

Northern Ireland housing market: new buyer enquiries fall to lowest in two years

The first concrete signs that the rising cost of living is impacting the housing market in Northern Ireland has emerged from the latest industry report.

The RICS (Royal Institution of Chartered Surveyors) and Ulster Bank Residential Market Survey, which garners the thoughts of estate agents across the province, showed that the number of new buyer enquiries last month was at the lowest level for the last two years.

Agents said the number of newly agreed sales also fell in June but, despite the easing in demand, prices continued to push higher with 90% of agents reporting an uptick.

Once again, a lack of supply has been credited with the continued rally, a situation which has been apparent for a number of months. However, even that situation appears to be easing with June's survey the first time in 12 months that the instructions to sell balance was in positive territory, although only very slightly.

An increase in the cost of building materials has tempered new build development.

"Demand in the local housing market has slowed slightly and more vendors are coming to the market, but we're still seeing prices moving upwards," Samuel Dickey, RICS Northern Ireland Residential Property Spokesman, said. "One of the concerns in the market is the potential impact of increased material and labour costs on house building and the escalating cost of living on the appetite of potential buyers."

“But the expectations of surveyors for sales and prices in the short term at least are relatively strong.”

Indeed, the outlook for the month ahead is positive for both prices and the number of sales with the tight supply conditions providing continued support.