



Northern Ireland Quarterly House Price Index

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**Housing
Executive**



Introduction

This survey analyses the performance of the Northern Ireland housing market during the third quarter of 2021 (July, August and September). The report details the key trends and spatial patterns in the housing market, drawing comparisons with the third quarter of 2020 as a measure of annual change and with the second quarter of 2021 as an indicator of quarterly change. The report is produced by Ulster University in partnership with the Northern Ireland Housing Executive and Progressive Building Society.

The price statistics are based upon market evidence as the housing market, wider economy and society continue to emerge from the ongoing 'waves' and effects of the COVID-19 epidemic. The previous surveys illustrated that manifest behavioural and psychological effects were impacting upon market transactions and pricing levels - notably for the preference and desire for larger and more peri-urban and rural housing. This survey shows that this trend has continued, arguably due to a combination of factors including the push on completions due to the phasing out of the Stamp Duty holiday, the end of the government furlough scheme, and ongoing demand and supply imbalances as a consequence of housing market supply issues driving up competition amongst buyers and construction supply shortages.

This report is premised upon 3,314 transactions. Information is presented on the residential property market for Northern Ireland and the report includes analysis of average sale price by different property types across Northern Ireland (where applicable and available). The overall performance of the housing market is measured by a weighted index and reflects the market share of each property type. The index captures various movements within a single statistic and allows for the analysis of changes over time. At sub-regional level, the analysis in this report considers market pricing within each Local Government District (LGD) throughout Northern Ireland. In addition, to reflect the localities within which households tend to make decisions about house purchase, the regional analysis also presents price trends based on functional housing market areas (HMAs) defined by the Housing Executive in 2018.

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Foreword from Northern Ireland Housing Executive

Strong demand continues

With only two months of 2021 remaining at the time of writing, the data for the third quarter show that – whatever happens between now and the end of December – this year has already been the busiest in Northern Ireland’s residential housing market for some time. Although the 3,314 transactions recorded in Ulster University’s sample for Q3 was lower than the 4,138 in the previous quarter, the total remained well above the long run quarterly average of around 1,700. The relatively high number of transactions reflected continuing strong demand, which brought a further increase in average prices, to £198,821.

In line with this upward trend in average prices, the proportion of properties transacting at up to £100,000 remained relatively low (14%), while there was a slight increase in the proportion selling at more than £200,000 (34%, compared with 32% in the previous quarter). In their qualitative feedback, estate agents commented on the extent to which a general imbalance between current supply and demand has been a factor in ongoing house price growth.

While some households may have benefitted from the rise in house prices, the current housing market circumstances are challenging for would-be first time buyers. We can get some insight on the issue from another analysis carried out by the UU team for the Housing Executive, which examined the affordability position for first time buyers in 2020. The research brings together two related measures:

- A repayment affordability index, which uses the concept of an ‘affordable limit’ to capture the ratio of the maximum allowable loan to income and assumes that the maximum proportion of monthly income that can be dedicated to mortgage repayment is 30%; and
- An access deposit gap, which measures the level of deposit required using the first quartile (25th percentile) house price, and overall net (disposable) income. This is used to calculate a savings ratio to determine the length of time it would take a household to amass a 10% deposit, based on market prices and median income.
- Given the developments in the housing market in 2020, the summary findings on affordability for the year are not particularly surprising.
- Overall, on the basis of repayment indicators, affordability decreased, reflecting the increases in house prices and heightened levels of housing market demand since the ‘reopening’ of the housing market after the first period of ‘lockdown’ at the beginning of the year.
- On the basis of deposit indicators, affordability waned across all but one of the housing market areas, reflecting general deterioration across local government districts. The length of time required to save the necessary deposit, and the scale of that deposit as a proportion of annual median income, increased in most parts of Northern Ireland by comparison with 2019.

- Taking account of both repayment and deposit indicators, whilst there remained a mixed picture across the sub-markets in NI, there was general convergence in terms of the increasing magnitude of affordability issues. The deterioration across all markets appeared to be driven by house price appreciation, the type and pricing of housing stock transacting, and high market demand.

Taking account of average housing costs for those renting privately, the analysis showed the extent to which current housing costs can inhibit and delay access to owner occupation. In Armagh City, Banbridge and Craigavon district, for example, it was estimated that it would take a median income household around two years to save for a 10% deposit on a first quartile home, if they were able to set aside 30% of their full disposable income after tax and national insurance for this purpose. However, for a household setting aside 30% of disposable income after private rental costs, the time to save increased to almost three years. For those with less scope to save, it was estimated that it would take nearly five years to accumulate a deposit if saving 20% of their disposable income after housing costs, and more than eight years if saving 10%.

For those median income prospective purchasers able to save only one tenth of disposable income after rental costs, the analysis suggests that – depending on their location – it would take between six and almost 13 years to save a 10% deposit on a first quartile home. The analysis makes sobering reading, especially given that average house prices have continued to increase during 2021. It also suggests that without help from family or some other source, younger households may find themselves living in the private rented sector for some time.

It will be important to continue to monitor trends in both the housing market and the wider context as we move into 2022; further increases in living costs and any changes in interest rates have the potential to make circumstances more challenging for both prospective and existing borrowers.

Ursula McNulty
Head of Research, Northern Ireland Housing Executive

Foreword from Progressive Building Society

Northern Ireland’s housing market continues to show strong activity levels and steady price growth with an annual increase of 10.6%, driven in part by changing behavioural patterns that are consistent with recent quarters. The average house price of a residential property is now £198,821, representing a quarterly increase of 2.2% and is reflective not only of high market demand but also supply challenges and continued trading-up activity which was expedited by the phasing out of the stamp duty holiday at the end of September.

As we move into the fourth quarter of 2021 and towards a new calendar year, expectations among property agents remain that the post-lockdown resilience will continue in the short-term, albeit during a quarter that is traditionally quieter with regards to sales volume and market activity. Longer term challenges lie ahead, however, with rising energy costs fuelling inflation across the wider economy and the increasing likelihood of interest rate rises, with the potential to impact the housing market.

Regional Outlook

Analysis at the regional level, based upon the 11 Local Government Districts (LGDs), indicates significant geographic variation in price growth representative of local market demand. Consistent with Q2 are pandemic trends involving supply inelasticity and a notable preference for peri-urban and rural housing, with agents surveyed highlighting an increased demand for properties beyond city limits. Further examination of the regional property market reveals that six of the eleven LGDs reported moderate to substantial price increases, with Derry City and Strabane (+17%) exhibiting the largest quarterly change from £123,525 to £149,085 driven by a spike in the number of detached properties transacting. Despite this double-digit rise, Derry City and Strabane remains the cheapest region across all LGDs. In contrast, Ards and North Down now has the most expensive average house price in Northern Ireland, after recording a 5.8% rise over Q2 2021 to £220,538. The Fermanagh and Omagh LGD displayed a similar increase (7%) taking the average house price to £192,571. House prices also increased moderately across Belfast (3.4%), Lisburn and Castlereagh (3.9%) and Newry, Mourne & Down (5.9%). While Mid Ulster recorded a 15% increase from Q1 to Q2, the third

quarter has seen a sharp correction of -13%, bringing the average house price down to £175,561. This has been attributed to a dip in the value of detached properties in the Mid-Ulster LGD, which were selling below that of Q2 pricing levels. Other LGDs where prices declined include Mid and East Antrim (-5.6%) and Causeway Coast and Glens (-4.3%) with average prices of £160,351 and £203,106 respectively, with each region experiencing a pronounced rise in activity within the apartment and terrace sectors relative to quarter two. The Antrim and Newtownabbey (1.4%) and Armagh City, Banbridge and Craigavon (1.3%) displayed negligible price declines with average prices now sitting at £169,043 and £163,864 respectively.

Summary

The post-lockdown momentum and subsequently high levels of activity have continued into the third quarter of 2021, with agents reporting market resilience and a tangible increase in transaction volumes. Demand remains high throughout Northern Ireland, driven in part by the recent push in completions prior to the phasing out of the Government’s Stamp Duty holiday. Geographical variance in demand and the market’s transition into what is traditionally a quieter period of the year, did however, see 27% of agents recording a small drop in transactional volumes this quarter.

The longer-term picture, however, must account for prevailing inflationary pressures within the wider economy including the likelihood of interest rate rises, and the potential impact on transaction levels.

At Progressive, we continually measure the changing performance of NI’s housing market to ensure we provide residential support and guidance to our members.

Michael Boyd
Deputy Chief Executive & Finance Director
Progressive Building Society



General Market Trends

The main findings of this survey indicate a market which continues to exhibit increased trading up activity and price acceleration as a consequence of strong levels of market demand coupled with supply inelasticity. The House Price Index shows a quarterly price growth of 2.2% with annual price increases equating to 10.6%. Entering into 2021, the market displayed strong resilience, with consecutive-quarter price inflation evident, driven by high demand and optimism. This buoyancy has continued within this quarter, with notable structural market dynamics and challenges starting to emerge, particularly in relation to the lack of housing supply. This, compounded with the volatile economic setting posed by the precarious inflationary environment, poses some challenges ahead for the housing market.

This latest survey indicates a residential property market that continues to exhibit increasing price growth and market demand signals, but one which faces some challenges relating to the supply of quality housing stock and inflationary pressures. As highlighted in our previous surveys, the last year has witnessed changing behavioural patterns which have driven pricing levels within the housing market. The obvious push for completions as a consequence of the phasing out of the stamp duty holiday this quarter has seen a continuation in both the recent higher levels of market activity and the patterns of trading-up activity and relocation preferences within the market. Whilst underlying market demand coupled with cheap borrowing costs and the ongoing supply issues continue to offer a cushion for any potential price deceleration or correction, the prevailing inflationary pressures within the wider economy are of concern as impending interest rate increases to curb inflation will undoubtedly percolate into the housing market.

The overall average price of residential property in Northern Ireland for the third quarter of 2021 is £198,821, which represents a weighted annual level of growth of 10.6% between Q3 2020 and Q3 2021. Where quarterly movements are concerned, the Index displays an increase of 2.2% relative to Q2 2021. This price growth remains driven by increases within the semi-detached and detached segments of the market over the quarter.

Agent commentary and market sentiment survey Q1 2021

Our agent survey affords readers of the house price report series some contextual appreciation to supplement the figures underpinning the index performance indicators. Responses to the agent survey at the end of Q3 2021 yielded a number of important insights on the continued buoyancy evident across the Northern Ireland housing market over the course of the quarter and also the emerging challenges which the market faces moving forward.

Agent sentiment throughout the course of Q3 2021 remained positive and has been underpinned by high volumes of enquires and transaction activity. The agent survey reaffirms the continued buoyancy since the reopening of the housing market post lock-down with 50% of agents surveyed citing increased transaction volumes relative to the previous quarter. While transactions overall have remained buoyant this quarter, it is noteworthy that 27% of agents surveyed did note a small drop in transaction volumes, perhaps depicting the geographic variance in demand levels across the

region as we move into the latter half of the year. Nonetheless, interest levels from prospective purchasers remained strong, with 59% of agents surveyed reporting heightened levels of enquires over the course of the quarter. Pertinently, 68% of the agents surveyed confirmed that increased viewing levels over the quarter had prompted a further increase in the number of properties achieving 'sale agreed' status relative to the previous quarter. The majority of agents expect that resilience to continue through into next quarter – albeit while acknowledging Q4 to be a traditionally 'quieter' period in terms of the volume of sales. Nonetheless, projecting forward, the demand-supply imbalance will continue to play a dominant role in market dynamics.

All told, the story of Q3 is that demand remains strong across the province with price inflation thus far not curtailing demand. Indeed, given this period includes sales following the abolition and phasing out of the stamp duty holiday, the housing market has exhibited strong levels of resilience. In this quarter's survey we asked agents specifically about the impact of the abolition of the stamp duty holiday. The majority view was that the impact was marginal, with 41% of agents inferring that there was no impact on sales volumes, while a further 32% indicated that the impact was 'moderate'. Only 18% of agents suggested that the removal of the stamp duty holiday had adversely impacted sales activity.

In terms of the market pricing structure, the first nine months of 2021 has seen continued price inflation. Generally the majority of agents expect pricing levels to remain constant, with 36% anticipating nominal levels of price growth moving into the last quarter of the year. As agents have commented, the main driver of price growth has been lack of supply, which in many cases has prompted bidding wars in areas of high demand. The pent-up supply pipeline allied with increases in raw material costs is anticipated to sustain pricing structures through into 2022. This, as most agents have noted, is becoming a key issue across the majority of, if not all, local housing markets within the province. The lack of housing stock coming onto the market was cited by a number of contributory agents as the most notable concern. Indeed, agents have commented that some development activity has ceased due to material costs which is further impacting upon market stock levels, the supply of pipeline stock and new listings coming onto the market.

Notably, only a small number (9%) of the agents surveyed suggested that prices could decline heading into the traditionally slower Q4 period. It was noted by some agents, however, that the current inflationary environment may change this over the course of the next quarter and moving into the start of 2022. Looking forward, and taking account of purchaser perspective, market sentiment and confidence has remained strong with 45% of agents reporting confidence to be akin to the previous quarter, and a further 45% inferring that consumer confidence had in fact increased over the course of the last three months.

Sample distribution

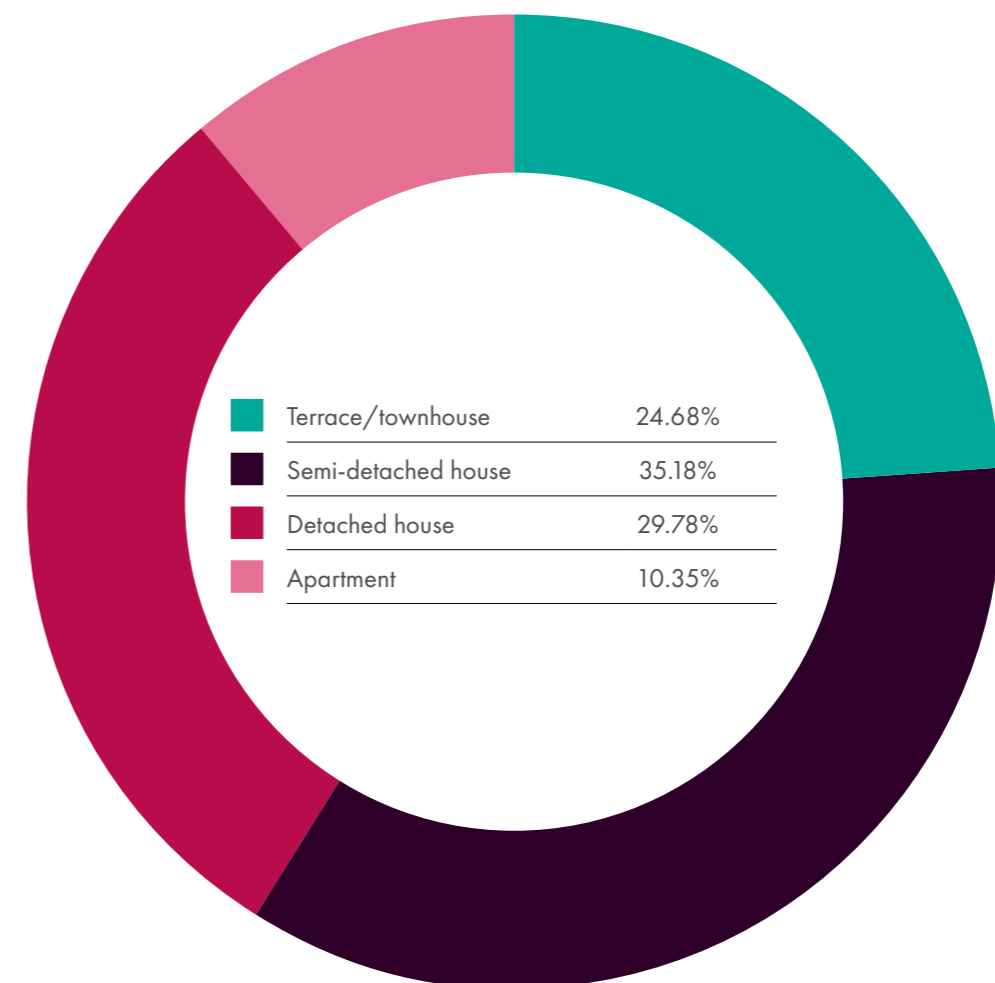
The data collected since the onset of the COVID-19 pandemic has provided evidence of a subtle shift in transactions across the sample price distribution. Both quarter one and quarter two of 2021 saw increased transaction volumes within the mid-to high price range in the market. This trend has continued into this quarter. The proportion of lower priced properties (below £100,000) equated to 14.3%, showing a small increase of a third of a percentage point (0.3%) from Q2 2021. Properties sold at or below £150,000 accounted for 41% of transactions, representing a one percentage point decrease compared to the previous quarter (42%). In the mid-to-higher price brackets, 66% of transactions were at or below £200,000, representing a two percentage point decrease since Q1 2021, continuing to illustrate the subtle but significant changes in the sample price distribution since the reopening of the housing market during COVID-19.

In the upper pricing levels of the market, the proportion of properties sold at or below £250,000 remained unchanged from both Q1 and Q2 levels – standing at 81%. Transactions below £300,000 equated to 88%

of the sample, down one percentage point from the previous survey, with sales increasing by one percentage point for properties priced above £300,000. Overall, the analysis by price band shows a slight increase in properties transacting below £100,000 with small decreases in the stock transacting in the lower-to mid-price range and also the mid-to-upper range of the price distribution.

The sample representation by property type this quarter is indicative of the wider housing market stock profile and remains in line with previous quarters, with minor changes notable. Semi-detached houses continued to be the most common house type in the sample, representing 35% of all transactions (n=1,166). Terraced/townhouses equate to 25% of the sample (n=818), while apartments continued to account for the smallest share of the market (10%; n=343). Detached houses comprised 30% of all sales (n=987), remaining the same as Q2 2021. The proportion of new build properties within the sample is historically below that of previous quarters by approximately 5 percentage points and accounts for 18% of the sales sample (n=604), down one percentage point from Q2 2021. This remains in line with agent commentary, which points toward a housing market facing challenges in terms of lack of housing available within the market.

Figure: Market Share by Type of Property



¹ The HPI weights the sample mix by property type which compares price and quantity statistics from the current period in relation to the base period.

³ Statistics gathered from the latest register of recorded households reflecting the market compilation of property types across Northern Ireland.

Performance by Property Type

Analysis by property type indicates sizeable annual price growth within the terrace/townhouse, semi-detached and detached segments of the market, with moderate price decreases observed for the apartment sector. Examination of quarterly price movements also reveals price growth, albeit more modest. The semi-detached and detached sectors both show comparable price increases with the terrace/townhouse sector showing nominal growth relative to the previous quarter and apartments displaying small price declines.

In terms of simple percentage changes, the analysis provides a snapshot that enables comparison of the current average price with the corresponding statistics for Q3 2020 (annual change) and Q2 2021 (quarterly change). In annual terms, the average price statistics exhibit a 10.5% increase from Q3 2020 levels. Where quarterly change is concerned, the average price increased by 1.8% between Q2 2021 and this quarter (Q3 2021).

Comparative analysis by property type over the year, in parallel with the overall annual increase, shows varied levels of average price changes. The terrace/townhouse sector exhibited a 13.3% annual increase compared to Q3 2020, with the semi-detached and detached sectors both noting annual price inflation of 11.5%. However, the apartment sector displays a decrease in annual terms of 4.5%. In terms of quarterly price changes, the terrace/townhouse sector displays similar average prices to Q2 2021, representing percentage growth of 0.5%. The semi-detached segment reveals modest price growth of 2.2% with the detached sector exhibiting a marginally higher quarterly price change, of 2.8%. The apartment sector observed a slight decline in average prices (-2.4%). This continued price change volatility within the apartment sector appears to be a consequence of changes in the type and location of apartments coming to the market – which may be a consequence of the current and mounting pressures evident within the private rental sector.

The overall average price in the terrace/townhouse sector stands at £130,579 (n=818). The average price of traditional private-sector built terrace dwellings was £114,976 (n=603), while townhouses displayed an average of £174,407 (n=215). However, the average price of public sector-built terrace dwellings sold during the quarter remained substantially lower (£102,181; n=147). The semi-detached sector showed an average price of £180,641 (n=1,166) with private-built dwellings displaying an average of £183,131 (n=1,105), compared with an average of £135,539 (n=61) for public-built resale semi-detached housing. The overall average price of detached housing was £286,072 (n=987). For apartments, the average price in the market was £140,021 (456), with differences evident between the average price of private-built apartments (£145,566, n=317) and those originally built within the public sector (£74,425; n=26).

Average price by property type (unweighted % change)

Market sector	Annual % change	Quarterly % change	Average Price Q2 2021	Average Price Q3 2021
Terrace/townhouse	13.3%	0.5%	£129,942	£130,597
Semi-detached house	11.5%	2.2%	£176,690	£180,641
Detached house	11.5%	2.8%	£278,235	£286,072
Apartment	-4.5%	-2.4%	£143,538	£140,021
N. Ireland	10.5%	1.8%	£195,242	£198,821

Average price by Local Government District

Local Government District	Average Price Q2 2021	Average Price Q3 2021	% change Q2-Q3
Antrim & Newtownabbey	£171,363	£169,043	-1.35%
Ards & North Down	£207,646	£220,538	6.21%
Armagh City, Banbridge & Craigavon	£166,027	£163,864	-1.3%
Belfast	£176,065	£182,311	3.55%
Causeway Coast & Glens	£211,861	£203,106	-4.13%
Derry City & Strabane	£123,525	£149,085	20.69%
Fermanagh & Omagh	£179,046	£192,571	7.55%
Lisburn & Castlereagh	£204,004	£212,386	4.11%
Mid & East Antrim	£169,393	£160,351	-5.34%
Mid Ulster	£198,378	£175,561	-11.50%
Newry, Mourne & Down	£186,537	£198,171	6.24%

*It should be noted that the sample did not comprise apartment weightings, which may skew the reported statistics

Average Price by Functional Housing Market Areas

HMA	Average Price Q2 2021	Average Price Q3 2021	% change Q2-Q3	Belfast Metropolitan Area Local HMAs	Average Price Q2	Average Price Q3	% change
Ballymena HMA	£160,030	£139,583	-12.8%	Antrim Local HMA	£183,427	£171,073	-6.7%
Belfast Metropolitan HMA	£196,181	£200,499	2.2%	Core Belfast HMA	£203,188	£208,231	2.5%
Causeway Coast HMA	£212,648	£202,499	-4.8%	Greater Belfast HMA	£189,322	£193,351	2.1%
Cookstown HMA	£193,467	£193,359	-0.1%	Central Local HMA	£201,646	£205,147	1.7%
Craigavon Urban Area HMA	£166,654	£170,326	2.2%	Lisburn HMA	£172,947	£189,148	9.4%
Derry HMA	£160,265	£155,570	-2.9%	Ards & Down Local HMA	£183,319	£204,820	11.7%
Dungannon HMA	£192,470	£153,250	-20.4%	East Antrim	£168,100	£166,245	-1.1%
Fermanagh HMA	£153,974	£204,988 ^a	33.1% ^a				
Newry HMA	£170,173	£194,371	14.2%				
Omagh HMA	£175,169	£163,951	-6.4%				
Strabane HMA	£109,067	*	*				

* denotes insufficient sample size for price determination

^a note this is based on a small sample and may not be fully representative.

Performance by Region

Analysis at the sub-regional level, based upon the eleven Local Government Districts (LGDs) and the Housing Market Areas (HMAs) identified in research for the Housing Executive, highlights the variation in regional pricing levels across Northern Ireland. The price change performance across the LGDs remained varied, displaying nominal price increases and decreases relative to the third quarter of 2020, although the regional price changes are less varied than in previous quarters. These changes remain driven by the different types of stock which are transacting within the market areas.

Local Government Districts

In line with previous surveys, the geographic variation in average house prices across the LGD areas remains spatially uneven and representative of local market demand and supply tastes and the nature of the housing stock coming to the market. When considering the price change statistics between this quarter in comparison with quarter two of the year, six of the eleven LGDs revealed moderate and large price increases, with the remaining five displaying small to modest price declines. In line with the agent commentary, this price variation is being propelled by the decrease in the number of new listings and resale housing stock coming to market within a number of market areas.

Fermanagh and Omagh (7.0%), Newry, Mourne and Down (5.9%), Ards and North Down (5.8%), Lisburn and Castlereagh (3.9%) and Belfast (3.4%) all recorded modest increases in average price over the quarter. However, the largest increase in price over the quarter was in the Derry City and Strabane LGD, where average prices rose by 17%, from £123,525 to £149,085, as a consequence of an increase in the number of detached properties transacting in the sample. In contrast to the previous survey, which reported the largest price change to be in the Mid-Ulster LGD (up 15% from Q1 2021), there has been a sharp correction of 13% this quarter, to an average price of £175,561. Inspection of the transactional data revealed that whilst detached transactions continued to dominate the sales in Mid-Ulster, the average price of the detached properties selling was below that of quarter two pricing levels.

The Antrim and Newtownabbey (1.4%) and Armagh City, Banbridge and Craigavon (1.3%) LGDs displayed negligible price declines between Q2 and Q3 2021, with average prices sitting at £169,043 and £163,864 respectively. Both the Mid and East-Antrim (-5.6%) and Causeway Coast and Glens LGDs displayed moderate price decreases of 5.7% and 5.6%, with average prices of £203,106 and £160,351. Further scrutiny of the transactional evidence in both these geographies shows heightened activity in the apartment and terrace sectors relative to quarter two of the year. Indeed, as identified in the previous survey, the analysis suggests that the continued change across the respective price distributions within each LGD appears to continue to be a consequence of local demand tastes and the nature of the stock transacting, which is a consequence of the availability of existing housing stock.

The variability of average prices within districts continues to reflect the varying composition of the housing stock in each district against the sample sales average price information, albeit this is weighted using market stock composition. The coefficient of variation³ measure showed continued price variability within market geographies; there were both

decreases and increases in the spread of prices at LGD level over the quarter, reflecting the price ranges of the stock transacting in different areas. The previous survey noted a compressing of the variability of market pricing between 26% and 40% with the exception of the Belfast LGD. This survey, however, indicates that pricing variability within LGDs has increased; while the Mid-Ulster LGD had the lowest range of variability relative to its average price (38%), the variance in the majority of LGDs ranged between 50% and 60%, demonstrating less concentrated pricing behaviour within each market.

Regional Analysis based on Housing Market Areas

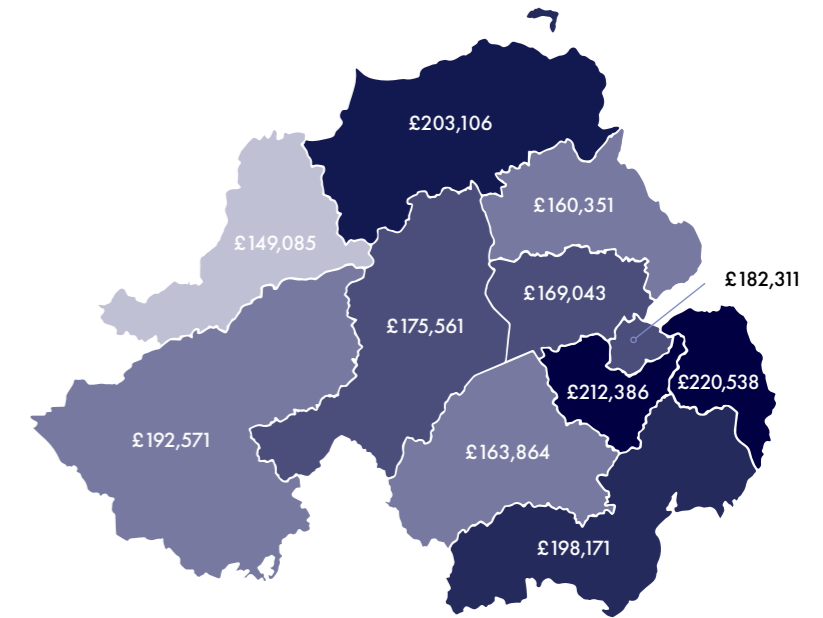
Regional analysis is also generally undertaken using the functional Housing Market Areas (HMAs) defined on the basis of research that was undertaken for the Housing Executive to help guide spatial study of the housing system⁴, as well as a number of more localised HMAs and sub-areas that function within and across the Belfast Metropolitan HMA⁵.

Functional Housing Market Areas

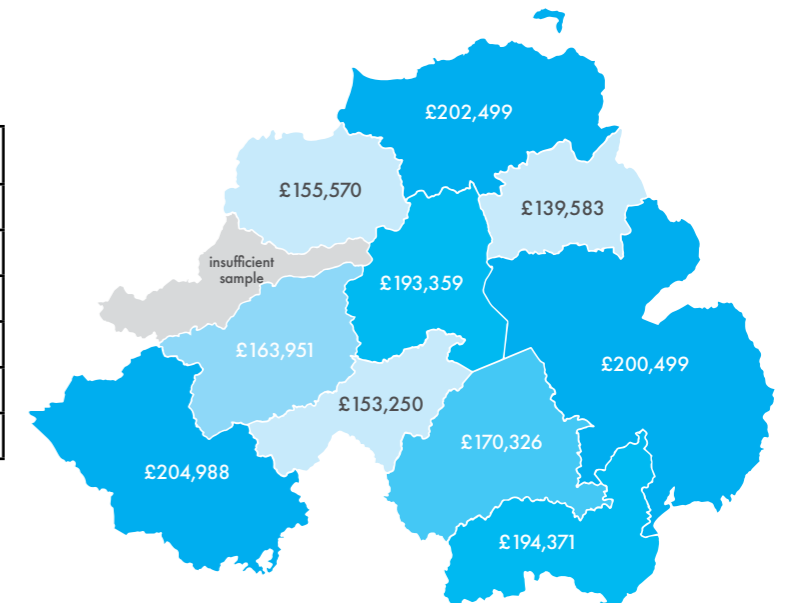
The Housing Market Areas defined for the Housing Executive witnessed varying degrees of price change, again driven by the nature of the stock transacting within particular market sectors. In terms of house price growth, the Fermanagh HMA shows a 33.1% jump in average prices which is symptomatic of the stock transacting within this HMA. The analysis shows that 56.5% of the transactions recorded in this sample are above the average price recorded in the previous survey and that almost two thirds (63%) of the transactions were within the detached segment of the market. This is also noteworthy – albeit to a lesser extent – for the Newry HMA, which recorded a 14.2% increase in average prices across the HMA this quarter. More modest price increases of 2.2% are notable in both the Craigavon Urban Area HMA and Belfast Metropolitan Area HMA.

Alternatively, a small decline was observed in Derry HMA (2.9%), while the Omagh (6.4%) and Causeway Coast (4.8%) HMAs displayed more modest average price decreases. The largest price declines were notable in Dungannon (20.4%) and Ballymena (12.8%) HMAs. As noted in the previous report, a sizeable increase in average price (39.9%) was recorded in the Dungannon HMA during Q2 2021, due to the concentration of sales within the semi-detached and detached sectors, which increased by 30% on quarter one levels to account for 84% of transactions in the Q2 sample. This quarter, however, detached dwellings accounted for 38% of sales. As inferred in previous reports, these very dynamic price changes continue to remain characteristic of market filtering practices, market demand tastes, and the composition of stock transacting at both higher and lower prices in some HMAs.

	£149,085 - £150,000
	£150,001 - £170,000
	£170,001 - £190,000
	£190,001 - £200,000
	£200,001 - £220,000
	£220,001 - £250,538



	£139,583 - £150,000
	£150,001 - £160,000
	£160,001 - £170,000
	£170,001 - £180,000
	£190,000 - £200,000
	£200,001 - £204,988



³ The Coefficient of Variation (CoV) is a measure of relative variability. It is the ratio of the standard deviation to the mean (average). The CoV is particularly useful when comparing results from surveys or samples that have different measures or values. In this case, for example, if the sample for District A has a CoV of 10% and the sample for District B has a CoV of 20%, we can say that District B has more variation in house prices, relative to its mean house price, than District A.

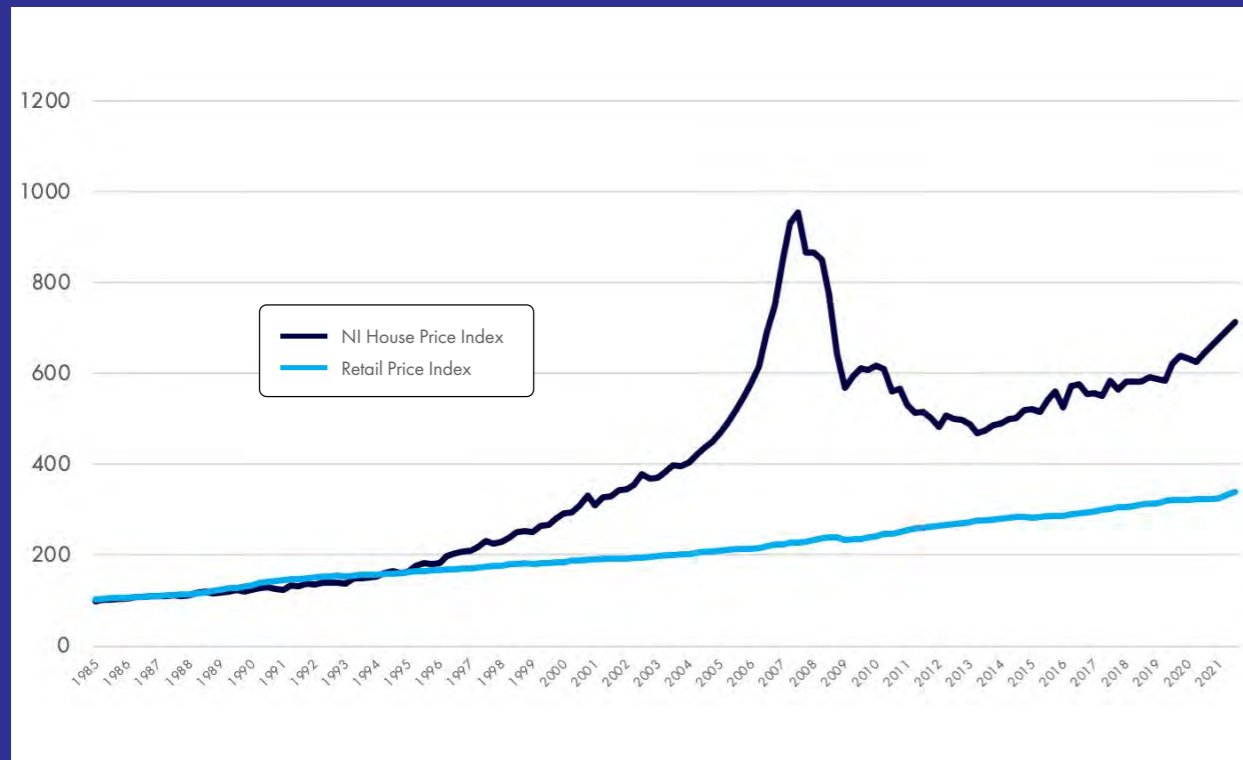
⁴ The research identified eleven broad housing market areas within Northern Ireland. See: www.nihe.gov.uk/getmedia/4ae016fe-6702-4080-983e-dac39738b342/Mapping-Northern-Irelands-Housing-Market-Areas.pdf.aspx?ext=.pdf

⁵ These are as follows: Antrim Local HMA (made up of the sub areas of East Antrim and South Antrim); Ards and Down Local HMA (made up of the sub-areas of Ards and Down); and Core Belfast Local HMA (made up of Central or Core Belfast area and Lisburn).

The House Price Index

The long-term house price index is calculated relative to price levels for each property type at the base quarter for the survey, the final quarter of 1984. The overall index, standing at 712.44 in Q3 2021, is up just over 16 basis points relative to Q2 2021. The increase in the quarterly values continues to be driven by strong demand and a lack of housing product in the semi-detached and detached segments of the market.

The pattern of the house price index since its rapid fall during 2008-2010 has been one of uneven performance. After trending downwards over the period 2011-2013, the overall picture since 2014 has been an upward trajectory for the index, which displayed less variation in price changes initially, but has witnessed more price variability, punctuated by periods of both slightly higher and lower average prices, since 2016. This variability seemingly subsided moving into the second half of 2019, which witnessed continued price increases illustrating more traction than in the previous six quarters. Despite the market interlude and disruption as a consequence of the COVID-19 pandemic, the re-opened housing market continues to exhibit strong demand signals, which have translated into sales and price growth across all segments of the market and five consecutive quarters of growth.



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 Cowley Property
 CPS Property
 Curran Associates
 Dallas Real Estate
 D A McLernon Estate Agents
 Daniel McGeown Estate Agents
 Donnybrook Estate Agents
 Dougan Property
 Eadie McFarland & Co.
 Eddie O'Connor Estate Agents
 Eoin Lawless Estate Agent
 Falloon Estate Agents
 Frank A McCaughan & Son
 Fred Dalzell & Partners
 Gerry O'Connor Estate Agent
 HA McIlwrath & Sons Ltd
 Hampton Estates
 Hanna Hillen Estates
 Harry Clarke & Co.
 Harte & McGarrigle Ltd
 Homes Independent
 HR Douglas & Sons
 Hunter Campbell
 J. A. McClelland & Sons
 James Wilson & Son
 JG Fleming
 John Grant Limited
 John McQuoid & Sons
 John Minnis Estate Agents & Property Consultants
 John V Arthur Estate Agents
 Jones Estate Agents
 Joyce Clarke Estate Agents
 Kieran Taggart Estate Agency

Lindsay Fyfe & Co.
 Lindsay Shanks Kerr Group Estate Agents
 Maneely & Co.
 Mannelly & Co. Ltd
 Mark McAlpine & Co.
 Martin & Dunlop
 McAfee Properties & Mortgages
 McCleary's
 McClelland Salter
 McDonagh Property Consultants & Chartered Surveyors
 MacFarlane & Smyth
 McGlone McCabe
 McMillan Estate Agents
 Michael Chandler Estate Agents
 Michael Hannath Property Consultancy & Estates Agents
 Mid Ulster Properties
 Montgomery Finlay & Co.
 Morris Estate Agents
 Mortgage/Property Sales & Rentals Ltd
 Neill Estate Agents
 Norman Devlin Property Consultants & Surveyors
 Norman Morrow & Co.
 Oakland Estate Agents
 O'Reilly Property Services
 Paul O'Keefe Estate Agents
 Peter Rogers Estate Agents
 Philip Tweedie And Company
 Pinkertons
 Pinpoint Property
 PJ Bradley Property Services
 PJ McIlroy & Son
 Pollock Estate Agents
 Premier Properties
 RA Noble & Co. Auctioneers & Estate Agents
 Rainey & Gregg Property & Mortgage Centre
 R Benson & Son
 Reeds Rains
 Robert Ferris Estate Agents
 Robert Wilson Estate Agency Group
 Robert Quigley Estate Agents
 Rodgers & Browne
 Sawyer & Co.
 Shanks & Company Estate Agents
 Simon Brien Residential
 Smyth Leslie & Co
 Stanley Best Estate Agents
 Stephen Carson
 Stevenson & Cumming
 Taylor & Co.
 Templeton Robinson
 Tim Martin & Co.
 Ulster Property Sales
 Vision Property Agents
 Wylie Estate Agents

¹ Base = 100 in 1984

² Northern Ireland Labour Market Report January 2021 : www.nisra.gov.uk/system/files/statistics/labour-market-report-january-2021.pdf

³ www.finance-ni.gov.uk/publications/new-dwelling-statistics

⁴ <https://ulstereconomix.com/2021/02/08/output-falls-at-fastest-pace-since-may-last-year-amid-covid-19-lockdown/#more-13210>



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