



### Irish house price inflation rises to 7% in January

*This morning's Residential Property Price Index (RPPI) indicates house price inflation saw a surprise acceleration to 7% in January. However, we still believe momentum will slow towards our forecast for a 4% rise through 2026. MyHome asking price inflation fell to 5.4% in Q4 2025. Also, the average first-time-buyer mortgage approval was €320,000 in January, up just 1.9% on the year. Competition for homes, whilst intense, seems to be dissipating a little. The median transaction in February was settled 6.5% above the asking price, vs 8.5% last summer.*

*The latest data also show a welcome 3% pick-up in residential transaction volumes in early 2026 - a gradual improvement in liquidity. The total number of properties listed for sale on MyHome is now 11,571, up 7% yoy, but still at subdued levels. Still, many would-be vendors are being put off moving home for fear of failing to secure a property once they sell their own. New listings for sale on MyHome in the 6-weeks to March 3rd were up only 2% on the year. So there is not yet any clear evidence the exit of investors from the private rented sector (due to new regulations) is significantly raising the aggregate number of properties being put up for sale.*

**Irish house price inflation accelerates slightly to 7% in January:** This morning's CSO Residential Property Price Index (RPPI) shows prices rose by a relatively sedate 0.3% in January. Nonetheless, this was a sharper gain, during the typically quiet winter months, than in 2025. Hence, the annual rate of RPPI inflation accelerated slightly to 7%, split between 6.1% in Dublin and 7.7% in the rest of Ireland. Overall, the RPPI index of transaction prices has shown more momentum than other indicators. Nonetheless, we still believe Irish house price inflation will eventually start to slow towards our forecast for 4% growth through 2026, based on the moderation we have seen in other indicators.

**Several indicators point to slower house price growth in 2026:** MyHome asking prices rose by 0.1% in Q4 2025, up 5.4% on the year to an average of €451,000. Competition for homes, whilst intense, also appears to have dissipated slightly. Our early estimate is that housing transactions in February were being settled 6.5% at the median, above the original asking price, vs an 8.5% peak premium during the summer of 2025.

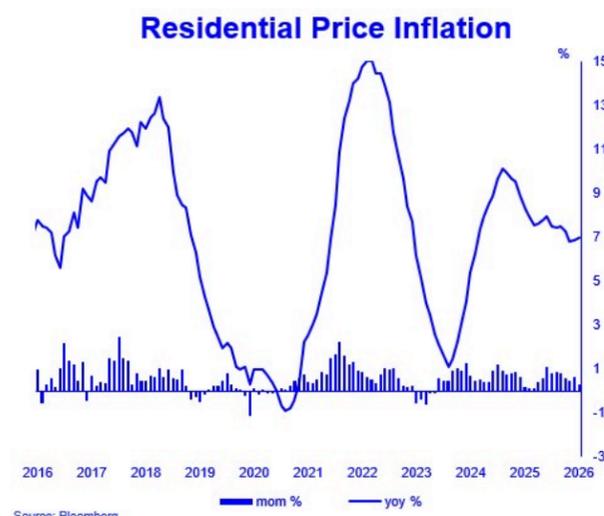
Banking Payments Federation Ireland (BPMFI) data also show a slowdown in the level of debt prospective homebuyers are taking on. The average mortgage approval for first-time-buyers in January was €320,000, up just 1.9% on the year (see chart below). Together, these forward looking indicators still point towards a slowdown in house price inflation towards our forecast 4% through 2026.

**Modest pick-up in housing market liquidity still suggests would-be vendors unwilling to sell:** Thus far, the Property Price Register (PPR) indicates that €3.5bn, or 7,248 residential transactions have been recorded in 2026, worth €487,000 on average. We estimate this represents a welcome 3% pick-up early in the year. However, the bigger picture is that liquidity in the existing homes market has seen three successive years of contraction, falling by 9% cumulatively from 47,343 in 2022 to 43,219 in 2025.

Looking forward, there were 4,223 new listings for sale on MyHome in the six weeks to March 3rd, up 2% on the year. There are currently 11,571 properties listed for sale on MyHome up 7% on the year. Again, these figures signal a gradual improvement in liquidity is likely in 2026. Would-be vendors still seem to be put-off moving home for fear of failing to secure a property once they sell their own. There does not as yet appear to be any marked rise in aggregate listings for sale on MyHome, due to small private landlords exiting the PRS market, due to the introduction of new regulations.

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