

30 August 2016

Dr. Philip R. Lane
Governor
Central Bank of Ireland
Dublin 2

Re: Submission on the Loan-to-Value and Loan-to-Income Mortgage Lending Regulations

Dear Dr Lane,

On behalf of IPAV, the Institute of Professional Auctioneers and Valuers, we welcome the opportunity to provide you with our evidence-based submission on the Loan-to-Value and Loan-to-Income lending regulations. IPAV is the only professional institute solely catering for the professional, disciplinary and educational requirements of more than 1,100 auctioneers throughout Ireland, and as such, is uniquely placed to represent the views of professionals who are directly experiencing the workings of the property market throughout the country on a daily basis.

February 2015 saw the CBI's much talked about macroprudential regulations come into force, with the understandable aim, amongst others, of reducing the risk of "*house price spirals*"¹. Prior to implementation IPAV voiced concern at the timing and blanket, one-size-fits-all approach to the then proposed lending regulations, believing the property market was at a very delicate stage of resurgence, and also acknowledging that a two-tier market had emerged between Dublin and the rest of the country².

IPAV believes that no matter what measures are introduced in the property market they are likely to create side effects. However, one would hope that the negative side effects are limited and are outweighed by the positive impact underpinning and validating such measures.

At the outset CBI then deputy governor, Stefan Gerlach, stated that "*these proposals were not designed to limit or steer house prices*" but he added "*that this is a likely side effect*". His prediction has indeed transpired to be accurate. However, the regulations have not only impacted house prices, they have gone much further and brought about major behavioural changes among house purchasers and potential house purchasers.

IPAV believes that the CBI's regulations on residential mortgage lending have succeeded to the extent that they have stabilised property values, have limited market exposure to the highs and lows as witnessed in the past. However, because of their severity they have also brought about stagnation in the property market, forced consequential behavioural change amongst potential house purchasers which forced them to rent rather than buy or to move from cities into the suburbs. For those in their 20s and 30s who cannot meet the current lending requirements at a time of low interest rates, very low inflation and reduced property prices this may prove in time to cost them dearly in terms of their personal wealth.

Evidence emanating from the US suggests that for most households, homeownership is associated with significant gains in household wealth. A paper by researchers at the Harvard Joint Center for

¹ See CBI's Macroprudential Measures and Irish Mortgage Lending: A Review of Recent Data Vol 2016, No. 3

² As reported in [IPAV's Submission to the Central Bank of Ireland in relation to consultation paper CP87](#)

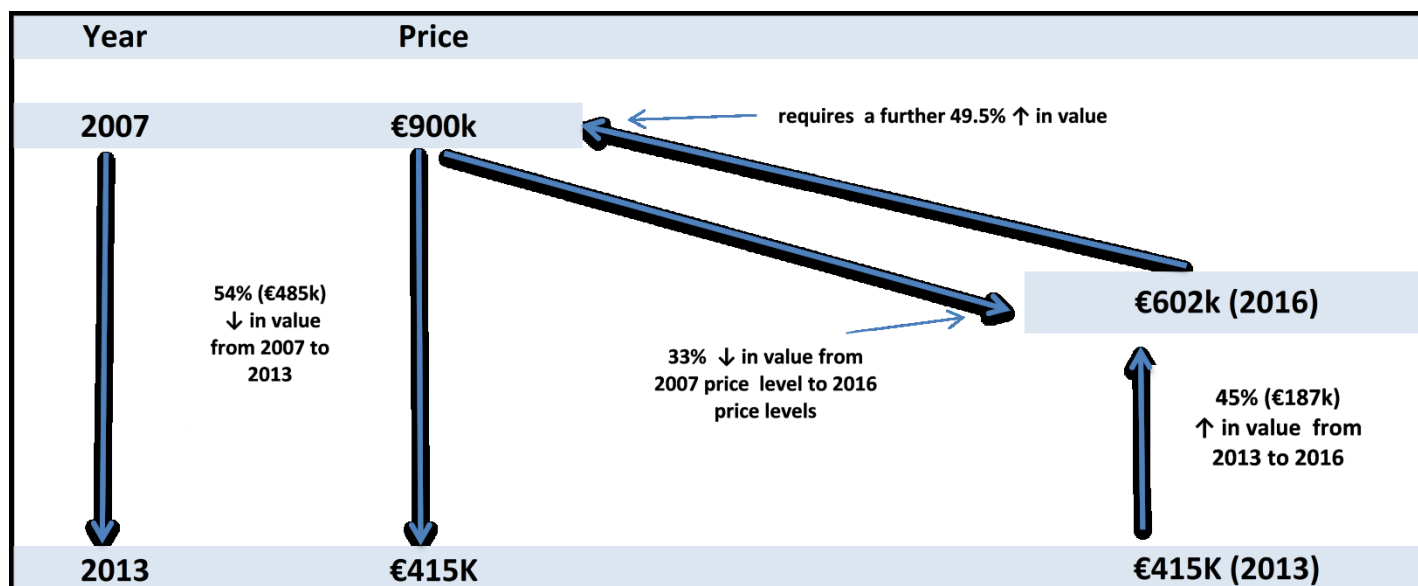
Housing Studies found that “for most households, homeownership was associated with significant gains in household wealth, even when viewed across the tumultuous housing crisis period of 1999-2013.”³

In 2014 in Ireland there was much public commentary to the effect that a property bubble was emerging. According to Daft.ie house price report Q1 2016⁴, “starting in 2013, house price inflation reappeared in the capital, after an absence of six years and within 24 months, prices had over 40% on average – and almost 50% in some districts”.

Property prices had sharp gains in 2013 and continued up to September/December 2014 due to the 7 year Capital Gains Tax exemption which was intended by the Minister for Finance and the Government to incentivise the market and halt the continuous downward slide of the previous 6 years. Our members’ were reporting that even with the 7-year Capital Gains Tax exemption ending in December 2014, property prices had already levelled out and in some areas had started to contract by the end of 2014⁵. It is not at all uncommon for a resurgent property market to experience a spike followed reasonably quickly by such a levelling off.

According to the CSO Residential Property Price Index in April 2016 property prices have decreased by an average 33.1% from the highs of 2007⁶. Prices fell by at least 60% in the period 2007 to 2013. This means they would have to increase dramatically to return from the 2013 low level to the 2007 high levels. This is not to suggest anyone would want to return to the inflated prices of 2007 but it is a barometer against which to judge property prices when talking in the context of property bubbles. By comparison with the dramatic increases required property prices at best are now still at least 50% off that 2007 level. The following diagrams illustrate actual price comparisons over these periods, one in the city of Dublin and one in a country town, which reflect what has and is still happening in the property market, the significance of which is often overlooked in public commentary about percentage increases:

Dublin House Price Working Example 1.



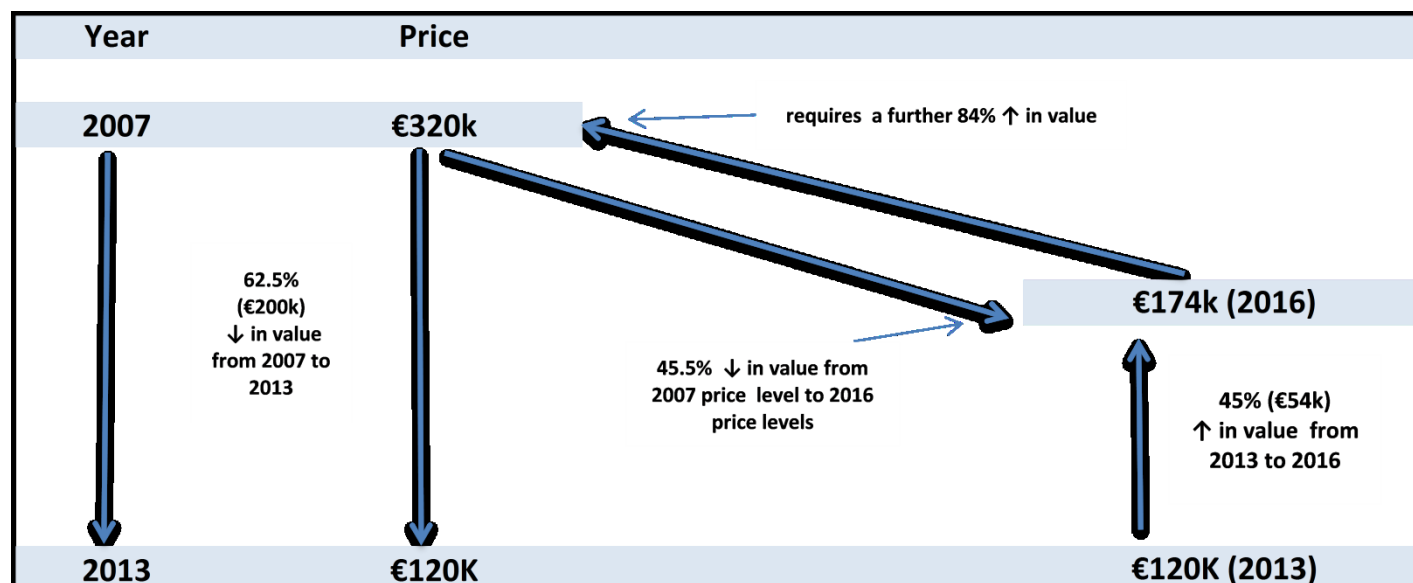
³ See Harvard Joint Center for Housing Studies, Working Paper, February 2016 ‘[Update on Homeownership Wealth Trajectories Through the Housing Boom and Bust](#)’

⁴ Full details available from [The Daft.ie House Price Report An analysis of recent trends in the Irish residential sales market 2016 Q1](#)

⁵ As reported in [IPAV’s Submission to the Central Bank of Ireland in relation to consultation paper CP87](#)

⁶ [CSO Residential Property Price Index April 2016](#)

Regional House Price Working Example 2.



If it is accepted that property markets should be influenced by regulation, IPAV believes there are two primary ways in which to do it:

- Impose strict LTI and LTV rules, as currently in place, thus excluding a large number of would-be purchasers
- or
- Adopt a Mortgage Lending Value (MLV) methodology for financial valuation as opposed to the Open Market Value methodology, which Irish banks currently operate.

The MLV approach reviews the property price performance over the past 10 years and examines values for the next 10 years. MLV has been the foundation of mortgage lending in Germany for the past 100 years, and due consideration of the German property market shows a consistency in property values over that period⁷. Germany has not had the property highs and lows experienced in Ireland, and their property values remain relatively stable and somewhat independent of economic conditions.

In March 2016 IPAV wrote to Lars Frisell, Director and Advisor at CBI in relation to public remarks that the mortgage regulations “*should contribute to a shift in both housing demand and supply towards rental accommodation*”⁸. This seems to suggest that CBI favours a policy of rental in preference to purchasing. More recently there has been some political commentary to this effect also. Much such commentary appears to look to Germany and that country’s relationship between the numbers renting and in home ownership with the clear implication that it is a desirable model which Ireland should aspire to on the basis that it would bring about stability in property prices. However, this issue is far more multi-faceted. The measures impacting the German residential property market include not just the MLV methodology of valuing properties but also lower and much longer-term fixed and variable interest rates and the option to rent or purchase. The German home ownership figure stand at 52% and is not decreasing. In Ireland at 68% home ownership we are not such ardent admirers of home ownership as one may be led to believe.

⁷ Full details set out in vdp’s [The Mortgage Lending Value – Sustainability since 1900](#) - Ten Questions and Answers

⁸ Address to Financial Stability Department, Sveriges Riksbank, by Lars Frisell, Advisor to the Governor 22 March 2016

Since the recession Ireland has had abnormally high interest rates. The CBI has stated in the past that it wants to wait for European competition to enter into the banking market and that such competition would address the high interest rates need for greater competition in the Irish mortgage market.

IPAV believes that Irish mortgage holders should not have to wait any longer. Low interest rates and long-term loans go hand-in-hand with an active property market. Again other European countries like Germany have much to offer by way of evidence. Finance is available in Germany for 20 years fixed at rates of less than 2%. If such opportunity was afforded to Irish purchasers, it would give greater confidence to buyers, create stability in the property market and provide security and sustainability in lending. In Ireland we do not have even one lender offering 15 or 20 year fixed mortgages at a time when banks can borrow at extremely low rates and in some cases negative interest rates over the longer term.

First Time Buyers continue to find it practically impossible to save the relevant 20% deposit as required under current rules. This leaves the purchasers who can obtain the relevant deposit possibly from parents, or those with cash reserves at an advantage. As recently reported by the CBI⁹, somewhere in the region of 60% of purchasers are not borrowing but are using own cash to buy property, a staggering figure.

In 2015, 44,700 sales were recorded by the Residential Property Price Register or 2.25% of a property stock of just over 2,004,000 million housing units available in Ireland. In fact to end of July 2016 from a possible housing stock of 2,023,000, there are 24,509 recorded sales as opposed to 26,904 in the same period of 2015, a decline of 9.76%. Dublin sales figures are down a massive 14.75% over the same period¹⁰. Should these figures prevail for the full year fewer than 40,000 units will have changed hands. This is under 2% of the national stock, a fraction of the market's potential. This indicates a contracting property market, one that has stagnated and latterly entered a negative trajectory.

Property prices are still at least 35% behind where they were in 2007, yet the construction of new homes continues to be extremely low. The CIF has reported 5,587 residential units were completed in the first five months of 2016¹¹. Builders cannot build at the prices at which second hand homes are selling, particularly outside Dublin, they assert that they are unable to reduce input costs any further to bridge that gap.

The Irish property market continues to be dysfunctional; builders cannot build, buyers cannot buy and renters cannot rent. Not all are attributable to the same factors, nor uniformly linked to the CBI macroprudential measures. They are, nevertheless, deeply intertwined. The question that arises is, what measures can move the property market out of its current crisis? The CBI does not want property prices to rise unduly, builders do not want to build at a loss, and renters are not moving as they cannot obtain a mortgage. Those who wish to rent cannot, scarcity and affordability being the dominant reasons, and those who are renting are unable to save to purchase a home of their own. On the latter, in not recognising the payment of rent as evidence of an ability to save for a mortgage deposit, the macroprudential rules militate against home ownership ambitions for many, now in their 20s and 30s particularly. [The Daft.ie rent report for Q2 2016](#)¹² provides substantial evidence that throughout the country consumers are paying rents that are higher, in many cases, substantially so, than the cost of servicing a mortgage on the same properties, even allowing for a 2% stress test margin on current interest rates which would not even be necessary if we had long term fixed mortgages.

⁹ See CBI's [Estimating Cash Buyers and Transaction Volumes in the Residential Property Sector in Ireland, 2000-2014](#)

¹⁰ Figures obtained from searches carried out on the PSRA's [Residential Property Price Register](#)

¹¹ Full breakdown of units registered, commenced & completed available from the [CIF: House activity levels show scale of challenge facing housing plan](#)

¹² Full details and breakdown available from [The Daft.ie Rental Report An analysis of recent trends in the Irish rental market 2016 Q2](#)

As mentioned above Ireland, according to [Eurostat figures](#), has a ratio of just over 68pc owner-occupier units to total residential units. Ahead of Ireland are countries like Italy (73.1pc) Portugal (74.9pc) Spain (78.8pc). Closest to us are the Netherlands (67pc) the UK (64.8pc) and France (65pc)¹³. IPAV believes the home ownership rate should be increasing and not decreasing at times like this, when property prices and interest rates are at the lowest they have been in a generation.

IPAV in July 2016 surveyed members in Dublin and Leinster counties outside Dublin to gauge the impact of the CBI mortgage lending rules¹⁴, these being the areas where the impact of the rules are generally understood to be most acute.

This study found that:

- Over 97% of Dublin members and over 87% of Leinster members, excluding Dublin believe that the Central Bank rules have impacted market activity in their area.
- Over 46% in Dublin believe that both first-time buyers and second-time buyers have been impacted equally, while over 42% of Leinster members believe first time buyers have been most greatly impacted by the regulations.
- Over 56% of Dublin members surveyed said providing the necessary deposit was the most significant impediment to potential purchasers, and this was echoed by over 48% of Leinster members. Followed closely, at 46% and 45% respectively, is the Loan-to-income ratio of 3.5 times' gross annual income, acting as a significant impediment.

The survey finds that well in excess of half of members had instances of prospective purchasers withdrawing their interest from a property due to the regulations on residential mortgage lending. Over 57% of Dublin members and 69% of Leinster members report that between 1 and 10 prospective purchasers have withdrawn their interest.

Significantly, over 46% of Dublin members said they do not have properties available in their area for sale within the €220,000 threshold. This in itself is a serious obstruction in trying to achieve a working market.

The effects of the CBI rules are very evident. The survey shows property values have stabilised and in most cases, decreased, although the impact of the rules is not as great throughout the country since prices are not as high as in the city. IPAV believes if the deposit requirement or LTV were changed to 15% instead of the current 20% the LTI would trigger the maximum amount of borrowings that can be made. This would be a minor change but would be a major help to first time buyers struggling to rent and save.

Our survey did find that 86% of agents, mostly in commuter counties, have properties available at the level set by the CBI of €220,000. IPAV recommends the threshold of €220,000 be raised to €350,000 in Dublin. Although this would create a two tier rating, it is required in the property market right now. The RPPR confirms properties are more expensive in Dublin. It could be argued that Dublin has its own market, with particular postcodes proving much more expensive than others. It is an unavoidable reality that the Dublin property market differs from the rest of Ireland. Over 46% of our Dublin members reported the LTI limit of 3.5 times' gross annual income as an impediment. The average difference between a regionally located 3 bed semi and a similar 3 bed semi in Dublin is at least €200,000. IPAV believes the 3.5 LTI should be widened to 4.5 for Dublin property purchases.

¹³ Full details and breakdown of owner-occupier ratios per country available from [Eurostat figures](#)

¹⁴ The full results of IPAV's research "*Macprudential Policy for Residential Mortgage Lending - Measuring the impact of the Central Bank of Ireland's New Regulations on Residential Mortgage Lending*" are provided under Appendix 1.

IPAV welcomes the current CBI review of its macroprudential rules. We propose the measures outlined here with a view to achieving a normal functioning property market, one that is sustainable over the longer term. We believe any such measures should be reviewed every 18 months to monitor and judge their impact and adjust as appropriate.

Below we summarise the critical issues arising from the current macroprudential rules, the relevant research, including our own latest study underpinning these issues and we set out our proposed amendments to the rules that we believe, if implemented, would go towards achieving the goal of a sustainable, functioning property market, and one that would avoid undesirable peaks and troughs.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Pat Davitt', with a long horizontal flourish extending to the right.

Pat Davitt FIPAV REV MCEI
CEO, IPAV

Impact of Macroprudential Rules	Supporting Evidence	IPAV Recommendations
<p>Property prices stabilised initially, then stagnated and are now in a downward trajectory</p>	<p>See Appendix 1: IPAV July 2016 survey: Macroprudential Policy for Residential Mortgage Lending – Measuring the impact of the Central Bank of Ireland’s New Regulations on Residential Mortgage Lending:</p> <p>CSO April 2016 stats found property prices have decreased by 33.1% from the highs of 2007 http://www.cso.ie/en/releasesandpublications/er/rppi/residentialpropertypriceindexapril2016/</p> <p>CSO June 2016: House prices in Dublin are 33.5% lower than at their highest level in early 2007 http://www.cso.ie/en/releasesandpublications/er/rppi/residentialpropertypriceindexjune2016/</p> <p>DAFT: The Daft.ie House Price analysis of recent trends in the Irish residential sales market Q2 2016: -The annual increase in average house prices currently stands at 6.3%, compared to 8.5% six months ago and 15.5% at the start of 2015. -Dublin inflation slows to 1% year-on-year</p> <p>DTZ Sherry FitzGerald: DTZ Sherry FitzGerald Irish Residential Market Summer Review 2016 -Analysis of activity levels during the first quarter of 2016 revealed a reduction in sales recorded in the Property Price Register (PPR), of 9%, compared to the same period in 2015. Approximately 9,600 transactions were logged in the PPR with a total value of €2.3 billion.</p> <p>National Competitiveness Council 8th July, 2016 – “Taking account of the higher cost of mortgage finance in Ireland, only 2 cities (Amsterdam and London) had a higher “mortgage affordability index” than Dublin (i.e. this index combines a price-to-income ratio and the cost of a mortgage; the higher the index, the less affordable property is to purchase)” and “Ensuring a competitive mortgage finance market is important to improve affordability”</p>	<p>(1) The CBI to closely consult with the Cabinet Sub Committee on Housing and the housing Minister so that the CBI measures are not isolated from a policy perspective and current serious market distortions can be avoided and property issues addressed in a wholesome way</p> <p>(2) Examine the possibility of an Irish Mortgage Lending Value as a valuation option for mortgaged purchases</p> <p>(3) Relax the deposit requirement from 20% to 15%</p> <p>(4) Have different LTI ratios appropriate to different cohorts of the market. In Dublin increase the threshold from €220k to €350k</p> <p>(5) CBI to put pressure on lenders to ensure Irish consumers benefit from more consumer friendly European style SVR and long-term fixed interest rate mortgages</p> <p>(6) CBI to allow rent payments to count towards savings for a deposit</p> <p>(7) Review CBI measures every 18 months</p> <p>(8) Extend the LTI from 3.5 times to 4.5 times in Dublin</p>
<p>Too onerous for FTBs without family resources who could afford a mortgage to now access one.</p> <p>The rules, therefore, favour cash or non-</p>	<p>Ref CBI: Macroprudential Measures and Irish Mortgage Lending: A Review of Recent Data Vol 2016, No. 3</p> <p>Ref CBI: Estimating Cash Buyers and</p>	<p>(1) Relax the deposit requirement from 20% to 15%</p> <p>(2) Have different LTI ratios appropriate</p>

<p>mortgage buyers over first-time buyers in particular</p>	<p>Transaction Volumes in the Residential Property Sector in Ireland, 2000-2014.</p>	<p>to different cohorts of the market. In Dublin increase the threshold from €220k to €350k</p>
<p>Too onerous for many second-time buyers to trade-up impacting availability for FTBs and renters</p>	<p>DTZ Sherry FitzGerald: DTZ Sherry FitzGerald Irish Residential Market Summer Review 2016 -Analysis of activity levels during the first quarter of 2016 revealed a reduction in sales recorded in the Property Price Register (PPR), of 9%, compared to the same period in 2015. Approximately 9,600 transactions were logged in the PPR with a total value of €2.3 billion.</p>	<p>(3) CBI to allow rent payments to count towards savings for a deposit</p>
<p>Rules are preventing young people from gaining a foothold in the property market. This is likely to impact on their ability to grow their personal wealth into the future</p>	<p>Harvard Joint Center for Housing Studies paper entitled 'Update on Homeownership Wealth Trajectories Through the Housing Boom and Bust' found that "for most households, homeownership was associated with significant gains in household wealth, even when viewed across the tumultuous housing crisis period of 1999- 2013."</p> <p>Nat. Competitiveness Council 8th July, 2016 – "Affordability is increasingly challenging for renters who aspire to purchase and must save a significant deposit whilst simultaneously paying relatively high rents"</p>	<p>As (1) to (8) above</p>
<p>The rules one-size-fits-all approach does not recognise market realities, therefore they have a more severe impact in Dublin particularly on potential house buyers, renters and economic growth</p>	<p>Dublin property prices – ahead of rest: DNG: DNG Residential Market Review Q2 2016: - Average Dublin Second Hand Price €383,406 - Average Dublin Apartment Price €263,978</p> <p>DAFT: The Daft.ie House, Price Report, An analysis of recent trends in the Irish residential sales market 2016 Q2 - Average asking prices across Ireland: sample: Longford €68k, Galway €93k, Tipperary €99k, Carlow €104k, Meath €156k, Kildare €168k - Dublin's own market: Average asking prices: D4 €597k, D3 €404k, D7 €326k, D22 €214k</p> <p>"Affordability issues are more acute in cities" - National Competitiveness Council 8th July, 2016</p>	<p>Increase the property threshold from €220,000 to €350,000 in Dublin</p>
<p>Added considerably to rent inflation rental properties</p> <p>Very difficult for new renters coming into the market to get a rental property.</p>	<p>Daft.ie Rental Report Q2 2016</p> <p>DAFT: The Daft.ie Rental Report q2 2016; An analysis of recent trends in the Irish rental market 2016 Q2: - 20% fewer homes to rent, just 3,600 nationwide on August 1st 2016,</p>	<p>As (1) to (8) above</p>

<p>Renters are renting longer causing a scarcity of rental properties</p>	<p>one thousand fewer than on the same date a year previously.</p> <ul style="list-style-type: none"> - 11% Rents Rise Nationally - €1,037 Average Nationwide Rent - Dublin: 1,400 homes available. There were just over 1,400 Dublin homes available to rent on August 1st, down nearly 350 on the same date a year earlier. 	
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Appendix 1.

IPAV Survey July 2016; Macroprudential Policy for Residential Mortgage Lending - Measuring the impact of the Central Bank of Ireland's New Regulations on Residential Mortgage Lending

IPAV Survey:

Macro Prudential Policy for Residential Mortgage Lending

Measuring the impact of the Central Bank of Ireland's New Regulations on Residential Mortgage Lending

Monday 29 August, 2016

RESEARCH METHODOLOGY

- The research was conducted using an online survey methodology.
- Auctioneers & Valuers in Dublin and in Leinster excluding Dublin who are on the IPAV database were invited to participate in the online questionnaire.
- 72 agents in Dublin and 88 across the rest of Leinster responded out of a possible 432.
- The survey was conducted between 6th and 18th July

INTRODUCTION

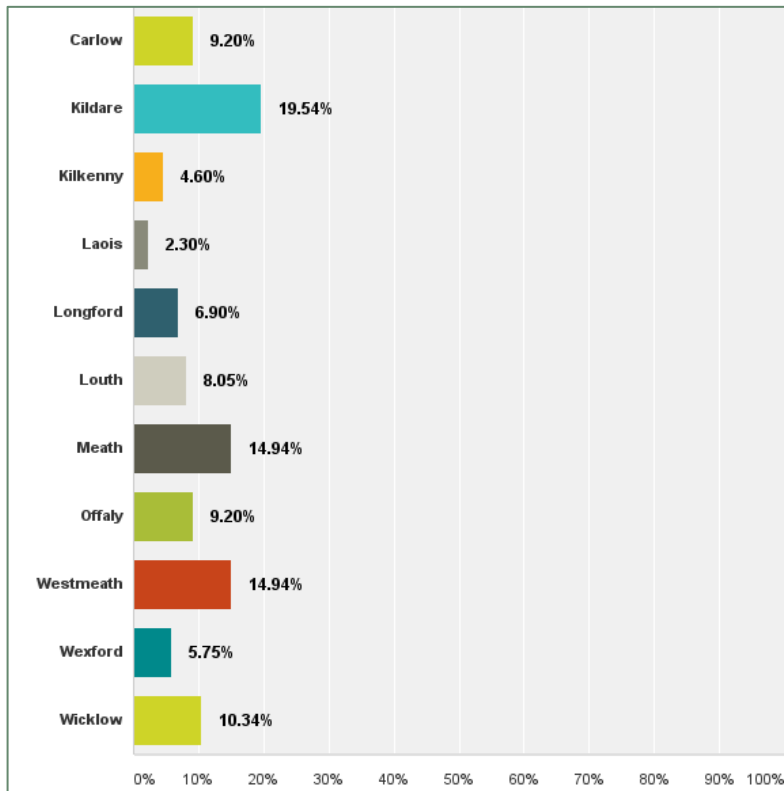
- Under Section 48 of the Central Bank Act of 2013 more restrictive rules have been introduced on mortgage lending to potential home buyers.
- These rules which came into effect in Q1 2015 require first-time buyers to raise 10% of the first €220,000 and 20% of the remainder while non-first-time buyers are required to raise 20% of the total value of the property. In addition a loan-to-income limit of 3.5 times gross annual income applies to all new lending for principal dwelling homes.
- IPAV, the Institute of Professional Auctioneers & Valuers, is the representative professional body for over 1,000 qualified, Licensed Auctioneers, Valuers and Estate Agents nationwide. The organisation fosters and promotes professional standards and competence among members and provides a comprehensive system of professional education and development for members and for those wishing to enter the profession.
- IPAV supports the development of a sustainable property market in Ireland, one that is not subject to the kind of volatility experienced in the recent past. The Institute believes the mortgage lending restrictions are well intended and have an important role to play in trying to avoid future abnormal peaks and deep troughs in the property market. However, it also believes that the severity of the new rules, along with a lack of supply of suitable properties, have caused major and serious distortions in the market, among them forcing willing buyers to rent for longer and causing the more avid buyers to move to commuter counties to try and buy properties.
- Dr. Philip Lane, Governor of the Central Bank has indicated that the regulator would review the mortgage restrictions before November 2016 but any argument for change would require a high evidential threshold.
- IPAV has undertaken a survey of its Dublin members and those in Leinster excluding Dublin, to inform its case for adjustments to the mortgage lending rules.
- This report outlines the findings of that survey.

KEY FINDINGS

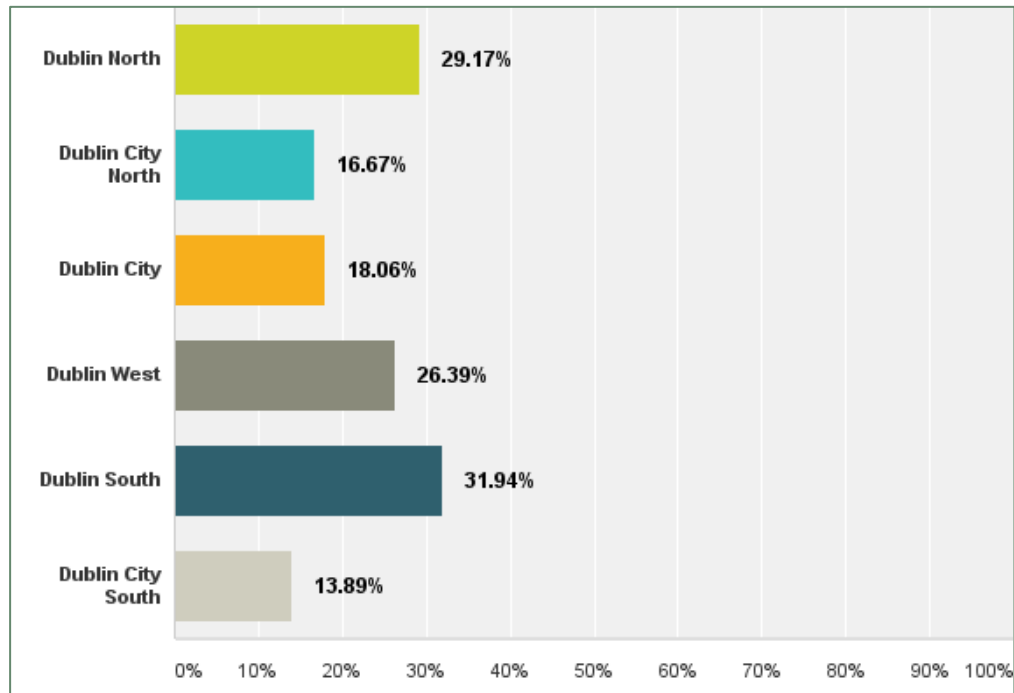
- Over 97% of Dublin auctioneers and over 87% of Leinster members outside of Dublin believe that the Central Bank rules have impacted market activity in their area.
- Over 46% of Dublin members believe that both first-time buyers and second-time buyers have been impacted equally.
- Over 42% of Leinster members believed first time buyers have been most greatly impacted by the regulations.
- Almost 56% of Dublin agents believe that the Central Bank lending restrictions have resulted in a drop in property values with 33% saying values have not been affected.
- While almost 41% of Leinster agents excluding Dublin believe values have dropped, 43% say values have not been affected.
- Over 56% of Dublin agents surveyed said providing the necessary deposit was the most significant impediment to potential purchasers with over 46% identifying the loan-to-income limit.
- The comparative figures for Leinster were 48% and 45% respectively.
- 46% of Dublin auctioneers do not have properties for sale within the €20,000 threshold, while only 14% of Leinster agents do not have such properties.
- 59% of Dublin agents and 64% of Leinster Agents have had instances of prospective purchasers withdrawing their interest from a property due to the regulations on residential mortgage lending.
- 57% of Dublin agents and 69% of those in Leinster report that between 1 and 10 prospective purchasers have withdrawn their interest.

Q1: Please select the geographical area you most trade in

Leinster Answered: 87 Skipped: 1



Dublin Answered: 72 Skipped: 0



Q1: Please select the geographical area you most trade in

Leinster Answered: 87 Skipped: 1

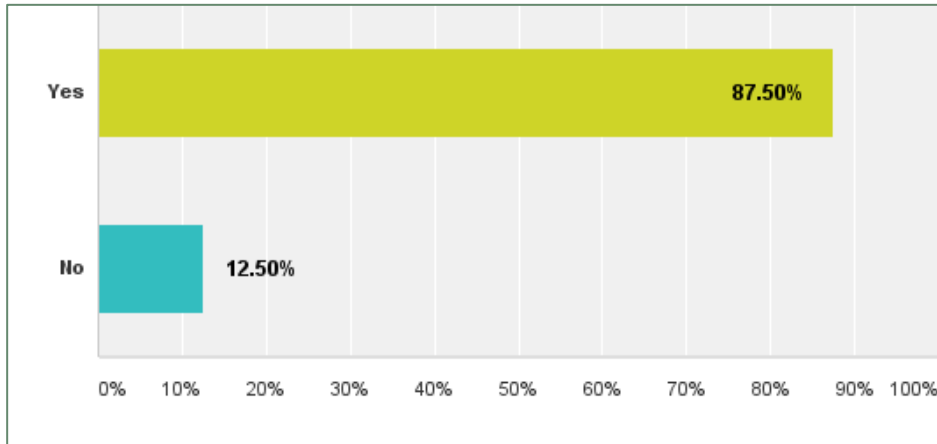
Answer Choices	Responses	
Carlow	9.20%	8
Kildare	19.54%	17
Kilkenny	4.60%	4
Laois	2.30%	2
Longford	6.90%	6
Louth	8.05%	7
Meath	14.94%	13
Offaly	9.20%	8
Westmeath	14.94%	13
Wexford	5.75%	5
Wicklow	10.34%	9
Total Respondents: 87		

Dublin Answered: 72 Skipped: 0

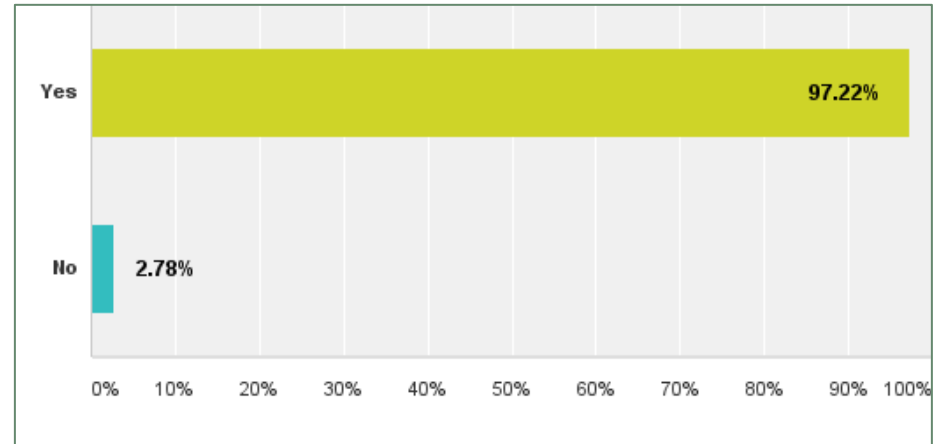
Answer Choices	Responses	
Dublin North	29.17%	21
Dublin City North	16.67%	12
Dublin City	18.06%	13
Dublin West	26.39%	19
Dublin South	31.94%	23
Dublin City South	13.89%	10
Total Respondents: 72		

Q2: Do you believe the CBI's new regulations on residential mortgage lending has impacted market activity in your area

Leinster Answered: 88 Skipped: 0



Dublin Answered: 72 Skipped: 0



Q2: Do you believe the CBI's new regulations on residential mortgage lending has impacted market activity in your area

Leinster Answered: 88 Skipped: 0

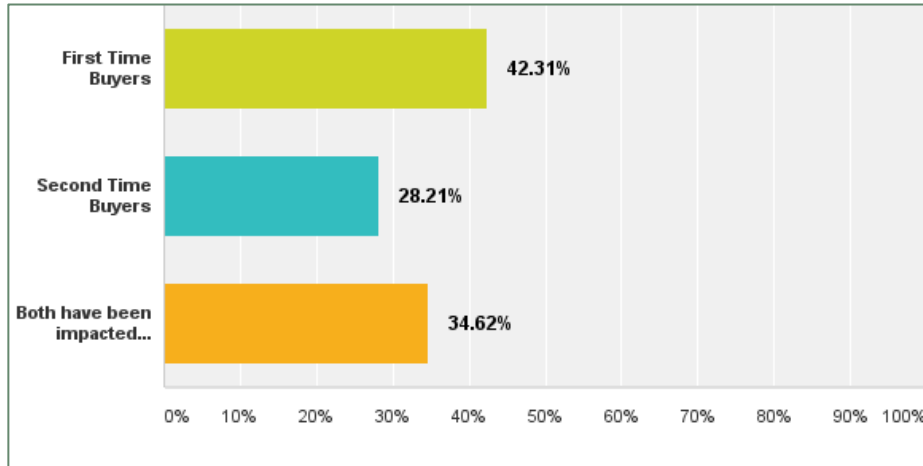
Answer Choices	Responses	
Yes	87.50%	77
No	12.50%	11
Total Respondents: 88		

Dublin Answered: 72 Skipped: 0

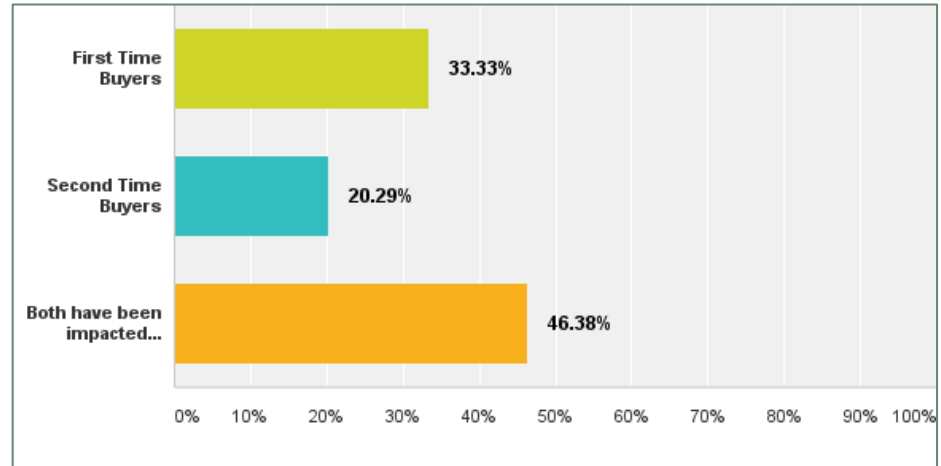
Answer Choices	Responses	
Yes	97.22%	70
No	2.78%	2
Total Respondents: 72		

Q3: If you answered yes to question 2, who do you believe is being impacted the most

Leinster Answered: 78 Skipped: 10



Dublin Answered: 69 Skipped: 3



Q3: If you answered yes to question 2, who do you believe is being impacted the most

Leinster Answered: 78 Skipped: 10

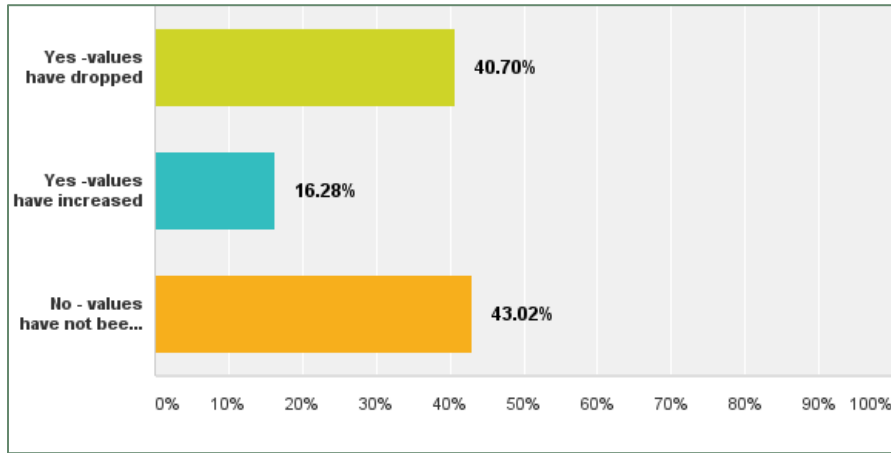
Answer Choices	Responses	
First Time Buyers	42.31%	33
Second Time Buyers	28.21%	22
Both have been impacted equally	34.62%	27
Total Respondents: 78		

Dublin Answered: 69 Skipped: 3

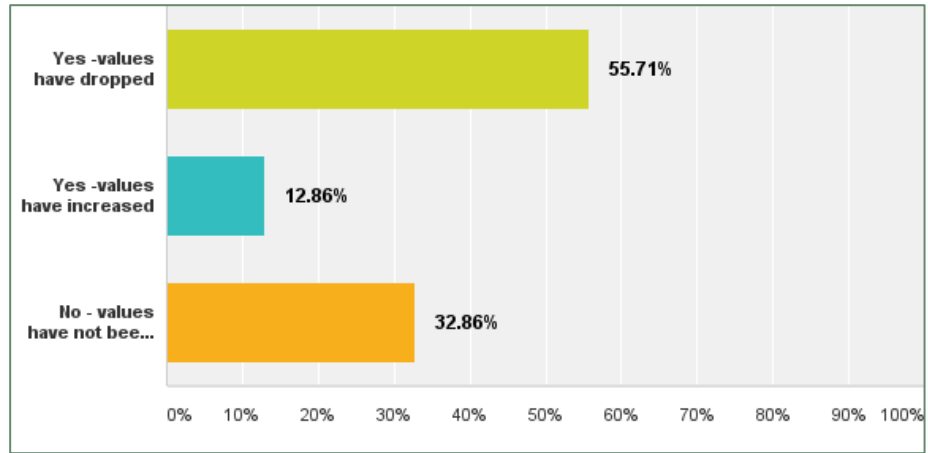
Answer Choices	Responses	
First Time Buyers	33.33%	23
Second Time Buyers	20.29%	14
Both have been impacted equally	46.38%	32
Total Respondents: 69		

Q4: Do you believe the CBI's new regulations on residential mortgage lending has effected the value of property in your trading area

Leinster Answered: 86 Skipped: 2



Dublin Answered: 70 Skipped: 2



Q4: Do you believe the CBI's new regulations on residential mortgage lending has effected the value of property in your trading area

Leinster Answered: 86 Skipped: 2

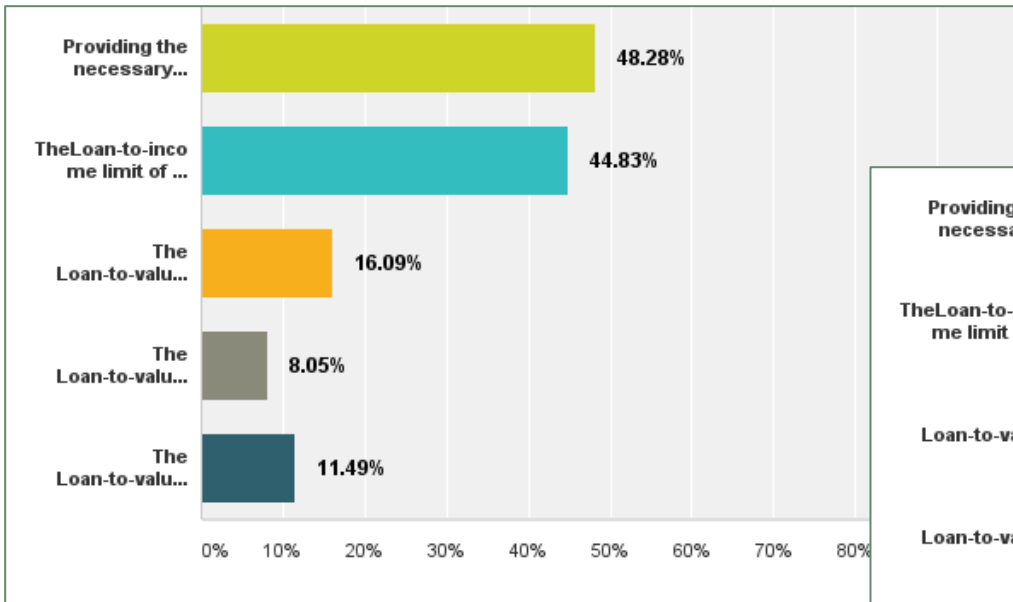
Answer Choices	Responses
Yes -values have dropped	40.70% 35
Yes -values have increased	16.28% 14
No - values have not been effect	43.02% 37
Total Respondents: 86	

Dublin Answered: 70 Skipped: 2

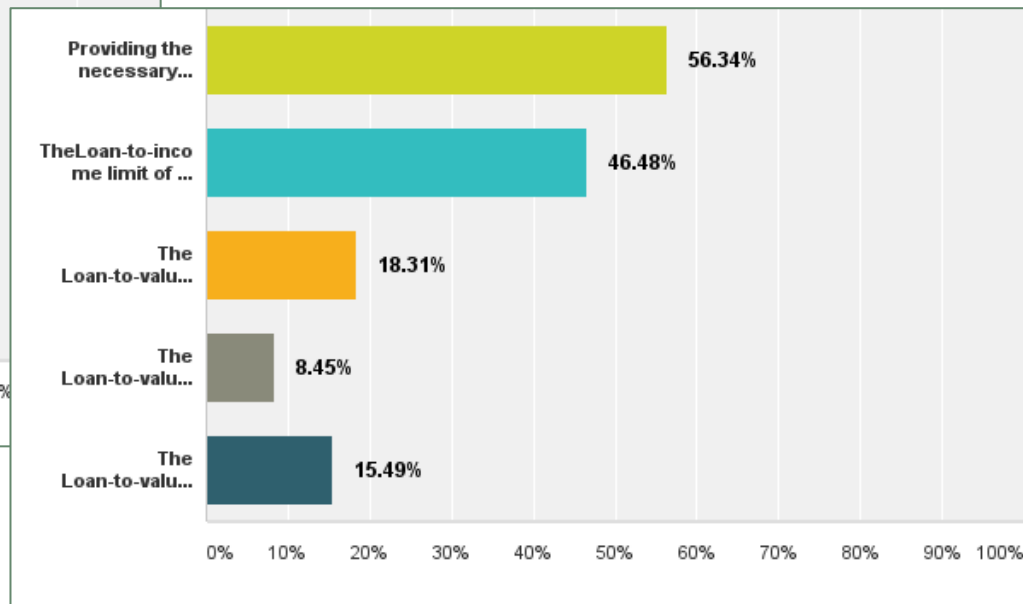
Answer Choices	Responses
Yes -values have dropped	55.71% 39
Yes -values have increased	12.86% 9
No - values have not been effect	32.86% 23
Total Respondents: 70	

Q5: Which of the following do you believe is the most significant impediment to potential purchasers

Leinster Answered: 87 Skipped: 1



Dublin Answered: 71 Skipped: 1



Q5: Which of the following do you believe is the most significant impediment to potential purchasers

Leinster Answered: 87 Skipped: 1

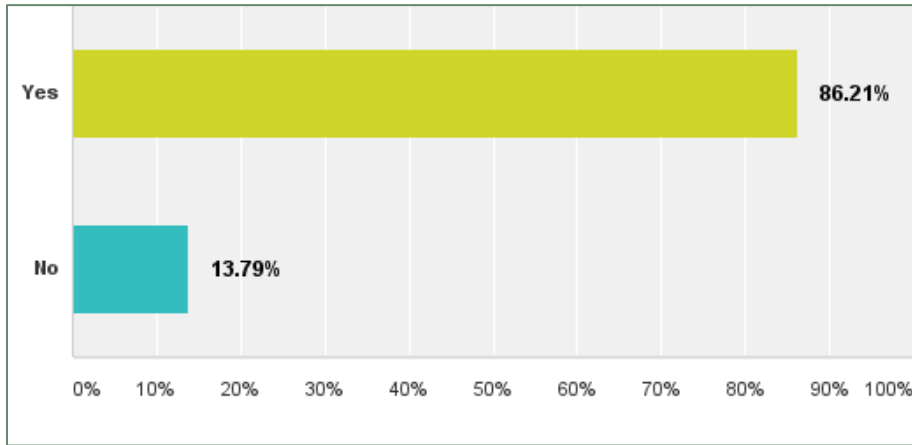
Answer Choices	Responses
Providing the necessary deposit	48.28% 42
The Loan-to-income limit of 3.5 times a gross annual income	44.83% 39
The Loan-to-value limit of 80% for non-first time buyers	16.09% 14
The Loan-to-value limit of 90% for first time buyers keeping within the €220,000 threshold	8.05% 7
The Loan-to-value limit of 80% for first time buyers over the €220,000 threshold	11.49% 10
Total Respondents: 87	

Dublin Answered: 71 Skipped: 1

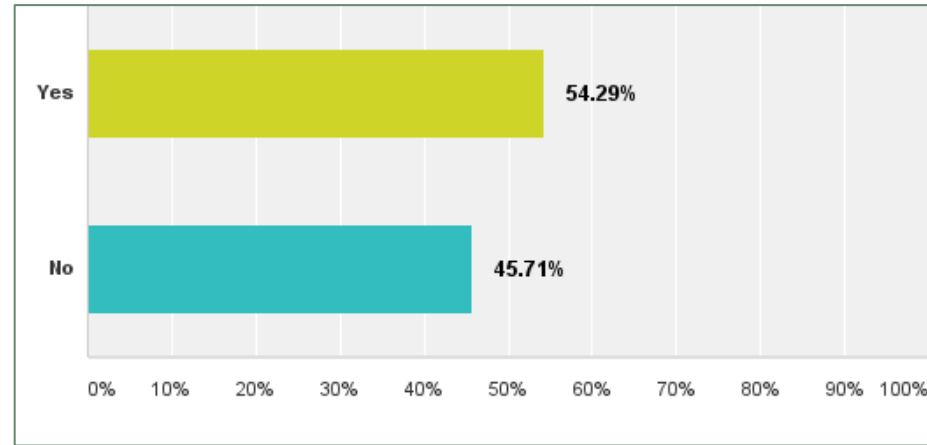
Answer Choices	Responses
Providing the necessary deposit	56.34% 40
The Loan-to-income limit of 3.5 times a gross annual income	46.48% 33
The Loan-to-value limit of 80% for non-first time buyers	18.31% 13
The Loan-to-value limit of 90% for first time buyers keeping within the €220,000 threshold	8.45% 6
The Loan-to-value limit of 80% for first time buyers over the €220,000 threshold	15.49% 11
Total Respondents: 71	

Q6: Do you have properties available in your area for sale within the threshold of €220,000

Leinster Answered: 87 Skipped: 1



Dublin Answered: 70 Skipped: 2



Q6: Do you have properties available in your area for sale within the threshold of €220,000

Leinster Answered: 87 Skipped: 1

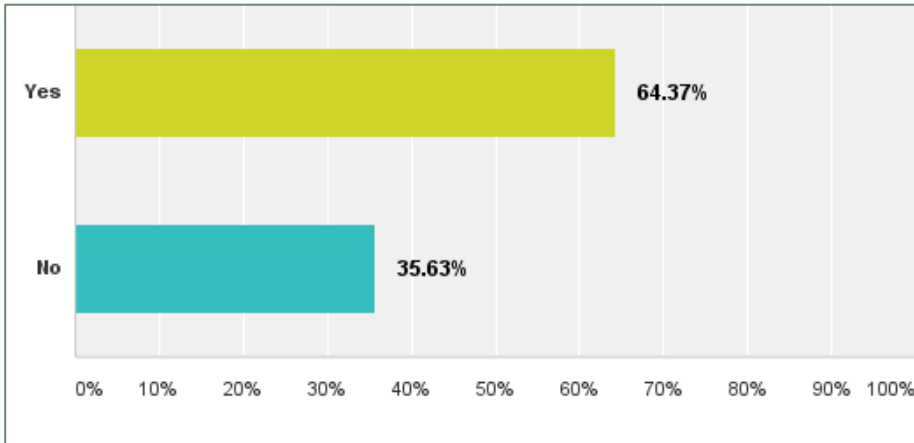
Answer Choices	Responses	
Yes	86.21%	75
No	13.79%	12
Total Respondents: 87		

Dublin Answered: 70 Skipped: 2

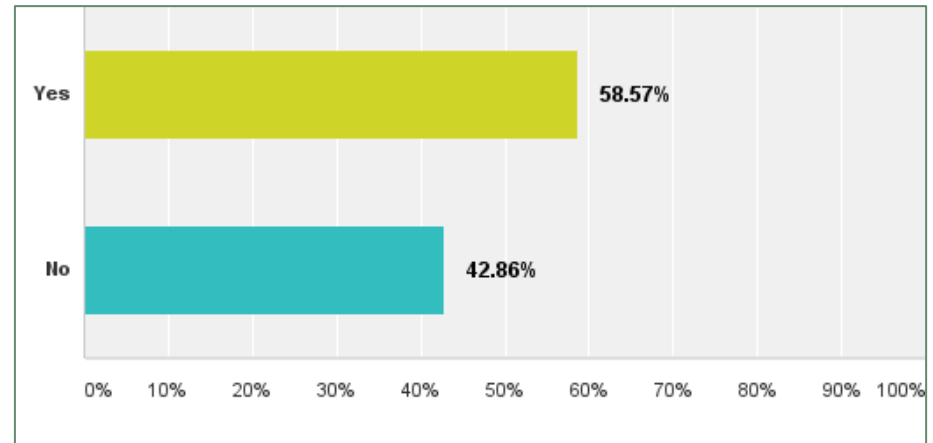
Answer Choices	Responses	
Yes	54.29%	38
No	45.71%	32
Total Respondents: 70		

Q7: Have you had prospective purchasers withdraw their interest from a property due to the new regulations on residential mortgage lending

Leinster Answered: 87 Skipped: 1



Dublin Answered: 70 Skipped: 2



Q7: Have you had prospective purchasers withdraw their interest from a property due to the new regulations on residential mortgage lending

Leinster Answered: 87 Skipped: 1

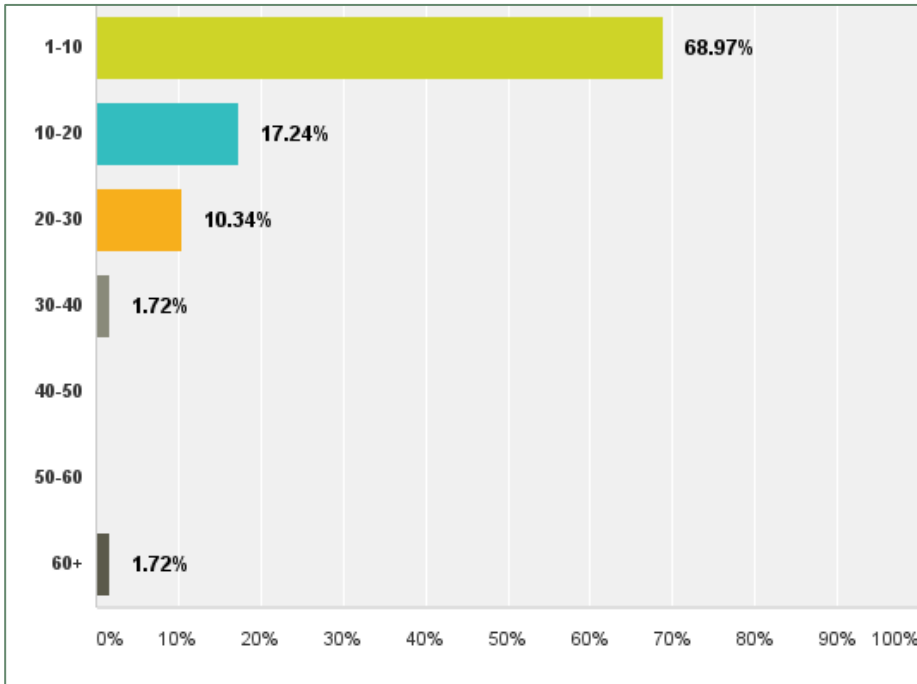
Answer Choices	Responses	
Yes	64.37%	56
No	35.63%	31
Total Respondents: 87		

Dublin Answered: 70 Skipped: 2

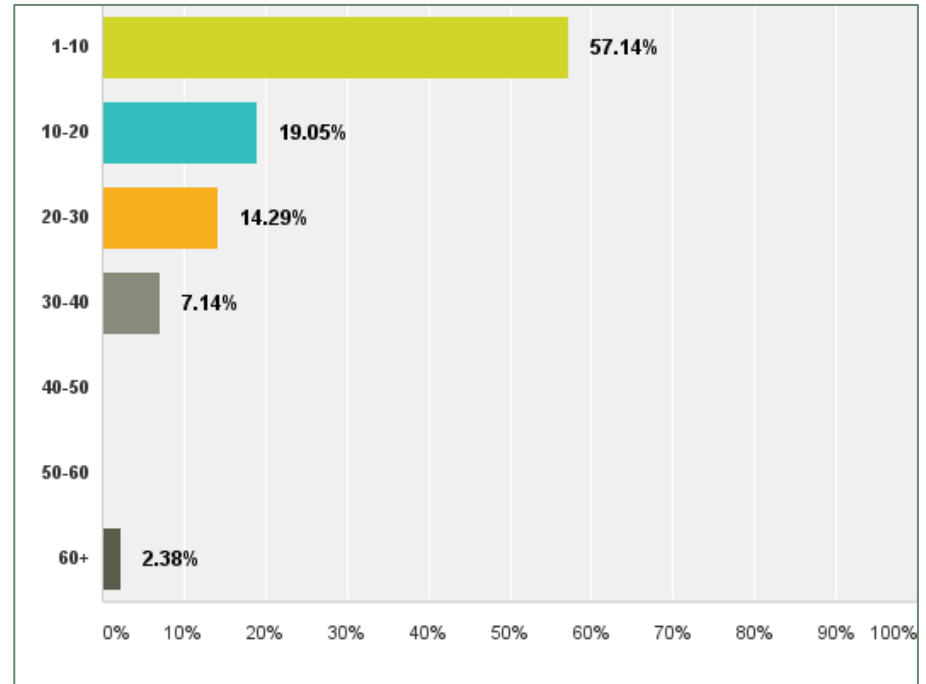
Answer Choices	Responses	
Yes	58.57%	41
No	42.86%	30
Total Respondents: 70		

Q8: If you answered yes to question 7, please select from below a number range that most closely represents the number of purchasers this has happened to in the last 18 months

Leinster Answered: 58 Skipped: 30



Dublin Answered: 42 Skipped: 30



Q8: If you answered yes to question 7, please select from below a number range that most closely represents the number of purchasers this has happened to in the last 18 months

Leinster Answered: 58 Skipped: 30

Answer Choices	Responses	
1-10	68.97%	40
10-20	17.24%	10
20-30	10.34%	6
30-40	1.72%	1
40-50	0.00%	0
50-60	0.00%	0
60+	1.72%	1
Total		58

Dublin Answered: 42 Skipped: 30

Answer Choices	Responses	
1-10	57.14%	24
10-20	19.05%	8
20-30	14.29%	6
30-40	7.14%	3
40-50	0.00%	0
50-60	0.00%	0
60+	2.38%	1
Total		42

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