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THE SUNDAY TIMES

PART 1
DUBLIN
2024

Property Price Guide



Owner-occupiers
take back the city

NEXT WEEK PART TWO — THE NATIONWIDE PROPERTY PRICE GUIDE

COVER IMAGE: ALAMY

INSIDE PROPERTY PRICE GUIDE



The upper end of the market in D4 is resilient, *above*

6

Period red-brick properties are flying off agents' books in D8

11

Buyers in D14 are paying a premium for family homes

18

First-time buyers clamour to get on the ladder in north Co Dublin

25



Editor Róisín Healy
Writers Erin McCafferty, Cara O'Doherty
Sub-editors Nicola Cheyne, Liz Meek
Design Ciara McArdle
Photography Karen Morgan, Sam Starkey, Kevin Gleeson

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Cash is king in the capital



Apartments in close proximity to Dublin city centre continue to be in high demand

Bidding wars and waiting lists were par for the course last year as city buyers battled for the few homes that became available. Will it be any easier in 2024, ask *Róisín Healy* and *Erin McCafferty*

In recent years homeowners in Dublin have been upping sticks and transplanting themselves to coastal towns around Ireland, drawn by the value for money and spacious properties to be found.

You can understand what turned their heads – covetable, already renovated period properties in Dublin are hard to find, there is a dearth of contemporary homes, and the city lacks the sea views and spacious gardens available in Wicklow, Galway, Waterford and Cork. For families, trading up for more ample space for a growing brood is a much more appealing prospect than vying with emigrants – returning with cash in their pockets – for hen's-teeth Dublin homes.

In the past, demand for accommodation in the capital meant an easy win for investors, but that is changing. Being a landlord in the city is less attractive, due to high taxation, rising interest rates and dissatisfaction with government policy leading to the exodus of even accidental landlords. This is resulting in a scarcity of rental properties and causing rent prices to skyrocket.

"In Dublin 2 our typical buyer was an owner-occupier in their forties. Ten years ago more than 80 per cent of our buyers were investors; now only one in three are," says Owen Reilly, an estate agent.

"Investors don't want to buy rent-capped apartments, so there was less demand for one-bedroom apartments in Dublin 2 than there used to be."

The Central Statistics Office has reported that property prices in Dublin are falling, but Reilly finds the statistics "frustrating". He suggests breaking down the data into different categories. "It would be more useful to categorise it as 'up to €300,000', 'from €300,000 to €500,000', 'from €500,000 to €1 million', 'from €1 million to €1.5 million' and anything above that. It would also be helpful to differentiate between houses and apartments," he says.

The lack of homes to rent across Dublin further intensifies the pressure on first-time buyers. But now they're also faced with the dilemma of forking out for a contemporary home in walk-in condition or taking on a big project when renovation costs are eye-wateringly expensive. Their first option is to battle it out for the turnkey homes that are in high demand. Buying a fixer-upper isn't an easy alternative, notes Sean Tobin of Sherry FitzGerald estate agency.

"If it's going to take a year or two for a house to be renovated then a buyer needs to let a property in the area for that time," he explains. "Not only are letting costs expensive, but it's also difficult to find somewhere to

rent in Dublin 3, and this is having a knock-on effect on the sale of second-hand homes."

In Dublin 14, families are drawn by the number of renowned schools in the area as well as the easy access to the Luas and M50, says Brian Dempsey from the property adviser DNG, and first-time buyers made up a large proportion of buyers.

"Many of these had saved substantial amounts during the Covid-19 pandemic or were being helped out by the Bank of Mum and Dad to get mortgages," he says.

Deirdre O'Gara of Mullery O'Gara estate agency anticipates that market conditions will remain the same and interest rates will stabilise.

"We've had ten rate hikes over 40 months. The listings in Dublin are down 35 per cent year on year, and anything that was in good condition achieved an immediate response, and bids were placed quickly as buyers realised they needed to move swiftly."

Dempsey suggests that this may affect house prices further down the track. "Interest rates appear to have plateaued or are certainly close to it, and this will enable those looking to purchase to have more clarity over their budget."

"I think interest rates will soon decrease again in line with inflation. This combined with wage inflation could leave those with an ability to

buy finding it hard to find their dream home because of price increases."

At the upper end of the market, cash buyers, uninfluenced by interest-rate rises, are splashing out on restored period properties in D4 and D6 and contemporary family homes in D14 and D18. But even affluent prospective buyers are encountering a lack of available property, with bidding wars and waiting lists, according to O'Gara.

"There was a high demand from cash buyers internationally, often people who have links to Ireland who were coming home and looking for prime properties in prime locations," she says.

"There was very strong demand for townhouses and mews-style properties in Dublin 6. We recently had a situation where over a three-week period we showed a mews to more than 70 parties."

The new developments in Dublin 18 are also proving popular, according to Jamie Douglas of Hunters Estate Agents.

"Particularly notable was a strong interest from Asian buyers in the newer A1 to B3-rated properties of Stepside,

Sandyford and Leopardstown," he says.

However, new development blocks in Dublin tend to be for buy-to-rent schemes, only catering to a certain sector of the market, and so there continues to be a shortfall of large family homes.

Meanwhile, south Co Dublin's appeal continues to draw emigrants with high savings home.

"A large proportion of buyers in south Dublin – 35 per cent – have been fully cash funded. These are a mix of downsizers and wealthy upsizers, often returning Irish emigrants," says Clare Fahy of Hunters Estate Agent.

"It was simply a matter of demand outstripping supply and people who were not affected by interest rate rises being in a position to pay cash."

The scarcity of available property is stalling values, with an average price increase of just 2.7 per cent anticipated for this year. The agents surveyed, across the 26 areas of Dublin, all regard supply and any potential interest-rate hikes as factors that will influence prices going forward.

Without the option of bridging finance, right-sizing can be a difficult prospect for older homeowners. While Dublin 18 does have new developments that might suit those trading down, in localities such as Dublin 5, 6 and 6W, it's hard to find comfortable homes of an appropriate size to make it worth selling up.

In many cases the choice appears to be to remain at a standstill in a home that no longer fits owners' needs or join the fray scrambling for something more appropriate, but elusive.

“The scarcity of available property is stalling values, with an average price increase of just 2.7 per cent anticipated for this year

Property Price Guide 2024



DUBLIN 1

IFSC, north city centre, North Wall
CSO median house price: €339,000
2024 prediction: up 2%

Just a few years ago, most of the buyers in the Dublin 1 area were investors. However, with landlords selling up due to rising interest rates, increased taxation, and a dissatisfaction with government policy on the rental sector, this has changed and these days, 70 per cent of buyers are owner-occupiers, according to Owen Reilly of Owen Reilly Estate Agents. “Just 30 per cent of buyers in Dublin 1 are investors now,” he says. “It’s the opposite of what was happening a few years ago.”

Dublin 1 is dominated by apartments and most purchases last year were by first-time buyers, many of whom worked in the multinational sector and had been born outside Ireland. A total of 46 per cent of buyers paid cash for these properties in 2023. “These are people who have saved or cashed in shares; some are bringing money from abroad. Sometimes they’ve rented in the buildings in which they’re buying, and because the rents are so expensive it makes more sense that they buy,” Reilly explains.

Last year there was a steady demand for apartments, especially if they had been renovated. “A lot of the properties in the IFSC, for example, are 20 to 30 years old and in need of renovation or refurbishment. They also

First-time buyers swoop as unhappy investors pull out



International buyers were out in force in Dublin 1, many of whom paid cash for apartments

DUBLIN 1	YEAR	IFSC/NORTH DOCKS	NORTH CIRCULAR RD
Second-hand 1-bed apartment	2022	€320,000	€238,000
	2023	€323,000	€245,000-€252,000
	2024	€330,000-€337,000	€250,000-€255,000
Second-hand 2-bed apartment	2022	€376,000	€306,000
	2023	€380,000-€383,000	€312,000
	2024	€383,000-€387,000	€318,000-€324,000
Second-hand 3-bed townhouse	2022	-	€363,000
	2023	-	€373,000-€380,000
	2024	-	€376,000
1-bed cottage	2022	€314,000	€250,000
	2023	€320,000-€326,000	€255,000
	2024	€326,000-€332,000	€260,000-€265,000
2-bed cottage	2022	€371,000	€336,000
	2023	€375,000	€342,000
	2024	€380,000-€385,000	€348,000-€355,000
Period terraced house	2022	-	€478,000
	2023	-	€478,000
	2024	-	€482,000-€487,000

Source: Owen Reilly

sometimes have low energy ratings,” Reilly says. He points out that any planned new developments in Dublin 1 are build-to-rent. “The rental market in north Docklands is more positive, with three of these schemes

competing with one another,” he says. Reilly expects there to be little change in the market this year due to the low supply of properties. “Values are up a couple of per cent, reflecting low availability and the

eagerness of first-time buyers, given the rental market,” he says. “In general, I predict prices in Dublin 1 will increase on average 2 per cent in 2024. Properties in turnkey condition with good BERs will perform better.”



St Stephen's Green, a 22-acre Victorian park in Dublin 2

Premium apartments prove popular

DUBLIN 2

Grand Canal Dock, south city centre
CSO median house price: €455,000
2024 prediction: up 1%

Much like Dublin 1, owner-occupiers are becoming the norm in Dublin 2. “A total of 80 per cent of properties have owner-occupiers and just 20 per cent are owned by investors. Ten years ago it was the reverse,” says Owen Reilly of Owen Reilly Estate Agents. Most of the properties for sale here are apartments and generally prices tend to be higher than on the northside of the city. There is better infrastructure and amenities, including cafés and restaurants, on the southside, which appeals to apartment buyers. However, there were 23 per cent fewer properties listed for sale in Dublin 2 last year compared with 2022.

“A slowdown in the technology sector affected confidence in the first six months. Sales picked up later, with the price of apartments in Grand Canal Dock rising about 3 per cent. In Merrion Square and along the canal, houses sold better than apartments and prices were up by 2 to 3 per cent,” Reilly says. He gives the example of No 119 Baggot



Court, a three-storey townhouse, which was listed at €600,000 in March and sold for €800,000. The condition of a property and its BER were also factors. Apartments that were 15 to 20 years old or more, with dated communal areas and a low BER, as well as those with low rent caps, were harder to sell. “Investors don’t want to buy rent-capped apartments so there was less demand for one-bedroom apartments in Dublin 2 than there used to be,” Reilly says. “The supply of rentals in Dublin 2 is up as a result of landlords leaving the market.” A total of 55 per cent of buyers bought with cash last year so the increase in interest rates did not affect them. “I predict values will increase 1 per cent in general in Dublin 2 in 2024,” he says. “Demand will be strongest for houses and especially from first-time buyers. Apartments and houses that have been renovated recently will also sell very well.”

DUBLIN 2	YEAR	GRAND CANAL DOCK	SOUTH CITY CENTRE
Second-hand 1-bed apartment	2022	€422,000	€366,000
	2023	€422,000	€370,000
	2024	€426,000-€430,000	€375,000-€380,000
Second-hand 2-bed apartment	2022	€572,000	€481,000
	2023	€572,000	€485,000
	2024	€583,000-€595,000	€495,000-€505,000
Second-hand 3-bed townhouse	2022	-	€586,200
	2023	-	€592,000-€598,000
	2024	-	€598,000-€604,000
2-bed cottage	2022	-	€486,000
	2023	-	€491,000
	2024	-	€500,000-€510,000
Period terraced house	2022	-	€825,000
	2023	-	€825,000
	2024	-	€833,250-€841,000

Source: Owen Reilly

LOCAL VIEW ‘THIS AREA IS A CULTURAL HUB’



Dublin 1 is home to iconic streets, an abundance of shops and eateries, and it has a lot to offer. Plenty of high street brands have outlets in and around Henry Street, and there are two shopping centres, the Ilac Centre and the Jervis Shopping Centre, but the gallerist Olivier Cornet, left, reminds us that the area is rich in culture. Cornet opened the Olivier Cornet Gallery on Denmark Street Great seven years ago. He says his gallery is surrounded by art institutions that draw crowds from home and abroad.

“The Hugh Lane Gallery is world renowned. It houses Francis Bacon’s Studio and hosts some fascinating exhibitions. The Irish Writers Centre, Poetry Ireland and the James Joyce Centre are nearby. The Gate Theatre is around the corner, and we have the O’Reilly Theatre in Belvedere College. This area is quite a cultural hub,” Cornet says. Dublin 1 is the heart of Georgian Dublin. Mountjoy Square, completed in 1818, is regarded as the finest surviving Georgian square in Ireland, and streets such as North Great George’s Street

are often used as period settings in television and film productions. Cornet says that the variety of restaurants is a great bonus and that you never have to go far for a coffee. As a treat, go to the two-star Michelin restaurant Chapter One on Parnell Square North. “We had an event recently, and a local Korean restaurant, Day n Night, provided gorgeous food. It makes everything easy when you have so many great places on the doorstep.” oliviercornetgallery.com

Property Price Guide 2024



Cash buyers turn speedy sales around

DUBLIN 8

Blackpitts, Christchurch, Dolphin's Barn, Inchicore, Islandbridge, Kilmainham, Portobello, Rialto, South Circular Road, the Coombe, the Liberties
CSO median house price: €370,000
2024 prediction: up 1%-2%

Period houses at the upper end of the market performed better in Dublin 8 than anywhere else in the capital last year, increasing in price by an average of 9.8 per cent. "Dublin 8 was the star performer for houses priced over €400,000," says Owen Reilly of Owen Reilly Estate Agents. "We didn't see that in any other part of Dublin. What's more, 38 per cent went sale agreed above the asking price."

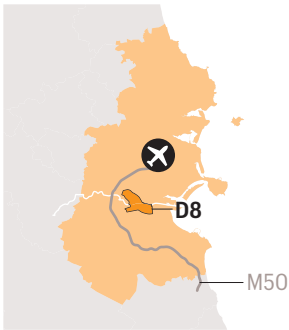
He points to the example of No 13 Raymond Street, a period villa-style three-bedroom house, which was put on the market at €800,000 and just four weeks later sold for €1.05 million. "That's a remarkable 27 per cent increase," he says.

The average selling time for these types of properties was faster than usual at just four to six weeks, and a third of the buyers were not relying on a mortgage. "What we've been seeing is people who have already sold their homes and are paying cash – in other words, trading up," Reilly says.

First-time buyers in the area were typically funded by the Bank of Mum and Dad or coming from overseas. "Our records show that 58 per cent of buyers were Irish; 25 per cent were from the EU; and 17 per cent were from non-European countries," he explains.

Most people buying in Dublin 8 last year – 83 per cent – were owner-occupiers, due to landlords leaving the market, as is the case across Ireland, and a reluctance on the part of investors to buy.

As in most parts of Dublin, there was a drop in stock levels and house sales were stronger than apartments.



Price inflation was in the region of 4 or 5 per cent for period homes and there was a stronger demand for homes in walk-in condition compared with those in need of work. "It comes down to the lack of supply and the fact that people are willing to pay a premium for a turnkey, forever home," Reilly says.

Houses that have already been fully renovated are expected to continue to be highly sought after. "Depending on the property type and condition, I think prices will increase by 1 to 2 per cent in Dublin 8 this year. However, those priced at €400,000 and under are likely to perform best, given the demand from first-time buyers," he adds.



St Patrick's Cathedral in the Liberties, left and below. Homes priced under €400,000 are in greatest demand

LOCAL VIEW 'NEW RESIDENTS HAVE TAKEN UP THE DUBLIN SPIRIT'

Dublin 8 is one of the capital's most established areas where new Dublin and old Dublin meet.

The husband-and-wife team Patrick Fagan, right, and Danielle Farrelly with Danielle's sister Lisa Farrelly, left, opened Marlowe & Co in 2019. It is a café and corner shop with a traditional and contemporary feel, much like the rest of the area. The shop is in the Tenters, and Fagan says he loves that hybrid feeling of two worlds in one.

"Our corner of Dublin 8 has an excellent community spirit. That was forged further during Covid, with everyone helping each other out. People look out for others in a way we don't usually see any more. We have the old-school Dublin spirit with a layer of gentrification on top of it," he says.

"The people who have come in have taken up the spirit of community. There is a lot of respect for this community's traditional values of looking out for their own, and the new residents have embraced it. It means we have a lovely atmosphere here."



Dublin 8 has become a foodie destination, and Fagan says that was a big attraction when he moved. "We were living here for a good bit before we started the shop. One of the things that drew us to the area was the great food.

There are many great little places, some of which make their own products such as bread and sauces, and there is this cross-pollination of locally made food, which is then used in other local venues."

DUBLIN 8	YEAR	PORTOBELLO	RIALTO	KILMAINHAM
Second-hand 1-bed apartment	2022	€358,000	€265,000	€285,000
	2023	€361,000-€365,000	€270,000-€275,000	€289,000-€293,000
	2024	€368,000-€375,000	€275,000-€280,000	€295,000-€300,000
Second-hand 2-bed apartment	2022	€472,500	€337,000	€364,000
	2023	€477,000-€482,000	€344,000-€350,000	€375,000-€386,000
	2024	€482,000-€487,000	€349,000-€354,000	€382,500-€390,000
Second-hand 2-bed townhouse	2022	€658,300	€367,500	€402,000
	2023	€671,500-€685,000	€378,000-€389,000	€414,000-€426,000
	2024	€671,500	€385,500-€393,000	€422,000-€430,000
Second-hand 3-bed townhouse	2022	€730,000	€422,000	€460,000
	2023	€737,000-€744,000	€430,000-€438,000	€471,500-€483,000
	2024	€744,000-€751,000	-	-
2-bed cottage	2022	€491,000	€353,000	€394,000
	2023	€500,000-€510,000	€360,000	€401,000-€409,000
	2024	€500,000	€367,000-€374,000	-
Period terraced house	2022	€1.04m	€560,000	€725,000
	2023	€1.06m-€1.08m	€571,000-€582,000	€754,000-€784,000
	2024	€1.06m	€576,000	€761,500-€769,000

Source: Owen Reilly



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