

Northern Ireland

Quarterly House Price Index

For Q3 2013



**Housing
Executive**

ISSN 1462 2351
Report No. 116

Bank of Ireland  **UK**

General Market Trends

The key finding of this report is the significant increase in the volume of transactions which is up by over 20% compared to the second quarter. However this increased activity in the market is not yet supported by any appreciable growth in house prices.

In previous reports the growth in the volume of transactions has been identified as a lead indicator. This report highlights a further significant increase in sales during third quarter, up by over 20% relative to the second quarter. While the level of transactions is still lagging the peak of the market, this statistic should provide considerable comfort that the local housing market in Northern Ireland is in recovery. The growing level of market activity almost certainly reflects improving access to mortgage products, reduced deposits and various policy initiatives to stimulate access to the housing market.

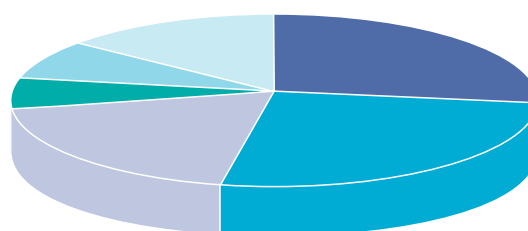
Although sale volumes are appreciably up, price levels have not yet followed suit. The overall average price of residential property for the third quarter of 2013 is £129,777, a figure that is broadly similar to the second quarter average (£130,864). In simple percentage terms this represents a - 0.8% change in the overall average price over the quarter. However when variation in the sample mix is allowed for there is a quarterly weighted price increase of 1.3%. In comparison to the third quarter of 2012, the overall average price is lower by 6.6% over the year, when variation in the sample mix is allowed for the weighted decline for the year is 4.8%. Hence the picture is one of a more vibrant market with considerable variation in terms of average house price.

The distribution of prices emphasises the highly affordable price structure for housing in Northern Ireland with a significant percentage of properties within the lower price bands. For this survey, the percentage of properties sold at or below £100,000 has increased to 44% and nearly three quarters (74%) of the sample sold at or below £150,000. The latter figure is the same as the previous quarter reflecting the stability of prices. Collectively these statistics and the degree of consistency between recent surveys confirm the

durability of the relatively low priced market in Northern Ireland. This should provide potential first-time buyers with confidence that there is such a range of affordable housing. In accordance with the previous survey, 87% of transactions are at or below £200,000, 93% of properties are at or below £250,000 and 95% are at or below £300,000. The price profile supports comments from the agency sector regarding the stabilisation of prices and growth in the number /transactions over the year.

The market share by property type is similar to the previous quarter with representation of the terrace/townhouse sector at 25% (n=417). Similarly, the market share of semi-detached houses is also largely unaltered (31%, n=531). The sample size is slightly lower for detached houses (21%, n=356) and detached bungalows (9%, n=158). Semi-detached bungalows with 3% of the sample (n=56) remain the smallest property type and as such exert little influence on the weighted property index. Apartments have maintained a reasonably significant share of the market (11%, n=188). The number of transactions in the new build sector (n= 315) or 19% of the total market is slightly down on the previous survey (21%).

Market share by type of property



	Terrace	25%
	Semi-detached house	31%
	Detached house	21%
	Semi-detached bungalow	3%
	Detached bungalow	9%
	Apartment	11%

Performance by Property Type

Although the transaction base has grown, price trends are difficult to fully assess with considerable variability still apparent between property types.

Annual performance provides a snapshot comparing the current average price with corresponding statistics for the third quarter of 2012. There is still a legacy of variability in price performance when the market is disaggregated by property type though if transaction volumes continue to improve then the impact of thin sample sizes should dissipate. Over the year the terraced/townhouse sector (£82,902) has a higher average price (by 3.9%) and apartments (£95,187) are up slightly by 0.3%. In contrast, the average price of semi-detached houses (£118,038) is down by 3.6% and semi-detached bungalows (£103,784) by 14.5%. The latter reflects their small representation in the sample. The average price of detached bungalows (£141,164) is down by 4.4% and detached houses is down by 9.3% over the year (£219,493) reflecting their lower price structure in the last quarter.

Short-term performance considers average price levels against those experienced in the second quarter of 2013. Over the quarter, the most significant price change is for the detached house sector with the average price recovering by 10% compared to the unexpected low figure for the second quarter. Apart from semi-detached bungalows for which the average price is virtually unchanged, (up by 0.4%), prices are lower across all other property types. The average price of terraced/townhouses is down by 3.8%, semi-detached houses by 1.9%, detached bungalows by 4.8% and apartments by 2.6%. Reflecting these collective changes, the overall picture is a weighted increase of 1.3% over the quarter.

Annual % change and average price

Market sector	Annual Change	Average Price Quarter 3 2013	Average Price Quarters 1 to 3
Terraced/townhouse	3.9%	£82,902	£84,711
Semi-detached house	-3.6%	£118,038	£120,671
Detached house	-9.3%	£219,493	£211,543
Semi-detached bungalow	-14.5%	£103,784	£103,481
Detached bungalow	-4.4%	£141,164	£144,803
Apartment	0.3%	£95,189	£98,327



Average price by region and property type

Region	All	Terrace	SD House	Detached House
Northern Ireland	£129,777	£82,902	£118,038	£219,493
Belfast	£141,625	£86,475	£141,886	£274,636
North Down	£155,692	£103,478	£127,541	£263,973
Lisburn	£173,224	£121,488	£125,761	£260,556
East Antrim	£105,813	£56,738	£111,197	£178,971
L'derry/Strabane	£106,362	£62,111	£91,283	£160,976
Antrim/Ballymena	£112,737	£79,325	£96,244	£150,900
Coleraine/Limavady/North Coast	£114,922	£70,625	£102,947	£154,952
Enniskillen/Fermanagh/South Tyrone	£123,014	£93,167	*	£182,145
Mid Ulster	£111,489	£79,783	£82,740	£149,804
Mid and South Down	£129,782	£77,109	£93,926	£221,375
Craigavon/Armagh	£95,807	£59,713	£84,059	£168,503

Region	SD Bungalow	Detached Bungalow	Apartment
Northern Ireland	£103,784	£141,164	£95,187
Belfast	*	£201,595	£99,373
North Down	£121,000	£182,684	£93,160
Lisburn	*	*	*
East Antrim	*	£114,056	£80,965
L'derry/Strabane	*	*	*
Antrim/Ballymena	*	£132,715	*
Coleraine/Limavady/North Coast	*	£124,575	£135,219
Enniskillen/Fermanagh/South Tyrone	*	*	*
Mid Ulster	*	£121,844	*
Mid and South Down	*	*	*
Craigavon/Armagh	*	£108,904	*



area, though, in contrast, semi-detached houses (£102,947) are up over the quarter. Detached houses (£154,952) are lower, while apartments (£135,219) show significant price recovery over the year but are down relative to the second quarter average.

In the **Derry/Strabane** market, the overall average price (£106,362) is somewhat lower though on the positive side there is a significant increase in the volume of transactions as reflected by the larger sample. In terms of individual property types, the average price of terraced/townhouses (£62,111) is slightly down (by 2.9%) compared to the market in the third quarter of 2012. Semi-detached houses (£91,283) and detached houses (£160,976) whilst down over the year have average prices just below that for second quarter by 2.4% and 0.5% respectively suggesting a more stable market.

The West

The two markets in the West of Northern Ireland are still characterised by considerable variability in terms of price levels and trends.

The **Mid-Ulster** market, overall average price £111,489, has seen certain price growth over the quarter with the market as a whole up by 3.4%, though price levels are still down on an annual basis. On a sector basis, terraced/townhouses (£79,783) whilst still competitively priced have increased substantially whereas semi-detached houses (£82,740) have a significantly lower average price. In contrast, detached houses (£149,804) demonstrate more stability but have increased by 6.5% over the quarter. Detached bungalows (£121,844) are down over the year but have an increased average price compared to the second quarter.

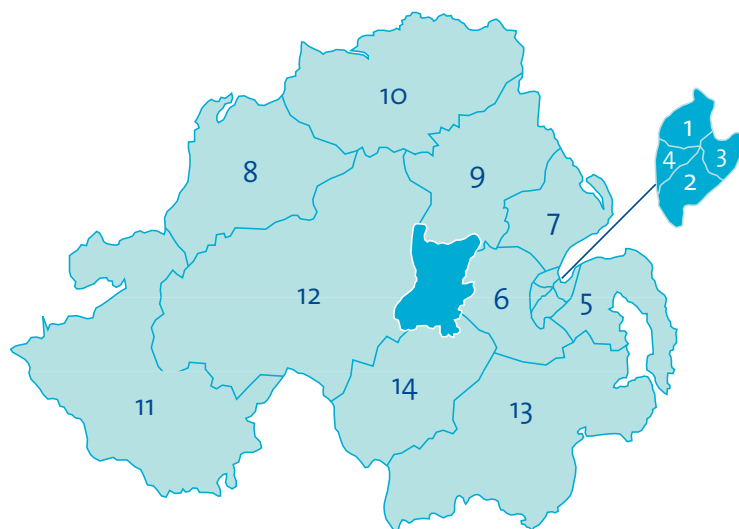
The **Enniskillen/ Fermanagh/ South Tyrone** market for this quarter has an average price (£123,014) which is more in line with expectations. Although lower than the second quarter average, the price level is up significantly over the year. The relatively small sample makes disaggregation difficult by property type, however both terraced/townhouses (£93,167) and detached houses (£182,145) have shown considerable growth in average price over the year.

The South

In the south of Northern Ireland, the two market areas demonstrate somewhat differing price trends.

For **Craigavon/Armagh**, the overall average price (£95,807) is down over the quarter but at a level more in line with expectations. Over the year, there has been a 9.5% increase in the average sale price. However, there have been variable price movements with semi-detached houses (£84,059) up by 6.3% annually though lower over the quarter while detached houses (£168,503) are down by 5.6% over the year. Terraced/townhouses (£59,713) remain competitively priced and have dropped back in price over the quarter.

For **Mid & South Down**, the overall average sale price (£129,782) is up by 7.4% over the quarter though lower by 3.3% over the year. These variable movements characterise the still uncertain market in this area. The terraced/townhouse sector (£77,109) suggests very competitive pricing for this property type with a 6.1% decline in average price over the year but a 1.4% increase over the last quarter. For semi-detached houses, the average price (£93,926) is lower over both the quarterly and annual timescales whereas detached houses (£221,375) are up significantly compared to the previous quarter but lower over the year.



Location	Average Price Quarter 3 2013	Average Price Q1-Q3
Northern Ireland - All	£129,777	£130,536
Belfast - All	£141,625	£138,582
1. North Belfast	£85,756	£84,327
2. South Belfast	£169,716	£164,720
3. East Belfast	£150,322	£140,968
4. West Belfast	£117,285	£115,346
5. North Down	£155,692	£160,447
6. Lisburn	£173,224	£170,631
7. East Antrim	£105,813	£107,338
8. Derry/Strabane	£106,362	£111,292
9. Antrim/Ballymena	£112,737	£103,594
10. Coleraine/Limavady/N. Coast	£114,922	£117,641
11. Enniskillen/Fermanagh/S.Tyrone	£123,014	£113,777
12. Mid Ulster	£111,489	£108,147
13. Mid & South Down	£129,782	£129,363
14. Craigavon/Armagh	£95,807	£108,660



Contributors

- Acorn Homes
- Alexander, Reid & Frazer
- Armoey Homes Property Services
- Armstrong Gordon Estate Agents
- Bennett and Lisk Residential Estate Agents
- Best Property Services
- Bill McCann Estate Agency
- Bill McKelvey Estate Agents
- Blair & Boyd
- Brian A. Todd & Co.
- Brian O'Hare Estate Agents
- Brian Wilson Estate Agents
- Brice & Co. Estate Agents
- BTWShiels Residential
- Burns & Co.
- Cookstown Property Services
- Corry & Stewart Ltd
- Country Estates
- Cowley Property
- CPS Property
- Curran Associates
- Dallas Real Estate
- D A McLernon Estate Agents
- Daniel Henry Estate Agents
- Daniel McGeown Estate Agents
- DMC Properties & Mortgages
- Donnybrook Estate Agents
- 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 Estate Agents
- Locate Estate Agents
- Mannelly & Co. Ltd
- Mark McAlpine & Co.
- Martin & Dunlop
- McAfee Properties & Mortgages
- 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 Estate Agents
- Morton Pinpoint
- 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
- Pinkerton Murray
- PJ Bradley Property Services
- PJ McIlroy & Son
- Pollock Estate Agents
- Pooler Estate Agency
- Premier Properties
- Property Directions
- Quinn & Company
- RA Noble & Co. Auctioneers & Estate Agents
- Rainey & Gregg Property & Mortgage Centre
- R Benson & Son
- Reeds Rains
- Relocate
- Robert Ferris Estate Agents & Valuers
- Robert Wilson Estate Agency Group
- Robert Quigley Estate Agents
- Rodgers & Browne
- Sawyer & Co.
- Shanks & Company Estate Agents
- Seamus Cox & Co.
- Shooter Property Services
- Smyth Leslie & Co
- Stanley Best Estate Agents
- Stephen Carson
- Stevenson & Cumming
- Taylor & Co.
- Templeton Robinson
- Terry Millar
- The Property Spot
- Tim Martin & Co.
- Ulster Property Sales
- Vision Property Agents
- William Porter & Son
- Wylie Estate Agents

**Make us your
first choice for
mortgages**

**Our dedicated team of
experts will work out our
best deal for you**

Talk to us today



Visit your local branch
0800 1690 082
www.bankofireland.co.uk

Bank of Ireland  **UK**

For small steps, for big steps, for life

**YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP
REPAYMENTS ON YOUR MORTGAGE.**

Written illustrations are available on request from any branch. All mortgages are subject to status and lending criteria. Suitable security is required. Applicants must be 18 years or older unless otherwise stated. Bank of Ireland UK is a trading name of Bank of Ireland (UK) plc which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Registered in England and Wales (No. 7022885), Bow Bells House, 1 Bread Street, London EC4M 9BE.

7551130904g