

# Northern Ireland housing market heads higher as hungry buyers chase dwindling pool of properties

The housing market in Northern Ireland has continued to charge higher on the back of a continued lack of supply.

According to the latest report from industry body the Royal Institution of Chartered Surveyors (RICS) and Ulster Bank, average house prices rose in the first quarter of this year and are expected to continue higher in the second quarter.

With demand still strong and seemingly unaffected by either the hike in inflation or Russian war against Ukraine, new buyer enquiries continue to increase with over 50% of estate agents reporting an uplift.

However, while the volume of sales transacted has been curtailed over recent months by the lack of new supply, March's report shows a slight increase in the number of agreed sales.

The housing market remains stuck in a tug-of-war between a small number of sellers and a growing number of buyers, said Samuel Dickey, RICS Northern Ireland Residential Property Spokesman

“The first quarter of the year saw the continuation of a story that has been evident in the NI housing market for some time – prices rising as a result of demand for homes being strong and supply not meeting that demand,” he said. “The lack of stock has been apparent for many months and as such we’re seeing this drive prices up across all categories, with expectations this will continue in the next three months.

With borrowing costs still at relatively low levels, demand is expected to remain strong.

“Consumers are facing rising prices, and rising interest rates have begun to push up the cost of mortgage finance. But debt servicing remains low in a historic context which helps to explain why the new buyer enquiries indicator remains in positive territory”