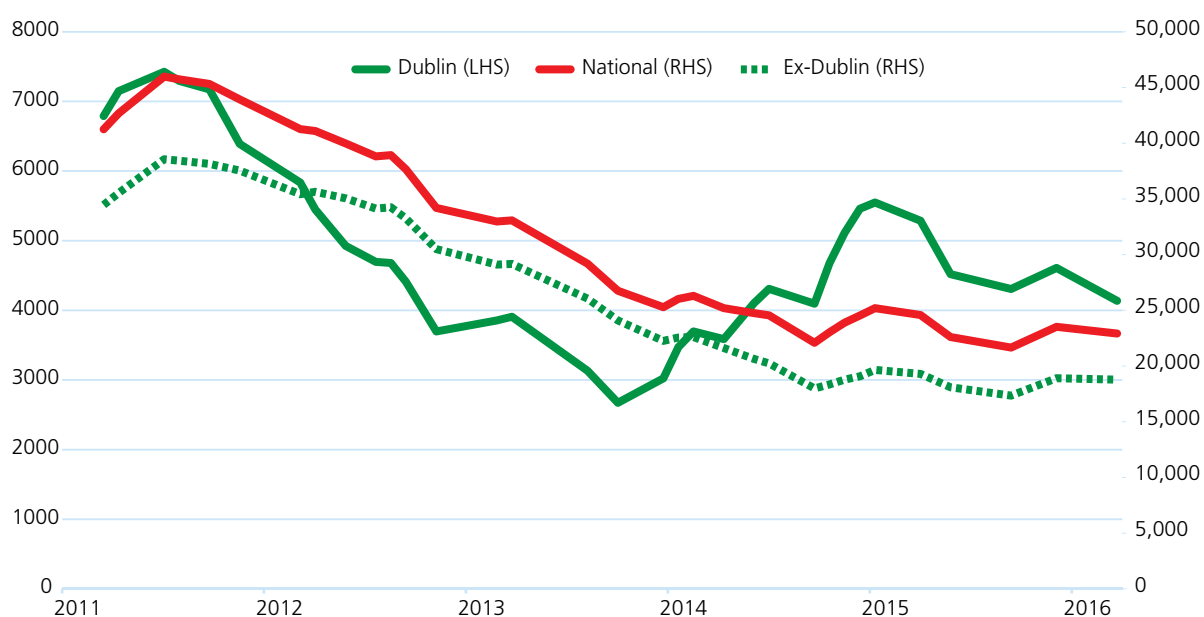
The CSO's new Residential Property Price Index (RPPI) shed more light on the severity of Ireland's housing crash. The peak-to-trough decline between April 2007 and March 2013 is now estimated to equal 54.4%, compared with 50.9%. This revision was always likely as the inclusion of cash buyers in the index captured more of the most distressed residential transactions during the recession, with the largest price discounts. However, the new series also reveals a stronger recovery since 2013 – with prices up 43.2% since the trough. Overall, this leaves the current level of Irish residential property prices still down 35%

from its pre-recession peak, albeit with strong momentum through the summer months of 2016.

A second feature of the CSO index is the divergence between the capital Dublin and the rest of Ireland. Dublin prices rose by 3.8% in the year to July, far slower than the 11.3% gain outside the capital – adding up to a 6.7% RPPI inflation nationally. So the new index reinforces the picture of 'catch-up in the rest of the country, but with prices contained in Dublin due to stretched affordability and the Central Bank's mortgage lending rules. Within Dublin itself price inflation is weakest in the most expensive areas, Dun-Laoighaire-Rathdown (+1.1%) and South Dublin (+2.5%) but stronger in Dublin City (+4.4%) and Fingal (+6.4%). Interesting the pace of catch-up in

Stock of properties listed for sale, Dublin and national

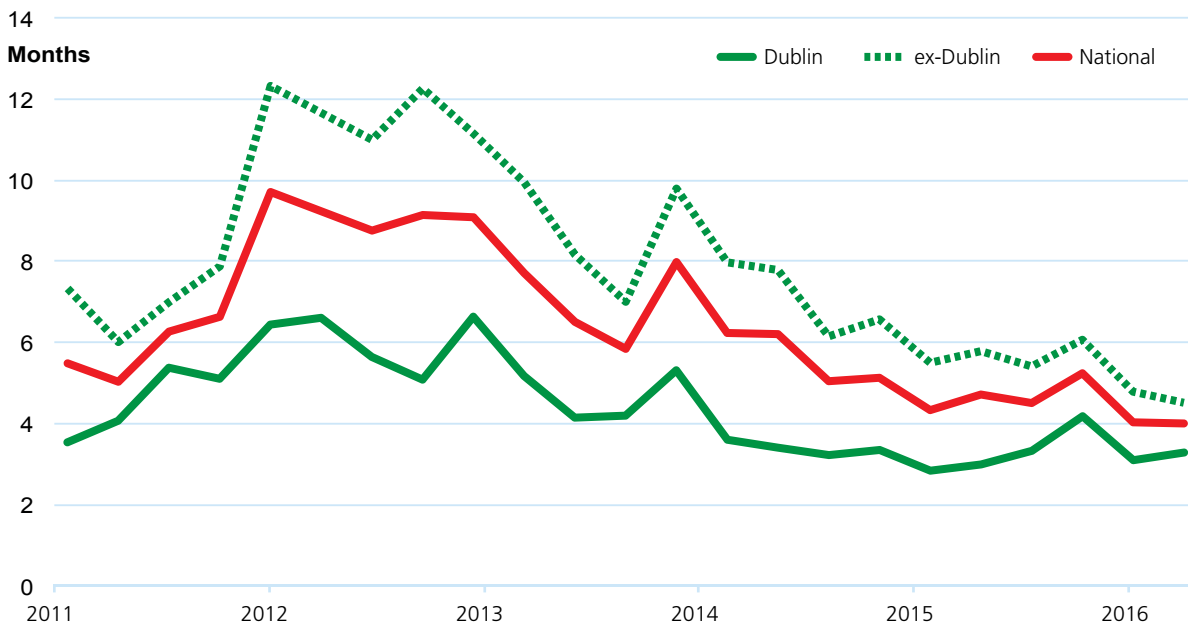
Figure 2



Source: MyHome.ie.ie

Average time to sale agreed

Figure 3



Source: MyHome.ie.ie

the mid-East region has decelerated from 8.5% through 2015, to just 4.3% in the year to July.

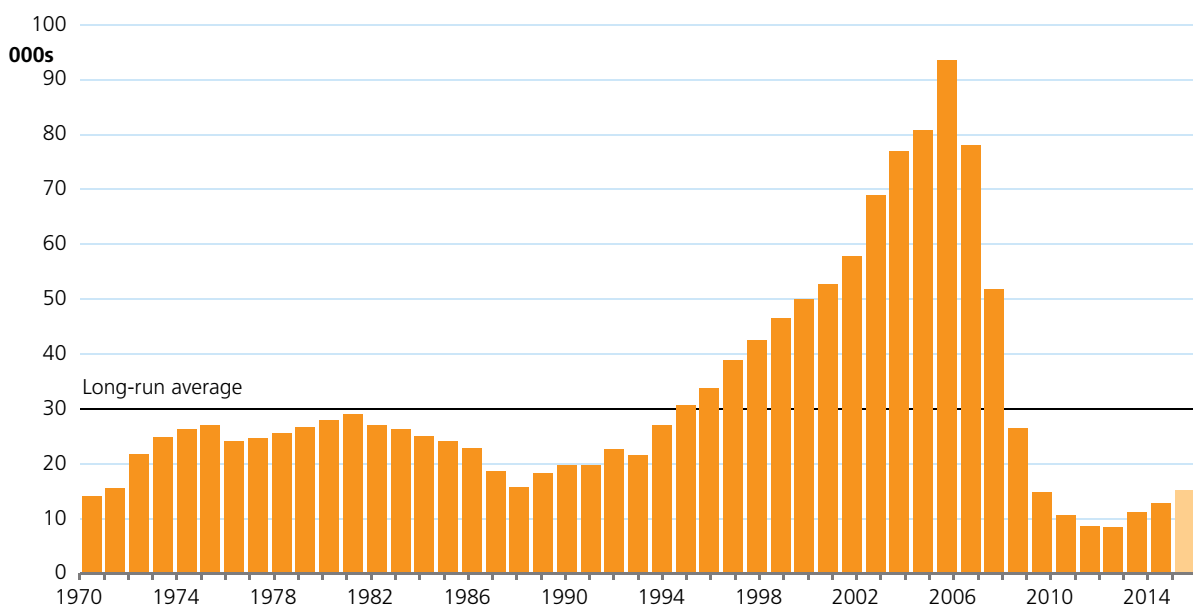
Irish housing market grinds tighter, keeping a lid on transaction volumes

The MyHome.ie data for Q3 2016 suggest the housing

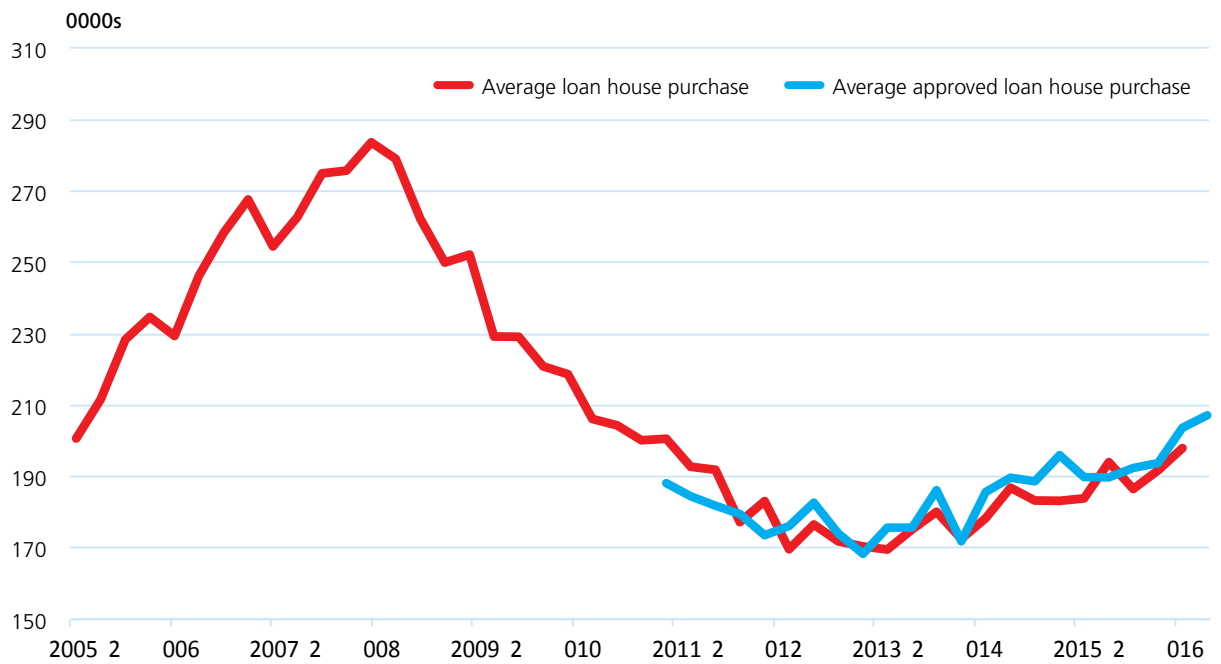
market continues to tighten hurting the overall level of transactions. The number of houses listed for sale fell by 2.6% on the quarter to 22,919. Part of this fall was probably seasonal, as home listed for normally tend to peak in June. However, the total number of homes for sale remains close to its historic low early in 2016 of 21,650. Competition between buyers for the diminishing pool of

Irish housing completions

Figure 4



Source: MyHome.ie.ie



home for sale is clearly intensifying. In the three month to September the average time to sale agreed falling to a fresh low of 4 months, 3.3 months in Dublin and 4.5 months outside the capital.

So far in 2016 transaction levels have been disappointing. In the first eight months of the year there were 29,109 transactions worth €7bn. However, this represents a 4.5% contraction in volume and modest 6.3% growth in nominal terms. That said, transactions in August appear to have bounced back – perhaps rebounding from a post-Brexit referendum lull in July. Also, the base in early 2015 was inflated by buyers rushing to get ahead of the Central Bank's mortgage lending rules.

So the residential property market may see modest growth in lending volumes in entire calendar year 2016. However, the strong expansion of transaction volumes from 18,400 in 2012 to 48,800 in 2015 now appears to have come to an end. It should be remembered despite the recovery in housing transactions in recent years, the 48,776 in 2015 comprised just 2.3% of the housing stock – half the UK rate and indicating the average home is sold just once every 40 years. Ireland's residential property market is still highly liquid.

Further substantial gains will largely rest upon

homebuilding picking up from the 12,666 completions recorded in 2015. In the first eight months of 2016 housing completions are up 19% compared with 2015. At this pace total completions in calendar year 2016 will equal close to 15,000. However, this is still well short of the 25,000 estimated necessary to meet demand from household formation. The reality is that the number of less home will be built in 2016 than almost half a century ago. In 1971 housing completions equalled 15,400.

Mortgage Approvals rise to fresh high

The contraction in residential transactions in 2016 certainly cannot be blamed on any lack of mortgage availability. Mortgage lending for house purchase equalled €2bn in the first half of 2016 up 4.8% on 2015. However, mortgage approvals have surged in recent months. There were €1.8bn of mortgages approved for house purchase in the three months to August, up 33% on the year and compared with €5bn of approvals in the entire calendar year 2015.

The growth rates still less impressive in volume terms. There were 8,765 mortgages approved for house purchase in the three months to August up 22% on the

year. Over the same period the average loan approved has exceeded €200,000 for the first time since the recession. In August the average loan approved was €207,000 split between €191,529 for first-time-buyers and €235,688 for mover-purchasers.



Results of the MyHome.ie survey

For this quarter's report, we conducted a survey of visitors to the MyHome website. The respondents were broadly split across four groups: first-time buyers, buy-to-let investors, those selling properties to move home and those simply monitoring the market. We asked visitors to the MyHome website their expectations for house prices over the next 12 months, their expectations for a Help-to-Buy scheme in Budget 2017, whether the Central Bank is likely to relax mortgage lending rules and what they think is the best way to address the housing crisis.

Substantial price gains over the next 12 months

The following chart shows the survey responses to our question on likely house price movements. The responses

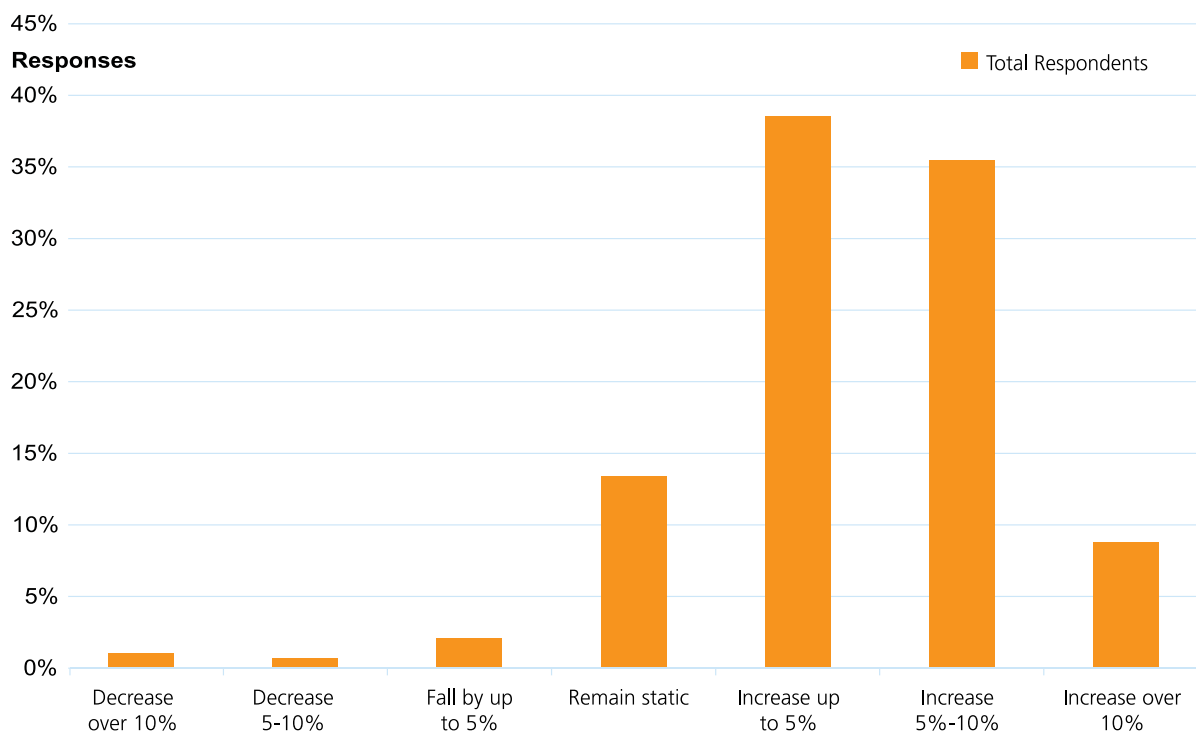
point to further substantial gains over the next 12 months – 39% of respondents expected price gains in the range of 0-5%; 35% expected increases of 5-10%; 9% of respondents expected gains in excess of 10%; and 13% expected prices to be flat over the next 12 months. Only 4% expected price falls.

Expectations regarding Help-to-Buy scheme

Turning to the Help-to-Buy scheme, 54% indicated that they were aware of plans to be unveiled in Budget 2017. There were few differences between the different groups, although a slightly higher proportion (66%) of buy-to-let investors were aware of the scheme. Consistent with media reports, all groups reported that a tax



In the next 12 months ,what are your expectations for Irish house prices? Figure 1



Source: MyHome.ie.ie

rebate for first-time-buyers was the most likely scheme to be announced.

No change to Central Bank lending rules expected

The survey provided a very clear message that no change in the Central Bank's mortgage lending rules is expected. In total, 73% of respondents said that they expected no change. This was broad-based across all groups – first-time buyers, investors, mover-purchasers and those monitoring the market.

Stimulating homebuilding key to addressing housing crisis

Our survey also asked visitors to MyHome what they thought was the best way for the government to address the housing crisis. Encouragingly, respondents understand that the best way to help the housing market is to stimulate supply rather than stoke demand further through relaxing lending standards. The most popular response was 'measures to help homebuilding' – attracting 48% of the total.

Clearly, the legacy of the Celtic Tiger years, the experience of negative and mortgage arrears, has made homebuyers wary of stimulating the market through looser lending standards. Only 11% of our survey suggested that the

government should allow buyers to borrow more – suggesting there is little underlying political pressure for the Central Bank to relax the lending rules.

However, 41% of our survey thought the government should subsidise homebuyers through tax reliefs. This is not too surprising. The role of mortgage interest relief in contributing to the Celtic Tiger house price cycle is less well understood than higher leverage on mortgage lending. Nonetheless, the survey results suggest that political support for Housing Minister Simon Coveney's plans for a Help-to-Buy scheme focused on a tax rebate for first-time buyers.

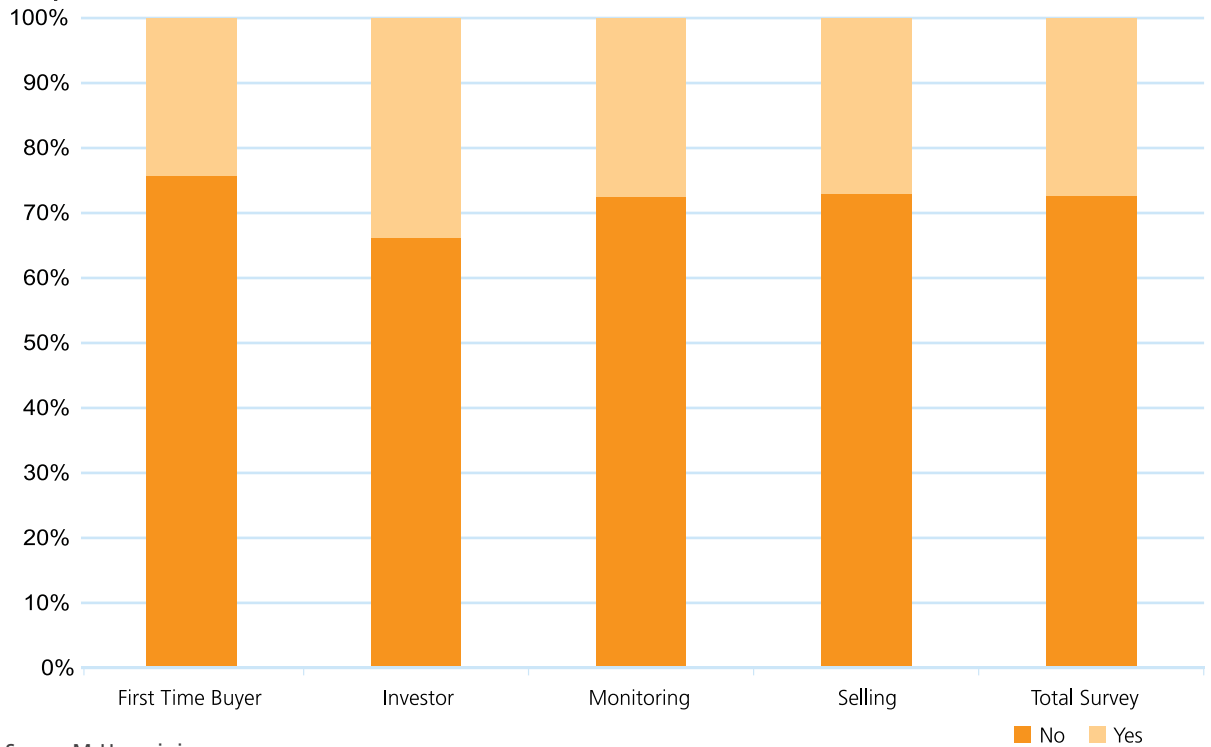
There were differences between buyer groups. Buy-to-let investors were more likely to advocate measures to stimulate homebuilding (60%) than other groups. Those selling houses were less enthusiastic – with only 40% saying that the government should help housing construction. Instead, those selling houses were more likely to opt for government subsidies for buyers (66%), perhaps struggling to maintain their objectivity.

Notably, all groups showed little enthusiasm for the Central Bank to relax the mortgage lending rules. Only 11% of first-time buyers advocated allowing buyers to borrow more. Perhaps this is a sign of a more mature housing market. Buyers now seem cognisant that should lending

Will the Central Bank relax the mortgage lending rules?

Figure 2

Responses



Source: MyHome.ie.ie

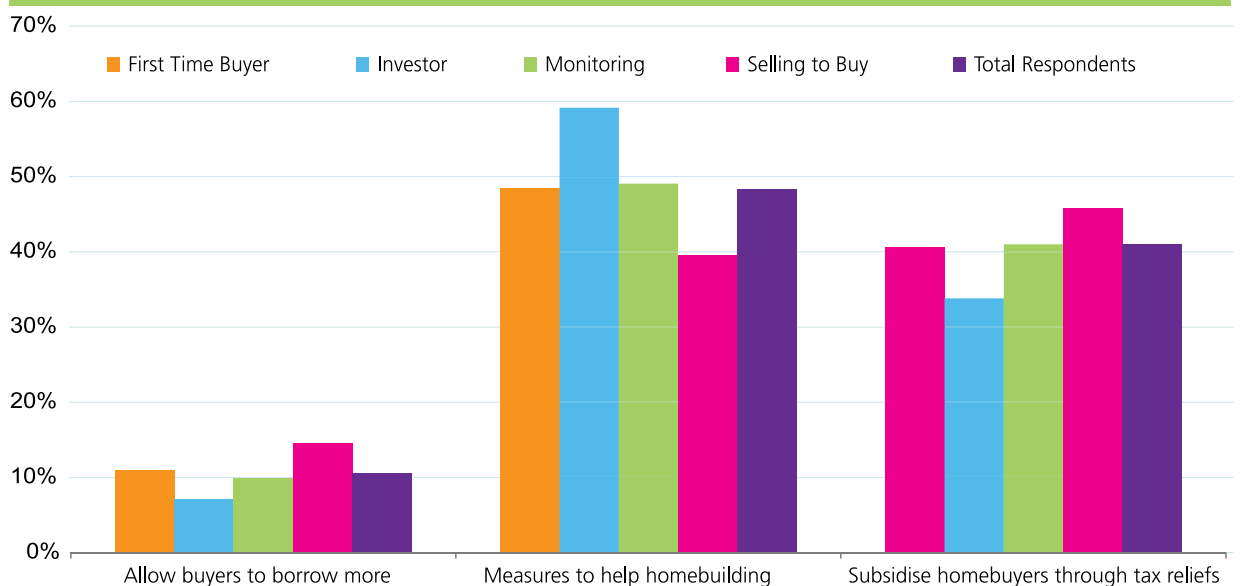
rules be relaxed, not only will they individually be able to borrow more, but so will their competitors for the limited pool of properties listed for sale. However, they have not applied that same logic to plans to subsidise homebuyers through tax reliefs.

Finally, our survey asked borrowers whether renting was a

viable long-term option for their housing needs. Here the answer was emphatic, with 88% responding negatively and with little variation across buyer groups. That said, we are cognisant that visitors to the MyHome website who are considering buying property are almost certainly not representative of the overall population.

What is the most effective way to address the housing crisis?

Figure 3



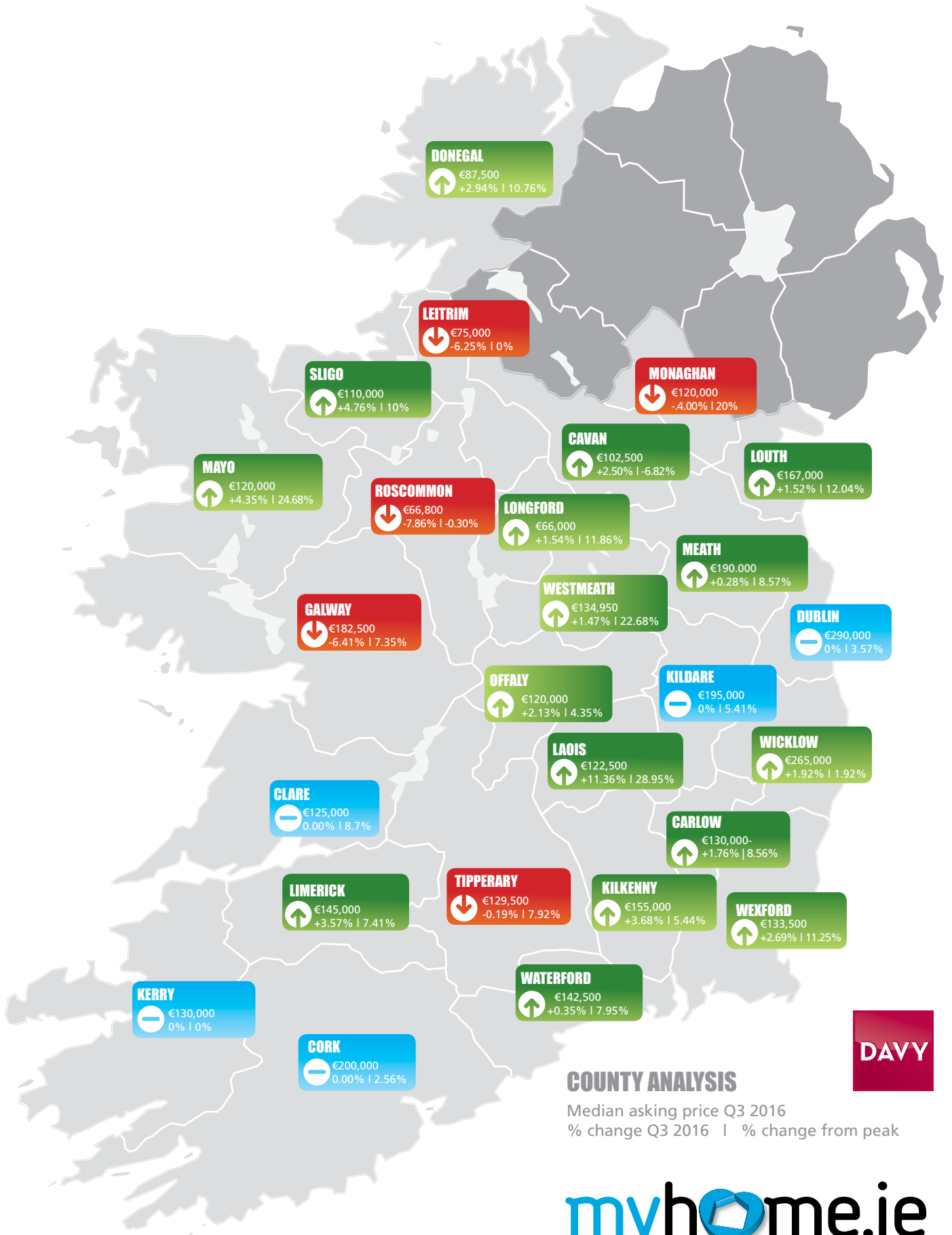
Source: MyHome.ie.ie

MyHome survey results (%)

	First-time buyer	Buy-to-let	Monitoring the market	Mover-purchaser	Total
Question 1: How do you expect house prices to develop over the next 12 months?					
Decline	5%	8%	3%	6%	4%
Flat	14%	10%	14%	13%	13%
Increase by up to 5%	35%	38%	39%	40%	39%
Increase by 5-10%	35%	37%	36%	33%	35%
Increase by more than 10%	11%	7%	8%	8%	9%
Question 2: Are you aware of proposals to introduce a 'Help-to-Buy' scheme					
Yes	57%	66%	53%	51%	54%
Question 3: If so, what measures are you expecting?					
Tax rebate for first-time buyers on their deposit	61%	68%	59%	69%	61%
A mortgage insurance scheme to reduce mortgage costs	8%	8%	10%	10%	9%
A SSIA-type savings scheme to top-up savings for a deposits	17%	14%	19%	16%	18%
Cheap government loans to homebuyers	14%	10%	12%	5%	11%
Question 4: Do you think the Central Bank's mortgage lending rules will be relaxed?					
No	76%	66%	72%	73%	73%
Question 5: What do you think is the most effective way for the government to address the housing crisis?					
Allow buyers to borrow more	11%	7%	10%	15%	11%
Measures to help homebuilding	48%	59%	49%	40%	48%
Subsidise homebuyers through tax reliefs	41%	34%	41%	46%	41%
Question 6: Do you view renting as a viable long-term option for your housing needs?					
No	84%	76%	88%	93%	88%

Source: MyHome.ie

3 BED SEMI-DETACHED ASKING PRICES



COUNTY ANALYSIS

Median asking price Q3 2016
 % change Q3 2016 | % change from peak



Source: MyHome.ie

DUBLIN ANALYSIS

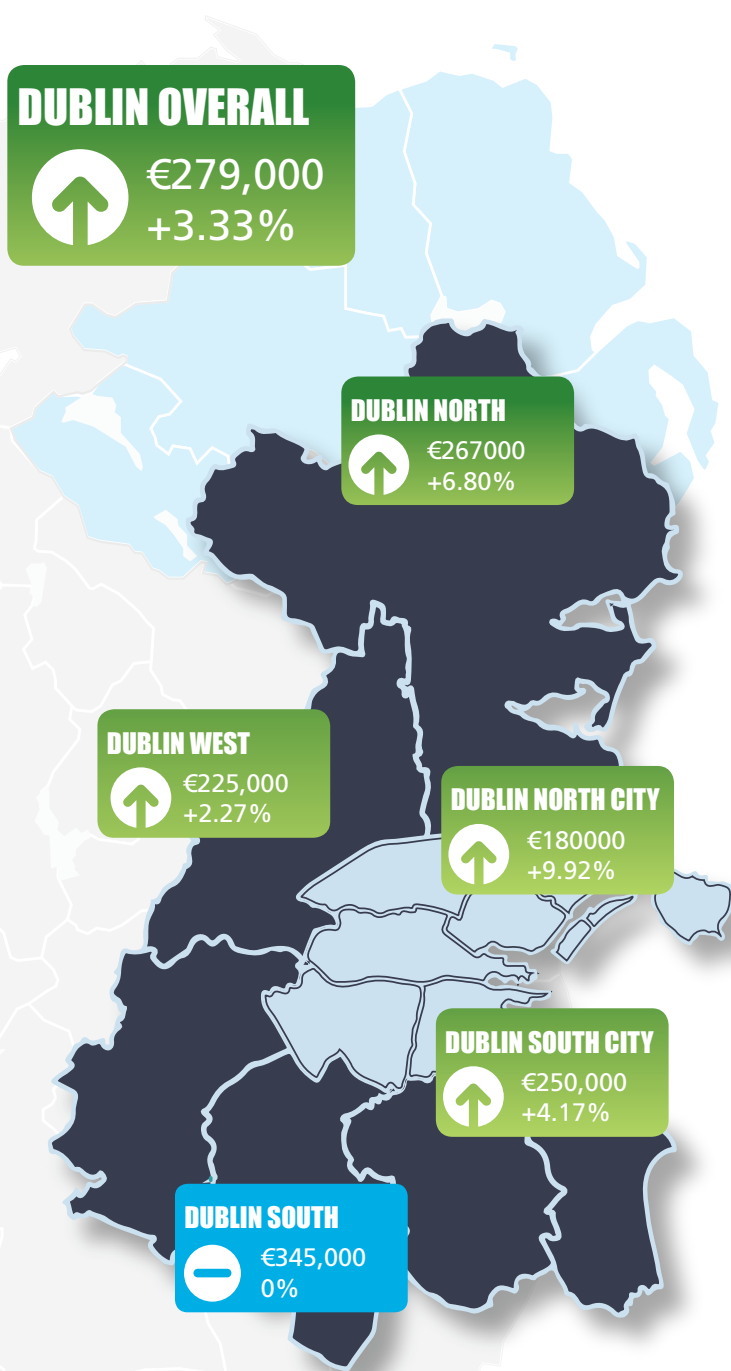
Dublin Area Analysis

The official CSO index indicates that Dublin residential property prices rose by 3.8% in the year to July 2016. In recent months, there have been significant price gains. Dublin residential prices rose by 0.4% in June and by 1.6% in July. The market may be regaining some momentum, although the bigger picture remains one of subdued price rises – limited by stretched affordability and the Central Bank's mortgage lending rules.

The new RPPI index also shows differing price movements across the city. House price inflation is currently just 1.1% in Dun Laoghaire-Rathdown, 2.5% in South Dublin, 4.4% in Dublin City and 6.4% in Fingal. So prices are rising at a slower pace in the more expensive parts of the city with greater room for catch-up in other areas.

MyHome asking prices suggest a similar picture to the rest of Ireland. After a substantial 3.8% rise in Q2 2016, there was just a 0.1% increase in the three months to September. However, this probably reflects the usual seasonal pattern of weaker asking price movements towards the end of the busy summer trading period. In previous years, these seasonal patterns have been distorted by a range of factors such as the expiration of tax incentives and, more recently, by the introduction of the Central Bank lending rules. Asking prices on new homes listed for sale in Dublin are still up 4.6% on the year.

MyHome asking prices also confirm the distribution of price movements indicated by the CSO index. The median asking price in Dublin North was up 6.8% on the year to €267,000 and was up 9.9% to €180,000 in Dublin North City. Prices in Dublin South were flat on the year at €345,000 and were up just 4.2% in Dublin South City to €250,000. In Dublin West, prices were up 2.2% on the year. The median asking price across Dublin was €279,000, up 3.3% on the year.



DUBLIN REGION
Median price Q3 2016
% Annual Change



Source: MyHome.ie

REGIONAL ANALYSIS

The MyHome data are still consistent with strong momentum in prices. Nationally, the asking price on new homes listed for sale rose by 0.4% on the quarter following the 5.2% gain in Q2 2016. This means that prices are up 7.1% on the year. The median price on newly listed properties (excluding Dublin) is now €195,000, up 8.9% on the year. The median price on the entire stock of properties listed for sale on My Home excluding Dublin rose by 5.9% on the year to €180,000.

Interesting, the new CSO index indicates that the Mid-East region saw only a 4.3% gain in prices over the last 12 months. Our asking price data show more robust gains. The median asking price in Meath rose by 9.3% on the year to €235,000, by 6.2% in Kildare to €239,000 and by 3.5% in Wicklow to €295,000. In Louth, which is captured in the CSO Mid-East index, prices rose by 6.5% on the year to €180,000.

Leinster

The Leinster region has seen substantial price gains. Prices in Kilkenny were up 14.5% to €189,000, by 19.2% in Laois to €155,000 and by 8.9% in Longford to €98,000. Offaly saw a big increase on the quarter to €149,500, up 15.0% on the year. Prices in Wexford were up 7.9% to €170,000. Westmeath saw a 16% gain to €145,000. In Carlow, price gains were more muted – up just 3.9% to €155,000.

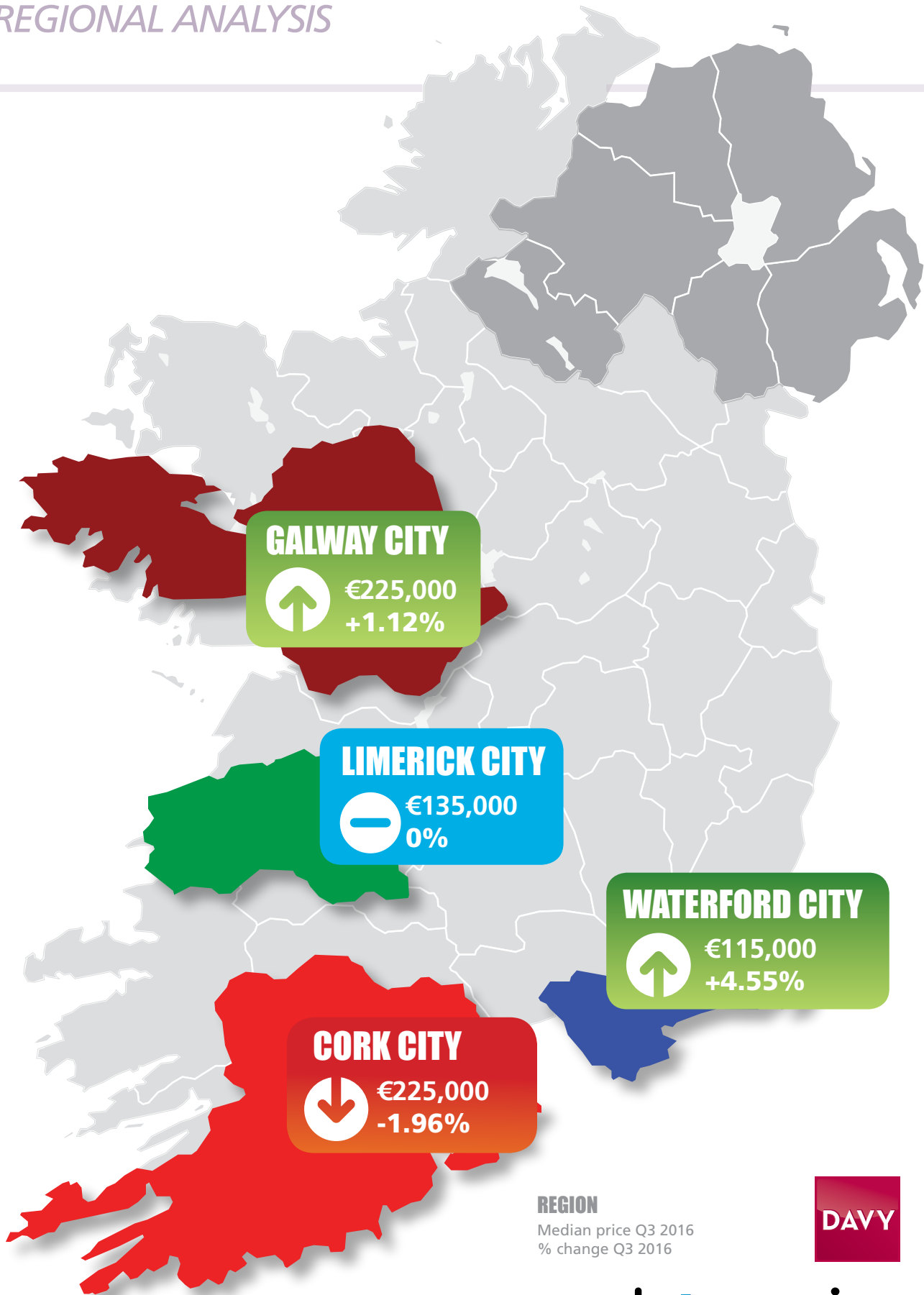
Munster

In Cork, the median asking price rose by 7.5% on the year to €215,000. Cork City bucked the upward trend with prices falling 2% on the quarter to €225,000, albeit still up 7.1% on the year. Prices in Clare were up 12.7% on the year, now standing at €157,000. Kerry is one of only three counties that saw an annual decline in asking prices, down 0.3% on the year at €168,500. Tipperary also saw a 0.3% decrease on the year to €149,500. In Limerick, prices rose to €148,000 – up 6.7% on the year. Waterford prices were up 6.7% on the year to €160,000.

Connacht/Ulster

Galway saw another substantial gain in prices in Q3, rising by €5,000 to €190,000. However, the pace of growth has moderated in Galway City with prices up 1.1% on the year to €225,000. Leitrim saw more substantial price gains, up 10.1% on the year, but at €110,000 is still one of the cheapest counties across Ireland. Similarly, prices were flat in Roscommon at €110,000. Prices in Mayo were up 7.3% on the year, now standing at €139,500. In Cavan, prices rose on the quarter to €157,000 – albeit still down 1.9% on the year. In Donegal, prices were flat on the quarter and the year at €135,000. Monaghan prices were up 7.7% on the year at €140,000.

REGIONAL ANALYSIS



REGION

Median price Q3 2016
% change Q3 2016

DAVY

myhome.ie

Source: MyHome.ie

County analysis - 2 bed apartments

In Q3 2016, 13 of the 26 counties recorded price growth in two-bedroom apartments. Six counties saw flat growth and six counties saw prices fall. In Dublin, asking prices were flat on the year at €225,000. In the commuter belt, prices were up 3.6% in Kildare at €145,000, up 10.2% in Meath at €135,000 and flat in Wicklow at €210,000.

In Cork, two-bedroom apartment prices were up 7.9% at €150,000. Similarly, in Galway, prices were up 8.3% on the year to €130,000. There have been more substantial percentage increases in cheaper counties. For example, in Louth, prices were up 17.6% to €100,000 and were up 22.1% in Monaghan to €80,000. Donegal remains the cheapest county, where the median asking price was €42,500.

2-bed apartments asking prices			Table 3
County	Q3 2016 €	Quarterly change	Annual change
Carlow	75,000	5.26%	10.29%
Cavan	60,000	-7.69%	-7.69%
Clare	59,000	7.27%	7.27%
Cork	150,000	7.91%	15.38%
Donegal	42,000	-5.56%	-5.56%
Galway	130,000	8.33%	0.00%
Kerry	125,000	-10.71%	31.58%
Kildare	145,000	3.57%	7.41%
Kilkenny	110,000	0.00%	5.29%
Laois	69,975	0.04%	23.85%
Leitrim	60,000	0.00%	20.24%
Limerick	65,000	-5.80%	2.36%
Longford	49,500	0.00%	2.59%
Louth	100,000	17.65%	25.00%
Mayo	97,000	-3.00%	14.12%
Meath	135,000	10.20%	17.39%
Monaghan	80,000	22.14%	25.98%
Offaly	65,000	14.04%	12.07%
Roscommon	54,500	36.25%	55.71%
Sligo	59,000	0.00%	-5.60%
Tipperary	52,500	8.30%	10.53%
Waterford	60,000	0.00%	20.00%
Westmeath	79,950	2.17%	15.08%
Wexford	89,500	5.29%	19.33%
Wicklow	210,000	0.00%	5.03%
Dublin	225,000	-2.17%	0.00%

Source: MyHome.ie

County analysis - 4 bed semis

In Q3 2016, 14 counties saw price growth in four-bedroom semi-detached houses. Two counties saw flat prices and ten counties saw prices fall. In Dublin, the median asking price fell by 2.3% on the quarter, albeit after a 9% rise in Q2, and is still up 6.3% on the year at €425,000. In the commuter belt, prices were up 1.9% in Kildare at €275,000 and by 11.4% in Meath at €245,000. In Wicklow, prices were down by 7.9% at €349,000.

In Cork, prices for four-bedroom semi-detached houses were broadly flat on the year at €247,250. In Galway, prices were down 0.5% on the year at €194,000. Again, price gains were sharper in some of the cheaper counties. Laois has seen the largest year-on-year percentage gain with a 30.6% rise to €160,000. Limerick also saw a 16.1% gain to €195,000.

4-bed semi-detached asking prices			Table 4
County	Q3 2016 €	Quarterly change	Annual change
Carlow	172,500	1.49%	11.29%
Cavan	135,000	-1.78%	-15.09%
Clare	157,000	-1.26%	5.02%
Cork	247,250	-3.04%	0.51%
Donegal	120,000	2.13%	6.67%
Galway	194,000	7.78%	-0.51%
Kerry	149,000	6.43%	-0.67%
Kildare	275,000	1.86%	1.87%
Kilkenny	200,000	0.00%	8.11%
Laois	160,000	-3.61%	30.61%
Leitrim	111,462	6.15%	11.80%
Limerick	195,000	11.43%	16.07%
Longford	89,950	5.82%	5.82%
Louth	215,000	4.88%	8.86%
Mayo	130,000	-3.70%	4.00%
Meath	245,000	-0.61%	11.36%
Monaghan	165,000	-2.94%	2.48%
Offaly	168,250	0.00%	12.17%
Roscommon	90,000	2.86%	-18.18%
Sligo	159,000	2.58%	13.57%
Tipperary	156,500	4.52%	0.97%
Waterford	180,000	-2.70%	0.56%
Westmeath	164,950	3.76%	13.76%
Wexford	162,500	1.56%	16.09%
Wicklow	349,000	-1.55%	-7.92%
Dublin	425,000	-2.30%	6.25%

Source: MyHome.ie



ABOUT THE REPORT

Graham Neary, Equity Portfolio Manager, London

Graham is an equity portfolio manager based in London where he manages funds for an international mutual organisation with over £14 billion in assets under management and one million members across Canada, the US and the UK. He has over six years of financial market experience, holds a degree in mathematics from Trinity College Dublin, and is a CFA Charterholder (Chartered Financial Analyst).

MyHome.ie Property Report:

The Method

The trends presented in this report are based on actual asking prices of properties advertised on MyHome.ie with comparisons by quarter over the last eight years. This represents the majority of properties for sale in Ireland from leading estate agents nationwide. The series in this report have been produced using a combination of statistical techniques. Our data is collected from quarterly snapshots of active, available properties on MyHome.ie. Our main indices have been constructed with a widely-used regression technique which adjusts for change in the mixture of properties for

sale in each quarter. Since the supply of property in each quarter has a different combination of types, sizes and locations, the real trends in property prices are easily obscured. Our method is designed to reflect price change independent of this variation in mix. For detailed statistics at a local level, we also provide a wide selection of median asking prices broken down by county or by urban location. For analysis of the Property Price Register prices were adjusted upwards to account for VAT where necessary, and only full market value prices were used.

“Wild card of Brexit should not have a material impact in 2016.”



RAW DATA Q3 2006 - Q3 2016

Data table (raw data)

Table 5









INDICES	Q1 2006	Q3 2006	Q1 2007	Q3 2007	Q1 2008	Q3 2008	Q1 2009	Q3 2009	Q1 2010	Q3 2010	Q1 2011	Q3 2011
National	124.99	136.82	138.16	136.58	134.35	125.80	114.59	108.08	100.81	93.63	86.86	80.71
Dublin	132.28	139.62	138.89	136.50	132.90	123.81	109.58	100.90	92.97	84.95	78.94	72.01
New	121.19	133.92	135.91	137.37	134.13	128.00	114.83	110.07	101.34	95.15	88.40	86.59
2nd Hand	125.75	137.28	138.60	136.59	134.50	125.60	114.50	107.74	100.65	93.28	86.61	80.15
% Change	Q1 2006	Q3 2006	Q1 2007	Q3 2007	Q1 2008	Q3 2008	Q1 2009	Q3 2009	Q1 2010	Q3 2010	Q1 2011	Q3 2011
National	7.04%	2.96%	-0.30%	-0.72%	-1.43%	-4.91%	-6.13%	-4.27%	-3.30%	-3.88%	-4.11%	-3.23%
Dublin	9.34%	1.08%	-0.25%	-1.66%	-1.29%	-4.93%	-7.44%	-5.73%	-3.91%	-4.30%	-3.82%	-3.76%
New	5.19%	5.42%	0.92%	-0.35%	-1.49%	-2.79%	-7.83%	-3.56%	-4.35%	-1.91%	-3.79%	-1.48%
2nd Hand	7.04%	2.52%	-0.46%	-0.73%	-1.42%	-5.21%	-6.02%	-4.39%	-3.24%	-4.15%	-4.12%	-3.34%
Standard Price	Q1 2006	Q3 2006	Q1 2007	Q3 2007	Q1 2008	Q3 2008	Q1 2009	Q3 2009	Q1 2010	Q3 2010	Q1 2011	Q3 2011
National	373,743	409,124	413,133	408,420	401,739	376,180	342,666	323,180	301,449	279,970	259,745	241,334
Dublin	506,046	534,124	531,320	522,157	508,397	473,612	419,205	385,993	355,657	324,985	301,984	275,478
New	324,615	358,721	364,039	367,959	359,268	342,850	307,590	294,835	271,437	254,871	236,780	231,923
2nd Hand	382,034	417,065	421,055	414,966	408,598	381,578	347,857	327,321	305,767	283,395	263,127	243,483

Data table (raw data)

Table 6

INDICES	Q1 2012	Q3 2012	Q1 2013	Q3 2013	Q1 2014	Q3 2014	Q1 2015	Q3 2015	Q1 2016	Q2 2016	Q3 2016
National	73.14	69.19	65.98	64.71	62.78	64.53	66.35	68.56	69.42	71.14	71.78
Dublin	64.74	62.66	61.61	62.22	63.91	68.76	72.04	74.79	75.89	77.43	77.74
New	83.26	80.67	75.65	73.81	69.69	64.13	65.91	68.04	68.81	72.19	75.74
2nd Hand	72.47	68.70	65.69	64.54	62.81	64.93	66.80	69.06	69.87	71.60	72.18
% Change	Q1 2012	Q3 2012	Q1 2013	Q3 2013	Q1 2014	Q3 2014	Q1 2015	Q3 2015	Q1 2016	Q2 2016	Q3 2016
National	-7.19%	-2.24%	-1.76%	-1.39%	-0.71%	1.44%	2.23%	1.60%	1.25%	2.47%	0.91%
Dublin	-7.54%	1.58%	-0.04%	0.86%	1.28%	3.01%	2.52%	1.47%	1.53%	2.03%	0.41%
New	-2.96%	-1.93%	-3.10%	-0.69%	-2.41%	-5.85%	2.66%	1.56%	2.64%	4.91%	4.93%
2nd Hand	-7.29%	-2.11%	-1.60%	-1.23%	-0.65%	1.74%	2.21%	1.56%	1.26%	2.47%	0.81%
Standard Price	Q1 2012	Q3 2012	Q1 2013	Q3 2013	Q1 2014	Q3 2014	Q1 2015	Q3 2015	Q1 2016	Q2 2016	Q3 2016
National	218,705	206,911	197,293	189,086	187,736	192,956	198,411	205,024	207,596	212,275	214,657
Dublin	247,676	239,722	235,694	241,392	244,480	263,048	275,600	286,089	290,301	296,190	297,397
New	223,009	216,072	202,623	191,266	186,655	171,784	176,535	182,252	184,301	193,352	202,883
2nd Hand	220,173	208,723	199,568	192,071	190,830	197,248	202,931	209,800	212,279	217,527	219,282

Q3 Highlights

	Q3 2015	Q3 2016
Number of properties on the site	 24,576	 22,919 (-6.74%)
Number of properties Sold (from PPR)**	 34,682	 30,869*
*Properties sold as of PPR update September 28th	sales Jan-Sept 2015	
Number of New Properties on the Market	 8,812	 8,547
National Average time to Sale Agreed	 5 months	 5 months
National Average asking price	€205,024	€214,657

ABOUT THE DAVY GROUP

Established in 1926, the Davy Group is Ireland's leading provider of wealth management, asset management, capital markets, and financial advisory services. Davy is headquartered in Dublin, with offices in London, Belfast, Cork and Galway. Employing over 600 people, Davy offers a broad range of services to private clients, small businesses, corporations and institutional investors, and organise its activities around four interrelated business areas – Wealth and Asset Management, Capital Markets, Corporate Finance and Research. Davy's Wealth and Asset Management business manages over €14bn on behalf of Irish and International clients*. Davy is Ireland's leading wealth manager providing a financial planning led private client service backed up by global investment portfolios driven by a proprietary investment process.

As the leading broker in the Irish market, we accounted for over 46%** of all dealings in Irish equities on the Irish

Stock Exchange in 2015. Davy is a primary dealer in Irish Government Bonds and acts as arranger on most Irish corporate bond issues. We advise 56%** of companies on the Irish Stock Exchange, including 6 of Ireland's top 10 listed companies*. We are Ireland's leading ESM and AIM adviser, representing approximately 75% of companies quoted on the ESM market**, and 17 companies quoted on the AIM market of the London Stock Exchange***. Davy is responsible for over 75% of funds raised on the Irish Stock Exchange in 2014 and 2015** and has been consistently recognised by the world's top names in financial services for the quality of research and service.

* Data correct as of January 2016

** Source: Irish Stock Exchange

*** Source: London Stock Exchange

ASSET MANAGEMENT | CAPITAL MARKETS
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This is your world.



This is where you hope to live,
wish to work, dream of escaping to.
This is thousands of homes at one address.

myhome.ie

Thousands of homes @ one address

