



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 first quarter of 2023 (January, February and March). The report details the key trends and spatial patterns in the housing market, drawing comparisons with quarter one of 2022 as a measure of annual change and with quarter four 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 2,590 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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Stability prevails

This first quarterly report of 2023 bears out the sense of a slowing market, which was evident in the final quarter of 2022, when agents participating in the research reported a decline in enquiries and anticipated no significant change in house prices during the coming quarter. In the event, the data captured by Ulster University indicates the first – albeit marginal – quarter-on-quarter decline in the average price of properties transacting since early 2020, when the declaration of a global pandemic and suspension of activity stalled the market for a time.

However, at £203,326, the average price of properties transacting was still 2.2% higher, on a weighted basis, than during the equivalent quarter in 2022. Similarly, while the number of transactions captured in the sample (2,590) was well down relative to Q1 2022 (3,752), it remained relatively buoyant by comparison with longer-term historical standards.

While the latent demand for housing and the desire for home ownership remains, it appears likely that effective demand will continue to be tempered by a number of factors, some of which were mentioned at our most recent Housing Executive Insight event in March¹. Speakers highlighted:

- **Inflation:** The Consumer Prices Index (CPI) rose by 10.1% in the 12 months to March 2023. While the rate was marginally lower than recorded the previous month (10.4%), the 12-month rate of CPI inflation remains stubbornly high, particularly for necessities such as food and non-alcoholic beverages (19.1% in March 2023) and housing and household services (26.1%)².
- **The interest rate environment:** after an extended period of abnormally low interest rates between 2009 and early 2022, the Bank of England base rate has risen steadily over the last year, with a further increase earlier this month. Some commentators expect that gradual increases will continue during 2023 in an effort to control inflation. Whether this approach will have the desired effect remains to be seen, but households have already felt the combined impact of high inflation and rising interest rates.
- **Discretionary income:** related to the preceding points, indicators such as the Asda income tracker³ have shown year-on-year decline in households' discretionary income for many months. Worryingly, but perhaps not surprisingly, while the UK average weekly discretionary income in March 2023 was £213 according to the Asda tracker, the figure for Northern Ireland was substantially lower (and lowest in the UK) at around £100 – 21% less than a year earlier. Across 12 UK regions, Northern Ireland has been the weakest performer on this measure (with the greatest year-on-year decline in discretionary income) for seven consecutive quarters, and research by the Consumer Council indicated that by Q3, 2022, Northern Ireland's lowest earning households had discretionary income of less than £20 per week.

Against this backdrop, but in view of the finite housing supply – compounded by the likely shortfall in funding for new social housing in 2023/24 – commentators at the Insight event suggested that, all other things being equal, the housing market was likely to remain in a similar position throughout the year. Supply challenges and increasing construction costs appear likely to militate against any significant fall in prices, while the wider pressures on household budgets may prevent any substantial growth. The data captured by the research will continue to provide an important barometer as the year continues.

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¹ Speakers included Richard Ramsey (Ulster Bank), Dr Michael McCord (Ulster University) and Tony Dignan (Economic Research and Evaluation). More information on the presentations is available at The Housing Executive - Housing Market Intelligence Exchange research (nihe.gov.uk).

² Consumer price inflation, UK - Office for National Statistics (March 2023 report)

³ Asda Income Tracker (Figures are from the March report)

Foreword from Progressive Building Society

A weakening of the wider macroeconomic picture, higher interest rates and continued cost-of-living pressures have weighed on the Northern Ireland housing market in the first quarter of the year. Both prices and activity levels are down on the same period last year and concerns around financial markets look likely to keep a lid on sentiment in the coming months. However, a lack of supply in the form of new builds and new listings means a significant price correction is unlikely and signs inflation is easing offer some optimism.

The House Price Index showed average Northern Ireland house prices fell by 0.7% in the first quarter of 2023 when compared to the previous quarter to £203,326, although average prices climbed by 2.2% on an annual basis. The slide suggests the general economic malaise is beginning to impact consumer behaviour, with waning affordability in particular weighing on prices.

Regional Outlook

Once again, analysis in the report shows price and transactional activity in each local government district across Northern Ireland varies, a situation which reflects regional supply and demand balances.

A total of seven out of the 11 districts saw price declines in the first quarter compared to the fourth quarter, with Ards and North Down seeing the largest price decrease of 8.7%, closely followed by Belfast where average prices fell 6.4%. Other regions saw more modest declines with prices in Mid and East Antrim down 3.5%, in Lisburn and Castlereagh down 2.9%, in Newry Mourne & Down down 2.8%, Antrim & Newtownabbey down 1.2% and Armagh City, Banbridge and Craigavon down 0.3%. Conversely, three districts saw prices climb, including Fermanagh and Omagh where prices were up 17.3%, Derry City and Strabane up 6.6% and Causeway Coast and Glens up 5.7%.



Summary

There is little doubt the market is continuing to prove resilient in the face of a raft of headwinds. Although prices fell on a quarterly basis, the slide was less severe than could have been expected given widespread jitters in financial markets and increasing focus by both borrowers and lenders on affordability.

Inflation continued to climb through the first quarter of the year and along with it, interest rates. Disposable incomes have subsequently been squeezed and, with homeowners operating in an increasingly straightened environment, buyer enquiries have continued to decline and transactional activity has also fallen by nearly one third. The market action in the first quarter has run counter to the traditional uplift witnessed in the first quarter of the year as a result of these pressures, as well as the emergence of the moribund buyer and seller who are not motivated to act.

However, the one constant of the Northern Ireland housing market of recent years – a lack of new supply – looks likely to prevent a significant price retraction and underpin the market in the coming months. Countering that in the near term are continued jitters around the local and global financial environment which will keep pressure on prices, although it is worth noting that the first signs are beginning to emerge of an easing in inflationary pressures. Energy markets, which were to blame for a large part of the inflationary environment, have eased considerably and that should filter through to ease other cost pressures and temper the high interest rate expectations.

These opposing forces are perhaps the reason for the fact around two thirds of agents expect pricing structures to hold steady in the second quarter of the year, while the remainder expect prices to climb.

Progressive Building Society has a long history of working with homeowners to charter a path through the more volatile environment which currently exists, with products to fit the majority of borrower needs and the ability to flex to service more complex projects. Our team are equipped with deep knowledge of the complexities of the housing market and can be trusted to help make one of the most important life purchases a reality.

Michael Boyd

Deputy Chief Executive & Finance Director,
Progressive Building Society

General Market Trends

The main findings of this survey indicate that while the housing market has showed strong resilience in terms of pricing levels, the first quarter of 2023 recorded the first marginal quarter-on-quarter decline in pricing levels in nine quarters. This was accompanied by reduced transactional activity (down 31% compared to Q1 2022 and 6% from Q4, 2022), despite more positive and buoyant listing activity than during the second half of 2022. The House Price Index this quarter shows a quarterly decline of 0.7% in the average house price between the fourth quarter of 2022 and quarter one 2023, although there was a slight price increase – equating to 2.2% in comparison to Q1 2022 – using the annual weighted measure.

The cooling within the housing market over the course of 2022, driven by the erosion of real incomes and increased mortgage costs for both first-time-buyers and existing homeowners, saw price growth soften and the number of sales completions gradually decreasing. The current market setting displays, for the first time in more than two years, a nominal quarter-on-quarter price decline for the start of 2023, and reduced transactions of 31% compared to this time last year. The figures suggest that the wider macroeconomic environment and the slowing economy, allied with the continued cost-of-living pressures have perhaps started to impact on consumer behaviour, households' repayment and accessibility affordability and, ultimately, house price sensitivity. As previously reported, the housing market in NI was seen to be 'on hold' and this remains the reality as a consequence of the events of 'Trussonomics' and the implications on the banking sector globally, which have seen the rise of the unmotivated buyer and seller.

Against this backdrop, the housing market faces further headwinds in light of the worrying signs of a brewing financial crisis, with the collapse of banking behemoths and the potential knock-on effects on mortgage markets within and beyond the UK. That said, waning supply and the absorption of new build stock coupled with reduced listings in areas of traditionally high demand will go some way to help protect the market from any potentially severe price correction.

This survey reveals the overall average price of residential property in Northern Ireland for the first quarter of 2023 is £203,326, representing a weighted annual level of growth of 2.2% between Q1 2022 and Q1 2023¹. Where quarterly movements are concerned, the Index displays a decrease in average prices of 0.7% relative to Q4 2022.

Agent commentary Q1 2023

Following a marked contraction in transaction levels in the final quarter of 2022, the agent commentary for this quarter denotes more positive sentiment towards market outlook. The first quarter of the calendar year generally depicts a positive and upbeat sentiment within the housing market as both prospective buyers and sellers rejuvenate their ambitions and aspirations for the year ahead. The first quarter of 2023 has been no different with 44% of agents surveyed citing an increase in the volume of listings relative to the previous quarter. Notably, however, 22% of agents surveyed said

that transaction volumes had fallen, while a further 33% felt that transaction volumes had remained largely consistent with the previous quarter. This suggests that while activity levels have picked up in some areas, the market overall remains 'subdued' and the normal 'new year bounce' has not been as pronounced as anticipated.

While the increase in the volume of new listings was largely to be expected in the first quarter, it is noteworthy that buyer enquires have remained strong despite the ongoing economic and financial market uncertainty. More than 75% of the agents surveyed confirmed that buyer enquires had either remained the same or increased relative to the previous quarter. However, there is little evidence in this quarter of the uplift in buyer enquires being translated into heightened sales activity.

Clear spatial variations exist within the agent community regarding future pricing structures. While the majority of agents (67%) expect pricing structures to remain consistent with the previous quarter, the remaining 33% anticipate an increase in prices as we move into the second quarter of 2023. It is noteworthy that none of the agents responding to the survey this quarter anticipate prices to fall over the course of the next three months. The majority of agents responding to the survey (78%) acknowledge that the combination of inflation and higher interest rates has had an impact on the volume of sales this quarter. Nonetheless, the agent community contributing to the survey strongly believe that both buyer and seller sentiment remains positive. Indeed, 56% of agents felt that sentiment amongst buyers and sellers had improved, with only 22% of agents deeming sentiment to have lessened relative to the previous quarter.

Agents consider that the housing market in Northern Ireland is in the main more affordable than mainland GB; thus while prices in England have fallen Northern Ireland does not have the same capacity for price correction. Overall demand from prospective purchasers remains high, particularly in key towns and cities, and this is compounded by the lack of quality stock. Listings of both new build and quality resale stock are historically low in many areas across Northern Ireland. This demand-supply imbalance, coupled with prevailing construction costs, is likely to be a key factor in maintaining house prices over the course of the next three months. An often overlooked factor in the demand equation is the acute supply shortage of quality private rental stock. This has resulted in significant price inflation within the private rented sector and prompted many prospective purchasers to pursue homeownership as their preferred tenure option.

Sample distribution

The market evidence since the beginning of Q2 2020 showed some subtle movements within transactions across the sample price distribution – particularly within the middle and upper end – as a consequence of COVID-19. While this continued into the first half of 2022, there was evidence in both Q3 and Q4 of 2022 that the trend was reversing, with increased sales transactions within the lower end of the price distribution. The start of 2023 further reveals this trend to have continued, with the proportion of lower priced properties (below £100,000) within the sample equating to 14%, representing a one percentage point increase on Q4 2022.

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.

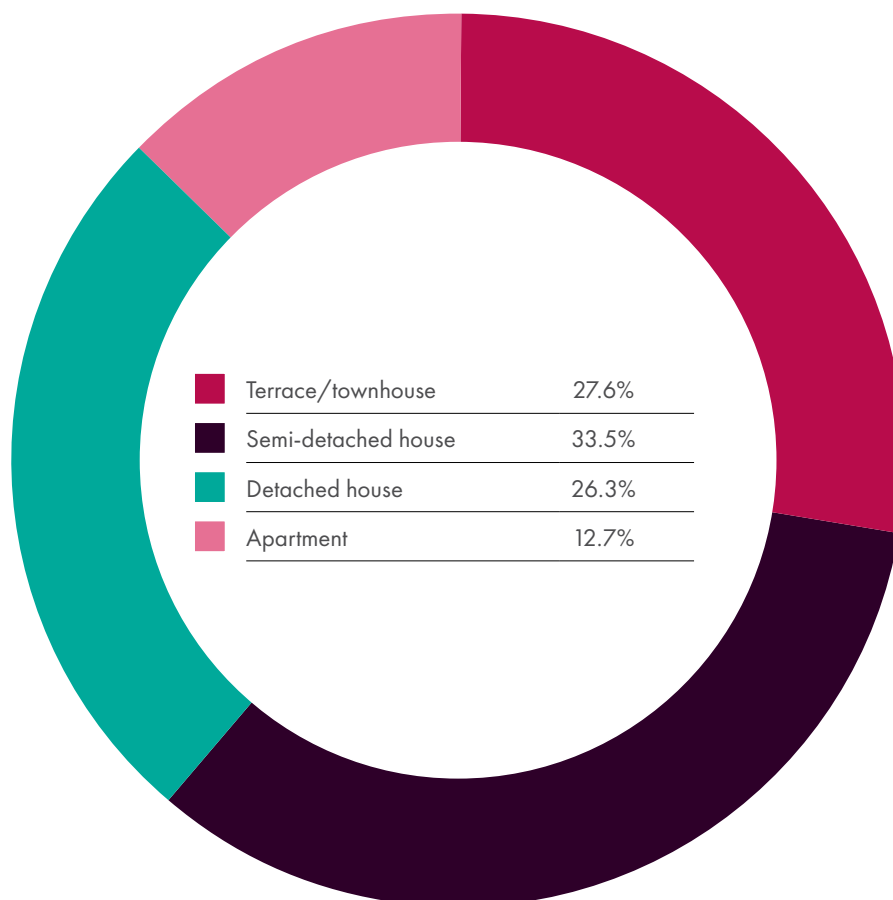
Properties sold at or below £150,000 accounted for 38% of transactions, on par with quarter three levels. In the low-to-middle price brackets, 65% of transactions were at or below £200,000, representing a four percentage point increase on the previous quarter. In the upper pricing levels of the market, the proportion of properties sold at or below £250,000 increased by four percentage points to 81%, up from 77% seen in the final quarter of 2022. Transactions below £300,000 accounted for 90% of the sample, an increase of three percentage points from Q4 2022, with transactions beyond £300,000 accounting for 10% of sales within the sample. The transactional evidence within this quarter's sample indicates that consumer activity continues to occur within the lower and middle price tiers of the market, with a general reduction at the higher end of the price distribution; this finding is in line with the agent commentary and the type of stock transacting and is undoubtedly linked to the higher cost of borrowing for home purchasers.

The sample representation by property type this quarter remains indicative of the wider housing market stock profile² and in line with previous quarters, with some minor changes more notable than past editions of the report. Semi-detached houses continue to be

the most common property type in the sample, representing 34% of all transactions (n=867), down one percentage point from the final quarter of 2022. Terraced/townhouses equate to 28% of the sample, an increase of two percentage points from the previous quarter (n=715). Detached houses comprised 26% of all sales (n=680), reflective of a three percentage point decrease relative to Q3 2022. The apartment sector, whilst continuing to account for the smallest share of the market, showed an increase of three percentage points, up to 13% from Q4 2022 (n=328).

At 10% (n=265) the proportion of new build properties within the sample has decreased markedly from the second half of 2022, and is well below the long-term average of 22% observed since 2016. The average price of the new build properties transacting this quarter was £248,858, reflecting a 3.4% increase from the previous survey. This apparent decrease in new build transactions appears to be a consequence of fewer new developments commencing and phases not being released due to the wider economic uncertainty, the continued elevated cost of materials and higher cost of borrowing for prospective buyers.

Figure: Market Share by Type of Property



² Statistics gathered from the latest register of recorded households reflecting the market compilation of property types across Northern Ireland.

Performance by Property Type

While analysis by property type shows variable price movements across the market sectors as the market continues to find its equilibrium, it nonetheless reveals that all but the apartment sector display price declines. Both the terrace/townhouse and detached sector show quarterly declines of 1.9% and 2.4%, with the semi-detached sector recording a nominal 0.1% decrease. The apartment segment revealed a small quarterly increase of 0.2%. At the overall level, a quarterly decline within the market during the first quarter of 1.9% is evident, with the annual picture revealing a small positive price change (0.5%) which continues to slow.

In terms of simple percentage changes, the analysis provides a snapshot that enables comparison of the current average price with the corresponding statistics for Q1 2022 (annual change) and Q4 2022 (quarterly change). In annual terms, the average price statistics exhibit a 0.5% increase from Q1 2022 levels. Where quarterly change is concerned, the average price decreased by 1.9% between Q4 2022 and this quarter (Q1 2023).

As noted in previous surveys, the pricing structure within the housing market – both at the aggregate and sectoral level – has shown pricing differences due to market filtration and lead-lag effects in response to the COVID-19 pandemic. We noted that the different sectors were experiencing realigning price trends primarily due to the interest and mortgage interest rate hikes, which have dampened demand, or at the very least constrained market activity within certain market segments. The last survey recorded a small decline within the detached sector, which continued over this quarter; the negative price change of 2.4% was more than in the terrace/townhouse sector (1.9%) and the semi-detached sector (0.1%). The apartment sector is the only sector to exhibit positive price change over the quarter, albeit nominally at 0.2%.

The overall average price in the terrace/townhouse sector stands at £131,865 (n=715), with the average price of traditional private-sector built terrace dwellings £121,858 (n=581), while townhouses displayed an average of £175,256 (n=134). However, the average price of public sector-built terrace dwellings sold during the quarter remained substantially lower (£108,967; n=226). The average price of properties transacting in the semi-detached sector was £190,698 (n=867), with private-built dwellings displaying an average of £194,761 (n=810), compared with an average of £132,958 (n=57) for public-built resale semi-detached housing. The overall average price of detached housing was £285,677 (n=680). For apartments, the average price in the market was £158,621 (n=328), with differences evident between the average price of private-built apartments £165,635 (n=299) and those originally built within the public sector (£86,303; n=29).

Average price by property type (unweighted % change)

Property Type	Annual % change	Quarterly % change	Average Price Q4 2022 (£)	Average Price Q1 2023 (£)
Terrace/townhouse	-3.2%	-1.9%	134,440	131,865
Semi-detached house	3.0%	-0.1%	190,822	190,698
Detached house	-0.2%	-2.4%	292,773	285,677
Apartment	8.7%	0.2%	158,300	158,621
N. Ireland	0.5%	-1.9%	207,327	203,326

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 2022, 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 (LGDs)

In line with previous surveys, the geographic variation in average house price change across the LGDs 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 Q4 2022, there remain some uneven price changes across the Local Government Districts, amplified by the stock transacting in the resale and new build markets. Seven out of the eleven LGD market areas exhibit price declines over the quarter with the largest price change decreases notable in the Ards and North Down (8.7%) and Belfast LGDs (6.4%). More modest price decreases were observed in Mid and East Antrim (3.5%) Lisburn and Castlereagh (2.9%) Newry Mourne & Down (2.8%) and Antrim & Newtownabbey (1.2%) with Armagh City, Banbridge and Craigavon showing a nominal price decline of 0.3%.

The Causeway Coast and Glens and Derry City and Strabane LGDs recorded price increases of 5.7% and 6.6% respectively with the largest price increase reported in the Fermanagh and Omagh LDG (17.3%).

Analysis of the data indicates that this sizeable variation has been driven by the continued bulk of transactions being in the detached and semi-detached segments of the market. Indeed, in line with previous surveys throughout 2021 and 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, and the nature and availability of new build stock entering into the respective market areas and driving supply and demand balances. For example, within the Fermanagh and Omagh LGD, the transactional evidence shows that approximately 49% were within the detached sector and 34% within the semi-detached segment, which had average prices of £237,098 and £162,457 respectively. In contrast, and in line with the previous quarter, 10% of transactions in the Belfast LGD were within the detached sector, while 40% of sales were terrace/townhouse properties, and 19% were within the apartment sector. The terrace/townhouse and apartment sectors in Belfast LGD recorded average prices of £134,613 and £157,752 respectively.



Average price by Local Government District

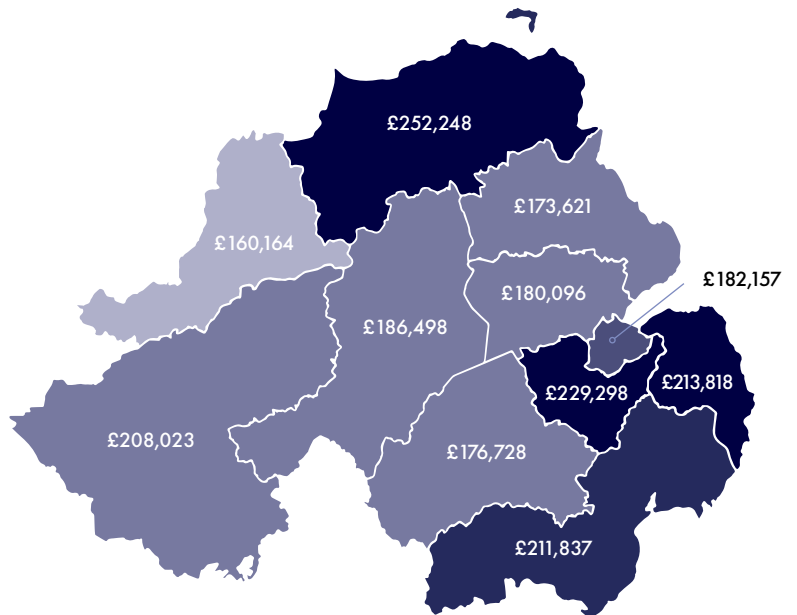
Local Government District	Average Price Q4 2022 (£)	Average Price Q1 2023 (£)	% change Q4-Q1
Antrim & Newtownabbey	182,262	180,096	-1.2%
Ards & North Down	234,273	213,818	-8.7%
Armagh City, Banbridge & Craigavon	177,197	176,728	-0.3%
Belfast	194,738	182,157	-6.5%
Causeway Coast & Glens	238,549	252,248	5.7%
Derry City & Strabane	150,254	160,164	6.6%
Fermanagh & Omagh	177,299	208,023	17.3%
Lisburn & Castlereagh	236,056	229,298	-2.9%
Mid & East Antrim	179,981	173,621	-3.5%
Mid Ulster	172,953	186,498	7.8%
Newry Mourne & Down	217,861	211,837	-2.8%

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)³ 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 ranged across market geographies between 39%

(Mid Ulster) and 61% (Causeway Coast and Glens). Notably, this represented a subtle shift in the level of variance, which increased from the previous three editions of the survey. This increase in price variation across a number of the market geographies continues to illustrate and provide evidence of price sensitivities, consumer preference and behaviour, and market filtration processes due to macro- and micro-economic fundamentals.

Average price by Local Government District

LGD Average House Price Q1 2023	
	£160,164 - £180,000
	£180,000 - £200,000
	£200,001 - £220,000
	£220,001 - £240,000
	£240,001 - £252,248



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.

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 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 (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 change, seven out of the eleven HMAs observed declines at varying levels ranging between 0.8% and 9.1%. The largest price decline was observed in the Causeway Coast HMA (9.1%), followed by Cookstown HMA (7.4%) and Strabane HMA (6.5%). The Belfast

Metropolitan HMA (3.6%), Omagh HMA (3.1%) and Craigavon Urban Area HMA (2.6%) exhibited more modest levels of price decline.

In contrast, the analysis revealed three market areas to display high levels of price increases over the quarter, ranging between 21.1% (Fermanagh HMA) and 29.6% (Derry HMA). However, it should be noted that both the Derry and Dungannon HMAs have reduced sample sizes, which seemingly biased the price change movements and were under-representative of the entirety of the defined HMA. Indeed, further investigation into these market geographies shows that the sales transactions are dominated by higher priced detached stock, with limited evidence for both the terrace and apartment sectors; this reflects the difference in the nature of the sample transactional stock selling within these market geographies between Q4 2022 and Q1 2023.

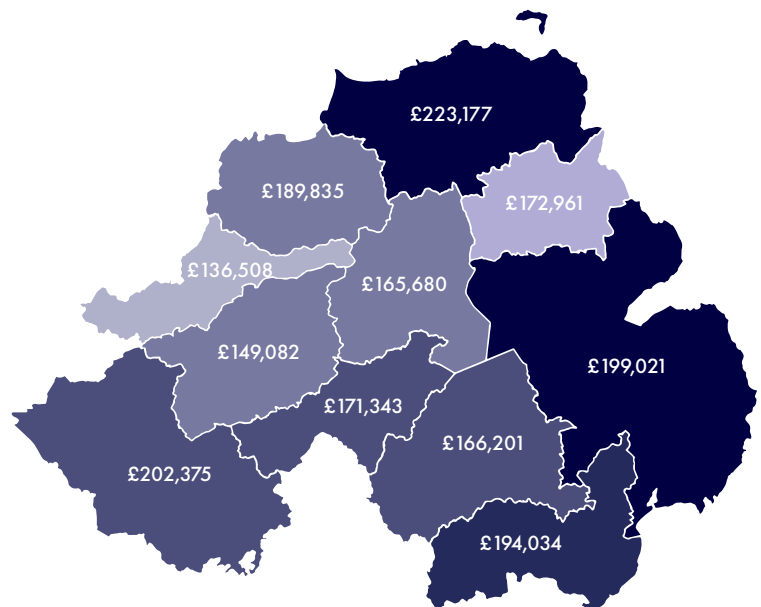
Functional Housing Market Areas

Housing Market Area	Average Price Q4 2022 (£)	Average Price Q1 2023 (£)	% change Q4-Q1
Ballymena HMA	174,287	172,961	-0.8%
Belfast Metropolitan HMA	206,432	199,021	-3.6%
Causeway Coast HMA	245,530	223,177	-9.1%
Cookstown HMA	178,940	165,680	-7.4%
Craigavon Urban Area HMA	170,622	166,201	-2.6%
Derry HMA	146,424	189,835	29.6%
Dungannon HMA	133,395	171,343*	28.4%
Fermanagh HMA	167,172	202,375*	21.1%
Newry HMA	180,820	194,034	7.3%
Omagh HMA	153,798	149,082	-3.1%
Strabane HMA	146,023	136,509	-6.5%

* note this is based on a small sample (<40 obs) and may not be fully representative.

Average house prices by Functional Housing Market Areas

NIHE HMA Average Price Q1 2023	
	£136,508 - £150,000
	£150,001 - £170,000
	£170,001 - £190,000
	£190,001 - £210,000
	£210,001 - £223,177



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).

At the more localised geographies within the Belfast Metropolitan Housing Market Area, the Core and Central Belfast local HMAs observed price decreases of 6.2% and 5.6%, bringing average prices to £204,335 and £201,117 respectively. At the Greater Belfast level, the average price was £199,053, representing a 6.7% decrease from the fourth quarter of the year. In the more peripheral local market geographies, price variation was more notable. The Antrim local and East Antrim HMAs observed nominal price declines of 1.8% and 0.3% in contrast to the increases observed during the previous quarter and recording average prices of £186,228 and £183,497. The previous survey noted that the local Lisburn

HMA revealed a relatively high price increase from Q3 2022, which we reported was a consequence of heightened sales transactions within the detached and semi-detached segments of the local market area. For this reporting period, the Lisburn local HMA observed a price decrease of 12.7%, with the analysis identifying a reduction in transactional evidence within these segments, and revealing the price change statistics to be driven by the terrace and apartments segments of the market (which in combination accounted for 39% of transactions), with average prices of £141,242 and £139,934.

Belfast Metropolitan Area Local HMAs

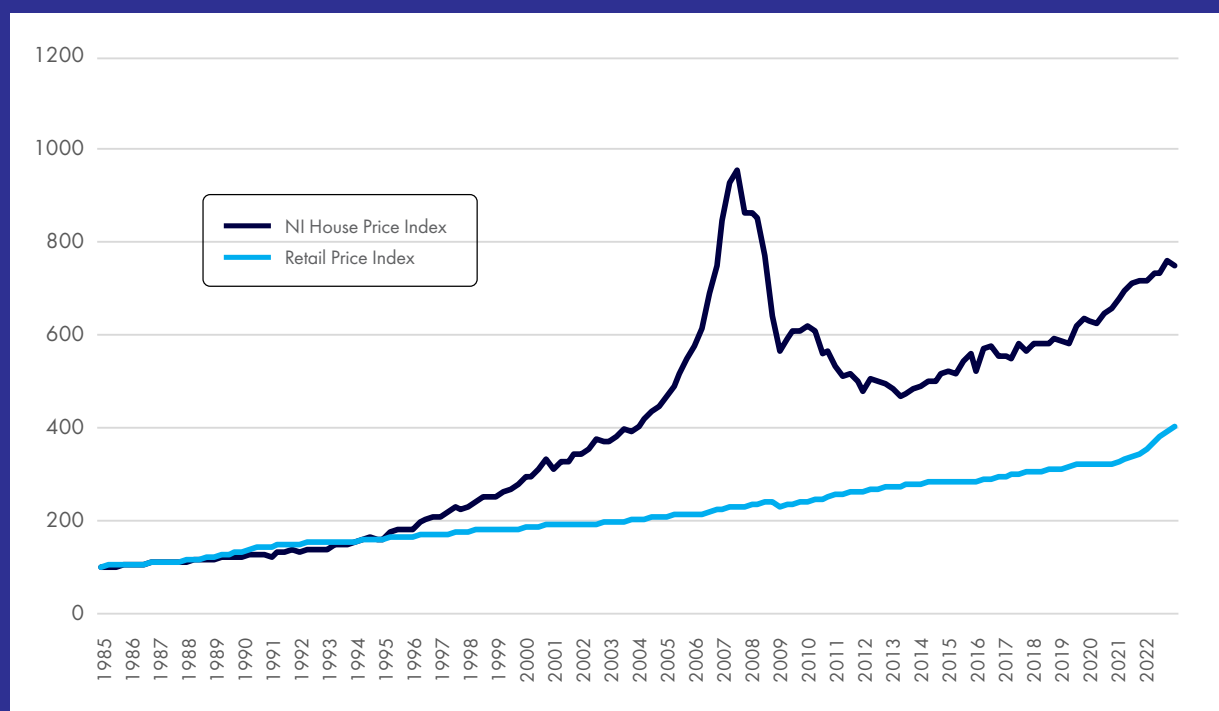
	Average Price Q4 2022 (£)	Average Price Q1 2023 (£)	% change Q4-Q1
Antrim Local HMA	189,594	186,228	-1.8%
Core Belfast Local HMA	217,798	204,335	-6.2%
Greater Belfast Local HMA	213,300	199,053	-6.7%
Central Belfast Local HMA	213,053	201,117	-5.6%
Lisburn Local HMA	242,732	211,918	-12.7%
Ards & Down local HMA	218,483	204,780	-6.3%
East Antrim HMA	184,050	183,497	-0.3%



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 752.14 in Q1 2023, is down 11 basis points relative to Q4 2022. This decline in the quarterly values reflects a uniform picture of price change decreases across all segments of the market except the apartment sector, which exhibited price marginal price change growth of 0.2%.

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 began to slow down during 2022, with a deterioration in house price growth and market activity. This cooling of housing market activity exhibited a declining rate of price growth change across 2022, and now shows negative price growth in the first quarter of 2023.



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Brice & Co. Estate Agents
Burns & Co.
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Eddie O'Connor Estate Agents
Eoin Lawless Estate Agent
Falloon Estate Agents
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HA McIlwrath & Sons Ltd
Hampton Estates
Hanna Hillen Estates
Harry Clarke & Co.
Harte & McGarrigle Ltd
Homes Independent
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John Grant Limited
John McQuoid & Sons
John Minnis Estate Agents & Property Consultants
John V Arthur Estate Agents
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Joyce Clarke Estate Agents
Kieran Taggart Estate Agency
Lindsay Fyfe & Co.
Lindsay Shanks Kerr Group Estate Agents

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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
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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
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