

Dublin Residential Market Report Q2 2021



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Director

The welcome return of inhouse viewings in April led to the unleashing of pent-up demand, that was built up since the end of last year, at the exact moment there is an historically low supply of property for sale in Dublin. According to Myhome.ie the number of the listings for sale in Dublin was 30% lower than the same period in 2019. There is still no sign of an increase of supply in response to this demand.

This supply and demand mismatch has created a seller's market which our transactional data confirms. Our average selling prices were 4.6% above asking prices. As the market picked up in June selling prices were 7% above asking and some houses at the upper end of the market are selling as much as 20% above asking and in a matter of weeks. 65% of our sales were above asking. This demand has been driven by the desire for more space, Irish families returning home from overseas, with their return accelerated by the pandemic, non-Irish technology executives buying instead of renting, and early inheritance where parents are providing their children with large deposits so they can bridge the affordability gap.

62% of our buyers are owner occupiers with 63% of that cohort being first time buyers. A new trend we are now seeing is that wealthy Irish families buying second homes in Dublin accounted for 21% of our sales. 80% of our buyers are Irish compared to 42% in Q1 and 65% require no funding whatsoever. 53% of our sellers are landlords exiting the market. This is a worrying trend as the amount of rental stock continues to deplete and given the construction sector was shut down for months it will take a long time to catch up with the output required to meet demand from renters. Our average selling price was €575,144/€602 per sq. ft. Selling times were shorter at 10.8 weeks but in June many properties were selling within four weeks.

After a very strong Q1 we saw a slight reduction in rental transactions in Q2. The market is strengthening week on week as Covid-19 restrictions are lifted and Dublin city centre starts to open up again. Tenants have a lot of choice and are very discerning on location, space, and interior design. Rents on well located two bedroom apartments increased slightly. One bedroom apartments continue to be challenging to rent with new working trends making home working for couples difficult. There are encouraging signs for the autumn period when large offices plan to reopen. Our average monthly rental was €2,059. We witnessed a significant increase (25%) in household salaries to €124,518. 43% of our tenants were Irish with an average age of 32. 42% of our tenants are working in the technology sector which is notably lower than 66% in Q1 2020.

All eyes will now be on the autumn season when typically more sellers come onto the market. Hopefully they will.

Market highlights

% of second home buyers

21%

Properties sold above asking

65%

Asking price v selling price variance

+4.6%

Average selling price

€575,144

Average price per SQ.FT.

€602

Average buyer age

45

% of vendors who are landlords leaving

53%

Tenants working in technology

42%

Irish tenants

43%

Average monthly rent

€2,059

Average household salary

€124,518

Average tenant age

32

Residential sales market

Q2 2021 transactional data (compared with Q1 2021)

% Percentage difference with Q1 2021

€549,250 (€603,571)

-9%

€575,144 (€590,714)

-2.6%

+4.6% (-2.1%)

Average asking price:

Average selling price:

Asking price v selling price variance:

10.8 (18.5)

-52%

10% (15%)

€6,477 / €602 (€6,373 / €592)

+1.6%

Weeks on market:

Fall through rate:

Average selling price per sq. m. / sq. ft.



5 The Daintree Building, Portobello, Dublin 8. Sold for €560,000

Buyer profile

% Q1 2021

Type

Owner Occupiers

62%

71%

- First time buyers 63%
- Second home 21%
- Trading up 8%
- Trading down 8%

Investors

38%

29%

Funding

Cash

65%

50%

Mortgage

33%

50%

Pension

2%

Nationality

Irish

80%

42%

Middle East

8%

7%

European

7%

21%

British

5%

21%

International (American, South American, African)

0%

9%

Residential rental market

Q2 2021 transactional data (compared with Q1 2021)

% Percentage difference with Q1 2021

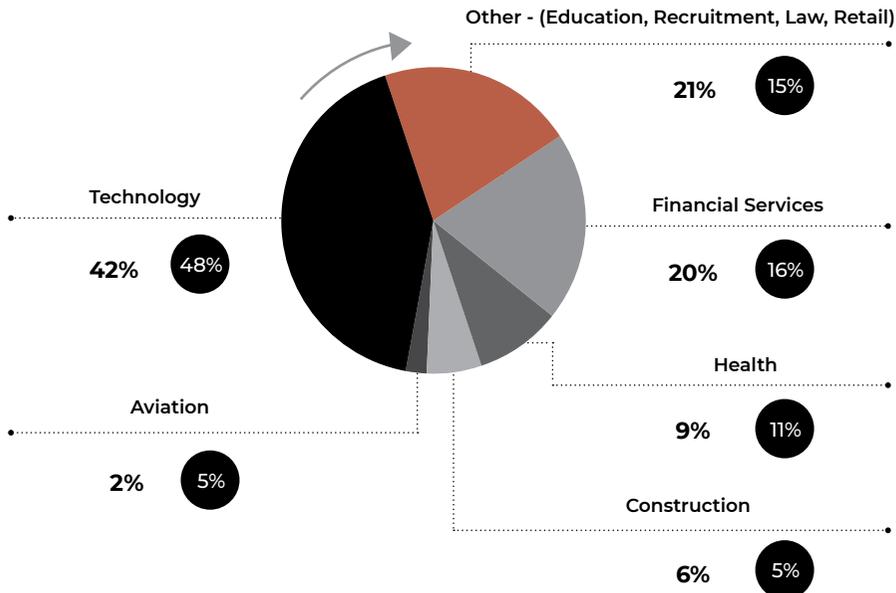
€1,726 (€1,767) -2.3%	€2,069 (€2,118) -2.3%	€2,830 (€2,850) -0.7%
Average one bed monthly rent:	Average two bed monthly rent:	Average three bed monthly rent:
€2,059 (€2,089) -1.44%	€124,518 (€96,857) +25%	+0.9% (0%)
Average monthly rent:	Average household salary:	Rent inflation:



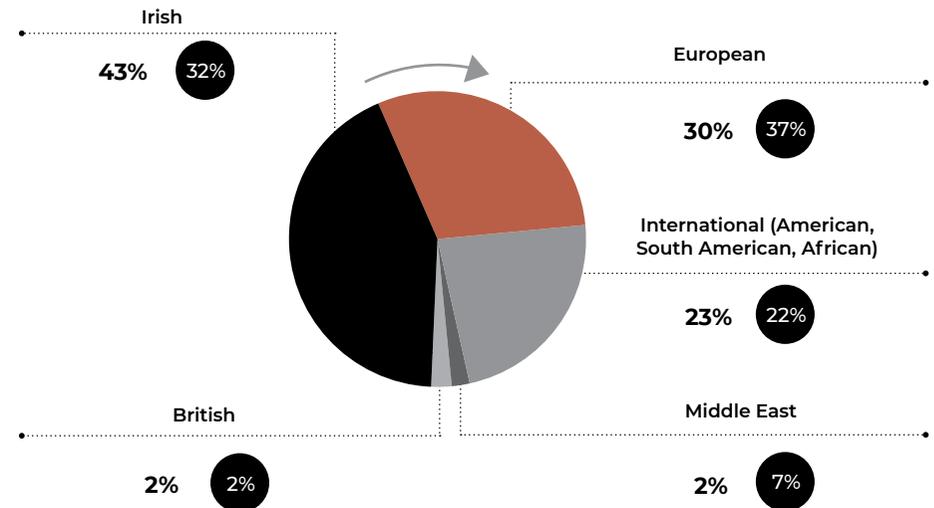
Morehampton Road, Donnybrook, Dublin 4. Let agreed at €5,500

Tenant profile % Q1 2021

Work sectors



Nationality





The doors of Dublin we have sold. We would love to sell yours!



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The information in this document is based on transactions only and our observations of the market. However, Dublin comprises unique and diverse neighbourhoods and features many very different developments. We will be pleased to provide more detailed breakdowns or background information to particular areas or developments.

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