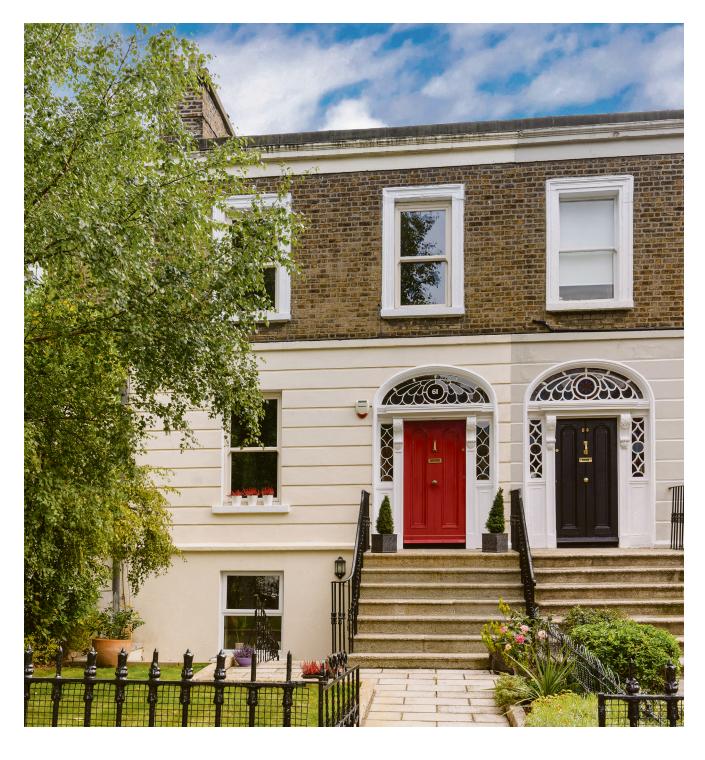
## Dublin Residental Market



## Key Trends & Outlook Spring 2025

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SPRING 2025 RESIDENTIAL MARKET UPDATE

SPRING 2025 RESIDENTIAL MARKET UPDATE

## KEY TRENDS & OUTLOOK SPRING 2025

### 01.

### Lack of supply continues to be the main factor disrupting activity in the second hand residential market

Limited new homes options for those wishing to trade down or looking for new family homes, is compounding the problem, by further limiting the options for those who are interested in moving home. The total number of houses that sold in 2024 was down 2.7% compared to 2023.

Demand on the other hand remains strong, underpinned by continued economic growth, which is being driven by high value adding sectors, in particular Professional Services, Science & Technology, Industry and Financial Services sectors.

Employment levels continue to increase, with the economy operating at full employment (the unemployment rate has fallen to 4% in January 2025, compared to 4.5% in January 2024).



2 Carlton Villas, Shelbourne Road, Ballsbridge, Dublin 4

### 02.

# The demand-supply imbalance has resulted in an accelerated period of price increases

National property prices increased by 8.7% in the 12 months to December 2024, with prices in Dublin rising by 8.3% and prices outside Dublin up by 9.0%.

December data reflects strong levels of price growth, but also reflects an easing compared to August 2024,

03.

Price pressures are expected to remain in 2025, with price growth of between 5%-8% forecast for Dublin second hand residential properties, for the year as a whole

CSO data show that the most expensive Eircode area in 2024 was Blackrock, Co. Dubin, with a median price of €730,000.



14 The Nurseries, Taney Road, Dundrum, Dublin 14

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### 04.

## Properties in turnkey condition will continue to attract a premium price

Other trends that are expected to continue in 2025 are buyer preference for homes in turnkey condition. These homes are expected to continue to attract the greatest interest, with prospective purchasers in many cases, avoiding properties that need retrofitting or extensive construction.

In many cases, even the potential to negotiate a lower price on properties that need work, is not enough when buyers factor in higher build costs and the risk of potential delays.

Allowing for these factors, properties in need of extensive construction or re-building, are expected to see the lowest price increases in 2025, with turn-key properties expected to achieve a premium.



1 Glenair Manor, Delgany, County Wicklow

## 05.

## Improved financing conditions and increased options for bridging

The clear downward path of interest rates has created more certainty in the market regarding the cost of finance. Mortgage costs are set to remain at current levels or improve throughout 2025, depending on the pace of further cuts in interest rates by the European Central Bank.



Bridging finance, which was not available for a prolonged period of time, is available again providing short-term flexible finance options, which will allow sellers to proceed with purchases while waiting on the closure of the sale of their own property.

53 Saint Alban's Park, Sandymount, Dublin 4

### 06.

### 2025 is a good year to sell given the low levels of residential stock on the market

**KEY TRENDS & OUTLOOK** 

SPRING 2025

There continues to be a very low supply of turn-key homes on the market, particularly in prime Dublin locations.

The number of properties on the market in early 2025 is more or less flat compared to 2024, with just over 3,000 properties on the market in Dublin in February 2025, compared to 2,900 in February 2024.

When looking closer at South County Dublin and key post codes, the level of stock is currently exceptionally low. There are 345 properties for sale in South County Dublin, 195 in Dublin 4, 119 in Dublin 6 and only 63 in Dublin 6W. (Feb 2025).

Given the supply limitations, combined with further cuts in interest rates and strong demand, Knight Frank's view is that demand will be brisk for both turn-key and also for older properties in need of works. This will be the case across all post codes in the Dublin area. The sale time for turn-key properties will be shorter.



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20 Yale, Ardilea, Clonskeagh, Dublin 14

### 07.

## Demand to remain strong, with multiple categories of buyers active

Demand at the upper end of the market will continue to be driven by high earners in Professional and Financial Services and those with successful own businesses.

Cash rich returning Irish, or those who want a second home in Dublin, along with non-Irish overseas buyers, will also add pressure on demand at a time when the options are limited.



28 Merrion Street Upper, Dublin 2

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