

# Northern Ireland Quarterly House Price Index

For Q3 2022 | Report Number 152 | ISSN 1462-2351

**Housing**  
Executive



PROGRESSIVE  
BUILDING SOCIETY



# Introduction

**This survey analyses the performance of the Northern Ireland housing market during the third quarter of 2022 (July, August and September). The report details the key trends and spatial patterns in the housing market, drawing comparisons with the third quarter of 2021 as a measure of annual change and with quarter two of 2022 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.**

This report is premised upon 2,616 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.



# Contents

Autumn Headwinds	4
Foreword from Progressive Building Society	5
General Market Trends	6
Performance by Property Type	8
Performance by Region	9
The House Price Index	12
Contributors	13

# Autumn headwinds

While beleaguered households and businesses craved a period of respite from financial challenges, the third quarter of 2022 and subsequent weeks only seem to have strengthened the headwinds facing the economy. In that context, it is not surprising that the figures set out in this report confirm slowing momentum within the local housing market, which was already becoming evident during the previous quarter.

Although the number of transactions captured in the sample remained relatively robust at 2,616, the figure was down by almost one fifth (18%) on Q2, when transactions were, in turn, around 15% lower than during the preceding quarter. Similarly, while the average price of the properties transacting during Q3 2022 (£206,952) was 3.3% higher, on a weighted basis, than during the equivalent quarter in 2021, this was the fourth consecutive quarter of slowing annual price growth. The figures and agent commentary suggest that the period of post-lockdown housing market buoyancy has ended, and that the behaviours of home owners and prospective purchasers are likely to be more strongly influenced by financial considerations than housing preferences in the months ahead.

This ties in with analysis carried out for the Housing Executive and published in early October. Reports for the Ballymena and Causeway Coast Housing Market Areas (HMAs), Newry and Craigavon Urban Area HMAs and Fermanagh, Omagh, Cookstown and Dungannon HMAs, along with a Northern Ireland summary report, completed a suite of Strategic Housing Market Analysis (SHMA) research covering all 11 Housing Market Areas. The body of work was commissioned by the Housing Executive in its role as the strategic regional housing authority, and is intended to serve as an evidence base for Councils in the production of Local Development Plans. Setting the context for the work, the reports note the influence of both the Brexit referendum and the pandemic on the housing market, adding an assumption that the effects of the latter – especially with regard to transactions, lettings and new dwelling completions – will be transient, but of uncertain duration.

At this point, we can say with some certainty that what might be termed the ‘first wave’ housing market effects of the pandemic have passed. A surge of activity in what remained a relatively benign environment followed the re-opening of the market in the second half of 2020; the increased demand reflected factors including relocation preferences enabled by increased remote working; households looking for more indoor and outdoor space; and first time buyers making their way into the market. With the passage of time, the ‘second wave’ consequences of intermittent ‘lockdown’ across the world in the form of significant supply chain disruption and increased government debt, have combined with other factors,

including the events in Ukraine, to create a much more challenging context that includes rapidly rising energy, food and borrowing costs. More recently, the situation was further destabilized by successive changes of leadership and policy direction at UK government level, and ongoing political deadlock in Northern Ireland.

Taking account of all these factors, a more subdued outlook for the housing market seems realistic in coming months, with at least a proportion of prospective purchasers likely to postpone or review their plans in light of financial pressures. However, as the SHMA research also notes, demographic trends will continue to exert an influence on housing market need and demand over the longer term. In that context, there will continue to be a requirement for housing output – and particularly for affordable housing – to meet the needs of Northern Ireland’s population. In a medium household growth scenario, including backlog (i.e. homeless households on the Common Waiting List without their own self-contained accommodation), the headline new dwelling requirement estimated for the period 2020-2035 is 95,620 units, or 6,370 dwellings per year.

It is important to note that, rather than being a target or policy, the estimated requirements generated by the research constitute an evidence base, which can be taken into account alongside other local factors when considering housing growth scenarios and the appropriate local development plan approach for each local authority. It remains to be seen whether the relatively low representation of new build dwellings in the Q3 sample is an anomaly or a signal of a shift in output. While the most up-to-date statistics indicate that housing starts and completions remained stable until the middle of the year, rising build costs coupled with slowing demand and consumer uncertainty make for a challenging context. As the commentary in the report notes, the position is finely balanced as we head into the final quarter.

## Ursula McAnulty

Head of Research, Northern Ireland Housing Executive  
e: [ursula.l.mcanulty@nihe.gov.uk](mailto:ursula.l.mcanulty@nihe.gov.uk)

<sup>1</sup> [www.nihe.gov.uk/Documents/Research/Strategic-Housing-Market-Analysis/northern-area-SHMA.aspx](http://www.nihe.gov.uk/Documents/Research/Strategic-Housing-Market-Analysis/northern-area-SHMA.aspx)

<sup>2</sup> [www.nihe.gov.uk/Documents/Research/Strategic-Housing-Market-Analysis/south-eastern-SHMA.aspx](http://www.nihe.gov.uk/Documents/Research/Strategic-Housing-Market-Analysis/south-eastern-SHMA.aspx)

<sup>3</sup> [www.nihe.gov.uk/Documents/Research/Strategic-Housing-Market-Analysis/mid-western-SHMA.aspx](http://www.nihe.gov.uk/Documents/Research/Strategic-Housing-Market-Analysis/mid-western-SHMA.aspx)

<sup>4</sup> [www.nihe.gov.uk/Documents/Research/Strategic-Housing-Market-Analysis/northern-ireland-summary.aspx](http://www.nihe.gov.uk/Documents/Research/Strategic-Housing-Market-Analysis/northern-ireland-summary.aspx)

<sup>5</sup> For more information and to access the full suite of reports, see [The Housing Executive - Housing market analysis](#)

<sup>6</sup> [www.finance-ni.gov.uk/sites/default/files/publications/dfp/ni-new-dwelling-q1-2022-lps\\_0.xlsx](http://www.finance-ni.gov.uk/sites/default/files/publications/dfp/ni-new-dwelling-q1-2022-lps_0.xlsx)



# Foreword from Progressive Building Society

Continued political and economic uncertainty, coupled with the Bank of England raising interest rates to curb inflation, has seen a softening in the confidence that there has been in the housing market over the last 18 months with quarterly price growth rising by a marginal 1.3% compared to Q2 2022. Q3 saw a modest year on year increase in average house prices, with growth of 3.3% to £206,952. However, when compared to Q2 2022, the growth figure is just over 1%.

In terms of price range, on the lower end of the spectrum, properties below £100,000 saw a marginal price hike of 2%, while those sold at or below £150,000 also saw an increase of 2% in 2022. In the higher price range of properties sold at or below £250,000, there was an increase of 1% from Q2 2022. While there were small increases across the spectrum, indications are that this will not be sustained in the period ahead.

Although sales remain relatively strong, 92% of those surveyed expect the market to contract in the next three months, with a price decline likely in the new year as a result of the continued cost-of-living crisis, political instability and economic uncertainty. These factors highlight a threat to further growth within Northern Ireland's housing market - a view supported by 85% of agents - who stated that buyer and seller confidence has decreased when compared to previous quarters.

## Regional Outlook

Across Northern Ireland, analysis shows that there is an uneven price range across Local Government Districts which has been magnified by property transacting, resale and new build markets.

Five out of the eleven districts saw increases with Causeway Coast and Glens seeing the largest price increase at 14.9%. This was significantly more than any other district with Mid and East Antrim being the closest behind at a 3.5% increase. The other six districts have seen declines with Newry Mourne and Down (13.3%) and Fermanagh and Omagh (15.3%) showing the greatest price declines respectively.

## Summary

It is evident that given the current socio-economic climate and the shift in market sentiment, there will be continued slowing of the market in Q4 of this year, and beyond that into 2023. As previously cited, economic and political uncertainty, inflation and the cost-of-living crisis will continue to be contributing factors.

Following the pandemic there has been strong demand which has translated into sales and rising prices. This was reflected in nine consecutive quarters of growth. Political and financial stability nationally and locally will be key to supporting the market and the wider economy as the impact of the energy crisis bites and that includes strong leadership both at Westminster and here in Northern Ireland, with the return of a functioning Executive.

At Progressive we are constantly monitoring the ever-changing climate of Northern Ireland's housing market and will continue to provide market leading advice and guidance to all our new and existing customers. We will continue to offer a flexible approach to all mortgage applications to help people in Northern Ireland on their journey to home ownership.

## Michael Boyd

Deputy Chief Executive & Finance Director,  
Progressive Building Society



# General Market Trends

The main findings of this survey indicate a housing market which has slowed in terms of buyer enquires and activity, but remains on par with Q2 2022 in terms of pricing levels. Whilst showing some resilience despite the ongoing economic and political uncertainty and instability, the analysis reveals that the market continues to exhibit diminishing price growth relative to the first half of 2022, and the indicative signs of zero growth, or a price correction, as we move into the final quarter of 2022 and the start of 2023. The House Price Index shows a quarterly price growth of 1.3% between the second and third quarter of 2022, with annual price increases equating to 3.3% in comparison to Q3 2021. As reported in the previous survey, the buoyant market conditions, demand and optimism that had been evident since the beginning of 2021 started to decline, and there was a slowing of price growth moving into 2022. This trend has continued into Q3 2022, with declining price growth and further reductions in market activity signalling that the beginning of a price correction may be coming.

The housing market is clearly in the midst of another cycle, and where we are in that cycle is now very delicately balanced. The movements by the Bank of England to curb inflation, allied with the instability in the UK government, has had an extraordinary shock upon wider financial markets and within the banking and mortgage industry. With fixed rate mortgage deals climbing to over six per cent in response to the rapidly rising cost of borrowing, the optimism and buoyancy within the housing market is well and truly dwindling, with price growth de-escalating and uncertainty now following.

As our previous surveys reported, agents were noting a reduction in new enquiries and instructions, with less competitive bidding, which indicated that house prices may start to soften. The Brexit referendum in 2016 witnessed a period of market uncertainty and price paralysis, but made relatively little impact on the number of transactions sampled, which then increased substantially from late 2020. Currently, the housing market is losing momentum, with a price correction now on the horizon due to the reduction in buyer sentiment and sales enquiries and the heightening cost of mortgages, alongside the cost of living crisis. Indeed, as we previously averred, the cocktail of economic and political events was creating a 'perfect storm' for a housing market correction and a recessionary environment towards the second half of this year. The political and economic turmoil over the past quarter has seen this transpire, and with projected increases in interest rates looking set to continue into 2023, this will undoubtedly impact on house prices moving forward. This survey reveals the overall average price of residential property in Northern Ireland for the third quarter of 2022 is £206,952, representing a weighted annual level of growth of 3.3% between Q3 2021 and Q3 2022. Where quarterly movements are concerned, the Index displays a smaller increase of 1.3% relative to Q2 2022.

## Agent commentary Q3 2022

The agent survey for the third quarter of the calendar year affirms a cooling in market sentiment as the combination of heightened interest rates and increased living costs start to impact the housing market. Responses to the agent survey for Q3 2022 confirm a marked decline in transactions volumes, with 62% of agents surveyed citing a decline in transaction activity quarter-on-quarter. Only 8% of agents surveyed had witnessed an increase in transactions volumes relative to Q2 and in the majority of cases this can be attributed to the finalisation of agreed sales.

Heightened monetary and economic uncertainty in the wake of Bank of England interest rate increases has impacted market confidence, with 62% of agents surveyed reporting a decline in new buyer enquires over the three months to the end of September. Interestingly, while overall viewing figures have contracted the number of viewings translating into sales has remained strong. Indeed, 54% of agents reported that the viewings translating into sales ratio had remained consistent relative to the previous quarter. This suggests that for some buyers the need to purchase outweighs wider market sentiment, and for others heightened uncertainty around the terms and conditions of future mortgage provision may serve as an incentive to transact at this time. The overwhelming majority of agents responding to the survey (92%) expected market activity levels to decrease across the next three months.

In terms of market pricing structures going forward, there is a marked divergence in opinion across the agent community. The majority of agents (54%) anticipate a decline in house prices to become evident in Q4 – albeit the anticipation is that this will be a marginal adjustment. It is notable that 46% of agents interviewed expect house prices to remain constant in the three months to the end of the calendar year. However, some did expect that due to the lagged nature of the market, recent events within government, and the ever increasing uncertainty brought about by political instability, a price decline is inevitable at the beginning of 2023. Whilst acknowledging that interest rate rises would impact affordability it was suggested that demand-supply imbalance allied with heightened build costs could serve to preserve pricing structures.

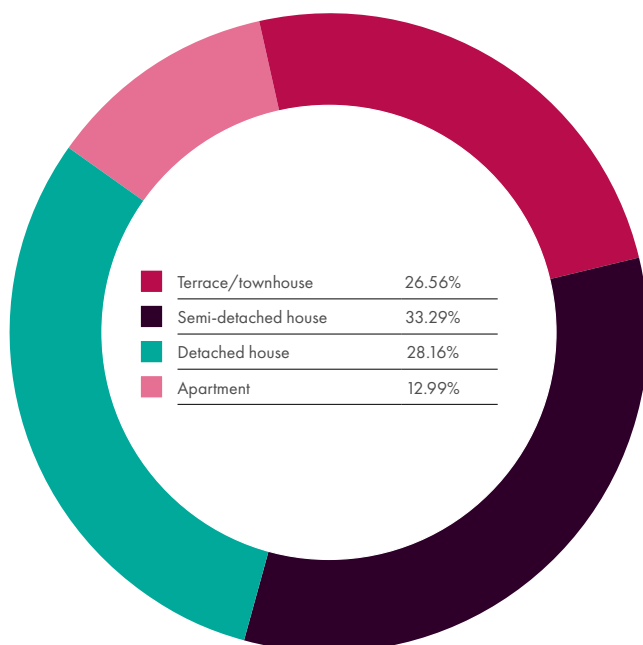
From the purchaser perspective, though, market sentiment has taken a 'battering' over the course of Q3 2022. It could be argued that any one of the current influences – heightened interest rates, political instability, economic contraction or a 'cost of living' crisis – could have negative connotations for housing market sentiment. That all four are being 'lived out' in unison is indicative of a perfect storm for the housing market. Invariably this has played out in terms of the sentiment analysis, with 85% of agents reporting buyer and seller confidence to have decreased relative to the previous quarters. The remaining 15% of agents reported that buyer/seller confidence has remained the same.

<sup>7</sup> 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.

The consensus of opinion within the agent community is that the mini-budget created huge financial and economic uncertainty. The Bank of England interventions that were required to stabilise investment markets and tackle inflation have sharpened prospective buyers' focus on the interest rate environment. Many prospective buyers have been 'spooked' by interest rate projections and heightened borrowing costs. This has resulted in a marked decline in new buyer enquiries across the last quarter. To date, agreed sales/completions have not been adversely impacted by the evolving monetary policy – but for those prospective buyers not yet committed, many have decided to 'hold and see how the market plays out'.

The shift in market sentiment will inevitably impact the supply of new homes coming to the market over the short-medium term – heightening supply side deficiencies. Indeed, agents have commented that there are now instances where new development schemes are seeing some house sales falling through due to the increases in mortgage costs, reflective of the slowing down within the market due to the financial squeeze on both home movers and prospective purchasers. The volume of resale stock listings similarly fell across Q3 as seller confidence also took a hit. A number of agents reported a marked decline in the number of resale listings across the quarter – despite the fact that quality stock has continued to transact amidst the uncertainty, due in part to the continued supply side constraints.

**Figure: Market Share by Type of Property**



### Sample distribution

The market evidence since the beginning of Q2 2020 revealed some subtle movements within transactions across the sample price distribution, particularly within the middle and upper end of the price distribution. The previous survey evidence in Q2 2022 revealed that these small changes continued into the first and second quarter of the year, when there was a decrease in market activity within the lower end of the price distribution, with increased activity discernible between the £200,000 and £250,000 price range. The figures for Q3 however, indicated that the proportion of lower priced properties (below £100,000) within the sample equated to 13%, representing a two percentage points increase from Q2 2022. Properties sold at or below £150,000 accounted for 39% of transactions, also representing an increase of two percentage points from quarter two levels.

In the mid-to-higher price brackets, 63% of transactions were at or below £200,000, representing a near two and a half percentage point increase from Q2 2022. In the upper pricing levels of the market, the proportion of properties sold at or below £250,000 increased by one percentage point from Q2 2022, equating to 78%, with transactions below £300,000 equating to 87%, remaining in parity with the second quarter of the year. The transactional evidence within this quarter's sample reveals that there seems to have been an increase in market activity within the lower- to mid-price distribution, with increased activity notable between the £100,000 and £250,000 price bands.

The sample representation by property type this quarter remains indicative of the wider housing market stock profile and in line with previous quarters, with minor changes notable. Semi-detached houses continue to be the most common property type in the sample, representing 32% of all transactions (n=844), down one percentage point from quarter two. Terraced/townhouses equate to 27% of the sample, up two percentage points from the second quarter of 2022 (n=695), with apartments continuing to account for the smallest share of the market, up by two percentage points (13%; n=340). Detached houses comprised 28% of all sales (n=737), down three percentage points relative to Q2 2022. At 9% (n=617) the proportion of new build properties within the sample was the lowest recorded since at least 2014. The figure, which has varied around an average of 22% of the sample each quarter since early 2016, had already decreased by five percentage points (to 19%) in Q2 2022. The average price of the new build properties transacting in Q3 2022 was £228,277, a reduction of 3.7% from £236,642 recorded in the previous survey. This reduction within the sample, as initially observed at the end of 2021, continues to indicate that the level of new build activity may be decreasing as developers hold off releasing phases due to escalating construction costs, wider political and market uncertainty and the inability of prospective buyers to obtain or afford the mortgage costs.

<sup>8</sup> 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 moderate annual price growth across all segments of the market, particularly within the terrace/townhouse and apartment segments of the market. Quarterly growth within the market over the third quarter of 2022 is negligible, and the lowest since the end of 'lockdown' with below one per cent price change across all market segments except the apartment sector.

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 2021 (annual change) and Q2 2022 (quarterly change). In annual terms, the average price statistics exhibit a 4.1% increase from Q3 2021 levels. Where quarterly change is concerned, the average price increased by 0.6% between Q2 2022 and this quarter (Q3 2022). As noted in previous surveys, and the subtle change in the transactions pricing distribution this quarter, the pricing structure within the housing market – both at the aggregate and sectoral level – has displayed dynamism, resulting in differences in both annual and quarterly price changes within particular segments of the market over the past eight quarters.

The previous survey in Q2 2022 indicated that other segments of the market, notably the terrace/townhouse and apartment sectors were beginning to 'catch up' on the detached and semi-detached segments of the market as a consequence of market filtration practices and the market trying to find its equilibrium pricing levels. This prediction appears evident for Q3 2022 with the level of quarterly price changes stabilising (apart from in the apartment sector). For this quarter, in terms of annual price change, the terrace/townhouse sector and apartment sectors exhibited annual price changes of 7.4% and 7.1% respectively compared to Q3 2021, with both the semi-detached and detached sectors noting lower levels of annual growth of 3.9% and 2.6%. In terms of quarterly price changes, as noted in the last survey, there were comparable price

movements within the terrace/townhouse and detached sectors, which recorded price change movements below 1%, while the semi-detached sector showed negative price growth of 0.1%.

The overall average price in the terrace/townhouse sector stands at £140,231 (n=695). The average price of traditional private-sector built terrace dwellings was £128,137 (n=534), while townhouses displayed an average of £180,344 (n=161). However, the average price of public sector-built terrace dwellings sold during the quarter remained substantially lower (£114,589; n=198). The semi-detached sector showed an average price of £187,613 (n=844) with private-built dwellings displaying an average of £190,187 (n=740), compared with an average of £147,569 (n=53) for public-built resale semi-detached housing. The overall average price of detached housing was £293,422 (n=737). For apartments, the average price in the market was £149,977 (n=340), with differences evident between the average price of private-built apartments £154,896 (n=315) and those originally built within the public sector (£88,012; n=25).

## Average price by property type (unweighted % change)

Property Type	Annual % change	Quarterly % change	Average Price Q2 2022 (£)	Average Price Q3 2022 (£)
Terrace/townhouse	7.4%	0.9%	138,942	140,231
Semi-detached house	3.9%	-0.1%	187,861	187,613
Detached house	2.6%	0.8%	291,071	293,422
Apartment	7.1%	1.6%	147,594	149,977
N. Ireland	4.2%	0.8%	205,628	207,247



# 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 fourth quarter of 2021, 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 price change across the LGD areas remains spatially uneven and characteristic of local market demand and supply imbalances, as well as the nature of the housing stock within and coming onto the market.

When considering the price change statistics this quarter in comparison with Q2 2022, there remain uneven price changes across the Local Government districts, amplified by the stock transacting in the resale and new build markets. The Causeway Coast and Glens LGD witnessed the largest overall price increase (14.9%), with the Ards and Down (2.9%), Lisburn and Castlereagh (2.0%), Mid and East Antrim (3.5%) and Belfast (0.3%) all showing more modest or nominal increases.

In contrast, LGDs such as Antrim and Newtownabbey (5.0%), Armagh City, Banbridge & Craigavon (7.6%), Derry City & Strabane (3.6%), Mid Ulster (3.6%) and, to a much larger degree, Fermanagh and Omagh (15.3%) and Newry Mourne and Down (13.3%) showed price declines. Concomitant with previous surveys throughout 2021 and the first half of 2022, the price distribution within each market area is reflective of the heterogeneity of the resale stock transacting, driven by socio-economic-demographic issues, local demand tastes, the nature and availability of the stock transacting and new build stock entering into the respective market areas. For example, within the Fermanagh and Omagh LGD, the sample transactions appeared concentrated within the semi-detached

sector with the 75th percentile of the transaction price resting at £192,750. Similarly, Newry, Mourne and Down displayed the 75th percentile of £221,875, which is slightly below the average recorded in the market in Q2 2022, again indicating that there is a shift in the pricing point within that market area. Further inspection of the data showed that the bulk of sales transactions in both Fermanagh & Omagh and Newry, Mourne & Down were in the semi-detached sector, in contrast to the previous quarter which was dominated by detached sales. The spiked growth within the Causeway Coast and Glens this quarter was due to a concentration of sales within the detached segment of the market, which constituted 42% of transactions with an average price of £303,448.

As noted, the variability of average prices within the LGDs continues to reflect the varying composition of the housing stock against the sample sales average price information, albeit this is weighted using market stock composition. The coefficient of variation (CoV) exhibits relatively disparate price variability within market geographies; both decreases and increases in the spread of prices at LGD level over the quarter reflect the price ranges of the stock transacting in different market areas. The CoV statistics range across market geographies between 34% (Derry City and Strabane) and 61% (Belfast). Notably, the CoV has generally decreased across the LGDs with Derry City showing a decline of five percentage points from quarter two levels; this suggests less variation in the stock transacting in particular segments, reflective of market filtration processes.

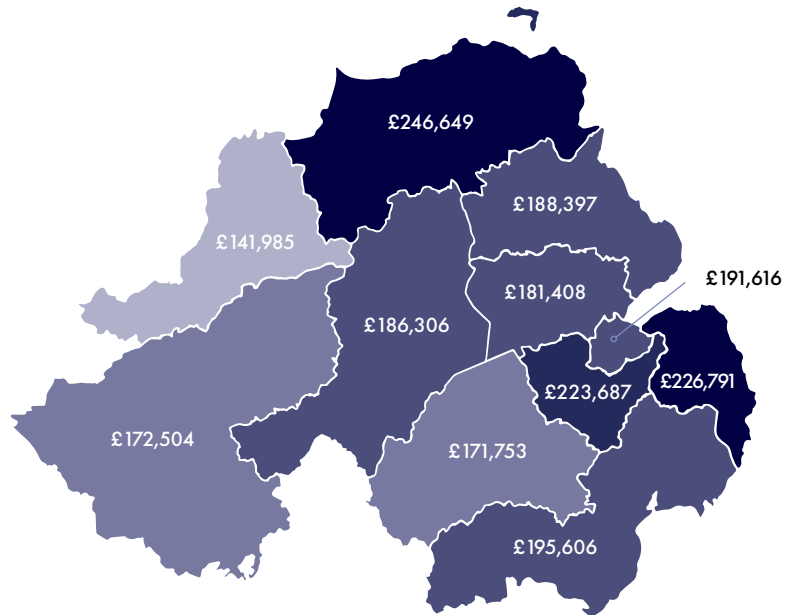
## Average price by Local Government District

Local Government District	Average Price Q2 2022 (£)	Average Price Q3 2022 (£)	% change Q2-Q3
Antrim & Newtownabbey	190,936	181,408	-5.0%
Ards & North Down	220,445	226,791	2.9%
Armagh City, Banbridge & Craigavon	185,882	171,753	-7.6%
Belfast	191,040	191,616	0.3%
Causeway Coast & Glens	214,723	246,649	14.9%
Derry City & Strabane	147,261	141,985	-3.6%
Fermanagh & Omagh	203,590	172,504	-15.3%
Lisburn & Castlereagh	219,235	223,687	2.0%
Mid & East Antrim	182,098	188,397	3.5%
Mid Ulster	195,075	186,306	-4.5%
Newry Mourne & Down	225,512	195,606	-13.3%

<sup>9</sup> 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.

**Average price by Local Government District**

LGD Average House Price Q3 2022	
	£141,985 - £150,000
	£150,001 - £175,000
	£175,001 - £200,000
	£200,001 - £225,000
	£225,001 - £246,649



**Regional Analysis based on Housing Market Areas**

Regional analysis is also undertaken using the functional Housing Market Areas (HMAs) defined on the basis of research that was carried out for the Housing Executive to help guide spatial study of the housing system, as well as a number of more localised HMAs and sub-areas that function within and across the Belfast Metropolitan HMA<sup>11</sup>.

**Functional Housing Market Areas (HMAs)**

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, only two out of the eleven HMAs observed increases. Ballymena HMA recorded an increase of 1.4%, to an average price of £174,287, with the Causeway Coast seeing a more substantial growth of 15.5% – largely driven by sales within the detached segment of the market – to an average price of £245,530.

In terms of price decreases, the Cookstown, Belfast Metropolitan and Strabane HMAs recorded marginal declines of 1.4%, 1.8% and 2.8%,

whereas the Craigavon Urban Area and Derry HMAs observed larger decreases of 6.4% and 5.9% respectively. The largest decline was observed in Dungannon HMA of 29.4%, although this must be caveated due to the smaller sample size. Other noteworthy decreases were seen in Newry, Fermanagh and Omagh HMAs. Upon further inspection, there has been a clear difference in the nature of the sample transactional stock selling within these market geographies, which contributed to the price volatility and variation. Indeed, this is evidenced by the stock transacting within these market geographies. In Q3 2022 the 75th percentile sales price in Dungannon HMA was £199,950, demonstrating a shift in terms of the property prices transacting in relation to the previous two quarters and symbolic of a shift in market activity towards lower priced stock. This was also analogous for the Fermanagh, Newry and Omagh market areas, where the averages for previous quarters were higher than this quarter’s 75th percentile of the pricing distribution. Again, further scrutiny showed that this was due to the nature of the stock selling in these market areas: whereas the detached sector had been a strong influence in previous quarters, transactions in other segments of the market generally dominated in Q3 2022.

**Functional Housing Market Areas**

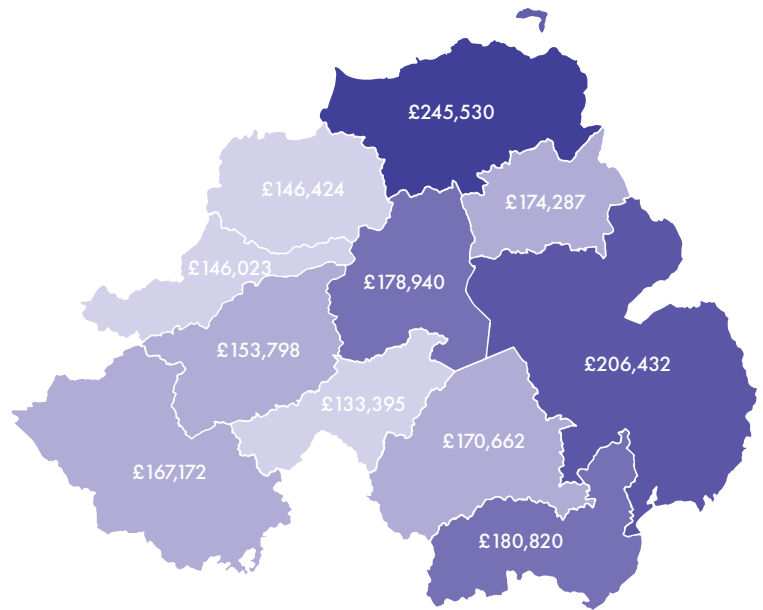
Housing Market Area	Average Price Q2 2022 (£)	Average Price Q3 2022 (£)	% change Q2 - Q3
Ballymena HMA	171,826	174,287	1.4%
Belfast Metropolitan HMA	210,113	206,432	-1.8%
Causeway Coast HMA	212,519	245,530	15.5%
Cookstown HMA	181,498	178,940	-1.4%
Craigavon Urban Area HMA	182,194	170,622	-6.4%
Derry HMA	155,633	146,424	-5.9%
Dungannon HMA	189,065	133,395 <sup>a</sup>	-29.4%
Fermanagh HMA	187,658	167,172	-10.9%
Newry HMA	221,346	180,820	-18.3%
Omagh HMA	170,727 <sup>a</sup>	153,798	-9.9%
Strabane HMA	150,299	146,023	-2.8%

<sup>10</sup> 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](http://www.nihe.gov.uk/getmedia/4ae016fe-6702-4080-983e-dac39738b342/Mapping-Northern-Irelands-Housing-Market-Areas.pdf.aspx?ext=.pdf)

<sup>11</sup> 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).

**Average house prices by Functional Housing Market Areas**

NIHE HMA Average Price Q3 2022	
	£133,395 - £150,000
	£150,001 - £175,000
	£175,001 - £200,000
	£200,001 - £225,000
	£225,001 - £245,530



At the more localised geographies within the Belfast Metropolitan Housing Market Area, the Core and Central Belfast local HMAs, in contrast to Q2 2022, observed price decreases of 1.3% and 2.4%, bringing average prices to £213,032 and £207,340 respectively. At the Greater Belfast level, the average price was £206,432, representing a 2.2% increase from the second quarter of the year. In the more peripheral local market geographies, more price variation was notable.

The Antrim local and East Antrim HMAs observed price decreases of 6.3% and 1.4% with average prices of £183,033 and £170,555. Alternatively, the Ards and Down and Lisburn local HMAs showed increases of 4.3% and 3.0% respectively, with average prices of £215,166 and £190,523.

**Belfast Metropolitan Area Local HMAs**

	Average Price Q2 2022 (£)	Average Price Q3 2022 (£)	% Change Q2 - Q3
Antrim Local HMA	195,432	183,033	-6.3%
Core Belfast Local HMA	215,742	213,032	-1.3%
Greater Belfast Local HMA	201,926	206,432	2.2%
Central Belfast Local HMA	212,522	207,340	-2.4%
Lisburn Local HMA	184,930	190,523	3.0%
Ards & Down local HMA	206,214	215,166	4.3%
East Antrim HMA	173,027	170,555	-1.4%

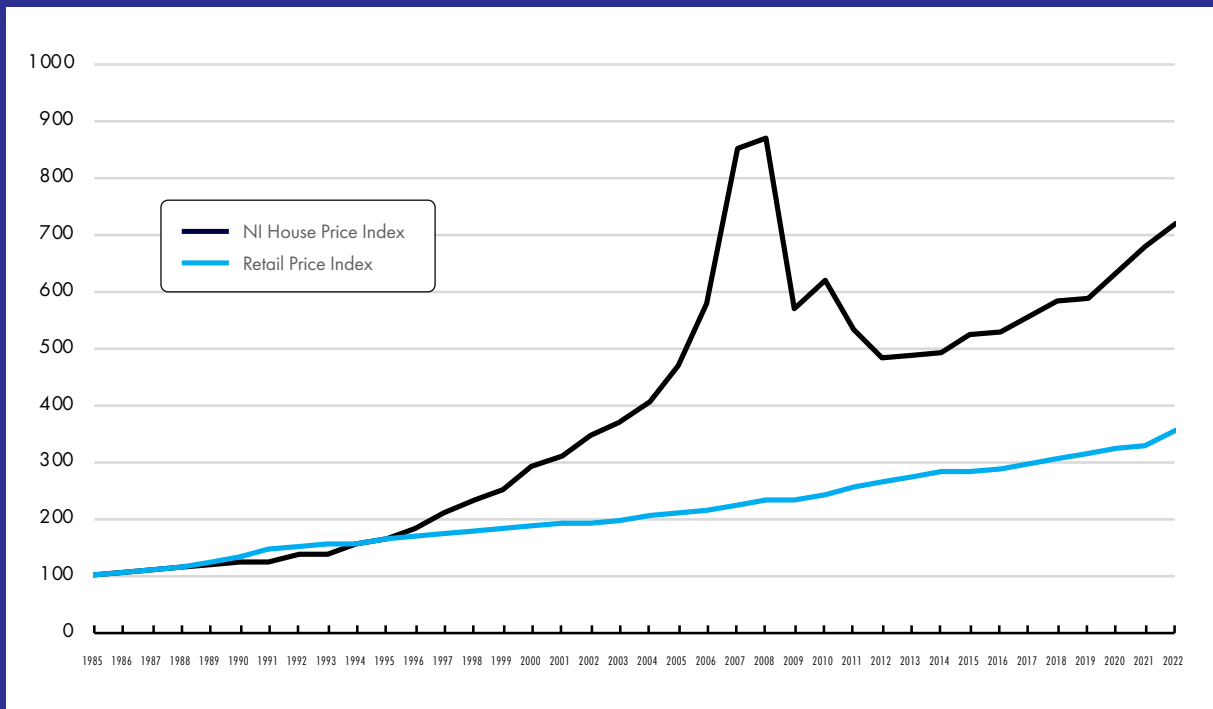




# The House Price Index

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 736.55 in Q3 2022, was up only 3 basis points relative to Q2 2022. This negligible increase in the quarterly values reflects a cooling in terms of price change growth across all segments of the housing market, with the highest growth seen within the apartment sector.

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 housing market across 2021 and into 2022 continued to exhibit strong demand signals, which translated into sales and price growth across all segments of the market and nine consecutive quarters of growth. With the onset of the cost of living crisis at the beginning of 2022, and the large interest rate and mortgage interest rate hikes, the housing market during 2022 has begun to slow down with a deterioration in house price growth and market activity.



# Contributors

Alexander, Reid & Frazer  
 AMPM Properties  
 Armoy Homes Property Services  
 Armstrong Gordon  
 Best Property Services  
 Bill McCann Estate Agency  
 Bill McKelvey Estate Agents  
 Blair & Boyd  
 Bradley NI  
 Brian A. Todd & Co.  
 Brian O'Hare Estate Agents  
 Brian Wilson Estate Agents  
 Brice & Co. Estate Agents  
 Burns & Co.  
 Colin Graham Residential  
 Cookstown Property Services  
 Corry & Stewart Ltd  
 Country Estates  
 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





# Real Estate

## PgDip/MSc

RICS Accreditation • Asset Management • Investment • Property Acquisitions  
Financial Analysis • Economics • Strategic Decision Making • Sustainability  
Valuation • International Real Estate

For further information please contact:

Dr Jasmine LC Lim

Programme Director

**E:** [lc.lim@ulster.ac.uk](mailto:lc.lim@ulster.ac.uk) **T:** +44 (0)28 9036 8562

[ulster.ac.uk/courses](http://ulster.ac.uk/courses)





# Housing Executive

## INTERESTED IN MAKING A REAL DIFFERENCE TO PEOPLE'S LIVES?

As the strategic housing authority for Northern Ireland we are focussed on ensuring that everyone has access to a good affordable home in a safe and attractive place. We work in partnership with our communities, we support our local economy and through our work we will make a significant contribution to helping Northern Ireland meet net zero targets.

We are looking for talented people who want to change people's lives for the better. We offer a competitive salary, enhanced pension scheme, generous annual leave, flexible working and the opportunity to develop through training.

We are a large and inclusive employer with a wide range of career pathways and we want to help you to achieve your potential. For our latest job vacancies, visit

[www.nihe.gov.uk/careers](http://www.nihe.gov.uk/careers)



Scan this QR code to go straight to the Housing Executive careers page.

[nihe.gov.uk](http://nihe.gov.uk)   



INVESTORS  
IN PEOPLE

Silver







PROGRESSIVE  
BUILDING SOCIETY

Serving and supporting  
our Members

**every step  
of the way**

Help to find **YOUR**  
**happy**  
**place**

Call in today or visit  
**[theprogressive.com](http://theprogressive.com)**

MORTGAGES | SAVINGS



**Housing**  
Executive

