

## **Latest edition of permanent tsb / ESRI House price index published**

**Average national house prices decline by 0.4% in July - continuing trend seen in year to date.**

Average national house prices declined by 0.4% in July [compared to a decline of 0.5% in June] according to the latest edition of the **permanent tsb / ESRI House Price Index**.

The index measures the movement of house prices on a month by month basis. Measured over the past twelve months [July 2006 to July 2007], the index shows that average prices declined by just 0.7%. Measured since the start of this year, that decline has been 3%.

The average price paid for a house in Ireland in July now stands at EUR 301,267 – virtually the same as the price paid in June of last year.

Commenting on the results, Niall O’Grady, Head of Marketing, **permanent tsb** bank said; “Although the experience varies from sector to sector, the overall picture is one of a housing market “marking time” after a decade of phenomenal growth. The fact that new house construction is slowing and we’re coming towards the top of the cycle in terms of interest rates are likely to be critical in determining how the market behaves for the remainder of this year and into next.”

### **Dublin V Rest of Country:**

Dublin house prices declined by 1.9% in July while there was a reduction in prices of 0.2% for houses bought outside Dublin. In June 2007 the relative

price changes were -1.3% and -0.9%. Over the first seven months of this year, prices were down by 3.8% and 3.4% respectively.

However in the 12 months to the end of July 2007, house prices in Dublin grew by 0.5%. Outside Dublin they reduced by 1.8% over the same period. The equivalent rates to June 2007 were (plus) 4.1% and (minus) 0.4% respectively.

The average price paid for a house in Dublin and outside Dublin in July 2007 was EUR 411,069 and EUR 257,372 respectively. The equivalent prices in December 2006 were EUR 427,343 and EUR 266,339.

### **Commuter Counties: - Louth, Meath, Kildare & Wicklow**

House prices in the commuter counties of Dublin declined by 0.3% in July 2007, compared to a reduction of 0.7% in June 2007. During the first seven months of this year prices reduced by 4.2%. Year on year growth to July 2007 in the Commuter counties was (minus) 1.2% and compared with the (plus) 0.9% recorded in the 12 months to June 2007.

The price of a house in the commuter counties in July 2007 was EUR 329,732, down from EUR 344,186 in December 2006.

### **3 Bedroom Semi-detached Houses**

3 bed semi-detached house prices grew by 0.5% in July 2007, while in June this year prices fell by 1.4%. During the first seven months of this year prices were down by 4.3%.

House prices in this category declined by 1.4% year on year to July 2007 compared with growth of 0.2% in the year to June 2007. The price of a 3 bedroom semi in July 2007 was EUR 298,520 - down from EUR 311,906 recorded in December 2006.

### **First time buyers V. Second time buyers:**

House prices in July for first-time and second-time buyers reduced by 0.4%

and 0.7% respectively. In June 2007 the equivalent figures were -0.9% and -0.5%. During the first seven months of this year prices were down by 3.6% and 3.2% respectively.

House prices declined by 1.2% and 1.0% year on year to July 2007 for first-time and second-time buyers respectively. The equivalent growth rates to June 2007 were plus 0.6% and plus 0.7% respectively.

The average price paid by a first-time buyer and a second-time buyer in July 2007 was EUR 268,904 and EUR 337,875 respectively. The equivalent prices in December 2006 were EUR 279,003 and EUR 349,213.

### **New V. Existing Houses**

House prices for new houses were down by 0.4% in July while the price for existing houses decreased by 0.3%. In June this year the relative price changes were minus 0.7% and minus 0.3% respectively for new and second hand houses. During the first seven months of this year prices reduced by 1.6% and 2.9% respectively.

New house prices grew by 0.1%, while second hand house prices declined by 0.4% respectively year on year to July 2007. The equivalent rates of growth to June 2007 were 1.7% and 1.0% respectively.

The average price paid for a new house in July 2007 was EUR 297,879, while that paid for a second hand house was EUR 303,492. The equivalent levels in December 2006 were EUR 302,645 and EUR 312,709.

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