Dublin Residential Market Report Q2 2022

owen**reilly**

In Q2 2022, the prime Dublin residential market once again performed strongly, underpinned by strong pent-up demand from motivated buyers and low supply. Our average selling prices were +5.2% above asking prices, up on Q1 which was +3.7%, in the face of headwinds like high inflation, rising mortgage rates, stock market turbulence, recession fears, and the war in Ukraine. Nevertheless, sales activity held strong, our transactions in June were up 30% on April when supply was at its lowest and our average selling prices were +7.6% above asking. There was a notable change in market sentiment in June and combined with a notable increase in supply of homes coming to market and rising interest rates, the market could cool in the coming quarter, but there is no evidence of this in our data at this time.

Motivated buyers

37% of our buyers were first time buyers with an average selling price of €658,998. Average selling prices per sq. ft. were 2% higher than Q1 at €657. A third of our owner occupiers were second home buyers which is the same as Q1, this is very much now a post-pandemic trend. 62% of our buyers require no mortgage funding, up from 54% in Q1. Investor demand remains steady at 25% (from 27% in Q1). Demand was highest for family homes along the Grand Canal in turn-key condition.

Rental market crisis

In the rental market the dysfunction continued with strong demand and record low supply exacerbated by the continued exodus of landlords who accounted for 48% of our sellers. Rental inflation is running at 1% per month which is lower than the 3% per month we recorded in the first three months of the year. Our average rental was €3,112 per month, 24% higher than the previous quarter. 62% of our tenants are working in the technology sector with an average household salary of €154,436, 17% higher than the figure we recorded in Q1. Only 12% of our tenants in this quarter were Irish compared to 18% in Q1.

Market Highlights

Average Selling Price	% of properties that sold above asking	% of Sellers who are landlords	Average Monthly Rent
€658,998	81%	48%	€3,112
Asking Price v Selling Price Variance	Sales Fall Through Rate	Weeks On Market	Average Tenant Age
+5.2%	9%	8.3	33
Average Selling Price per sq. ft	Average Buyer Age	Average Tenant Household Salary	% of Tenants working in technology
€657	43	€154,436	62%

Dublin Residential Sales Market

Q2 2022 Transactional Data (compared to Q1 2022) **%** Percentage difference with Q1 2022

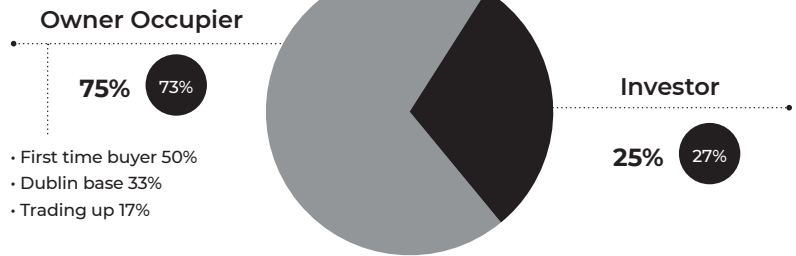**€625,313** (€615,270) **+1.6%**

Average Asking Price:

€658,998 (€638,869) **+3.1%**

Average Selling Price:

+5.2% (+3.7%)

Asking Price V Selling Price Variance:

8.3 (10.8)

Weeks On Market:

9% (14%)

Fall Through Rate:

€7,104 / €657 (€6,927 / €644) **+2%**

Average Selling Price per sq. m. / sq. ft.

29 Waterloo Lane, Ballsbridge, Dublin 4. Sold for €1,300,000
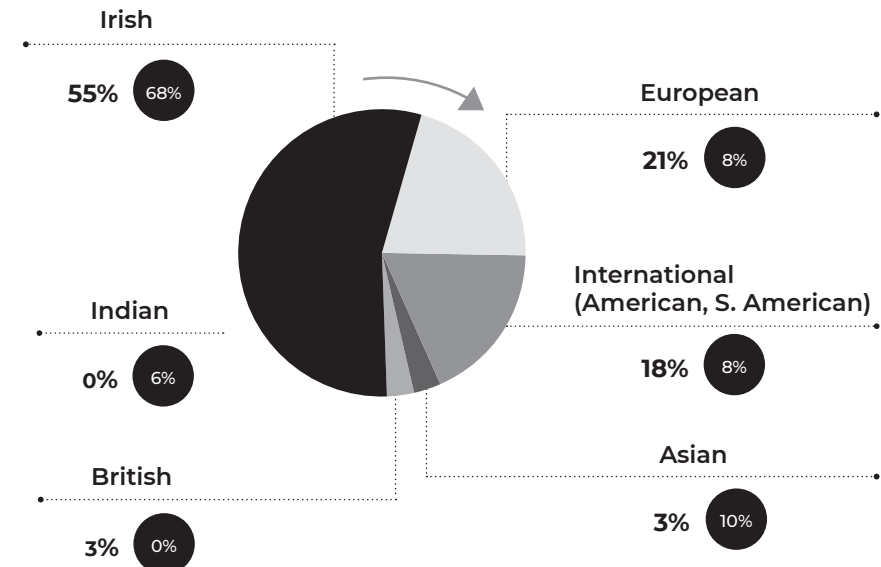
Buyer Profile **%** Q1 2022

Type

Owner Occupier

75% 73%

· First time buyer 50%
· Dublin base 33%
· Trading up 17%

Investor

25% 27%

Funding

Cash

62% 54%

Mortgage

38% 46%

Nationality

Irish

55% 68%

European

21% 8%

Indian

0% 6%

**International
(American, S. American)**

18% 8%

British

3% 0%

Asian

3% 10%

Dublin Residential Rental Market

Q2 2022 Transactional Data (compared to Q1 2022)   **%** Percentage difference with Q1 2022

€2,409 (€1,936) **+21%**

€3,155 (€2,316) **+30%**

€3,983 (€3,541) **+12%**

Average One Bed Monthly Rent:

Average Two Bed Monthly Rent:

Average Three Bed Monthly Rent:

€3,112 (€2,431) **+24%**

€154,436 (€130,565) **+17%**

3% (9%)

Average Monthly Rent:

Average Household Salary:

Rent Inflation:

Morehampton Road, Donnybrook, Dublin 4. Let agreed for €11,000

Tenant Profile   **%** Q1 2022

Work Sectors

Technology
62% 63%

Finance
11% 9%

Aviation
2% 0%

Health
11% 5%

Construction
2% 5%

Other (Retail, Education, Pharmaceuticals)
12% 18%

Nationality

European
38% 58%

International (American, South African)
20% 8%

Asian
7% 2%

British
9% 4%

Indian
14% 10%

Irish
12% 18%
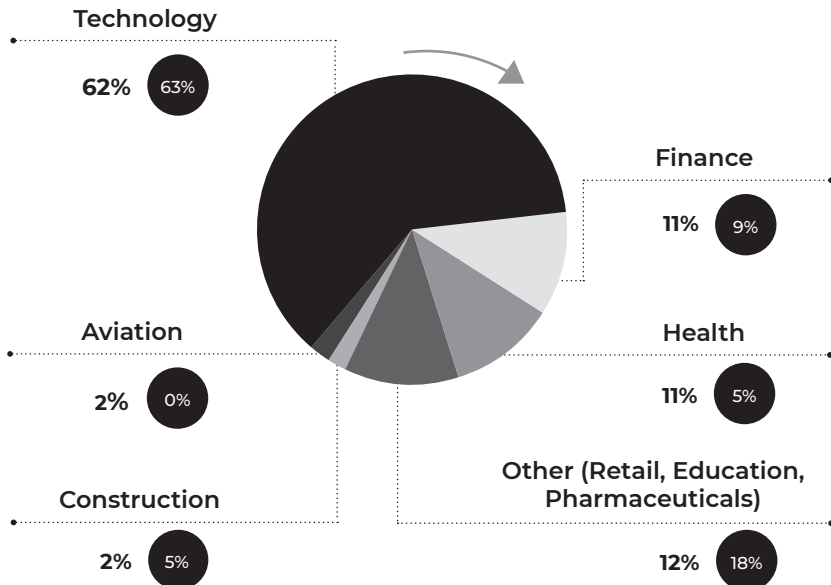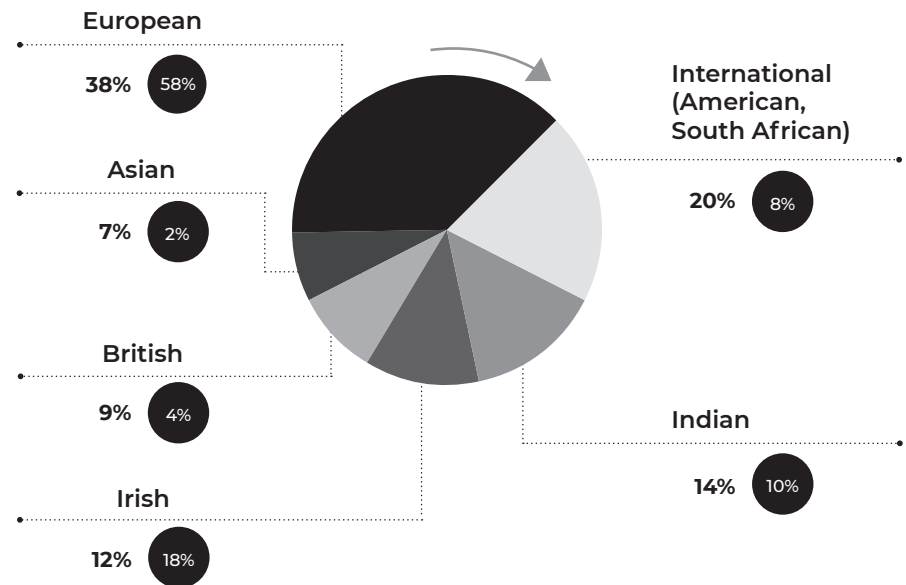
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The doors of Dublin we have sold. We would love to sell yours!

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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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