

**NEW
HOMES
REPORT**

Q1 2021

Lisney



NEW HOMES IN NUMBERS

ADVERTISED
SCHEMES



IN THE GDA

FUTURE
SUPPLY

H2

MANY LAUNCHES
DELAYED UNTIL THE
SECOND HALF OF 2021

BUILDING SITES

13



WEEKS
CLOSED

COMMENCEMENT



JUST 10,150 UNITS
BEGAN CONSTRUCTION
IN THE GDA IN THE
12 MONTHS TO THE
END OF FEBRUARY 2021



HANOVER COURT, GRAND CANAL DOCK, DUBLIN 2

OVERVIEW

As with the second-hand market, all new home physical viewings were prohibited from the 13th January. In spite of this, demand remained strong in Q1, particularly from first-time-buyers and those working from home for the past 12 months with enhanced savings. Houses, rather than apartments, were most in demand as potential purchasers required more private outdoor space and a home office. In Q1, potential buyers viewed properties virtually and sales continued to close. There were many good news stories of distanced handover of keys to happy new owners. Supply became more limited as new schemes and additional phases of existing schemes that were due to come to the market in Q1, were not launched. Most of these have been postponed until Q3 at the earliest. At the end of March, there were about 100 new home schemes advertised for sale in Dublin with just under further 100 in Wicklow, Kildare, Meath and Louth combined.

While building sites remained closed at the end of the quarter, the construction sector began a phased reopening from the 12th April. Encouragingly for the new homes market, all forms of residential development recommenced on that date as 14,000 construction workers returned to sites nationwide. Residential sites were closed for 13 weeks, which will have a significant impact on house and apartment completions both in 2021 and 2022. Just 10,150 units commenced construction in the GDA in the 12 months to the end of February (54% of the nationwide total). A significant decline on the comparable figure of 16,060 a year earlier. Consequently, full year completion numbers are likely to be less than 2020, which were at 10,920 in the GDA and 20,676 nationwide. We estimate full year completions in the GDA of about 8,000 and 17,000 nationwide (with nationwide annual requirements at about 30,000 units). These completion figures also include many private rented sector schemes and consequently the number of new homes available to buy will not be as high.



OLDTOWN WOODS, CELBRIDGE, KILDARE

OUTLOOK

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- 1 With most new launches postponed until the second half of the year, new supply will be generally absent from the market in Q2, which will frustrate those wishing to buy a property.
- 2 Demand will remain strong, particularly from first-time-buyers, who will seek to secure a home before the end of the year to avail of the enhanced help-to-buy scheme.
- 3 Once sites reopen, builders will be busy catching-up and finishing out homes that are already sold, some of which will have been reserved for more than 12 months.
- 4 The lack of commencements and completions of residential properties this year, following the similar reductions last year, will impact the market in the medium-term.

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MEET OUR TEAM

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