

IRISH RESIDENTIAL MARKET REVIEW

| Q4 2022, OUTLOOK 2023



INTRODUCTION

The Irish residential market continued to perform robustly throughout 2022, despite the geopolitical and inflationary challenges posed throughout the year. The heightened levels of house price inflation witnessed in 2021 moderated in 2022, while transaction activity remained healthy.

HEIGHTENED HOUSE PRICE INFLATION

Average second-hand home values rose by 5.7% in 2022. This is a notable slowdown on the above trend growth of 9.6% recorded in 2021, as the market recovered from the effects of COVID-19 restrictions. Prices in Dublin grew 5.2% in the year. House price inflation continued to be stronger outside of Dublin, with average values nationally rising 6.4% in the year.

ROBUST HOUSING TRANSACTION ACTIVITY

Sales activity remains healthy, with volumes ahead of both 2021 and the pre-pandemic levels. Activity is more robust in both rural locations and in the second-hand market

generally. That said, new home sales have significantly increased year-on-year from a low base, as the sector recovered from pandemic related challenges in 2022.

OUTLOOK

Looking to the year ahead, the expectation is for growth in overall activity, underpinned by the heightened level of completions in 2022. That said, unfortunately at this juncture it is anticipated that construction activity will contract during the year ahead, reflecting the reduction in commencement levels recorded during 2022.

In terms of price performance, the significant divergence in price trends between Dublin and the rest of the country moderated during 2022, a trend is expected to continue into 2023. Overall prices are anticipated to increase by less than 3% in the year ahead.

For the full version of the report please contact
researchpublications@sherryfitz.ie

**Sherry
FitzGerald**

For more details or to receive the full version of the report, please email: researchpublications@sherryfitz.ie



AUTHORS

Marian Finnegan
Managing Director,
Residential & Advisory
+353 (0) 1 237 6341
marian.finnegan@sherryfitz.ie

Jane Dunne-Terry
Junior Economist,
Researcher
+353 (0) 1 237 6300
jane.dunneterry@sherryfitz.ie

©2023

CONFIDENTIALITY CLAUSE

This information is to be regarded as confidential to the party to whom it is addressed and is intended for the use of that party only. Consequently and in accordance with current practice, no responsibility is accepted to any third party in respect of the whole or any part of its contents. Before any part of it is reproduced, or referred to, in any document, circular or statement, our written approval as to the form and context of such publication must be obtained.