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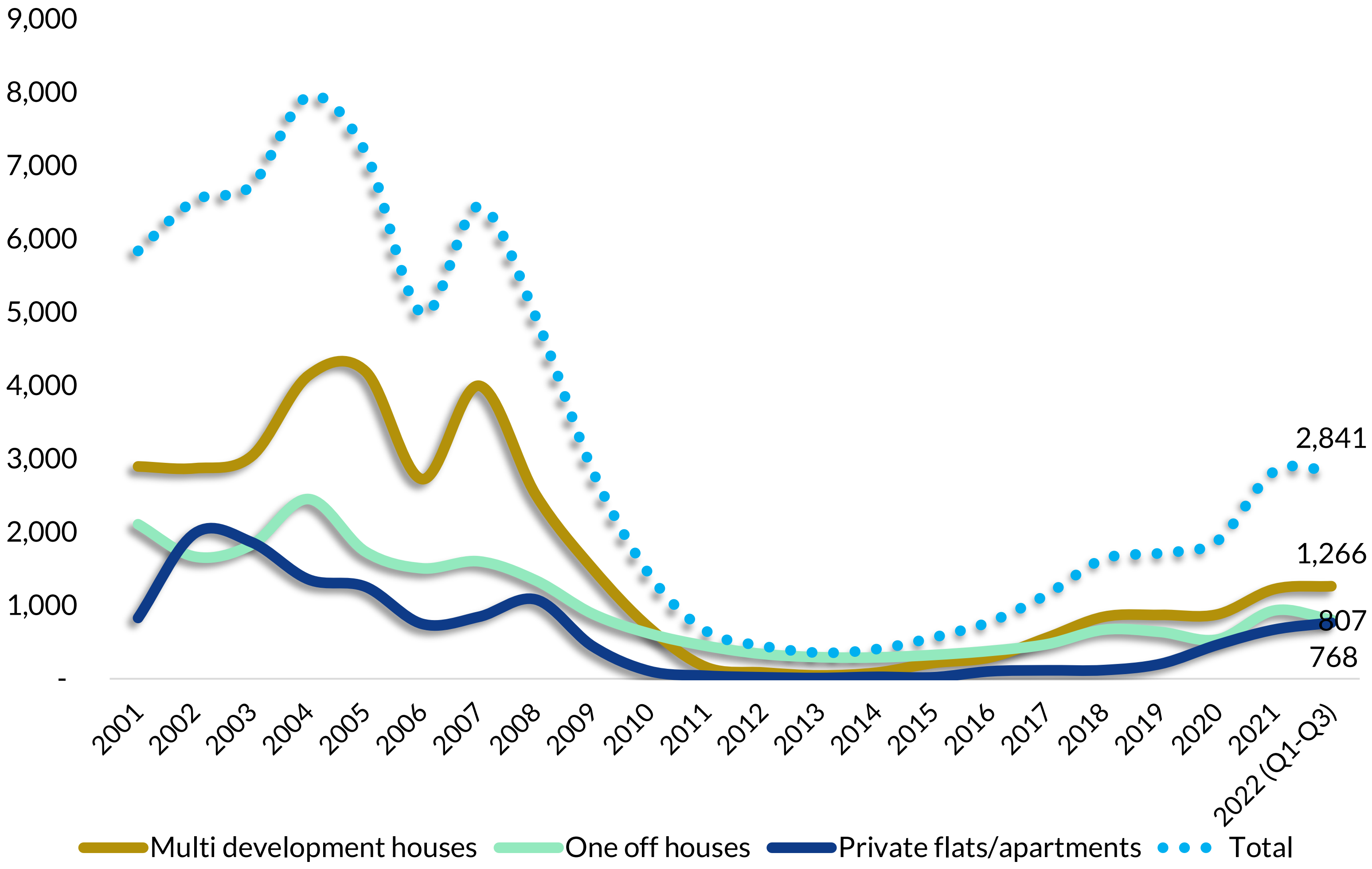
# Housing Overview

**Home Building Finance Ireland (HBFI) Event**


## Seán Golden
## Chief Economist / Director of Policy


*26 January 2023*

# Planning Permission Grants
(Mid-West)




2,841 submissions in the system across the Mid-West (Q1 – Q3) compared to 2,834 in 2021 – already surpassed 2021

Estate homes and apartments have increased, one off homes decreased

**Share of Planning Permissions:**
Estate homes: 45%
One off homes: 28%
Apartments: 27%

**Implementing planning permissions is key. This data is only indicative of what could be delivered if planning permissions were realized.**

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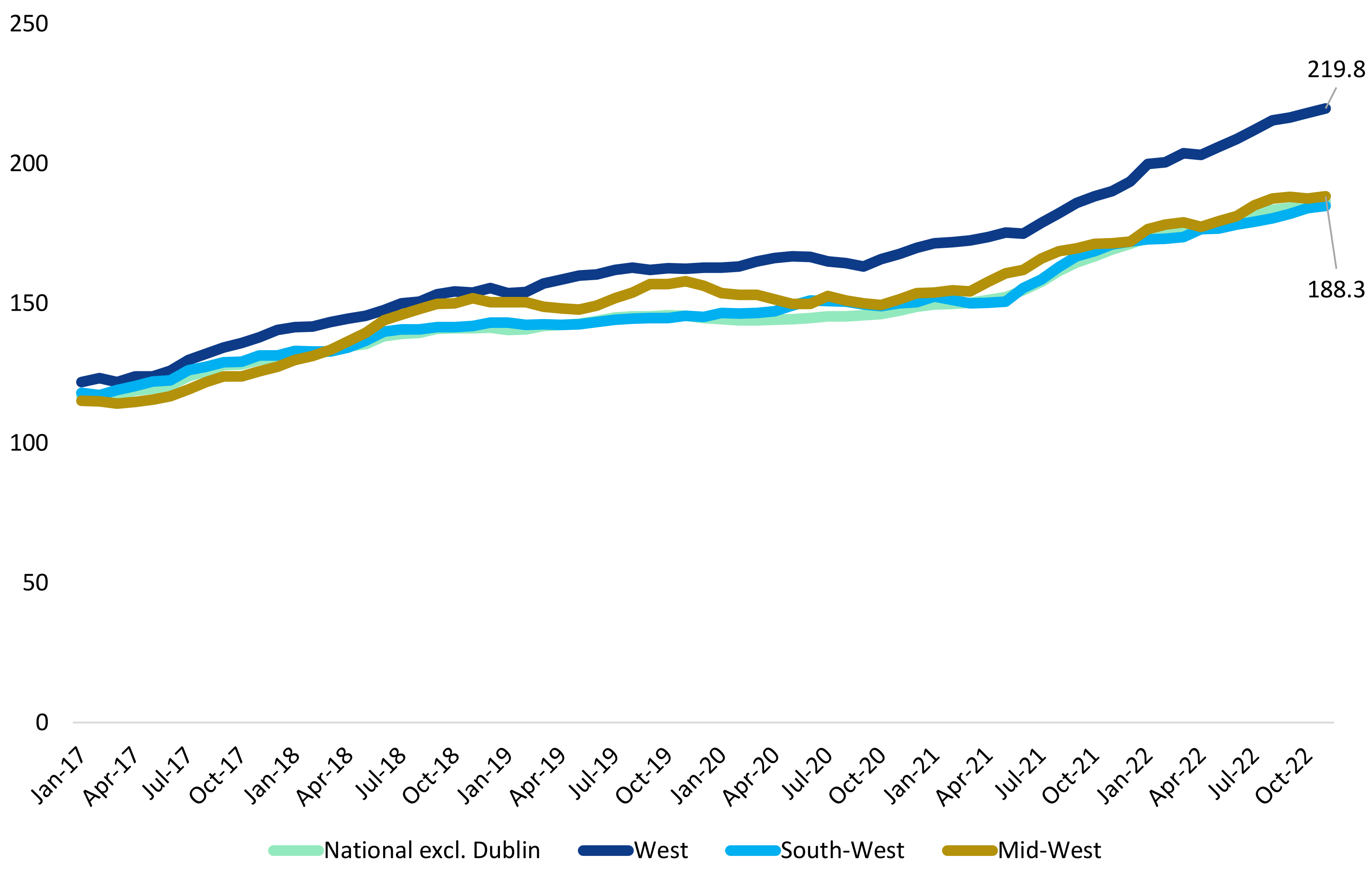
Source: CSO

# Residential Property Price Index (RPPI)




**Since Sep 2015:**
- National increased by 64.1%
- Mid-West increased by 81.8%
- South-East increased by 84.5%
- West increased 113.7%

**Since Nov 2019:**
- National increased by 24.4%
- Mid-West increased by 19.3%
- South-East increased by 33.6%
- West increased 35.3%

**Since Nov 2021:**
- National increased by 8.5%
- Mid-West increased by 9.8%
- South-East increased by 8.6%
- West increased 15.6%

- Nationally: 25 successive months of YoY growth
- Mid-West: 23 months
- West: 95 months (since series began)

Note: RPPI data not available at county level, also only shows % changes of houses (not apartments etc)

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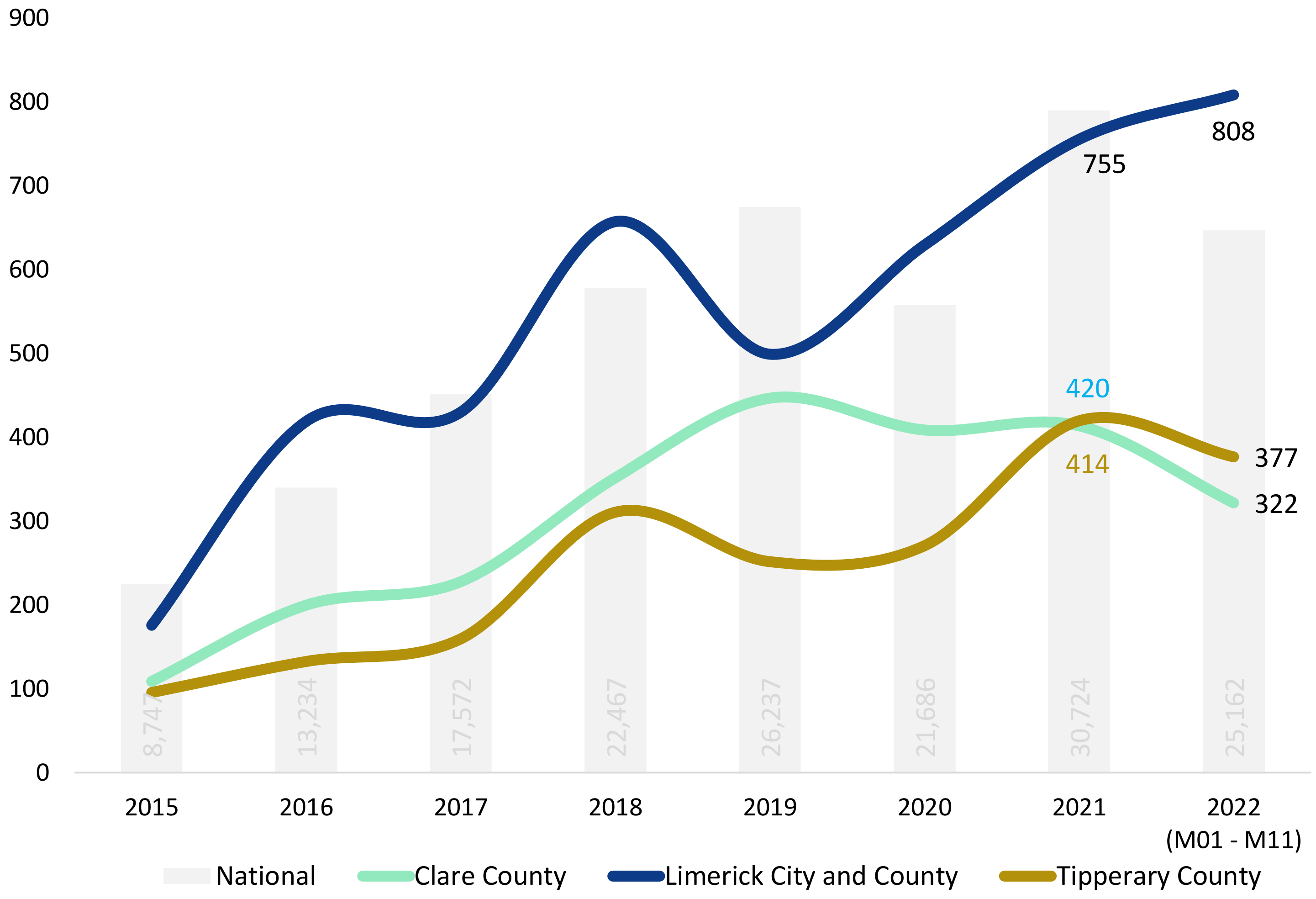
Source: CSO

# Commencements




- Limerick already surpassed 2021 levels in M11 '22 (+53)
- Likely not to reach level of delivery required as per ESRI – 1,800 required in Limerick not including pent-up demand
- Clare and Tipperary have ground to make up in December (Tipperary need 43 and Clare 92). Potential slow down? Or just a blip..

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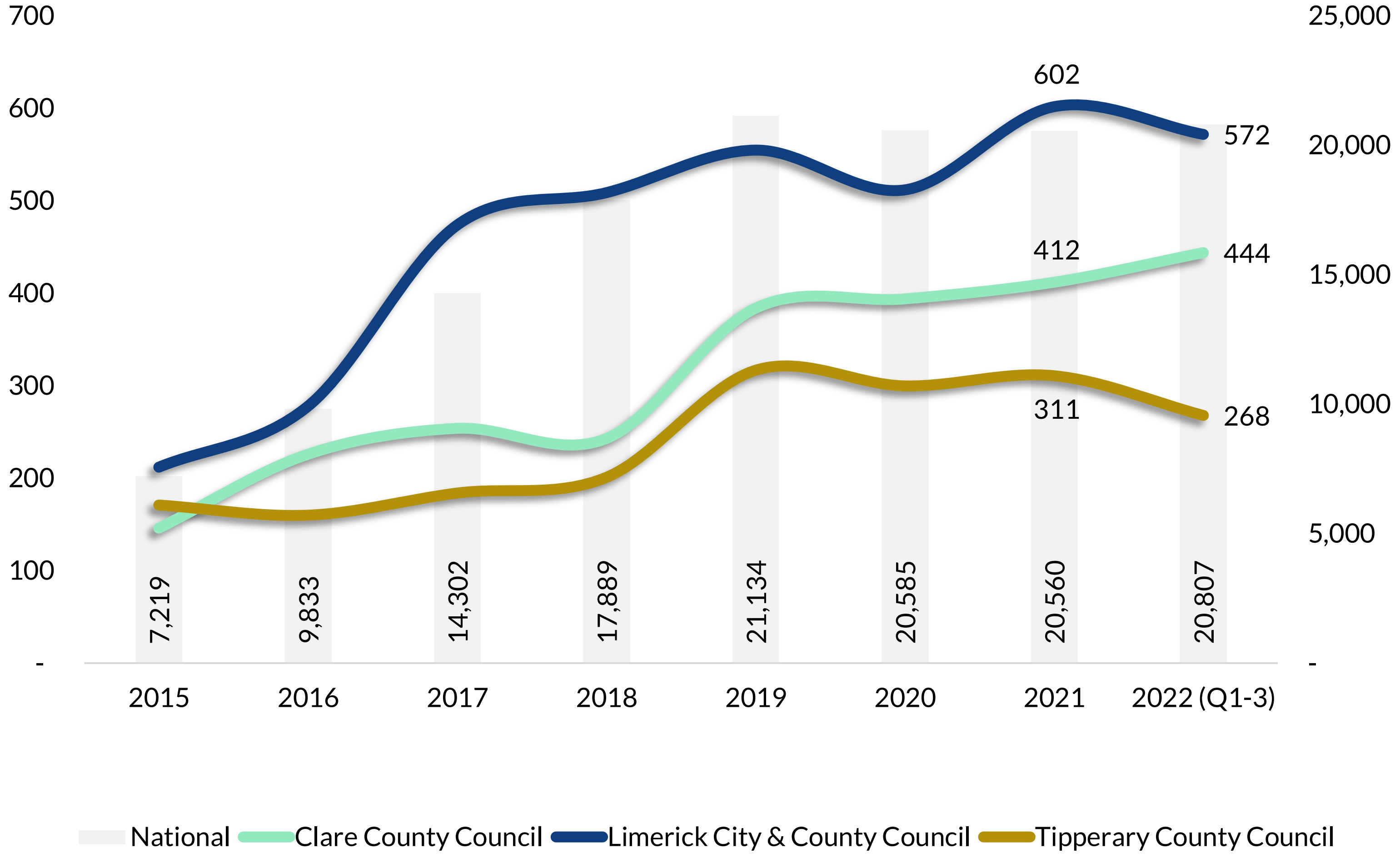
Source: CSO

# New Dwelling Completions

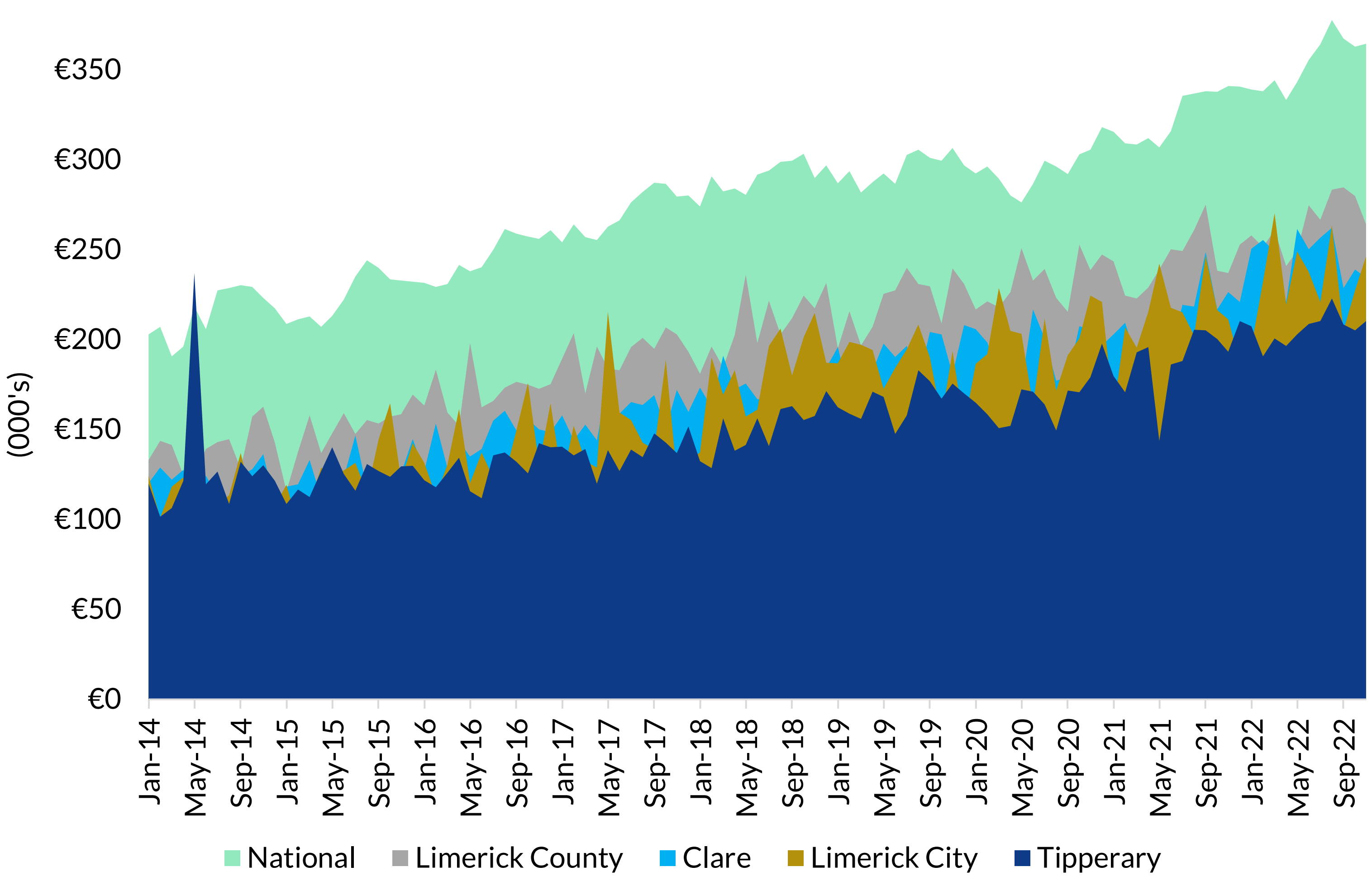



**To Q3 2022:**

- Nationally, in 2022 to Q3, surpassed 2021 figures by 247 (Total 20,807)
- 444 homes in Clare (+32 over 2021)
- 572 homes in Limerick (-30 on 2021)
- 268 homes in Tipperary (-41 on 2021)
- ESRI Limerick demand is 1,200 – 1,800 pa
- ESRI outline national demand is 28,000 pa – 24,600 was targeted in 2022 under housing for all. Talks of a revision.

Source: CSO

# Average House Prices: Mid-West




**Nov-22**
- National = €364k
- Limerick City = €246k
- Co. Limerick = €264k
- Co. Clare = €234k
- Co. Tipperary = €210k

**YoY increase**
- National = 6.9%
- Limerick City = 16.5%
- Co. Limerick = 11.4%
- Co. Clare = 3.6%
- Co. Tipperary = 8.9%

**Nov-19 increase (pre-covid)**
- National = 18.9%
- Limerick City = 27.2%
- Co. Limerick = 10.3%
- Co. Clare = 29.8%
- Co. Tipperary = 19.9%

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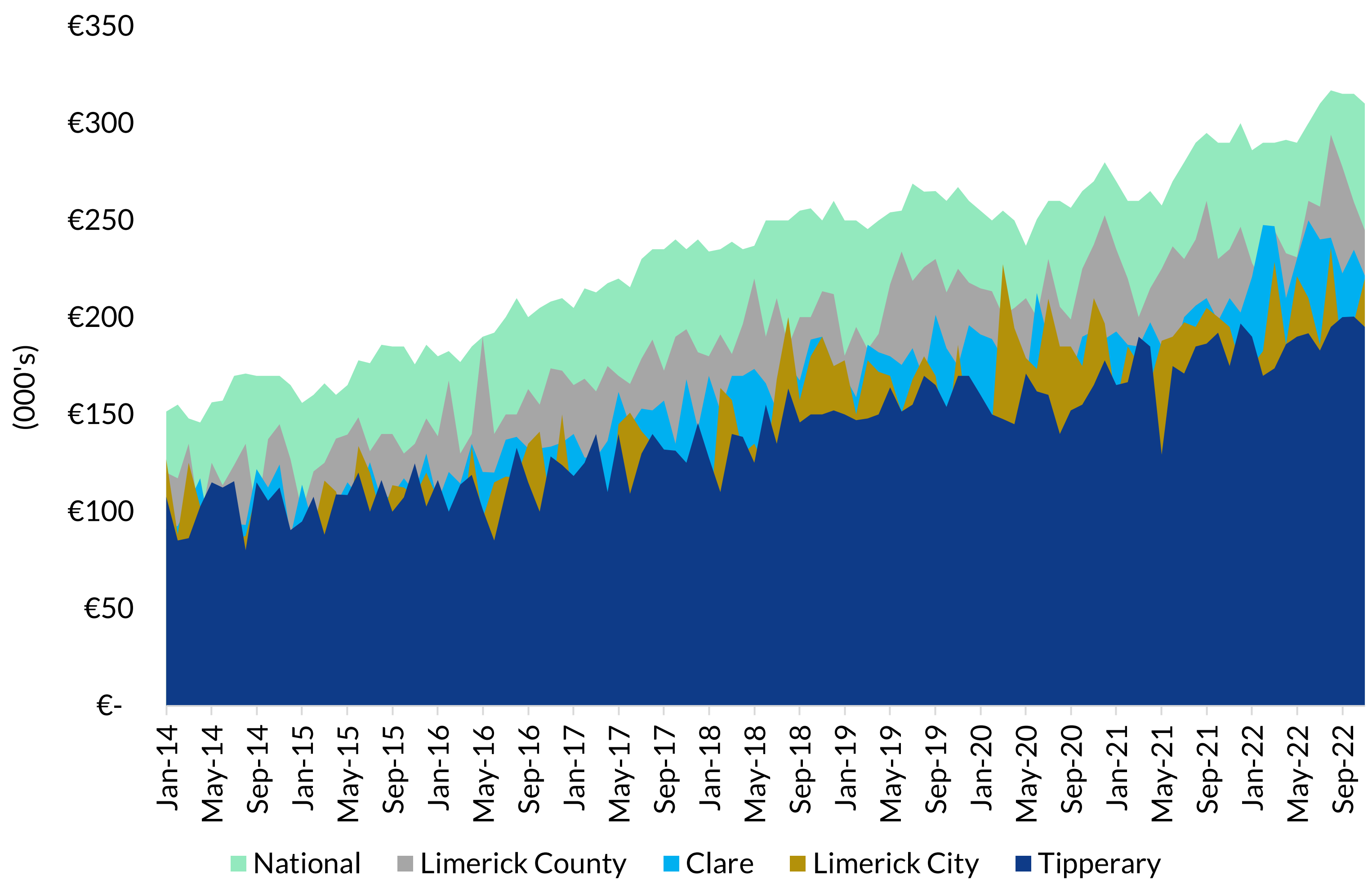
Source: CSO

# Median House Prices: Mid-West




**Nov-22**

- National = €310k
- Limerick City = €220k
- Co. Limerick = €245k
- Co. Clare = €222k
- Co. Tipperary = €195k

**YoY increase**

- National = 6.9%
- Limerick City = 12.8%
- Co. Limerick = 4.1%
- Co. Clare = 5.5%
- Co. Tipperary = 11.4%

**Nov-19 increase (pre-covid)**

- National = 16.0%
- Limerick City = 18.3%
- Co. Limerick = 8.8%
- Co. Clare = 26.6%
- Co. Tipperary = 14.7%

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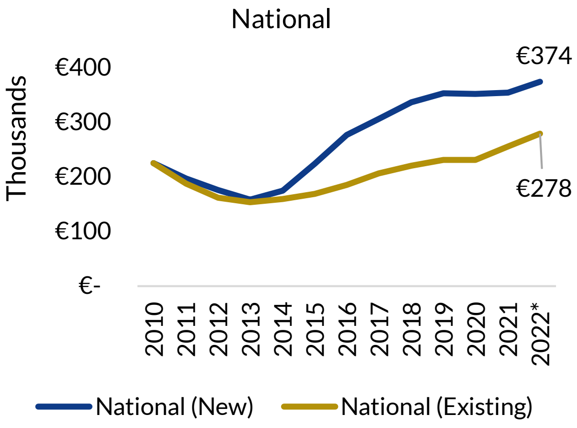
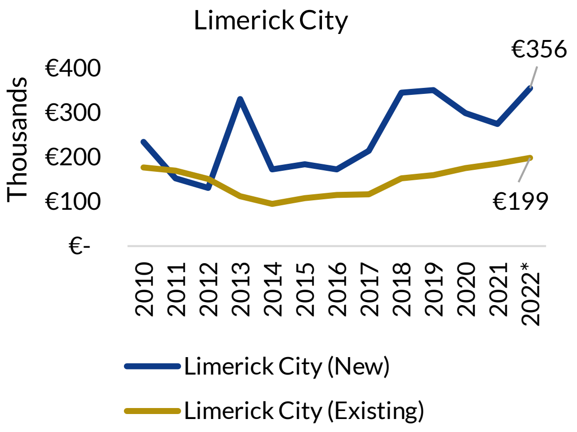
Source: CSO

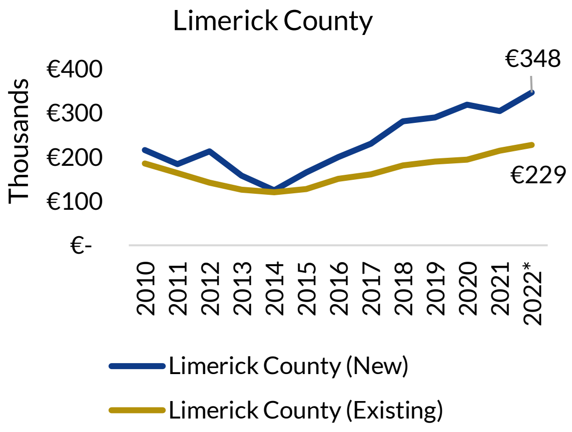
# New vs Existing Homes (€)

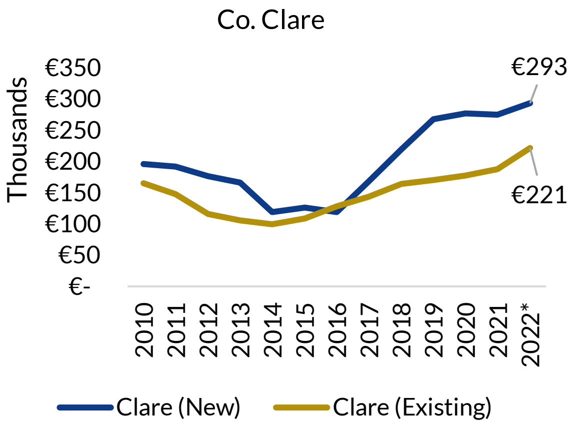


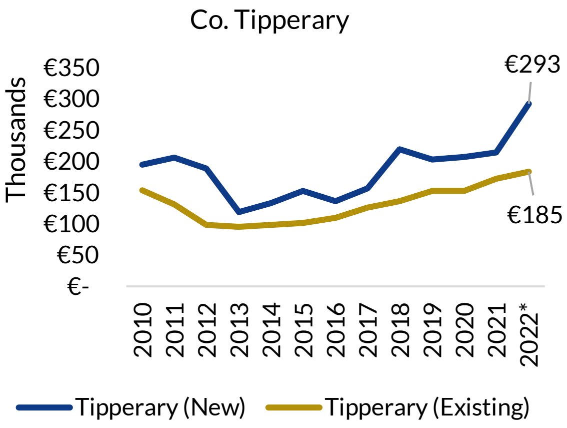




**To Nov-22**

- More stable price growth in existing market – due to larger number of transactions on a monthly basis
- The price gap between existing and new homes continues to grow in county Limerick – but some signs of dropping Clare while Tipperary has recovered to pre-covid levels
- *"most of the inflation coming from existing market"*

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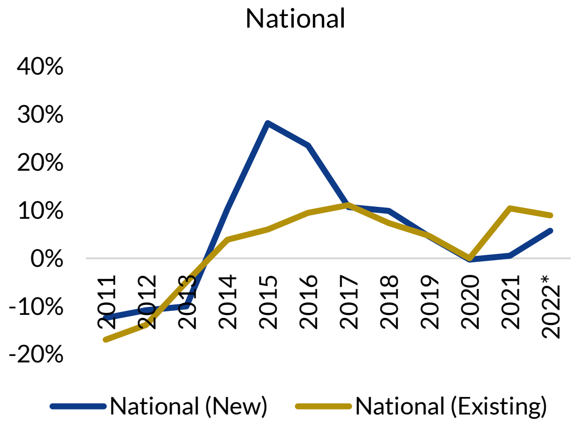
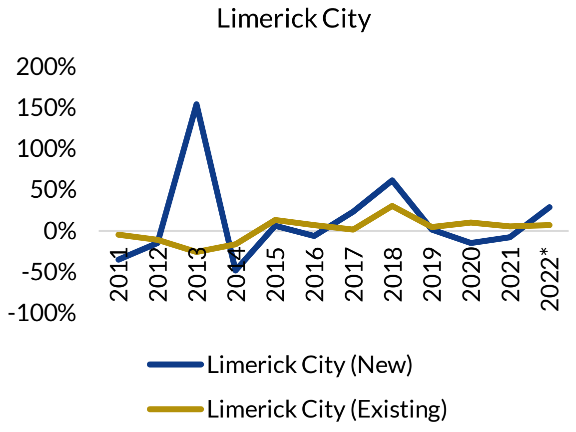
Source: CSO

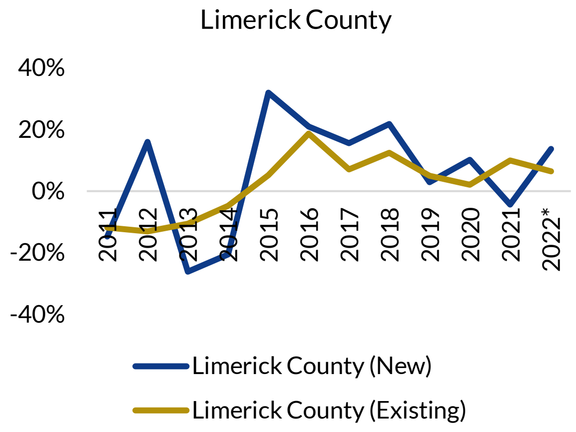
# New vs Existing Homes (YoY % Change)

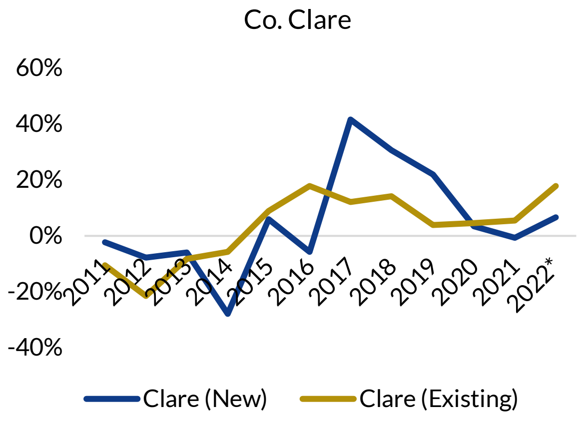


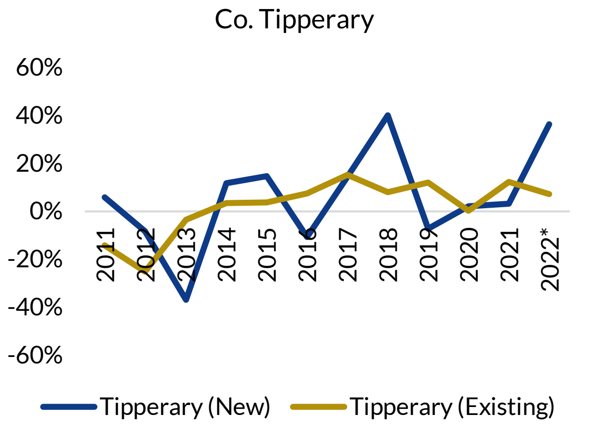




**To Nov-22**

- *"most of the inflation coming from existing market"*
- Both markets experiencing inflation but existing market is more stable (less peaks and troughs)




Source: CSO

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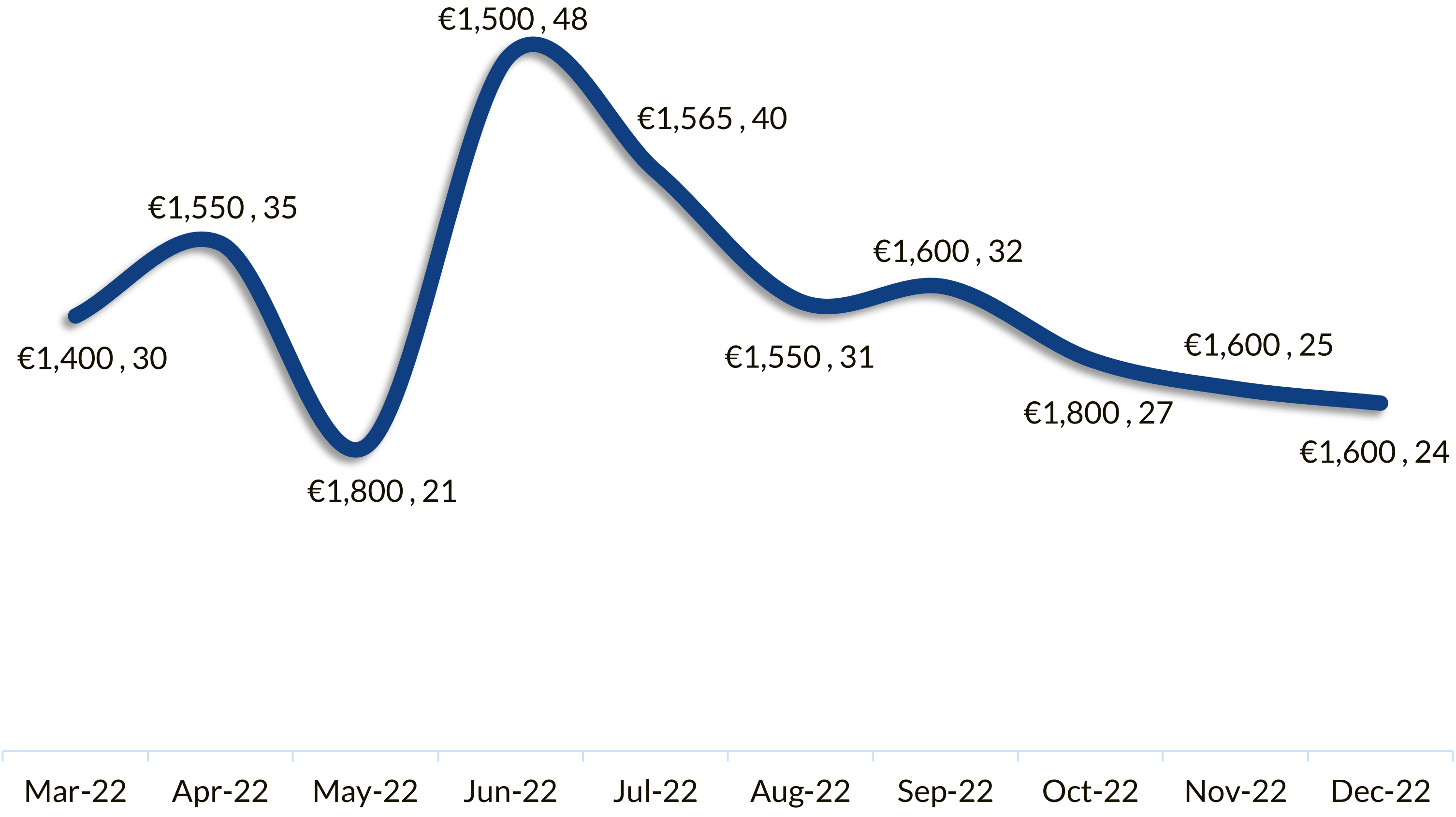
# Residential Rental Availability
(Limerick City & Environs)




- 313 homes to rent in the city and suburbs. Average of 31 homes per month.
- Median price = €1,600
- Downward trend since July, landlords exciting the market or supply drying up?

Source: Internal Calculations

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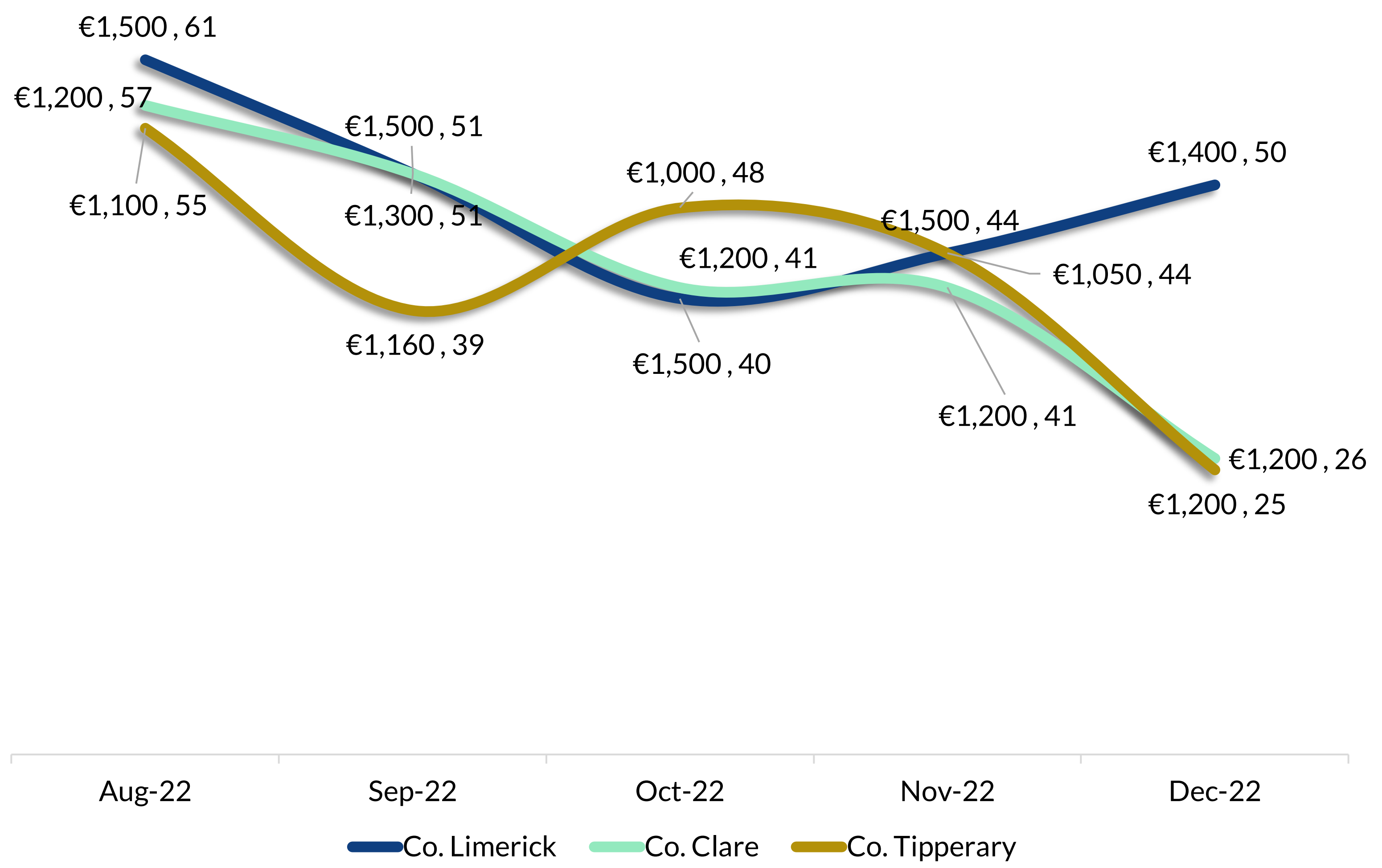
# Residential Rental Availability
(Mid-West)




### Co. Limerick

- 246 homes to rent across Limerick since August.
- Median price = €1,480

### Co. Clare

- 216 homes to rent across Clare since August.
- Median Price = €1,200

### Co. Tipperary

- 211 homes to rent across Clare since August.
- Median Price = €1,100

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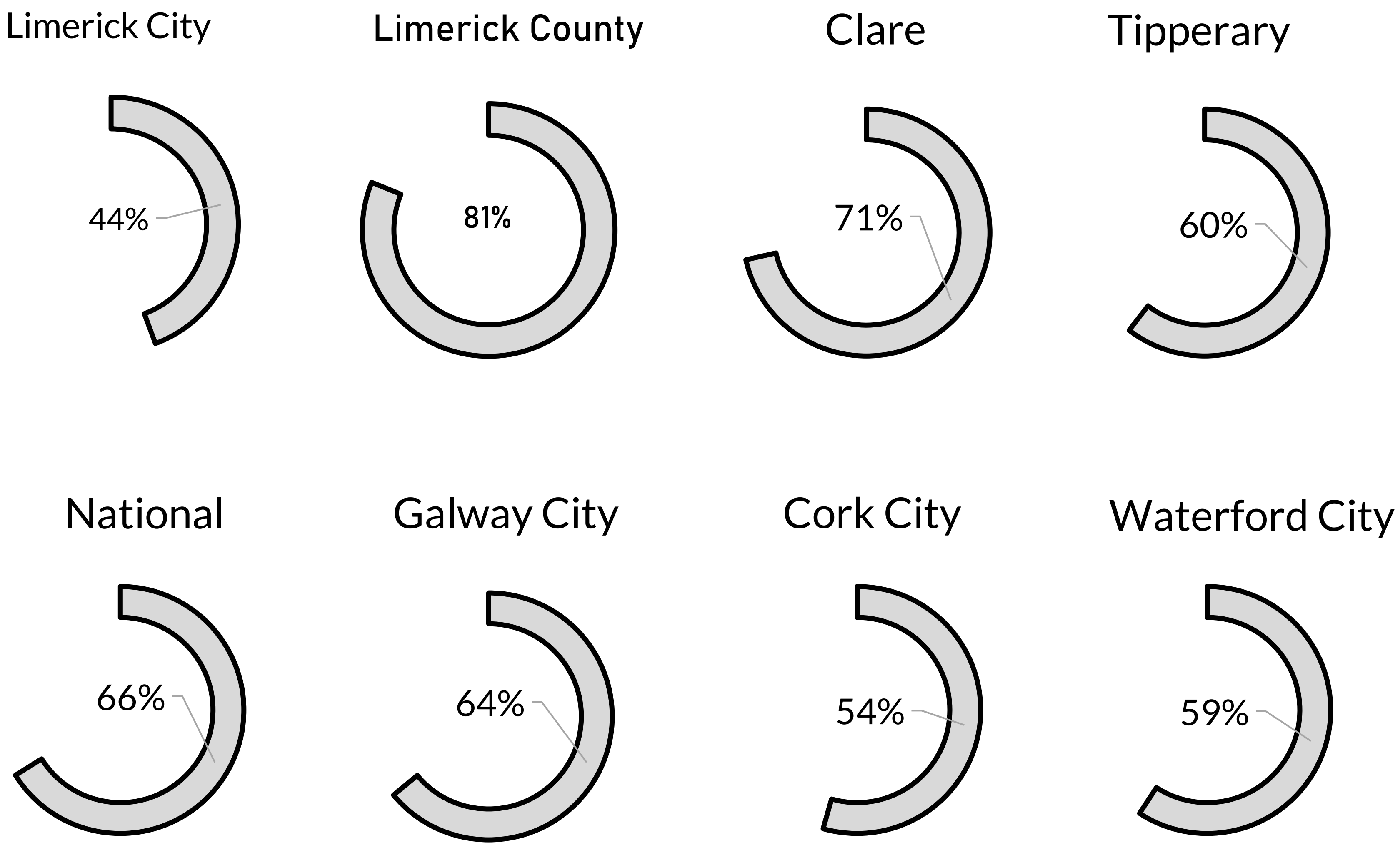
Source: Internal Calculations

# Buying vs Renting

(Source: Internal Calculations)

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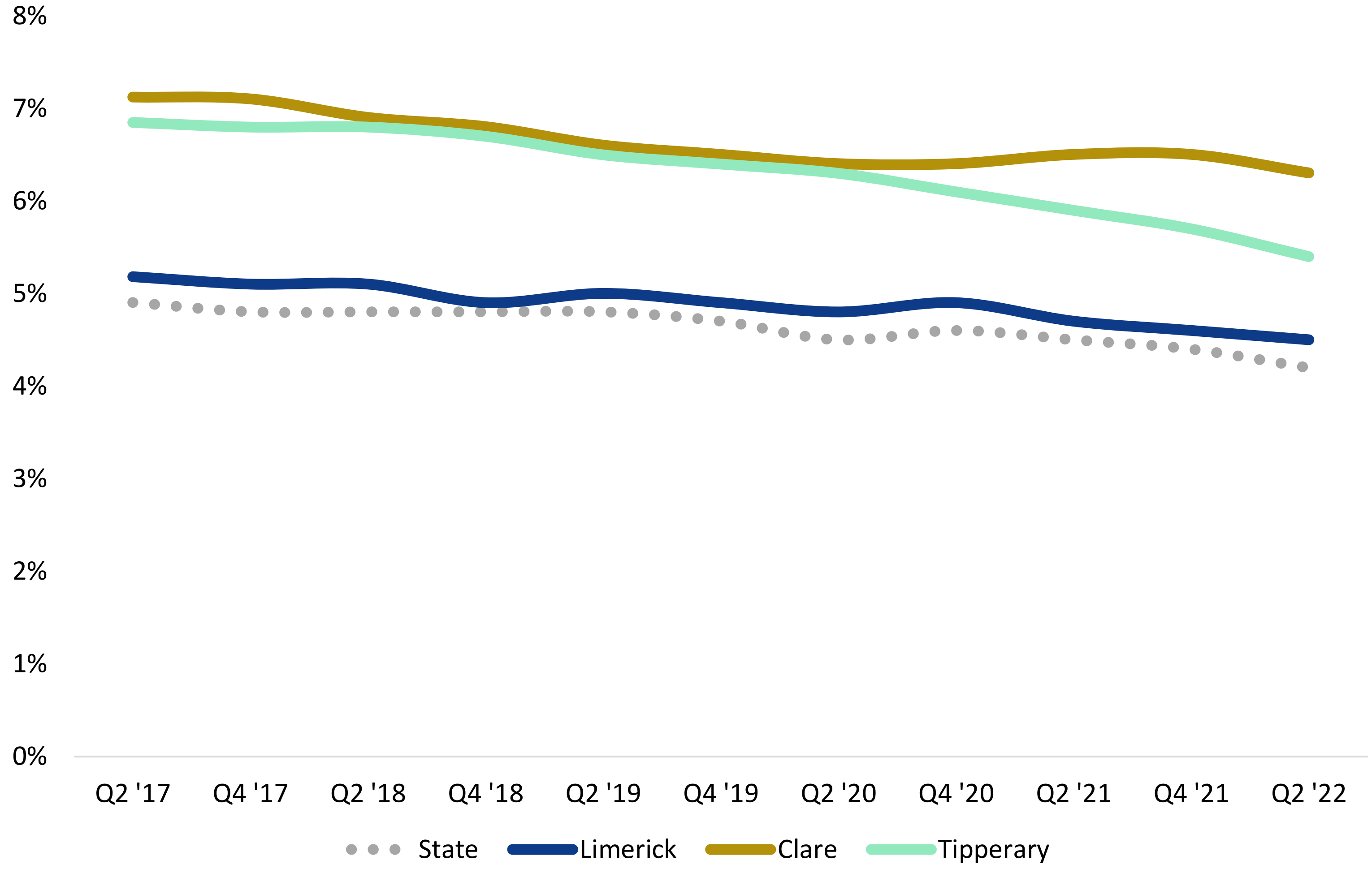
Source: Internal Calculations

# Residential Vacancy




- **Nationally:**
  - 86,708 vacant properties
  - Vacancy decreased from 4.9% to 4.2% from 2017 to 2022
  - 21,897 derelict
- **Limerick:**
  - Vacancy decreased from 5.2% in 2017 to 4.5% in 2022
- **Clare:**
  - Vacancy decreased from 7.1% to 6.3%
- **Tipperary:**
  - Vacancy decreased from 6.9% to 5.4%

Source: Geodirectory

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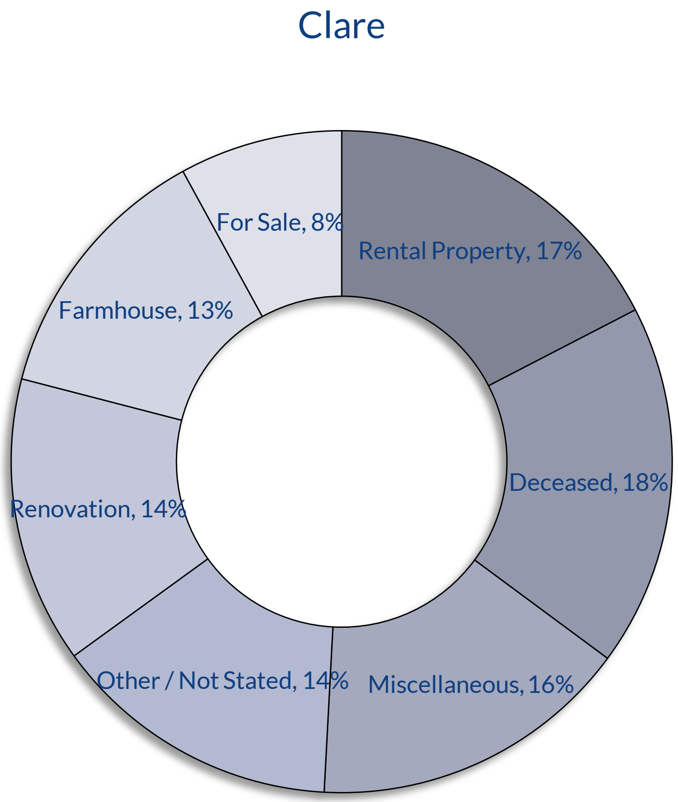
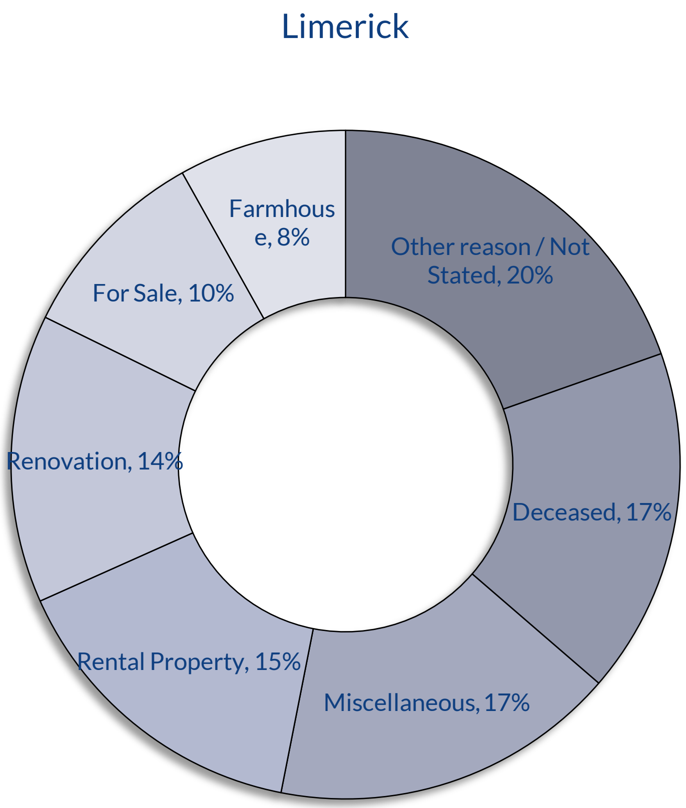
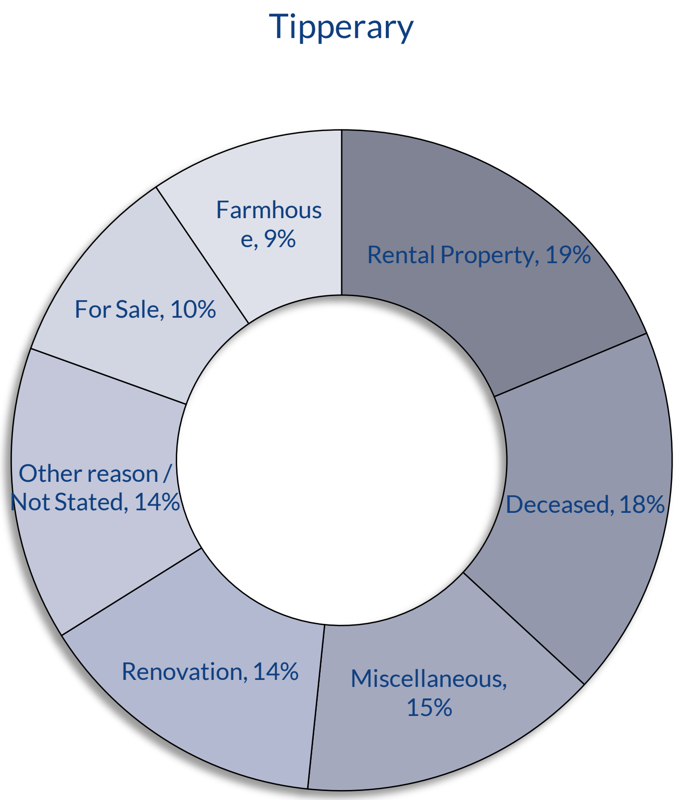
# Reason for Vacancy: Mid-West




Miscellaneous = Nursing Home / Hospital, New Build, Living with Relatives or Emigrated

Source: Internal Calculations

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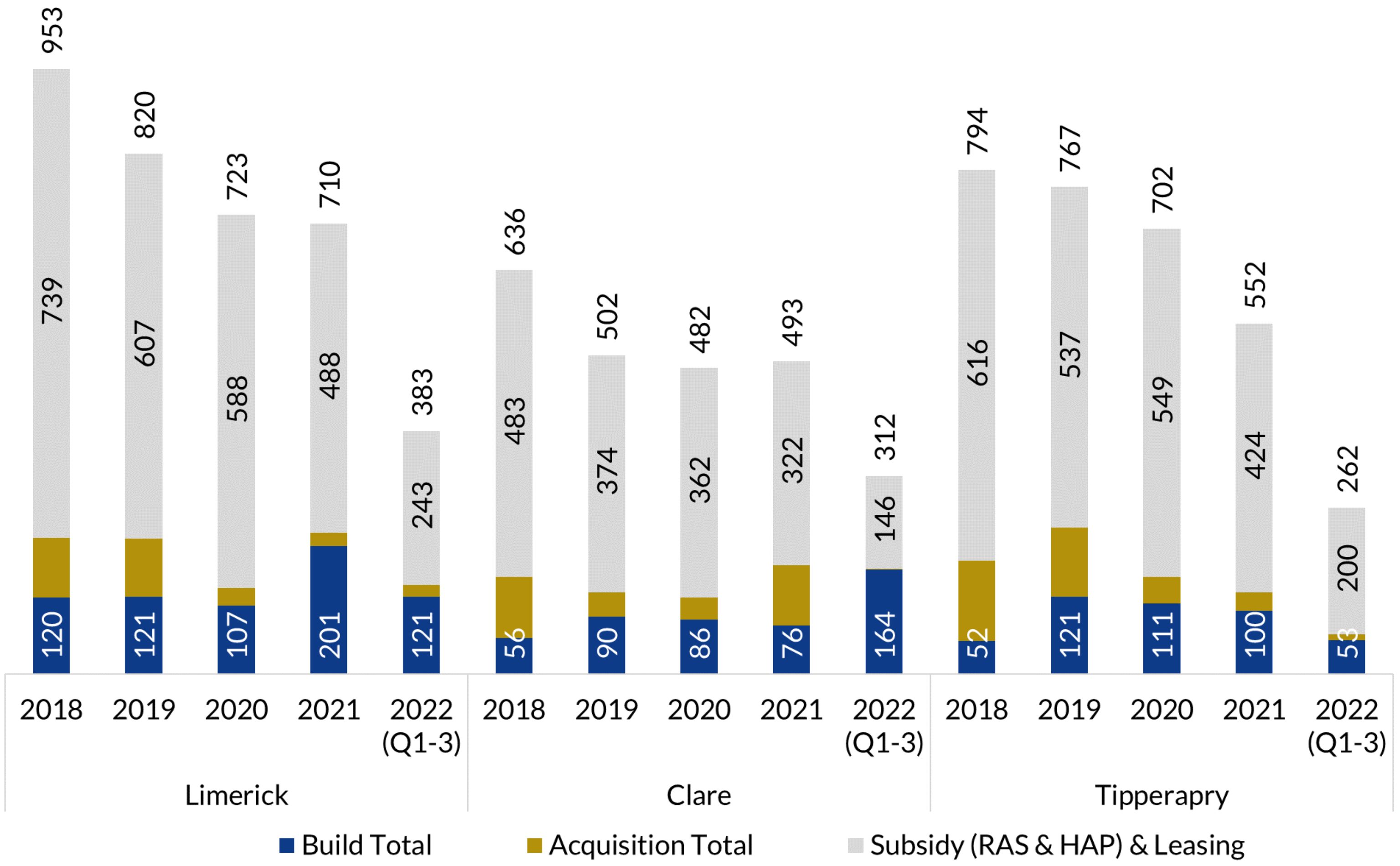
# Social Housing Delivery




- Social home delivery is tending downward across the Mid-West. Reliance on HAP and RAS decreasing for new homes but how will the gap be bridged? Direct state / AHB delivery is a must
- **Social Housing waiting list 2021, no of households:**
  - Limerick: 1,949 (-132 YoY)
  - Clare: 1,100 (-102 YoY)
  - Tipperary: 1,121 (-138 YoY)
- **Waiting list demographics 2021:**
  - Limerick: 53% below the age of 39. On the whole list, 76% are smaller households.
  - Clare: 51% under 39. 77% are smaller households.
  - Tipperary: 54% under 39. 77% are smaller households.

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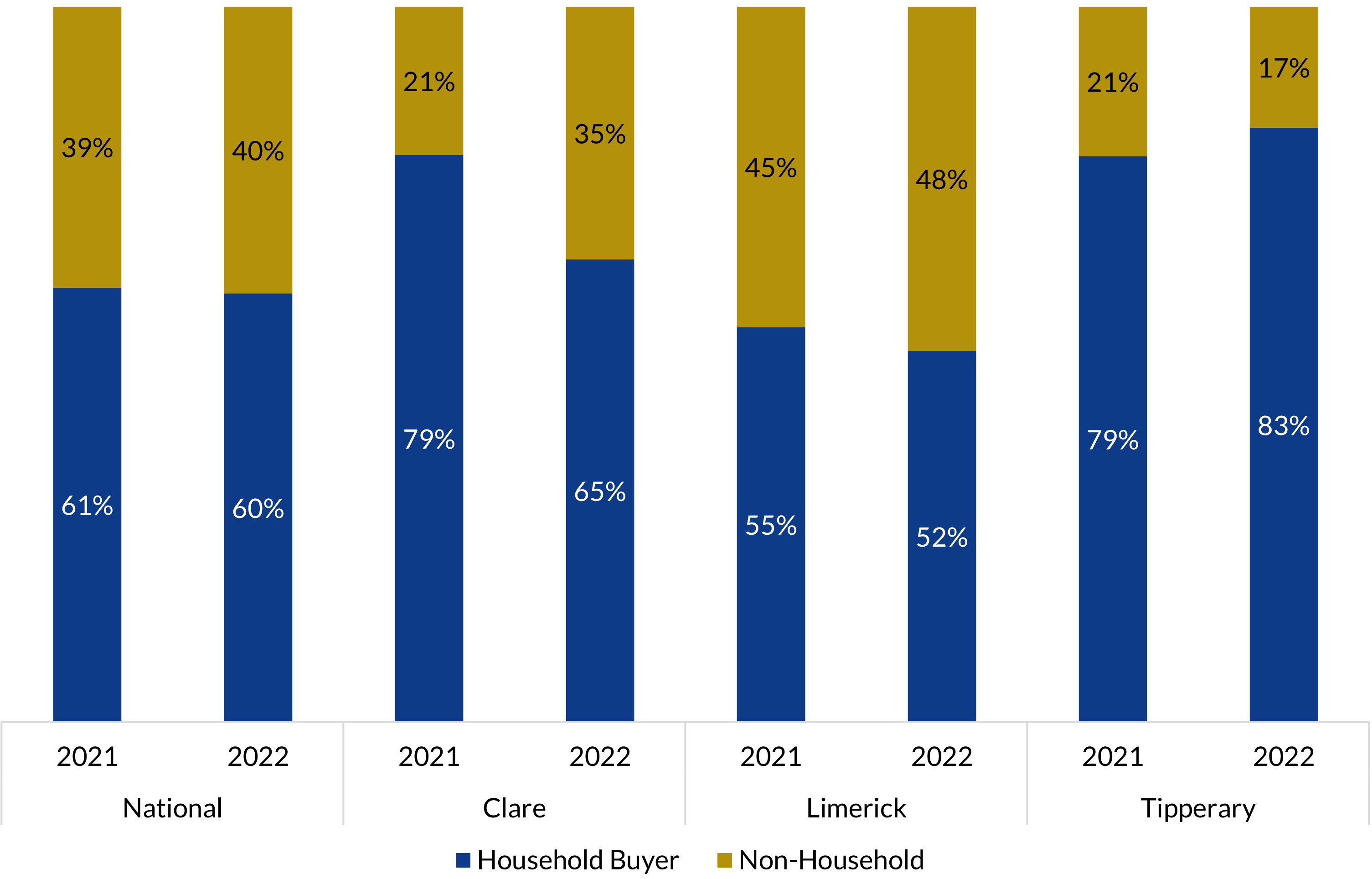
Source: Dept. Housing

# Volume of New Home Sales




**Limerick:**

- 52% for owner occupiers – down from 55%

**Clare:**

- 65% for owner occupiers – down from 79%

**Tipperary:**

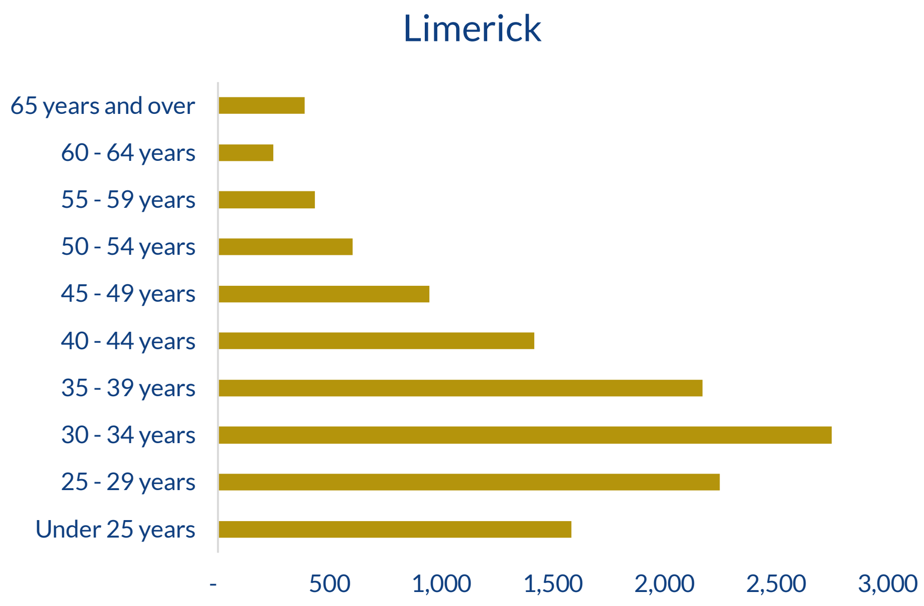
- 83% for owner occupiers up from 79%

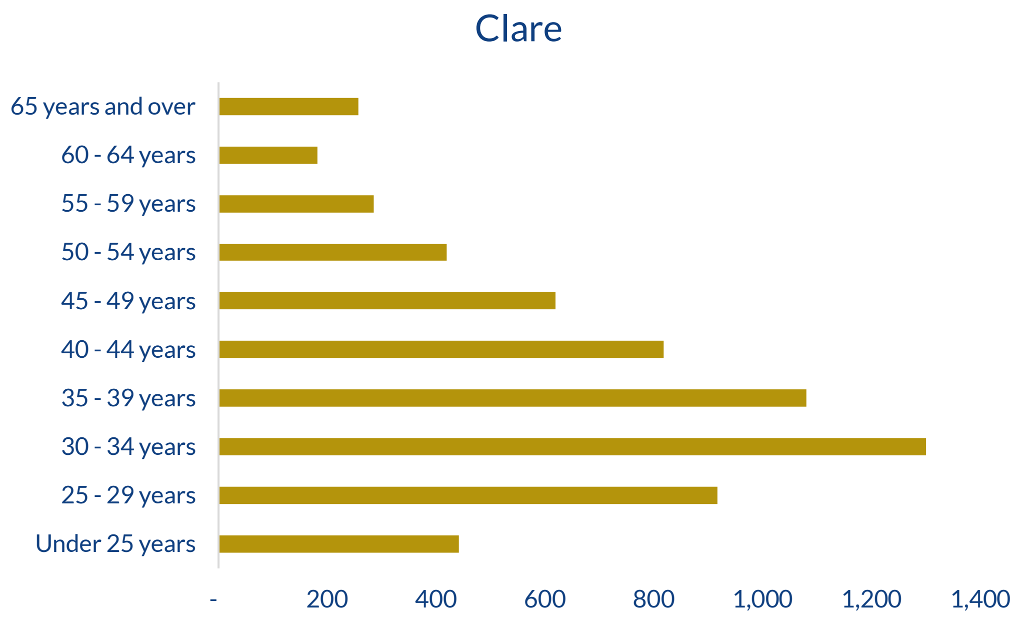
Transactions data, not dwellings so bulk purchasing might be under represented

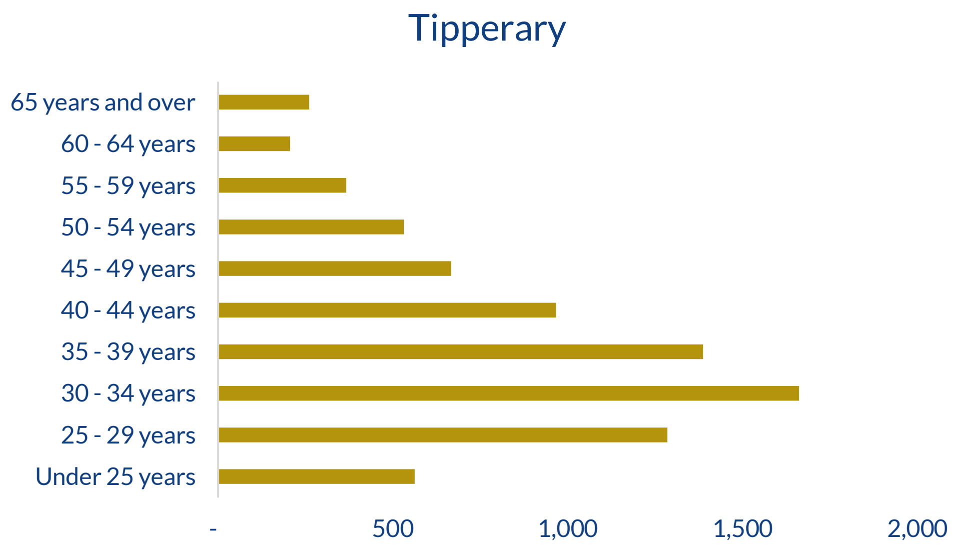
Competition with owner occupiers

Source: CSO

# Mid-West Home Ownership – Number of Renters




## Key thoughts

- Need to be worried about "younger" cohorts
- Pension issues are a worry, cant afford rent at older age c. one third of workers have no private pension
- Public pension system reform
- State to provide age appropriate housing
- Either a large increase in home ownership or large increase in state home provision

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(CSO, 2016)

# State Landbanks Limerick

## Also includes 2 sites in Clare

**12,676**

**Homes**

**(729 Acres)**

Across all Zoning Types – using development plan density guidelines

Largest Landholders: LCCC (63%), Dept of Defence (17%), NAMA (9%)

**3,248**

**Homes**

**(113 Acres)**

Residential & City Centre Zoning – using development plan density guidelines

16% Of total land for residential – delivering 26% of potential homes

Data is from register of state lands, cross referenced with local development plans for density – only includes landbanks 1.8 acres and above that could hold residential i.e. little by way of existing use

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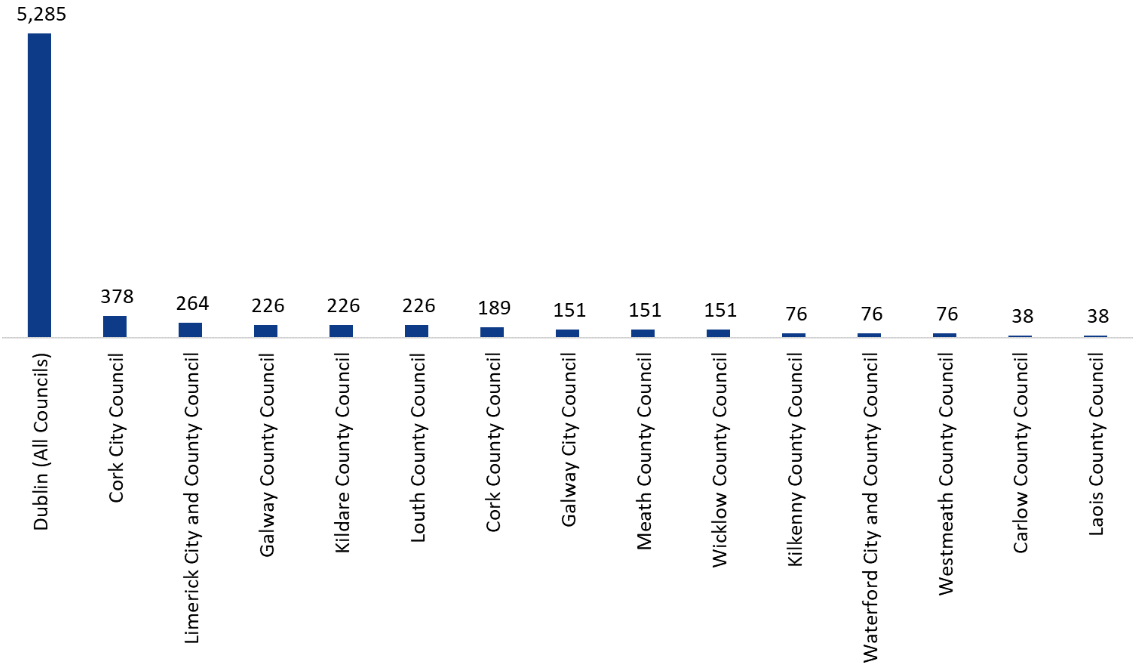
# Local Authority Affordable Housing Delivery (2022-2026)

| Local Authority | Total | Share of total | Avg. per year to 2026 |
|---|---|---|---|
| Dublin (All Councils) | 5,285 | 70% | 1,057 |
| Cork City Council | 378 | 5% | 76 |
| **Limerick City and County Council** | **264** | 3% | **53** |
| Galway County Council | 226 | 3% | 45 |
| Kildare County Council | 226 | 3% | 45 |
| Louth County Council | 226 | 3% | 45 |
| Cork County Council | 189 | 3% | 38 |
| Galway City Council | 151 | 2% | 30 |
| Meath County Council | 151 | 2% | 30 |
| Wicklow County Council | 151 | 2% | 30 |
| Kilkenny County Council | 76 | 1% | 15 |
| Waterford City and County Council | 76 | 1% | 15 |
| Westmeath County Council | 76 | 1% | 15 |
| Carlow County Council | 38 | 1% | 8 |
| Laois County Council | 38 | 1% | 8 |
| Total | 7,551 | | 1,510 |
| | | | |
| ***Greater Dublin Area Total*** | ***5,813*** | ***77%*** | |




*"The five-year 2022-2026 total target for local authority affordable delivery is 7,550 (excluding those dwellings expected to be delivered affordably under the terms of Part V agreements). This five-year target has been allocated to eighteen local authority areas, where the need for affordable housing is determined as being a sufficiently significant proportion of overall housing need, as per the table below"*

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# Housing for All Targets by 2030

| Private | Social | Affordable |
|---|---|---|
| 171,000 | 88,000 | 54,000 |
| 55% of total | 28% of total | 17% of total |

Data Source: Department of Finance, Q1 2022 Housing for All Update.

# Thank-you

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***Check out our housing publications:***