

Northern Ireland House Price Index April - June 2020 (Quarter 2 2020)



Land & Property Services
Seirbhísí Talún & Maoine



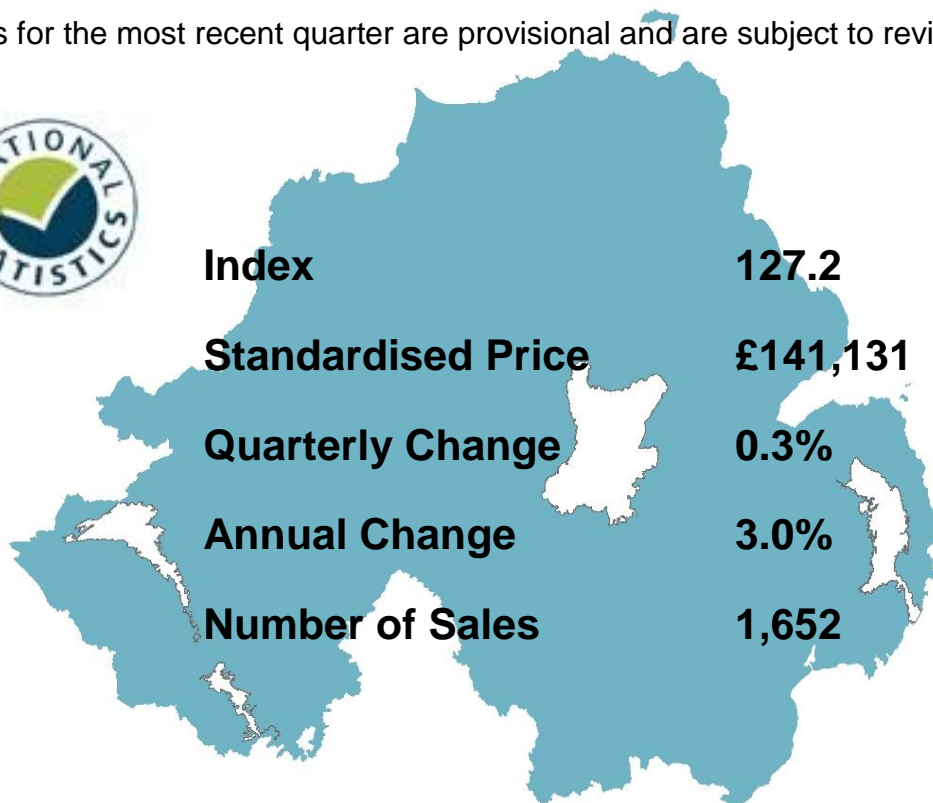
Published: 16 September 2020

<https://www.finance-ni.gov.uk/articles/northern-ireland-house-price-index>

The **House Price Index (HPI)** is designed to provide a measure of change in the price of a standardised residential property sold in Northern Ireland. The index uses information on all verified residential property sales as recorded by HM Revenue & Customs. The NI HPI is used as the NI component in the UK HPI and statistics are comparable across regions. The index reference period¹ is Q1 2015 = 100.

The Covid-19 pandemic essentially paused the housing market between 23 March and 15 June 2020. The number of sales for Q2 2020 is reduced by approximately two thirds of the usual volume, however they are still representative of the property market as they are not skewed towards one property type, location or socio-demographic characteristic. As a result the model used to predict the average price and index value is robust.

Results for the most recent quarter are provisional and are subject to revision.



¹ A reference period is a quarter which is used as a benchmark for other periods, to allow calculation of inflation.

This is a National Statistics Publication

The Northern Ireland House Price Index was first awarded National Statistics status on 18th September 2018.

National Statistics status means that official statistics meet the highest standards of trustworthiness, quality and public value.

All official statistics should comply with all aspects of the Code of Practice for Official Statistics. They are awarded National Statistics status following an assessment by the Authority's regulatory arm. The Authority considers whether the statistics meet the highest standards of Code compliance, including the value they add to public decisions and debate.

It is Land & Property Services' (LPS) responsibility to maintain compliance with the standards expected of National Statistics. As a result, since being awarded National Statistics, LPS have made the following improvements:

- Published the number of sales in each £25,000 price band within Northern Ireland – this added more value by providing a more detailed breakdown of the statistics.
- Published annual descriptive statistics and transaction volumes at Local Government District and Electoral Ward level. This includes lower quartile, median and simple mean prices. Prices are available where at least 30 sales were recorded in the area within the calendar year which could be included in the regression model i.e. the following sales are excluded: Non Arms-Length sales, sales of properties where the habitable space are less than 30m² or greater than 1000m² and sales less than £20,000. **It is important to note that the prices at ward level are not as robust as the modelled standardised prices used to calculate the house price index. Median and simple mean prices should not be used to calculate a reliable change in price over time.**

If LPS become concerned about whether these statistics are still meeting the appropriate standards, LPS will discuss any concerns with the Authority promptly. National Statistics status can be removed at any point when the highest standards are not maintained, and reinstated when standards are restored.

For enquiries about National Statistics, including production or achieving the standards set out by the Code of Practice for Statistics you can email the authority enquiries team (authority.enquiries@statistics.gsi.gov.uk) or phone 0845 604 1857 (Calls cost 5p per minute in addition to your phone company's access charge).

If you would like to contact the authority, please send letters to:

UK Statistics Authority
1 Drummond Gate
London
SW1V 2QQ

Introduction

This publication analyses the Northern Ireland domestic property market using residential sales recorded by HM Revenue & Customs (HMRC) for Stamp Duty purposes. This includes all sales irrespective of how they are purchased, e.g. auction sales are included. Information on all sales must by law be passed to HMRC – more detail on the HMRC data is available in the Explanatory Notes: <https://www.finance-ni.gov.uk/articles/northern-ireland-house-price-index>

Information on the price of new dwellings sold has been available since Q1 2016. Verified sales numbers for new dwellings for the most recent two quarters are not yet at a reliable level for reporting, so they are not included in the report.

The contents of this report will be of interest to Government, Members of the Legislative Assembly, the business community, property professionals, economic commentators, academics and members of the public interested in the property market.

This report includes eight sections:

1. Northern Ireland House Price Index;
2. House Price Index by Property Type;
3. House Price Index for New/Existing Resold Dwellings;
4. Sales Volumes;
5. Regional House Price Statistics;
6. Economic Context;
7. Detailed Statistics Content;
8. Contact Details.

1. Northern Ireland House Price Index

The overall performance of the residential property market is measured in this report using the Northern Ireland House Price Index (NI HPI). The index uses a modelling approach, to produce a standardised property price. The use of a “mix adjusted” approach controls for differences in the mix of properties sold from quarter to quarter allowing for price comparisons to be made on a like for like basis. The simple average price is not used in constructing the index as it is overly influenced by changes in the mix of properties sold each quarter (e.g. changes in the mix of locations, type or quality of property sold), (see Explanatory Notes Section 1).

<https://www.finance-ni.gov.uk/articles/northern-ireland-house-price-index>

Revisions

Results for the most recent quarter are provisional and subject to revision as more up-to-date data become available (e.g. through late sales returns to HM Revenue & Customs and revisions to existing sales data). As a result, users should use the full time series from the most recent statistics report, rather than appending new data to back series from previous reports.

The table below shows the revisions to price index statistics for Q4 2019 and Q1 2020 since the previous report published in May 2020.

Magnitude of Adjustments made to each index due to revisions

Sale year	Sale Quarter	NI House Price Index	Detached Price Index	Semi-Detached Price Index	Terrace Price Index	Apartment Price Index	New Dwelling Price Index	Existing Resold Dwelling Price Index
2019	Quarter 4	-0.1%	0.0%	-0.1%	0.0%	-0.1%	0.0%	0.0%
2020	Quarter 1	0.1%	0.2%	0.2%	-0.1%	0.3%	0.0%	0.0%

Revised Index values

Sale year	Sale Quarter	NI House Price Index	Detached Price Index	Semi-Detached Price Index	Terrace Price Index	Apartment Price Index	New Dwelling Price Index	Existing Resold Dwelling Price Index
2019	Quarter 4	126.4	124.6	124.9	130.2	125.1	127.8	125.7
2020	Quarter 1	126.9	125.4	125.0	130.5	127.1	128.2	126.0

Statistics are revised each quarter to include sales received since the last publication, namely sales of new properties which have been entered into the NI Valuation List and late sales reported to HMRC.

The process of recording property characteristics of new dwellings takes longer than for existing re-sold properties. As a result a lower number of new dwelling sales are available to calculate the initial price (index) estimate in the current quarter, than for existing re-sold sales. This leads to a more volatile series for new dwelling prices (index).

Price and index values published in previous reports can be viewed at: <https://www.finance-ni.gov.uk/articles/about-northern-ireland-house-price-index>

Presentation of figures

The index number, which is based on the constant standardised price, is presented rounded to the nearest one decimal place. Quarterly and annual changes are calculated based on the unrounded index for accuracy and presented rounded to one decimal place. The index and prices are comparable over time.

For presentational purposes, most of the tables and graphs in this report cover the period from 2010 onwards. However, the complete time series from 2005 for each Index is available in the detailed statistics document on the Department of Finance (DoF) website:

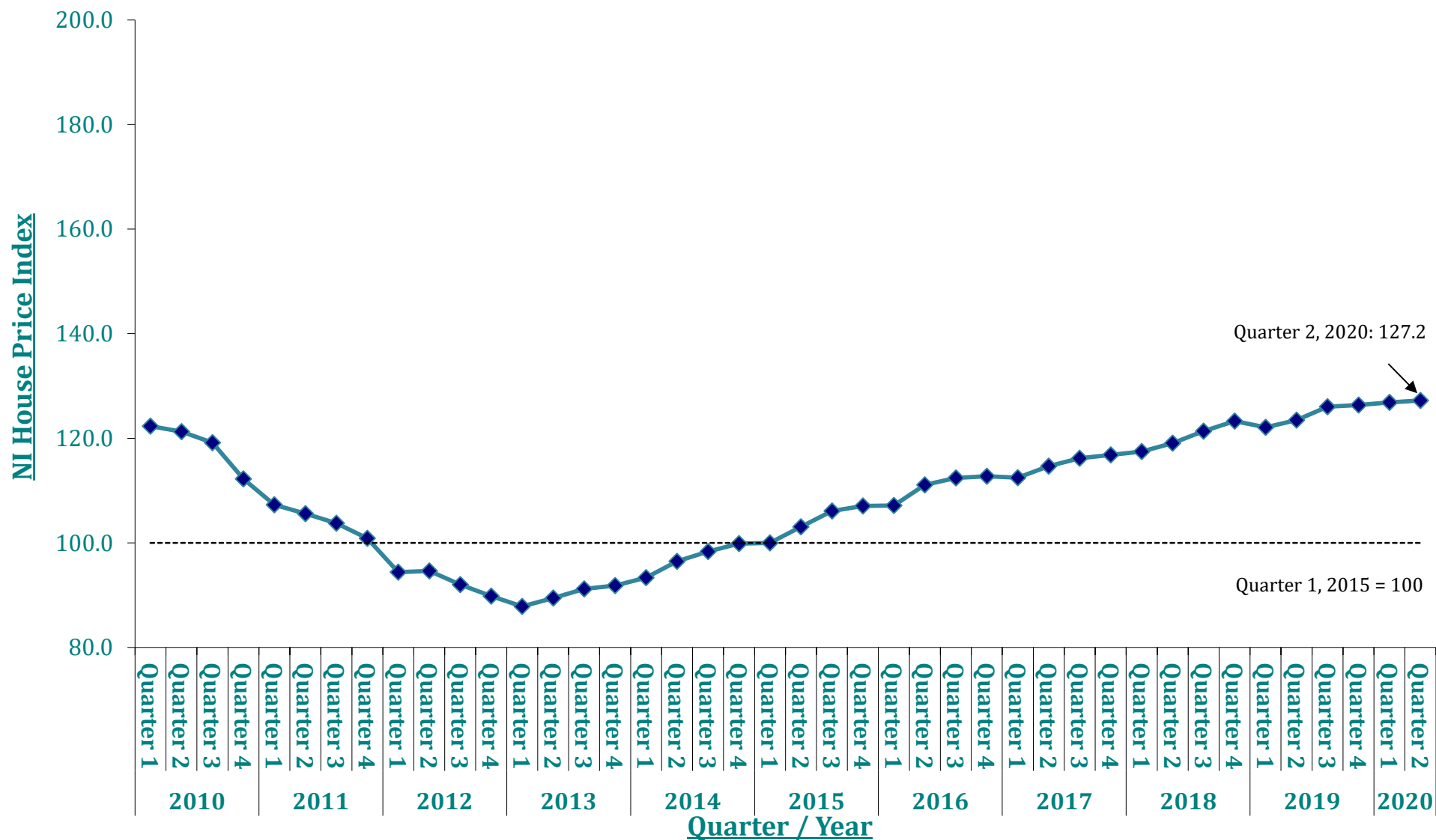
<https://www.finance-ni.gov.uk/articles/northern-ireland-house-price-index>

The Explanatory Notes provide detailed information on the methodology used to produce the statistics and are available at Explanatory Notes:

<https://www.finance-ni.gov.uk/articles/northern-ireland-house-price-index>

Figure 1.1 shows the NI HPI series since January – March 2010 (Q1 2010). The reference base period is Q1 2015 and the index is set to 100 for that period.

Figure 1.1: Northern Ireland House Price Index (Q1 2010 – Q2 2020)



[Download chart](#)

NI House Price Index

The overall index showed an increase of 0.3% between the first and second quarter of 2020. Between Q2 2019 and Q2 2020 the House Price Index increased by 3.0%. The NI HPI currently stands at 127.2 in the second quarter of 2020. The index is now 27.2% higher than in the first quarter of 2015, and 26.1% higher than Q1 2005.

Price Index by Property Type

The index for apartments and detached properties decreased by 1.8% and 0.5% respectively over the quarter, while terrace properties showed an increase of 2.5% compared to the previous quarter. Semi-detached properties remained unchanged over the quarter.

Price Index by Dwelling Type

The process of recording property characteristics of new dwellings takes longer than for existing re-sold properties. The majority of sales in the current quarter will have property characteristics added during the two forthcoming quarters and only when characteristics are available can the sales be used to calculate a price/index. As a result a lower number of new dwelling sales are available to calculate the initial price/index estimate in the current quarter, than for existing re-sold sales. This leads to a more volatile series for new dwelling prices/index.

The price of new dwellings sold in Q2 2020 increased by 1.9% from Q1 2020. The index stands at 130.7 in Q2 2020 which is 30.7% higher than Q1 2015 and 36.0% higher than Q1 2005. It should be noted that these figures are provisional and will be revised in the next quarter.

Table 1.1: NI House Price and Index Values

Year	Quarter	NI		Quarterly Change	Annual Change
		NI House Price Index	Standardised House Price		
2010	Quarter 1	122.3	£135,701	-4.4%	-3.2%
	Quarter 2	121.3	£134,515	-0.9%	-4.9%
	Quarter 3	119.1	£132,164	-1.7%	-6.8%
	Quarter 4	112.2	£124,515	-5.8%	-12.3%
2011	Quarter 1	107.3	£119,024	-4.4%	-12.3%
	Quarter 2	105.6	£117,142	-1.6%	-12.9%
	Quarter 3	103.8	£115,108	-1.7%	-12.9%
	Quarter 4	100.8	£111,871	-2.8%	-10.2%
2012	Quarter 1	94.4	£104,712	-6.4%	-12.0%
	Quarter 2	94.6	£104,987	0.3%	-10.4%
	Quarter 3	92.0	£102,086	-2.8%	-11.3%
	Quarter 4	89.8	£99,647	-2.4%	-10.9%
2013	Quarter 1	87.8	£97,428	-2.2%	-7.0%
	Quarter 2	89.4	£99,229	1.8%	-5.5%
	Quarter 3	91.2	£101,165	2.0%	-0.9%
	Quarter 4	91.8	£101,879	0.7%	2.2%
2014	Quarter 1	93.4	£103,570	1.7%	6.3%
	Quarter 2	96.5	£107,031	3.3%	7.9%
	Quarter 3	98.4	£109,116	1.9%	7.9%
	Quarter 4	99.8	£110,750	1.5%	8.7%
2015	Quarter 1	100.0	£110,940	0.2%	7.1%
	Quarter 2	103.1	£114,340	3.1%	6.8%
	Quarter 3	106.1	£117,716	3.0%	7.9%
	Quarter 4	107.0	£118,756	0.9%	7.2%
2016	Quarter 1	107.1	£118,851	0.1%	7.1%
	Quarter 2	111.1	£123,249	3.7%	7.8%
	Quarter 3	112.4	£124,731	1.2%	6.0%
	Quarter 4	112.7	£125,059	0.3%	5.3%
2017	Quarter 1	112.5	£124,786	-0.2%	5.0%
	Quarter 2	114.6	£127,178	1.9%	3.2%
	Quarter 3	116.2	£128,878	1.3%	3.3%
	Quarter 4	116.8	£129,601	0.6%	3.6%
2018	Quarter 1	117.4	£130,292	0.5%	4.4%
	Quarter 2	119.1	£132,095	1.4%	3.9%
	Quarter 3	121.3	£134,619	1.9%	4.5%
	Quarter 4	123.3	£136,764	1.6%	5.5%
2019	Quarter 1	122.1	£135,434	-1.0%	3.9%
	Quarter 2	123.5	£136,960	1.1%	3.7%
	Quarter 3	126.0	£139,838	2.1%	3.9%
	Quarter 4	126.4	£140,174	0.2%	2.5%
2020	Quarter 1	126.9	£140,735	0.4%	3.9%
	Quarter 2	127.2	£141,131	0.3%	3.0%

Note: Percentage change figures are calculated using unrounded figures.

[Download table](#)

2. House Price Index by Property Type

Table 2.1: NI House Price Index by Property Type

Property Type	Index (Quarter 2 2020)	Percentage Change on Previous Quarter	Percentage Change over 12 months	Standardised Price (Quarter 2 2020)
Detached	124.7	-0.5%	2.8%	£209,551
Semi-Detached	125.0	0.0%	2.3%	£136,516
Terrace	133.8	2.5%	5.9%	£100,953
Apartment	124.8	-1.8%	-1.0%	£109,034
All	127.2	0.3%	3.0%	£141,131

(Index Q1 2015 = 100)

Note: Percentage change figures are calculated using unrounded figures.

[Download table](#)

The table shows the index and standardised price of different types of residential property for the second quarter of 2020 as compared to the first quarter of 2020 and the second quarter in 2019. This shows that the index for apartments and detached properties decreased over the quarter, while the index for terrace properties increased and semi-detached properties remained unchanged. All property types, except apartments, increased over the year.

The remainder of this section shows the trend since 2010 across the four property types (detached, semi-detached, terrace, apartment).

Figure 2.1: NI Detached Property Price Index (Q1 2010 – Q2 2020)

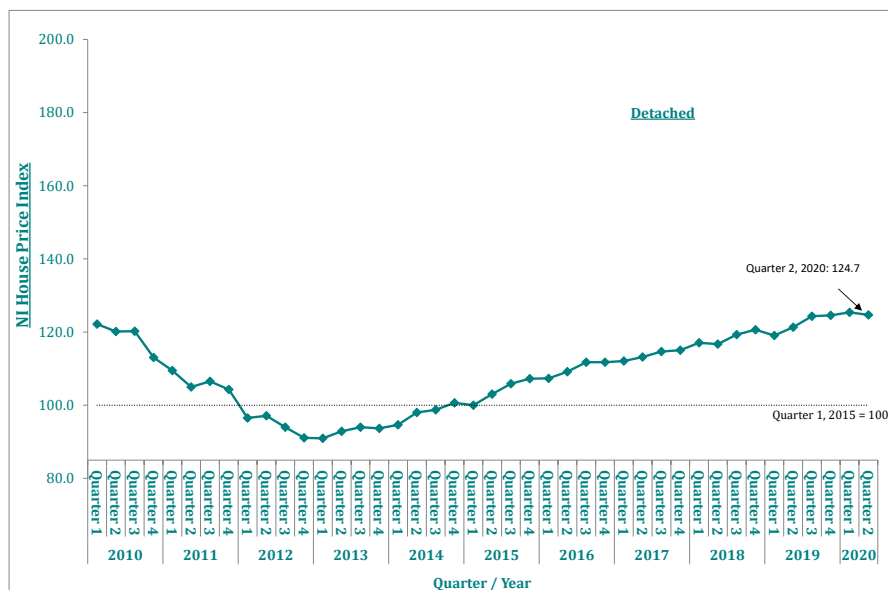


Figure 2.1 plots the index for detached properties sold in Northern Ireland.

The index for detached properties decreased by 0.5% between Q1 2020 and Q2 2020 and is 2.8% higher than Q2 2019, with the index now standing at 124.7 (i.e. prices today are typically 24.7% higher than the first quarter of 2015).

[Download chart](#)

Figure 2.2: NI Semi-Detached Property Price Index (Q1 2010 – Q2 2020)

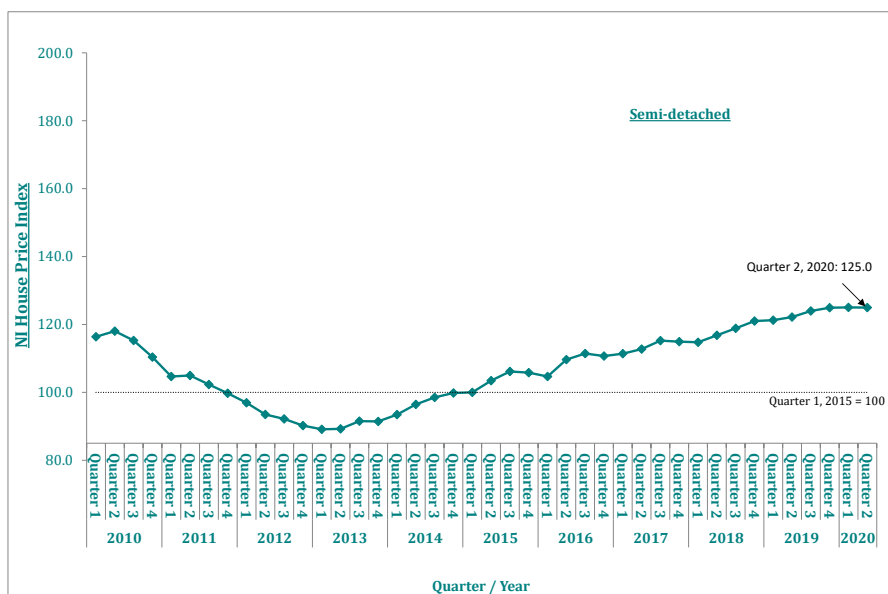


Figure 2.2 plots the index for semi-detached properties sold in Northern Ireland.

The index for semi-detached remained unchanged between Q1 2020 and Q2 2020 and increased by 2.3% between Q2 2019 and Q2 2020. Prices are currently 25.0% higher than the Q1 2015 level.

[Download chart](#)

Figure 2.3: NI Terrace Property Price Index (Q1 2010 – Q2 2020)

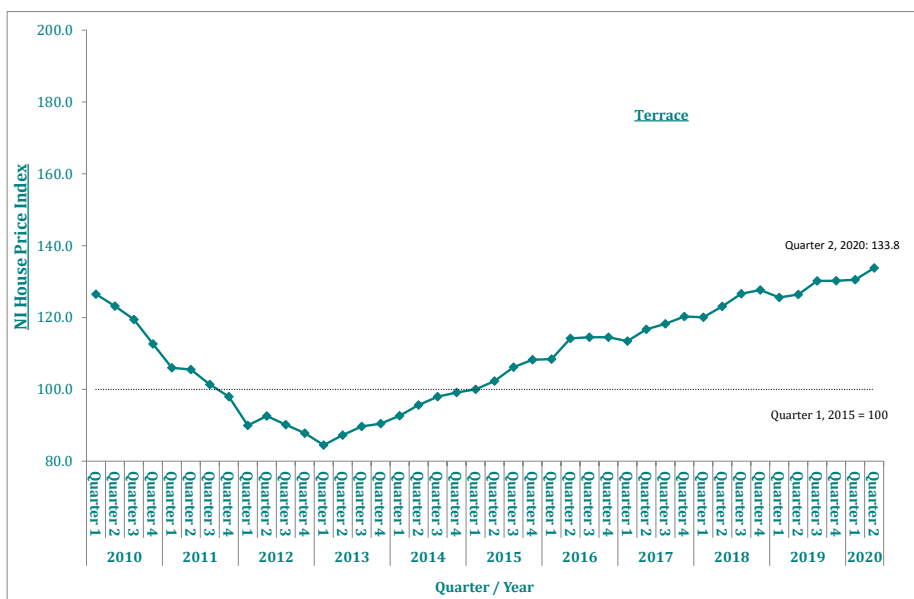


Figure 2.3 plots the index for terrace properties sold in Northern Ireland.

The index for terrace properties increased by 2.5% between Q1 2020 and Q2 2020 and increased by 5.9% between Q2 2019 and Q2 2020. It now stands at 133.8 and is 33.8% higher than Q1 2015.

[Download chart](#)

Figure 2.4: NI Apartment Price Index (Q1 2010 – Q2 2020)

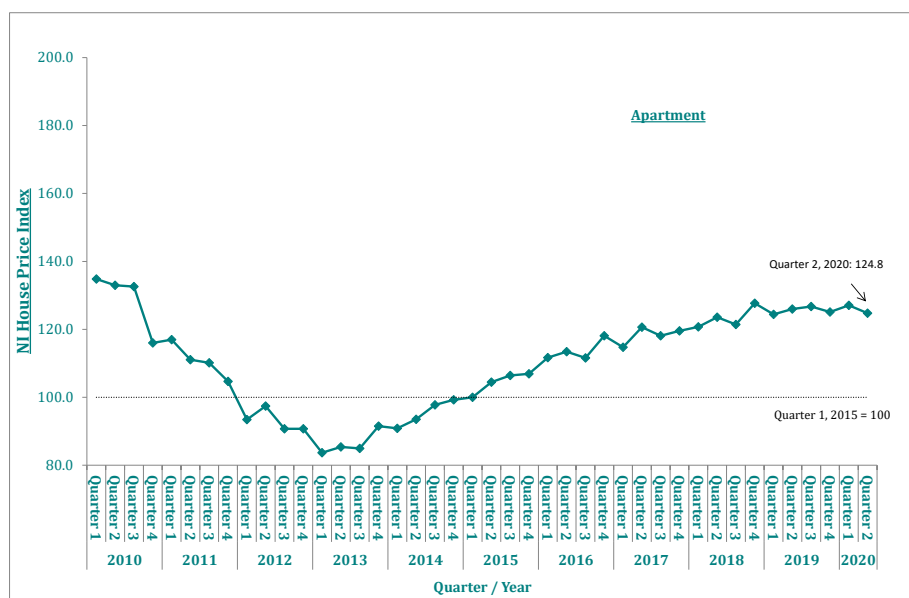


Figure 2.4 plots the index for apartments sold in Northern Ireland.

The index for apartments decreased by 1.8% between Q1 2020 and Q2 2020 and decreased by 1.0% between Q2 2019 and Q2 2020. The index now stands at 124.8. It is 24.8% higher than Q1 2015.

[Download chart](#)

3. House Price Index for New/Existing Re-sold Dwellings

The sale of a new dwelling is defined as the first sale of a new property in the NI Valuation List. All sales which do not meet this definition are considered to be sales of existing re-sold dwellings.

The process of recording property characteristics of new dwellings takes longer than for existing re-sold properties. The majority of sales of new dwellings in the current quarter will have property characteristics added during the two forthcoming quarters and only when characteristics are available can the sales of new dwellings be used to calculate a price/index. As a result a lower number of new dwelling sales is available to calculate the initial price/index estimate in the current quarter, than for existing re-sold sales. **This leads to a more volatile series for new dwelling prices/index.**

Table 3.1: NI House Price Index for New/Existing Resold Dwellings

Dwelling Type	Index (Quarter 2 2020)	Percentage Change on Previous Quarter	Percentage Change over 12 months	Standardised Price (Quarter 2 2020)
New	130.7	1.9%	4.2%	£171,409
Existing Resold	125.9	-0.1%	2.7%	£133,607
All	127.2	0.3%	3.0%	£141,131

[Download table](#)

Table 3.1 shows the price index and standardised price paid for new and existing resold dwellings in Northern Ireland in Q2 2020 compared to Q1 2020 and Q2 2019. New dwellings showed an increase of 1.9%, while existing resold dwellings showed a decrease of 0.1% over the quarter. The annual increase in the price of new dwellings was 4.2% while the price of existing resold dwellings increased by 2.7% since Q2 2019.

Figure 3.1: NI House Price Index for New/Existing Resold Dwellings

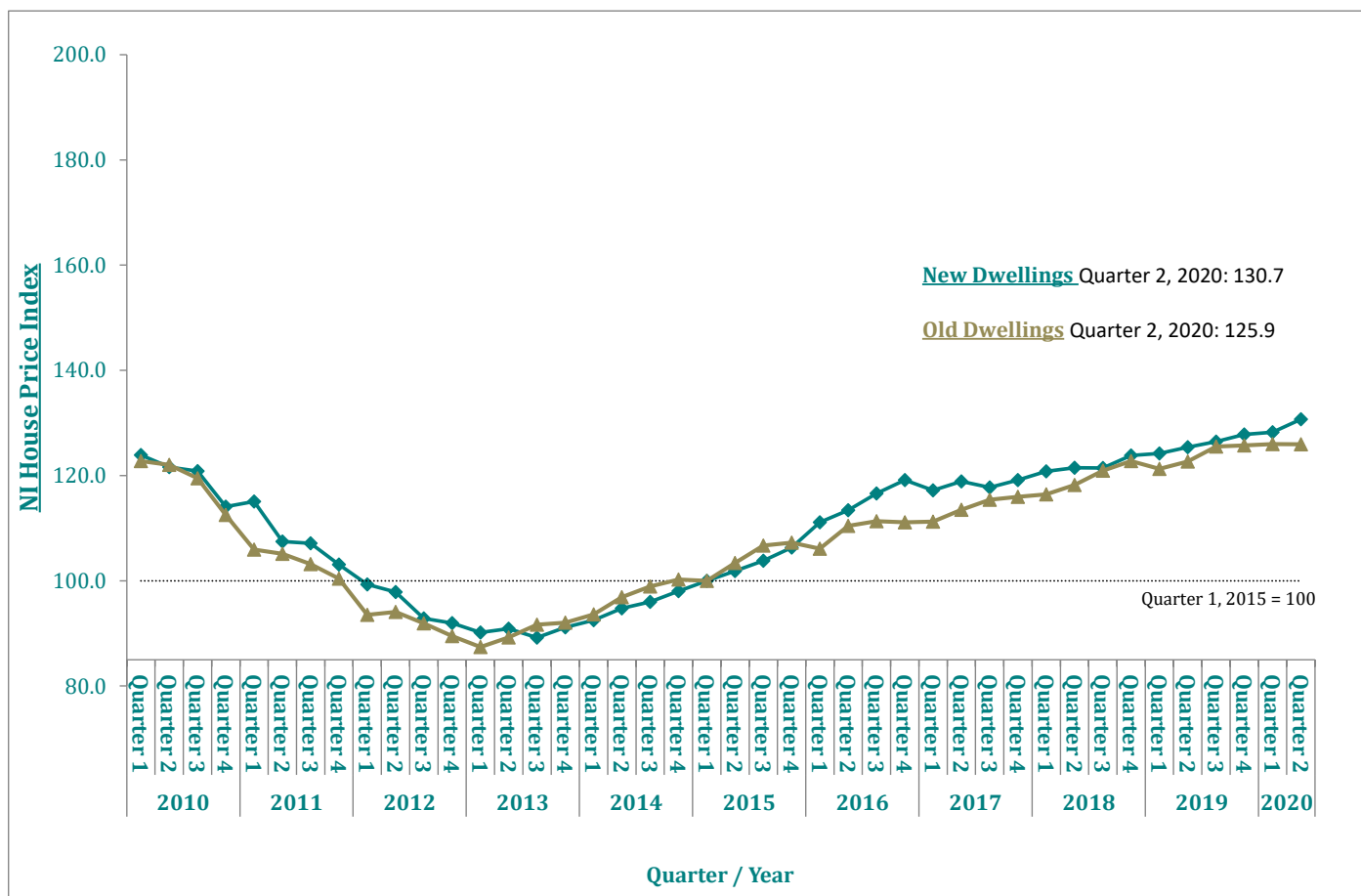


Figure 3.1 shows the price index trend for new and existing resold dwellings between Q1 2010 and Q2 2020. The price index of new dwellings rose by 93.3% from Q1 2005 to peak in Q3 2007 at 185.7, prices for pre-owned dwellings increased by 102.5% during the same period. Since the peak, prices for both dwelling types followed a downward trend until 2013. Price levels for existing resold dwellings bottomed out in Q1 2013 whereas price levels for new dwellings decreased between Q2 and Q3 2013. Prices of new dwellings increased each quarter since mid-2013 until Q1 2017.

The new dwellings index now stands at 130.7, 30.7% higher than Q1 2015 and 36.0% higher than Q1 2005. The existing resold dwellings index now stands at 125.9, 25.9% higher than Q1 2015 and 22.9% higher than Q1 2005.

Further analysis on prices of new and existing resold dwellings is available in the [detailed statistics](#).

4. Sales Volumes

Table 4.1 shows the number of verified sales of each residential property type in Northern Ireland during each quarter between Q1 2010 and Q2 2020.

Verified residential property sales are defined as sales recorded by HM Revenue & Customs which could be matched to a domestic property in the NI Valuation List.

Between 2010 and 2011 the annual number of sales was roughly 11,000. From 2012-2019, the number of sales increased each year and in 2019 there were almost 25,000 sales.

In Q2 2020, there were 1,652 verified residential property sales. **This number will be revised upwards** in the next publication due to late sales notified to HMRC and new properties being entered into the NI Valuation List.

As a result of the Covid-19 pandemic the UK Government announced lockdown measures on 23 March 2020. This essentially paused the housing market as, in most cases, business as usual could not continue. The number of transactions recorded in April – June 2020 is approximately one third of the initial number of sales recorded during April – June 2019. Although there is a large reduction in the number of sales during the quarter, the sales received are still representative of the property market as they are not skewed towards one property type, location or socio-demographic characteristic. As a result LPS/NISRA are content the model used to predict the average price and index value is robust and the reduced number of sales does not adversely affect the quality of the price index calculations for the second quarter of 2020.

In 2010 the single largest type of properties sold were semi-detached houses, around 35%. During 2014 the most popular choice for dwellings sold was detached (32%), however since 2015, semi-detached sales are once again the preferred choice (35%).

Apartment sales have remained steady over the period at around 8% of all sales.

Of the sales recorded during Q2 2020, 32% were detached properties, 34% were semi-detached properties, 27% were terrace properties and 7% were apartments.

Table 4.1: Number of Verified Residential Property Sales in Northern Ireland

2010	Quarter 1	639	796	848	221	2,504
	Quarter 2	738	924	849	185	2,696
	Quarter 3	705	906	961	134	2,706
	Quarter 4	825	844	936	209	2,814
	2010 Total	2,907	3,470	3,594	749	10,720
2011	Quarter 1	654	770	818	159	2,401
	Quarter 2	761	812	814	233	2,620
	Quarter 3	961	1,025	950	272	3,208
	Quarter 4	900	988	927	263	3,078
	2011 Total	3,276	3,595	3,509	927	11,307
2012	Quarter 1	937	971	1,017	250	3,175
	Quarter 2	901	975	990	261	3,127
	Quarter 3	1,119	1,131	1,034	274	3,558
	Quarter 4	1,177	1,147	1,179	268	3,771
	2012 Total	4,134	4,224	4,220	1,053	13,631
2013	Quarter 1	1,027	1,073	1,065	274	3,439
	Quarter 2	1,193	1,196	1,227	259	3,875
	Quarter 3	1,335	1,279	1,275	324	4,213
	Quarter 4	1,603	1,572	1,456	426	5,057
	2013 Total	5,158	5,120	5,023	1,283	16,584
2014	Quarter 1	1,482	1,408	1,379	363	4,632
	Quarter 2	1,666	1,655	1,531	413	5,265
	Quarter 3	1,743	1,742	1,572	429	5,486
	Quarter 4	1,853	1,833	1,675	491	5,852
	2014 Total	6,744	6,638	6,157	1,696	21,235
2015	Quarter 1	1,423	1,469	1,383	341	4,616
	Quarter 2	1,639	1,694	1,481	475	5,289
	Quarter 3	1,862	1,978	1,563	436	5,839
	Quarter 4	1,864	2,049	1,763	500	6,176
	2015 Total	6,788	7,190	6,190	1,752	21,920
2016	Quarter 1	1,762	1,879	1,898	616	6,155
	Quarter 2	1,522	1,711	1,321	327	4,881
	Quarter 3	1,888	2,084	1,537	463	5,972
	Quarter 4	1,889	2,072	1,653	468	6,082
	2016 Total	7,061	7,746	6,409	1,874	23,090
2017	Quarter 1	1,488	1,817	1,460	442	5,207
	Quarter 2	1,888	2,040	1,702	492	6,122
	Quarter 3	1,991	2,322	1,753	478	6,544
	Quarter 4	2,050	2,409	1,805	534	6,798
	2017 Total	7,417	8,588	6,720	1,946	24,671
2018	Quarter 1	1,620	1,894	1,517	443	5,474
	Quarter 2	1,850	2,193	1,664	490	6,197
	Quarter 3	2,052	2,247	1,780	488	6,567
	Quarter 4	2,066	2,360	1,802	543	6,771
	2018 Total	7,588	8,694	6,763	1,964	25,009
2019	Quarter 1	1,469	1,904	1,422	384	5,179
	Quarter 2	1,921	2,132	1,676	466	6,195
	Quarter 3	2,115	2,347	1,767	515	6,744
	Quarter 4	1,989	2,314	1,877	470	6,650
	2019 Total	7,494	8,697	6,742	1,835	24,768
2020	Quarter 1	1,496	1,651	1,387	421	4,955
	Quarter 2	528	563	445	116	1,652

[Download table](#)

5. Regional House Price Statistics

Quarterly index values and standardised prices are available for:

- eleven Local Government Districts;
- Urban – Rural classification.

The Local Government District level are included in this report and the Urban – Rural level data is available in the [detailed statistics](#), alongside data and a graphical representation of the house price index for each council.

Annual Descriptive Price Statistics

Annual descriptive price statistics for each calendar year 2005 – 2019 are available for:

- eleven Local Government Districts;
- 462 electoral wards.

The statistics include:

- Minimum sale price
- Lower quartile sale price
- Median sale price
- Simple Mean sale price
- Upper Quartile sale price
- Maximum sale price
- Number of verified sales

The annual statistics were released in response to requests from users. The data is presented annually due to the small number of transactions. Prices are available where at least 30 sales were recorded in the area within the calendar year which could be included in the regression model i.e. Non Arms-Length sales, sales of properties where the habitable space are less than 30m² or greater than 1000m² and sales less than £20,000 are excluded.

Annual median or simple mean prices should not be used to calculate the property price change over time. The quality (where quality refers to the combination of all characteristics of a residential property, both physical and locational) of the properties that are sold may differ from one time period to another. For example, sales in one quarter could be disproportionately skewed towards low-quality properties, therefore producing a biased estimate of average price.

The median and simple mean prices are not 'standardised' and so the varying mix of properties sold in each quarter could give a false impression of the actual change in prices. In order to calculate the pure property price change over time it is necessary to compare like with like, and this can only be achieved if the 'characteristics-mix' of properties traded is standardised.

The annual information is available on the [DoF website](#).

Local Government District Index and Standardised Price

Table 5.1 shows the NI House Price Index and standardised price for each Local Government District in Northern Ireland at Q2 2020.

Between Q1 2020 and Q2 2020 six councils saw an increase in the price of houses, ranging from 0.3% in Mid and East Antrim to 2.7% in Derry City and Strabane. Five councils saw decreases over the quarter ranging from 0.4% in Ards and North Down to 3.5% in Causeway Coast and Glens.

Prices in all council areas showed an increase over the 12 months between Q2 2019 and Q2 2020, with the lowest increase of 0.1% in Mid Ulster and the highest increase of 5.6% in Antrim and Newtownabbey.

Table 5.1: NI HPI and standardised price by Local Government District (Quarter 2 2020)

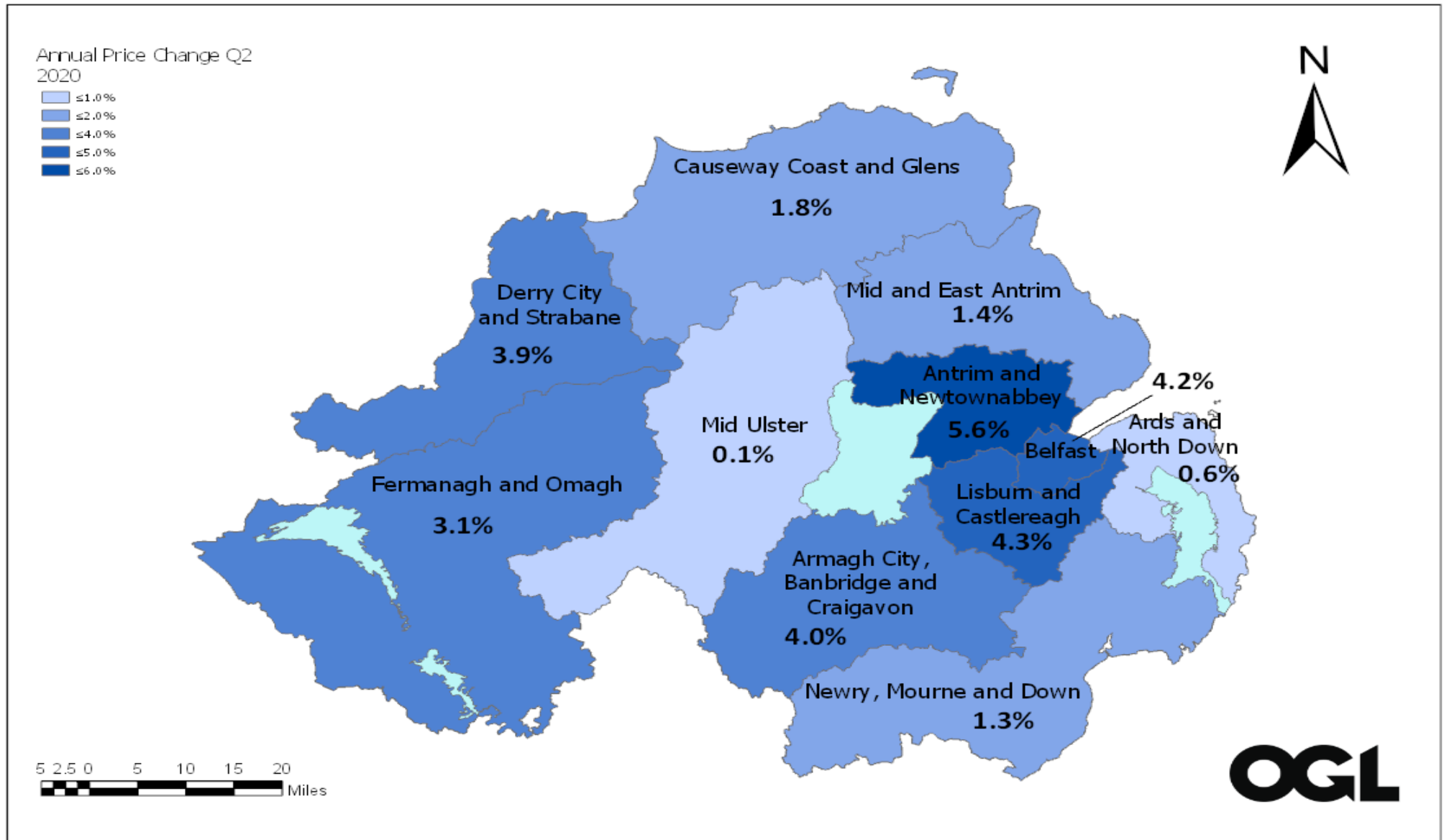
Local Government District	Index (Quarter 2 2020)	Percentage Change on Previous Quarter	Percentage Change over 12 months	Standardised Price (Quarter 2 2020)
Antrim and Newtownabbey	128.0	0.8%	5.6%	£147,178
Ards and North Down	115.2	-0.4%	0.6%	£154,659
Armagh City, Banbridge and Craigavon	126.5	-0.5%	4.0%	£124,693
Belfast	128.2	0.7%	4.2%	£135,523
Causeway Coast and Glens	135.7	-3.5%	1.8%	£146,574
Derry City and Strabane	136.1	2.7%	3.9%	£128,895
Fermanagh and Omagh	134.4	-1.6%	3.1%	£128,818
Lisburn and Castlereagh	127.0	2.5%	4.3%	£170,500
Mid and East Antrim	125.4	0.3%	1.4%	£129,828
Mid Ulster	120.3	-1.0%	0.1%	£134,545
Newry, Mourne and Down	130.4	1.3%	1.3%	£146,704
Northern Ireland	127.2	0.3%	3.0%	£141,131

(Index Q1 2015 = 100)

Note: Percentage change figures are calculated using unrounded figures.

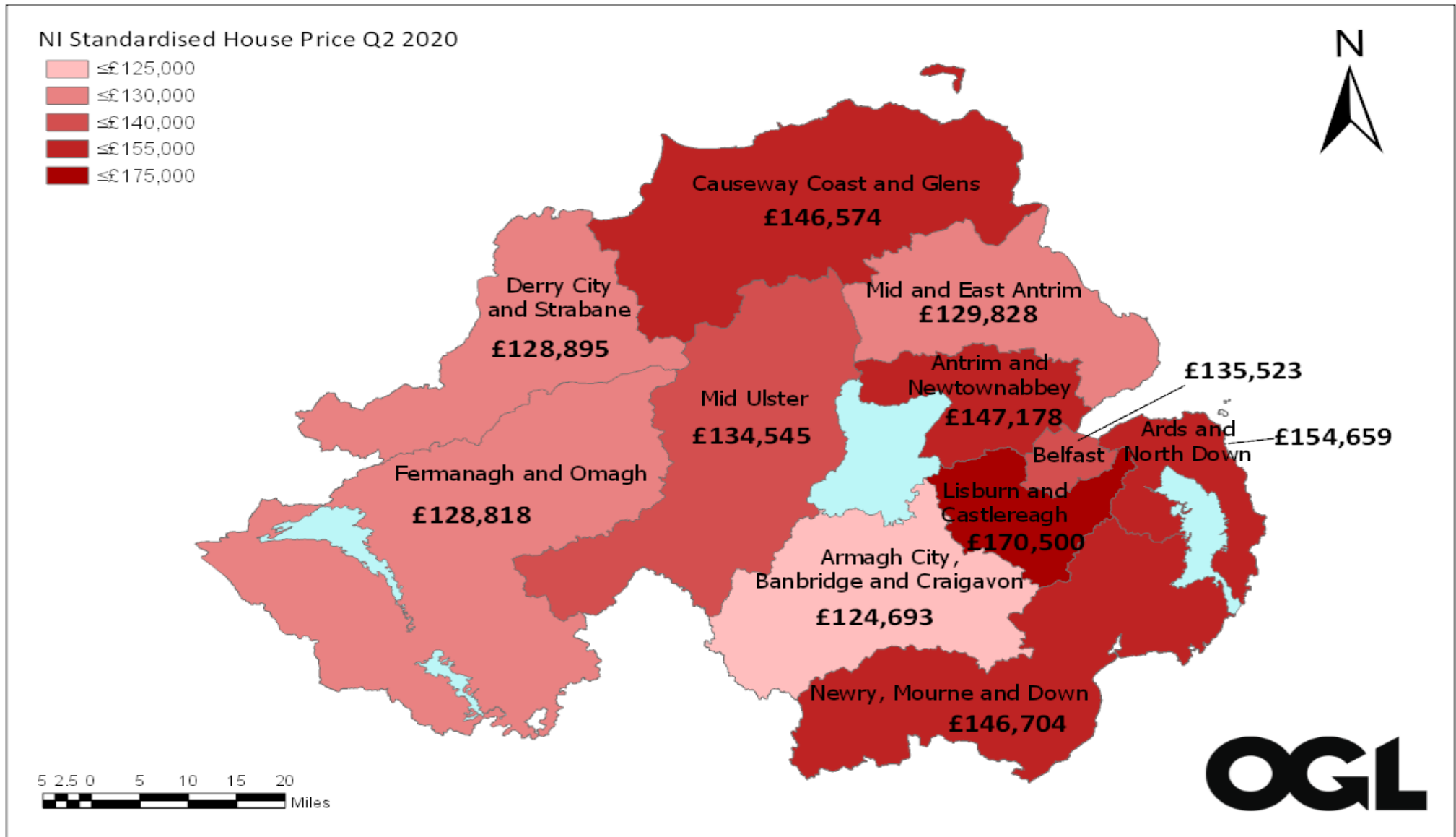
[Download table](#)

Figure 5.1: Annual Change in HPI by Local Government District Q2 2020



[Download chart](#)

Figure 5.2: Standardised Price by Local Government District Q2 2020



The standardised price for NI as a whole is £141,131 and ranges from £124,693 in Armagh City, Banbridge and Craigavon to £170,500 in Lisburn and Castlereagh.

6. Economic Context

House prices are often considered within the economic context of a region. The latest Department for the Economy (DfE) monthly economic update (June 2020) provides an overview of the state of the Northern Ireland economy, setting it in context with the UK and Republic of Ireland. This can be found at:

<https://www.economy-ni.gov.uk/articles/monthly-economic-update-june-2020>

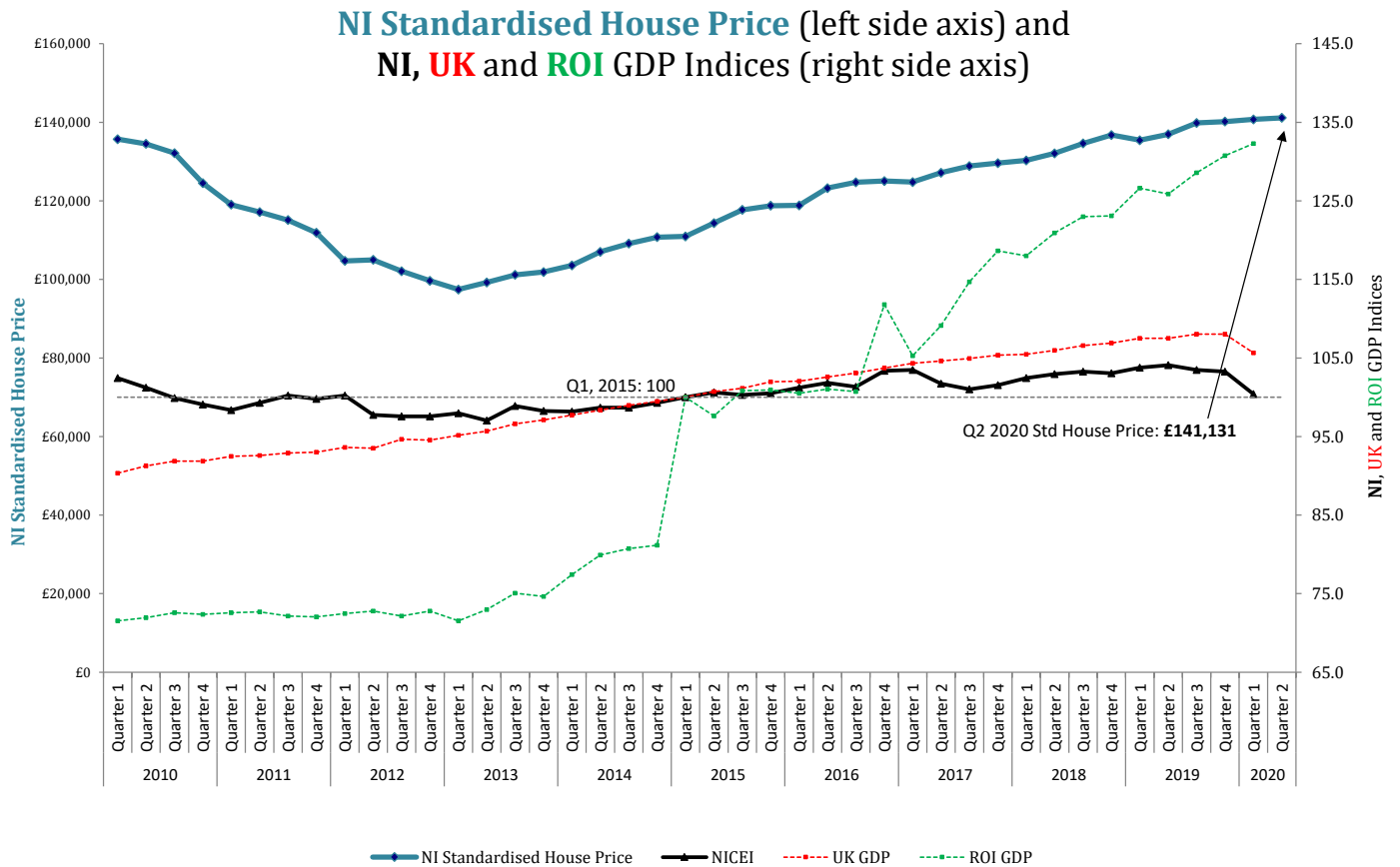
The most up-to-date official statistics on the economy and labour market are available on the Economy page of the Northern Ireland Statistics and Research Agency (NISRA) website at

<https://www.nisra.gov.uk/statistics/economy>

To set the NI HPI within this economic context, the Northern Ireland Composite Economic Index (NICEI – an experimental official statistic <https://www.nisra.gov.uk/statistics/economic-output-statistics/ni-composite-economic-index>), along with the UK and Republic of Ireland GDP indices have been presented with a graph of the NI house prices at Figure 6.1. Underneath is an economic time line showing key world, European, UK and NI events.

To illustrate the relationship between the three indices in figure 6.1 the NICEI, UK and ROI indices are referenced to Q1 2015 = 100.

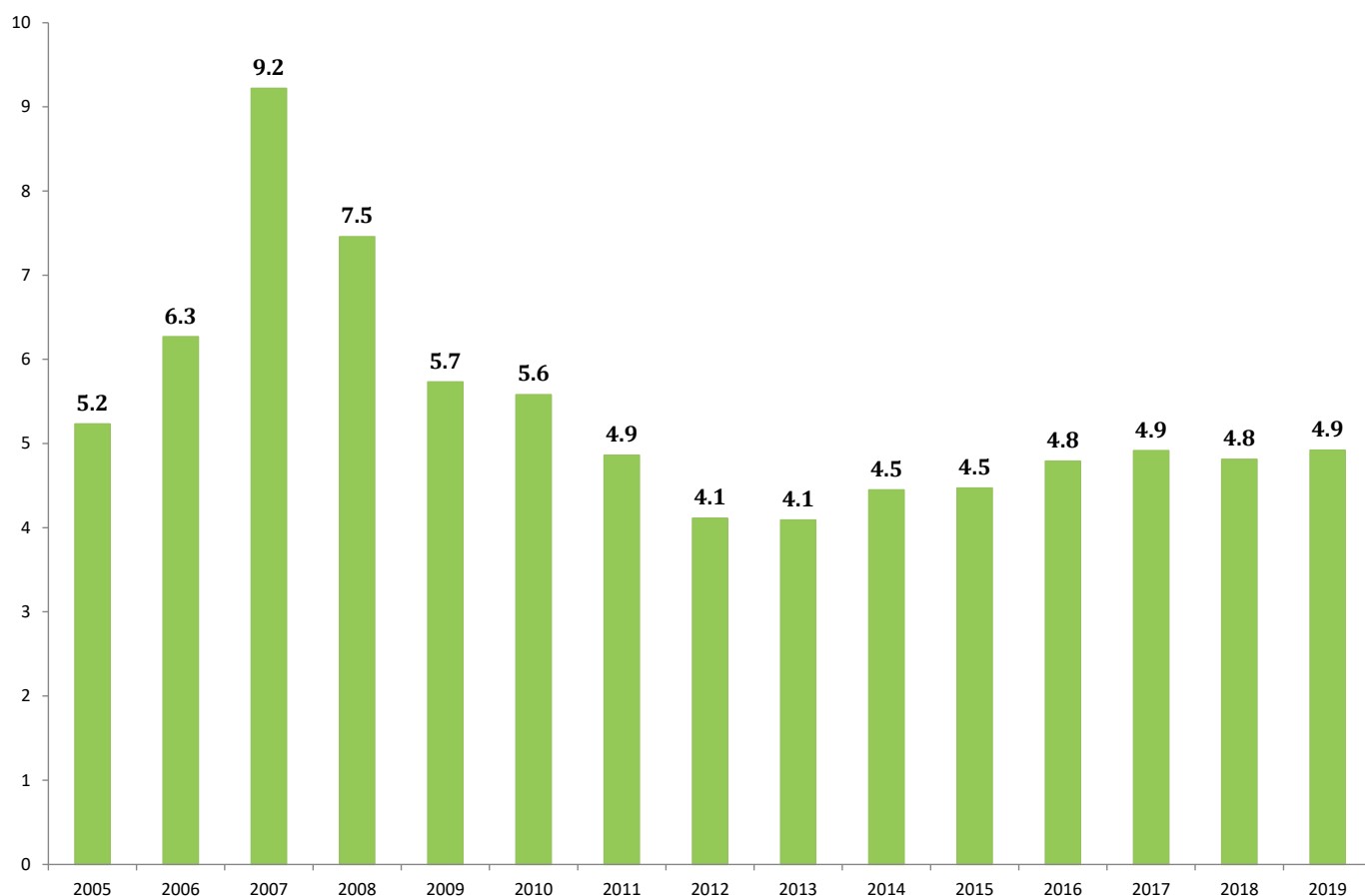
Figure 6.1: NI Standardised House Price with NICEI, UK and ROI GDP Indices



2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<p>Irish and Greek bailout agreed</p> <p>UK Spending Review outlines cuts in public spending</p> <p>NI economic activity falls every quarter during 2010</p>	<p>Portugal bailout and second Greek bailout agreed</p> <p>Bank of England injects £75bn into UK economy through quantitative easing</p> <p>NI loses 8,800 employee jobs</p> <p>NI economic activity at lowest rate since 2004</p> <p>NI employee jobs rise by almost 3,000 over the year</p> <p>NI Executive launch Economic Strategy and £200m Economy & Jobs Initiative</p>	<p>NI claimant count falls for 11 consecutive months</p> <p>Ireland exit bailout programme</p> <p>Employment in manufacturing highest growth rate in 20 years</p> <p>Highest rise in export activity since August 2007</p> <p>Construction Output still 48% below Q1 2007 peak</p>	<p>Construction employment up for first time in 5 months</p> <p>6 months of growth but pace of activity eased in Q3</p> <p>Uneven prospects across countries/regions; global growth 3.1%, EU 1.5%, Ireland 4.8%, UK 2.5%</p>	<p>Consumer squeeze with inflation outpacing wage growth</p> <p>Private sector employment at record high</p> <p>Housing starts at their highest level for 7 years</p> <p>Brexit and the border issue presents economic challenges</p>	<p>UK vote to leave the European Union</p> <p>Falls in the Euro and Dollar exchange rates boost exports</p> <p>New orders fall for first time in 15 months</p>	<p>Chancellor announces austerity is coming to an end</p> <p>NI unemployment rate increased to 4.3%, higher than UK</p> <p>NI Construction Output for 1st half of year fell by 4.5% year on year</p> <p>Brexit and border uncertainty continues to challenge business</p>	<p>PMI survey: 2019 weakest year for private sector output, orders and employment growth in 7 years</p> <p>NI Construction activity hit a 79 month low.</p> <p>NI unemployment rate fell to a record low of 2.5 per cent in Q3 2019</p> <p>Brexit uncertainty continues to negatively impact business</p>	<p>NI Executive returns after 3 years</p> <p>Jan PMI: Business confidence was highest since Apr 2018</p> <p>Covid-19 Pandemic: UK lockdown measures pause housing market 23 Mar – 15 June</p> <p>Claimant count unemployment more than doubled during Q2 2020</p>		

The graph shows how the prices from Q1 2010 have most closely aligned to the NI economic performance. ROI GDP reported a dramatic rise in Q1 2015, more details can be found at <http://www.cso.ie/en/releasesandpublications/er/na/quarterlynationalaccountsquarter12016/>

Figure 6.2: Ratio of NI Median House Sale Price to Median Annual Gross Earnings



Source: Annual Survey of Hours and Earnings, NISRA

<https://www.nisra.gov.uk/statistics/labour-market-and-social-welfare/annual-survey-hours-and-earnings>

Figure 6.2 shows the ratio of median sale price of residential properties in Northern Ireland to median annual gross earnings of all full time employees in Northern Ireland for each year between 2005 and 2019.

In 2005 median house prices were just over five times a median annual full time salary, but by 2007, at the peak of the market, prices were more than 9 times the median salary. With the downturn in the property market since 2008, the ratio fell each year until 2012. The ratio rose in 2014, 2016 and 2017 but dropped back very slightly in 2018 and increased to 2017 levels again in 2019. The median residential property sale price is now 4.9 times the median annual gross full time earnings.

The annual gross earnings figures are published annually in the autumn. The next update of ratio of earnings to house prices will be November 2020.

7. Detailed Statistics Content

An index, price series and sales volumes between Q1 2005 and Q2 2020 are available in [detailed statistics](#) for the following breakdown:

- All residential dwellings;
- Property Type (detached, terrace etc);
- Dwelling Type (new/existing resold);
- Local Government District;
- Urban and Rural Area;
- Rural Drive Times.

These statistics should be used when calculating a price change over time.

8. Annual Statistics Content

Price statistics for each calendar year 2005 – 2019 in each LGD and Electoral Ward in NI are available on the [DoF website](#), these include:

- Minimum sale price
- Lower quartile sale price
- Median sale price
- Simple Mean sale price
- Upper Quartile sale price
- Maximum sale price
- Number of verified sales

These statistics should **not** be used when calculating a price change over time.

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9. Contact Details

Users' comments or any issues relating to the statistics are particularly welcomed and encouraged. Responses should be addressed to the contact below:

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